



AGENDA

Planning and Economic Development Policy Committee

February 8, 2023

8:30 am

VIRTUAL MEETING

City of Aurora

15151 E Alameda Parkway

Public Participation Dialing Instructions

Call in Number: 1(408)418-9388

Access Code: 2487 749 8238

[Click here to join the WebEx meeting](#)

This meeting will be live-streamed on the city's YouTube channel. Watch at [YouTube.com/TheAuroraChannel](https://www.youtube.com/TheAuroraChannel)

Council Member Francoise Bergan, Chair
Council Member Steve Sundberg, Vice Chair
Council Member Angela Lawson, Member

Council Goal: Be a great place to locate, expand and operate a business and provide for well-planned growth and development.

	Pages
1. Call to Order	
2. Approval of Minutes	1
January 11, 2022 Draft Subject to Approval Councilmember Bergan	
3. General Business	
3.a Monument Signs	10
Monument Signs	
Staff Source: Jeannine Rustad, Planning and Development Services Director	
Legal Source: Daniel Money, Senior Assistant City Attorney	

3.b Data Center Infrastructure Discussion

Data Center Discussion – Information only
Staff Source: Andrea Amonick, Development Services Manager/Rachel Allen,
Client Group Manager
Outside Speaker: Yuriy Gorlov, Vice President, Aurora Economic Development
Council

4. Miscellaneous Matters for Consideration

4.a Aurora Economic Development Council

NO REPORT

4.b Havana Business Improvement District

NO REPORT

4.c Aurora Chamber of Commerce

NO REPORT

4.d Planning Commission

NO REPORT

4.e Oil and Gas Committee

NO REPORT

4.f Business Advisory Board

NO REPORT

4.g Retail

NO REPORT

4.h Small Business

Marcia McGilley

4.i Visit Aurora

NO REPORT

5. Confirm Next Meeting Date

Tentatively scheduled for March 8, 2023, at 8:30 AM MT

6. Adjournment

PLANNING AND ECONOMIC DEVELOPMENT POLICY COMMITTEE MEETING

MINUTES

Date: January 11, 2023

Time: 8:30 am

Members Present Chair: Councilmember Francoise Bergan, Vice Chair: Councilmember Steve Sundberg, Councilmember Angela Lawson

Others Present Councilmember Danielle Jurinsky, Adrian Botham, Alicia Montoya, Andrea Amonick, Andrea Barnes, Becky Hogan, Bob Oliva, Brad Pierce, Brandon Cammarata, Brian Rulla, Bruce Dalton, Cathy DeWolf, Chance Horiuchi, Chris Fellows, Cindy Colip, Daniel Brotzman, Daniel Krzyzanowski, Darcy Dodd, David Schoonmaker, Debbie Bickmire, Diana Rael, Donald Rosier, Gayle Jetchick, Jenifer Orozco, Jacob Cox, Jason Batchelor, Jeannine Rustad, Jeffrey Moore, Jessica Prosser, Jose Rodriguez, Julie Patterson, Laura Perry, Leah Ramsey, Marcia McGilley, Marisa Noble, Mark Smith, Martha "Alicia" Montoya, Megan Waldschmidt, Melvin E Bush, Michael Kapoor, Michelle Gardner, Mindy Parnes, Rachel Allen, Sandra Youngman, Scott Berg, Stephen Rodriguez, Steven Durian, Tim D'Angelo, Tod Kuntzelman, Yuriy Gorlov

1. CALL TO ORDER

2. APPROVAL OF DECEMBER 7, 2022, DRAFT MINUTES–COUNCIL MEMBER JURINSKY

2.a. The minutes were approved.

3. GENERAL BUSINESS

3.a. Development Review Update

Summary of Issue and Discussion:

Laura Perry, Deputy City Manager

Draft – Subject to Approval

Laura Perry and Cindy Colip presented this item. As an overview of the Red Tape Recommendation progress, the Red Tape Recommendations were already finalized with City Departments continuing to make progress in implementing recommendations, improving the city's overall performance in the Development Review Process.

For the first Management and Leadership Oversight, they continued to hold Development Review Governance Committee, which is an internal committee of city management and key department leaders to review and discuss progress on the red tape recommendations. Citywide process improvements on development review will continue into 2023 for culture and customer service, a big focal point for Aurora. They will be instituting quarterly multi department all staff meetings with development review personnel to provide ideas, sharing training and information to better build bridges across every department that touches development review. A citywide customer service training in 2023 will be provided which has already begun with the Public Works Department and have been working through each team within that department, all in the framework of building a culture of performance across the organization. Regular monthly performance metric is reported where department directors and leaders shared and reviewed those performance metrics with staff.

