

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**



HOUSE BILL 14-1375

BY REPRESENTATIVE(S) DelGrosso, Fischer, Hullinghorst, Labuda, Lawrence, Sonnenberg, Swalm, Vigil, Ferrandino;  
also SENATOR(S) Tochtrop and King, Crowder, Heath, Lundberg, Carroll.

CONCERNING MODIFICATIONS TO STATUTORY PROVISIONS GOVERNING URBAN REDEVELOPMENT TO PROMOTE THE EQUITABLE FINANCIAL CONTRIBUTION AMONG AFFECTED PUBLIC BODIES IN CONNECTION WITH THE TAX INCREMENT FINANCING OF URBAN REDEVELOPMENT PROJECTS.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 31-25-104, **amend** (2) (a) as follows:

**31-25-104. Urban renewal authority.** (2) (a) An authority shall consist of any ~~odd~~ number of ~~commissioners, which shall be~~ not less than five nor more than ~~eleven~~ THIRTEEN COMMISSIONERS, each of whom shall be appointed by the mayor, who shall designate the chairman for the first year; EXCEPT THAT, IN ALL CASES IN WHICH THE MUNICIPALITY IN WHICH AN AUTHORITY HAS BEEN ESTABLISHED IS NOT A CITY AND COUNTY, AND WHERE AN URBAN RENEWAL PLAN MANAGED BY THE AUTHORITY INCLUDES

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

AN ALLOCATION OF PROPERTY TAX INCREMENT GENERATED BY THE MILL LEVY IMPOSED BY THE COUNTY, AT LEAST ONE SUCH COMMISSIONER MUST BE APPOINTED BY THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY IN WHICH AN URBAN RENEWAL PROJECT UNDERTAKEN BY THE AUTHORITY IS LOCATED. THE COMMISSIONER TO BE APPOINTED BY THE BOARD OF COUNTY COMMISSIONERS PURSUANT TO THIS PARAGRAPH (a) MUST BE EITHER A MEMBER OF SUCH BOARD OR HIS OR HER DESIGNEE WHO MUST RESIDE WITHIN THE TERRITORIAL BOUNDARIES OF THE MUNICIPALITY WITHIN WHICH THE AUTHORITY HAS BEEN ESTABLISHED. Such MAYORAL appointments and designation ~~shall be~~ ARE subject to approval by the governing body. Not more than one of the commissioners may be an official of the municipality. In the event that an official of the municipality is appointed as commissioner of an authority, acceptance or retention of such appointment ~~shall not be~~ IS NOT deemed a forfeiture of his OR HER office, or incompatible therewith, or TO affect his OR HER tenure or compensation in any way. The term of office of a commissioner of an authority who is a municipal official shall not be affected or curtailed by the expiration of the term of his OR HER municipal office.

**SECTION 2.** In Colorado Revised Statutes, 31-25-107, **amend** (9) (a) introductory portion and (9) (a) (II); and **add** (9.5) as follows:

**31-25-107. Approval of urban renewal plans by local governing body.** (9) (a) Notwithstanding any law to the contrary, any urban renewal plan, as originally approved or as later modified pursuant to this part 1, may contain a provision that taxes, if any, levied after the effective date of the approval of such urban renewal plan upon taxable property in an urban renewal area each year or that municipal sales taxes collected within said area, or both such taxes, by or for the benefit of any public body ~~shall~~ MUST be divided for a period not to exceed twenty-five years after the effective date of adoption of such a provision, as follows:

(II) That portion of said property taxes or all or any portion of said sales taxes, or both, in excess of the amount of property taxes or sales taxes paid into the funds of each such public body in accordance with the requirements of subparagraph (I) of this paragraph (a) ~~shall~~ MUST be allocated to and, when collected, paid into a special fund of the authority to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the authority for