For Public Works in particular, a reorganization was instituted within the last several months with an intentional change initiative over the last couple of months. Various phases of reviewing staff roles and responsibilities, looking at customer service, standardizing plan review processes across all workgroup workgroups with the goal of improving review times and predictability for our staff and our customers was instituted.

Cindy Colip introduced Steve Durian, the new Deputy Director of the Development Review Division. A Deputy Director of the Development Review Division was essentially committed to consolidate and improve customer service to the development community and the customers.

Steve Durian was formerly from Jackson County, where he was overseeing the lot of the public works functions including transportation and support of development review in the Planning and Development Services Department in that county. He was also the chair of the Dr. COG Transportation Advisory Committee, which relates transportation to land use region wide. Prior to that, he had worked at Prime West Development and support of development on the private sector side as a project manager there. Part of his goals working for Aurora in 2023 is to work closely with the building division and the traditional public works functions. They have started creating of performance and customer service at the core, improving predictability and consistency for plan reviews and approvals within the Public Works Group, enhancing customer service through improved communication and solution-oriented collaboration with the customers. They also are identifying and

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implementing solutions to streamline and standardize the plan review process while providing employees the tools and training that they need to be successful.

Laura Perry wrapped it up with last two areas of the presentation. Process Improvements and Technology was included. They have teams that are actively working on this over the next couple of months, updating some of the technology to facilitate better plan review and submittals. They will also be revamping their website to make sure that there is a one stop shop for tools and documents and information that the development community needs with sufficient links to other areas of the organization that have access to development review. The last area would be Process Documentation, Teaching and Training. Planning has engaged a consultant to review processes and practices, including opportunities for reducing permit processing times and any unnecessary and duplicative steps in the permitting process.

Laura Perry discussed that there will be quarterly plan updates for the year 2023. Quarter 1 will be on April, Quarter 2 on August, Quarter 3 on October, and then Quarter 4 on January 2024.

Positive feedbacks on the improvements are seen on a smaller scale. Larger improvements will take time, but they are working expeditiously through that.

One of the reorganizational tactics they took was to divide up the duties in traditional public works, which is roadways and more surface improvements from what Aurora Water oversees. Aurora Water will have a separate but parallel development review process that would include utilities, drainage, all the other subsurface and storm drainage quality kind of improvements.

Jason Batchelor further discussed that Steve Durian's role will help within public works to make sure that traffic and real property and engineering and the roadways are working. This will then give one consistent answer, one consistent set of standards. On a micro scale, there will be split responsibilities within the department and assigning one set of responsibilities.

Roadway manual was updated last 2016 and draft standards were worked on in the interim. The plan involves the phase one, which will address many of the issues that the development community has expressed concern on such as street light standards. Details related to ADA and FHWA will be brought to the February Focus group to be approved in February. Cindy Colip added that as part of the reorganization, city engineer will be focused on moving forward on the manuals.

Councilmember Francoise Bergan expressed her concerns on the drainage issues in southeast Aurora. The elimination of the requirement for tree lawns with developers did not occur in code and asked for standards for tree lawns. Cindy discussed that tree lines are not required as per the current information from Aurora Water including some cobbles and zero scape options. Jason further discussed that there

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will be new standards on the water conservation standpoint. Jeannine Rustad and Jason Batchelor stated that they will bring an update on that.

Outcome:

Information Only.

Follow-up Action:

None required.

3.b. PED 2022 Recap**Summary of Issue and Discussion:**

Jeannine Rustad, Planning and Development Services Director

Jeannine Rustad presented this item. The Planning and Economic Development (PED) Recap started with the three Unified Development Ordinance (UDO) amendments: (1) Multi-family Building Length. The 150-250 feet multi-family building length was increased to 600 feet. (2) Data Centers in APZ, which is a very restricted zone. (3) UDO amendment to eliminate the permit requirements and time limitations for pennant and streamer signs at the request of Councilmember Zvonek.

There are also two resolutions passed out of this committee: (1) Transfer of Title for an Existing Ozone Medical Waste Processing Facility, which would continue the facility's operations with a new owner. And (2) Enhanced Design Guidelines for Installation of Chase Drains as Part of New Development in Aurora at the request of Chair Bergan.

Three projects were also initiated or in the process of being initiated: (1) Business Advisory Board, where they asked for a request for a Study of a Large Performing Arts Venue. This study was approved to do a two-phased approach. The first phase will be figuring out working with the community, what that venue should look like and what the community can support. Phase two is where to build it and how to fund it. (2) Northeast Aurora Fiscal Impact Analysis, which is to potentially expand the growth area and have the analysis complete will be going to study session on January 23rd. Lastly, (3) Economic Development Strategy. This project will be going forward to the winter workshop on February 4th.

The Development Review Process and Red Tape was also discussed. The Planning and Development Services Department is excited to work with the new Deputy Director, Steve Durian, to get that common face between public works, planning and economic development and water to the development community. As for the Development Services Presentations and Updates, ICSC was live with a smaller version. SBDC continues to be extraordinarily active as they launched the Business Boost program, which was in partnership with Community College of Aurora and

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Arapahoe Douglas Works. The SBDC offered eight modules in both English and Spanish to help small business owners build the skills that they need to be successful. Finally, 2022 ended with a computer giveaway, and then there was the 15th annual Veteran Small Business Conference which will go live in 2023. With regard to retail, the council updated the Redevelopment Retail Policy and approved the first incentive at its January 9th meeting.

There were five planning presentations that will overlap with TAPS. Jeannine Rustad stated that they will update future presentations. Last month, Who is Aurora presentation gave the picture of who Aurora is today, where to anticipate being in the next 20 years.

Jeannine's presentation ended with potential presentations for the coming year. Annual Reports will be targeted for March, as well as the quarterly process improvement updates. Retail will have a busy year ahead. Next month, Data Centers as infrastructures will be expected. At the request of Councilmember Jurinsky, billboards monument signs will be overviewed and heard from the provider. Office Market Statistics Update will also be expected because office has changed in the past year. Lastly, the UDO amendments coming out of the Red Tape Committee.

Councilmember Angela Lawson requested to include the future of development and growth as well as the grid which was what she was very concerned about with transportation in the conversation of PED meeting. Jeannine Rustad confirmed that one of the big projects in partnership with Planning and Economic Development and Public Works is a Multimodal Transportation System Plan.

Councilmember Angela Lawson expressed concerns on the many complaints she heard from the five businesses regarding the time frame to get the business grant as it got delayed. She wanted to have updates on why it has taken so long for businesses to get these grants who applied in July. Andrea Amonick gave a brief update on this. There were over 300 applications that came in and found out problems as they review each individual one, such as information submitted needed to be updated by the grantee for verification of funds. They have already given out \$1,500,000 of the \$3 million that's been allocated. Another problem was tax returns were not signed.

- Councilmember Angela Lawson suggested to send out survey to these businesses to collect issues that they had with the process to make the process more efficient, get more information from these businesses, and some pros and cons and challenges that they had.
- Chair Bergan suggested to have a separate meeting on the suggestion. Andrea Amonick stated that she will send an email on the schedule for the meeting.
- Chair Bergan suggested to have an in-person in April and later in the year. Councilmember Sundberg and Lawson agreed to this.

Outcome:

Information Only.

Follow-up Action:

None required.

3.c. Top Code Enforcement Violations for Aurora Businesses

Summary of Issue and Discussion:

Sandra Youngman, Code Enforcement Manager

Sandra Youngman presented this item. She presented the top 10 code violations, breakdown of the abatement costs, and examples of enforcement violations.

The top 10 violations include:

- Weeds, Trash and Debris
- Graffiti
- Outdoor Storage
- Unlawful vehicles
- Site plan enforcement such as parking lot stripping, handicap signage, trash enclosures
- Parking surfaces maintenance
- Signs such as the requirements, square footage, and time frame allowed by the UDO
- Landscaping maintenance
- Fences
- Snow removal.

For the breakdown of Abatement Costs, from 2018-2019, there were 41 abatements in 2018 with \$19,336. In 2019, 51 abatements amounting to \$39,228. In 2020, 88 abatements with \$64,736. In 2021, 57 abatements with \$45,500. And in 2022, 35 abatements, year to date was in November, with \$31,000. The cost averaged between \$700 to \$800 per business which includes abatement fees that are attached to those, and the abatements centered around mowing weeds, trash and debris removal. Sandra then presented some pictures and examples of the enforcement violations. She also noted that the Ordinance required no more than 50% windows signage per windowpane.

Chair Bergan asked if the person responsible for the graffiti violation will be required to do community service and the kind of notice given, and Sandra Youngman clarified that the person will be issued a summon and would have to go to the court and would process it through the court system. Sandra stated that there are different notices depending on the violation varying from 10-day notice, 30-day, 45-day, or 60-day notice.

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Councilmember Danielle Jurinsky expressed her concerns on the presentation. She initially asked for every single code violation that would affect businesses in addition to the top 10 discussed. Councilmember Jurinsky asked for clarification on the difference between business owner and a property owner as a similar situation was received by Councilmember Jurinsky where they received notice of violations on the property owners. Councilmember Jurinsky stated that there needs to be change on the enforcement violations and how to address these with the businesses. She expressed her issue with some of the slides presented by Sandra Youngman as she thought some of these enforcement violations were mistreating the businesses in Aurora. She stated that they need to rethink on the signage enforcement as small businesses rely on windows signage, banners, posters to advertise their own business. Sandra Youngman further clarified that businesses do not need to apply for a permit to put up banners and the time requirement for this would be 90 days where they can have six different events for banners up to six and nine days or they also have the option to do the whole entire time at one-time frame.

Sandra Youngman stated that they contact the business owner and talk about the notice and letting them know the amount of time to comply with the UDO. Jessica Prosser added that they try to be empathetic with owners and they try to offer suggestions. Private properties are handled by the code enforcement while abatement enforcement for the public properties. Graffiti team handles graffiti on private properties but nothing for the businesses and this must be looked at as well.

Councilmember Lawson suggested on bringing up Councilmember Jurinsky’s concern to the upcoming workshop.

Outcome:
Information Only.

Follow-up Action:
None required.

4. MISCELLANEOUS MATTERS FOR CONSIDERATION

4. a. Aurora Economic Development Council

- Yuri Gorlov
- NO REPORT

4.b. Havana Business Improvement District

- Chance Horiuchi

Draft – Subject to Approval

Everyone is welcome to attend the New Year Networking Event on January 25th, Wednesday, 3 p.m. to 5 p.m. Maria del Rey Dos.

4.c. Aurora Chamber of Commerce

- Kevin Hougen:
NO REPORT

4.d. Planning Commission

- Melvin Bush
NO REPORT

4.e. Oil and Gas Committee

- Brad Pierce:

Activities from the previous quarter are summarized at the end of every quarter.

4.f. Business Advisory Board

- Garrett Walls
NO REPORT

4.g. Retail

- Bob Oliva
NO REPORT

4.h. Small Business

- Marcia McGilley

Small Business Center partnered with Human-IT or Humanity and Visa to do a digital empowerment program. It was geared for small businesses and entrepreneurs and adult learners. 92 refurbished Chromebooks laptops were given and were able to offer those to clients who have had SBDC consulting and done some of the adult learning webinars or workshops. Of the 92, they have already allocated 62 individuals. If they won't be able to come by Friday, it will be offered to the next group of clients next week.

4.i. Visit Aurora

- Bruce Dalton
NO REPORT

5. CONFIRM NEXT MEETING DATE

Scheduled for February 8, 2023, at 8:30 AM MT.

6. ADJOURNMENT

APPROVED: _____
Francoise Bergan, Committee Chair



CITY OF AURORA

Council Agenda Commentary

Item Title: Monument Signs
Item Initiator: Jeannine Rustad, Planning and Development Services Director
Staff Source/Legal Source: Daniel Money, Senior Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 5.0--Be a great place to locate, expand and operate a business and provide for well-planned growth and development

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ITEM DETAILS *(Click in highlighted area below bullet point list to enter applicable information.)*

- Monument Signs
- Jeannine Rustad, Planning and Development Services Director
- Outside Presenters: Steve Cecil (Real Estate Manager / Market Manager for Lamar); Brent Window (Senior Vice President/Territory Manager)
- Estimated Presentation/Discussion Time: 30 Minutes

Determination whether the committee wants to move forward with examining allowing billboards within the city.

Council Sponsor: Daniel Jurinsky

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- | | |
|---|--|
| <input type="checkbox"/> Approve Item and Move Forward to Study Session | <input type="checkbox"/> Approve Item as proposed at Study Session |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input checked="" type="checkbox"/> Information Only | |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- | | |
|--|--|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
|--|--|

Forwarded Without Recommendation

Recommendation Report Attached

Minutes Attached

Minutes Not Available

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

The Wall Group/Lamar Central Outdoor, LLC have asked to present a concept of digital billboards to be located on city parks, public right of way and other properties.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

The signs proposed for city property are, essentially, digital billboards. Staff from Planning & Development Services, Public Works and legal have met and identified issues that will need to be addressed should PED want to advance the concept, as proposed. Such issues include:

- Right of way constraints
 - From meeting with Lamar: None of the potential sites are in ROW
- Contracting – Licensing Agreement
 - While Lamar’s style of sign is proprietary, it is, in essence, a billboard and other outdoor promotion providers offer such products and would want the same access. This situation could result in the requirement for an RFP process.
- Zoning and sign restrictions
 - Billboards/digital signs are restricted in the city. Need to see impact citywide if we allow on city property.
 - There is no distinction between a digital and a standard billboard, so both would be allowed if the restriction is removed.
- Constitutional issues on restricting messages on the signs.
 - If the city does not have complete editorial control of the signs, which their proposal does not contemplate, we would have to allow others to advertise—even those with inappropriate and undesirable content.
 - From meeting with Lamar – city would have full control over content. Need to see license agreement for details.
- Display of objectionable content without means to remove.
 - From meeting with Lamar – city can terminate license agreement at any time. Lamar would need to recoup costs.

FISCAL IMPACT

Select all that apply. (If no fiscal impact, click that box and skip to “Questions for Council”)

- Revenue Impact
 Budgeted Expenditure Impact
 Non-Budgeted Expenditure Impact
 Workload Impact
 No Fiscal Impact

REVENUE IMPACT

Provide the revenue impact or N/A if no impact. (What is the estimated impact on revenue? What funds would be impacted? Provide additional detail as necessary.)

N/A

BUDGETED EXPENDITURE IMPACT

Provide the budgeted expenditure impact or N/A if no impact. (List Org/Account # and fund. What is the amount of budget to be used? Does this shift existing budget away from existing programs/services? Provide additional detail as necessary.)

N/A

NON-BUDGETED EXPENDITURE IMPACT

Provide the non-budgeted expenditure impact or N/A if no impact. (Provide information on non-budgeted costs. Include Personal Services, Supplies and Services, Interfund Charges, and Capital needs. Provide additional detail as necessary.)

Impact is yet to be determine. Positive impact could be lease of city land. Other impacts could be staff time to update codes and implement. If the committee choses to move forward, full fiscal impact will be determined.

WORKLOAD IMPACT

Provide the workload impact or N/A if no impact. (Will more staff be needed or is the change absorbable? If new FTE(s) are needed, provide numbers and types of positions, and a duty summary. Provide additional detail as necessary.)

N/A

QUESTIONS FOR COUNCIL

Does the city want to consider exploring allowing billboards in the city?

LEGAL COMMENTS

The City Manager shall be responsible to the Council for the proper administration of all affairs of the City placed in his charge and, to that end, shall have the power and duty to make written or verbal reports at any time concerning the affairs of the City under his supervision upon request of the Council. (City Charter § 7-4(e)) (Money)



CITY OF AURORA

Council Agenda Commentary

Item Title: Data Center Infrastructure Discussion
Item Initiator: Andrea Amonick, Development Services Manager
Staff Source/Legal Source: Andrea Amonick, Development Services Manager/Rachel Allen, Client Group Manager
Outside Speaker: Yuriy Gorlov, Vice Presentent, Aurora Economic Development Council
Council Goal: 2012: 5.3--Aggressively pursue primary job attraction, retention and expansion

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ITEM DETAILS *(Click in highlighted area below bullet point list to enter applicable information.)*

Data Center Discussion – Information only
Staff Source: Andrea Amonick, Development Services Manager/Rachel Allen, Client Group Manager
Outside Speaker: Yuriy Gorlov, Vice Presentent, Aurora Economic Development Council

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
 - Approve Item as proposed at Study Session
 - Approve Item and Move Forward to Regular Meeting
 - Approve Item as proposed at Regular Meeting
 - Information Only
 - Approve Item with Waiver of Reconsideration
- Reason for waiver is described in the Item Details field.

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Planning & Economic Development

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
- Does Not Recommend Approval
- Forwarded Without Recommendation
- Recommendation Report Attached
- Minutes Attached
- Minutes Not Available

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

In 2020, City Council approved policy guidelines for a data center incentive program which stemmed from