financing or refinancing, in whole or in part, an urban renewal project, or to make payments under an agreement executed pursuant to subsection (11) of this section. Any excess municipal sales tax collections not allocated pursuant to this subparagraph (II) ~~shall~~ MUST be paid into the funds of the municipality. Unless and until the total valuation for assessment of the taxable property in an urban renewal area exceeds the base valuation for assessment of the taxable property in such urban renewal area, as provided in subparagraph (I) of this paragraph (a), all of the taxes levied upon the taxable property in such urban renewal area ~~shall~~ MUST be paid into the funds of the respective public bodies. Unless and until the total municipal sales tax collections in an urban renewal area exceed the base year municipal sales tax collections in such urban renewal area, as provided in subparagraph (I) of this paragraph (a), all such sales tax collections ~~shall~~ MUST be paid into the funds of the municipality. When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property or the total municipal sales tax collections, or both, in such urban renewal area ~~shall~~ MUST be paid into the funds of the respective public bodies, AND ALL FUNDS REMAINING IN THE SPECIAL FUND ESTABLISHED PURSUANT TO THIS SUBPARAGRAPH (II) THAT ARE GENERATED BY THE IMPOSITION OF A PROPERTY TAX MILL LEVY OF A TAXING BODY OTHER THAN THE MUNICIPALITY MUST BE REPAID TO EACH PUBLIC BODY PRO RATA IN ACCORDANCE WITH THE RATIO IN WHICH THEY WERE PAID INTO THE SPECIAL FUND AND NOT PREVIOUSLY REBATED TO THE PUBLIC BODY.

(9.5) THE PERCENTAGE OF PROPERTY TAX INCREMENT REVENUES OF ANY PUBLIC BODY THAT MAY BE ALLOCATED TO THE AUTHORITY PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION SHALL NOT EXCEED THE PERCENTAGE OF MUNICIPAL SALES TAX INCREMENT REVENUES ALLOCATED TO THE AUTHORITY PURSUANT TO SAID SUBPARAGRAPH (II) UNDER THE PROVISIONS OF THE PLAN, AS ORIGINALLY APPROVED AND AS IT MAY BE LATER MODIFIED; EXCEPT THAT:

(a) THE ALLOCATION REQUIRED BY THIS SUBSECTION (9.5) MAY BE MODIFIED BY MEANS OF AN AGREEMENT WITH ANY SUCH PUBLIC BODY IN ACCORDANCE WITH SUBSECTION (11) OF THIS SECTION, BUT ANY SUCH AGREEMENT MUST PERTAIN ONLY TO THE INCREMENTAL PROPERTY TAX REVENUES GENERATED BY THE MILL LEVY OF THE PUBLIC BODY;

(b) SUBJECT TO PARAGRAPH (c) OF THIS SUBSECTION (9.5), ANY

EXEMPTIONS, REBATES, OR REPAYMENTS PAID OR TO BE PAID TO THE MUNICIPALITY MUST BE EXCLUDED IN DETERMINING THE PERCENTAGE OF MUNICIPAL SALES TAX INCREMENT REVENUE ALLOCATED TO THE AUTHORITY; AND

(c) ANY MONEYS, INFRASTRUCTURE, OR OTHER INVESTMENTS EITHER THAT THE MUNICIPALITY PAYS TO, CONTRIBUTES TO, OR INVESTS IN THE AUTHORITY FOR THE PROJECT BY THE MUNICIPALITY OR ANY PUBLIC BODY IN ADVANCE OF THE ALLOCATION OF MONEYS TO THE AUTHORITY PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION OR THAT ARE SPENT BY A PRIVATE ENTITY FOR WHICH THE MUNICIPALITY HAS AGREED IN WRITING TO REIMBURSE THE ENTITY WITH SALES TAX REVENUE COLLECTED IN THE AREA OF THE URBAN RENEWAL PROJECT MUST BE INCLUDED IN THE DETERMINATION OF THE APPLICABLE PERCENTAGES UNDER THIS SUBSECTION (9.5).

**SECTION 3. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) Section 1 of this act applies to urban renewal authorities created or modified on or after January 1, 2015, and to such authorities considering urban renewal plan amendments or modifications, including, without limitation, an addition of urban renewal projects, an alteration of urban renewal area boundaries, or an extension of an urban renewal plan or the duration of specific projects regardless of whether such changes require actual alteration of the terms of the urban renewal plan.

(3) Section 2 of this act applies to urban renewal plans adopted on or after January 1, 2015, and to amendments or modifications of such plans, including, without limitation, an addition of urban renewal projects,

an alteration of urban renewal area boundaries, or an extension of an urban renewal plan or the duration of specific projects regardless of whether such changes require actual alteration of the terms of the urban renewal plan.

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Mark Ferrandino  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Morgan Carroll  
PRESIDENT OF  
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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO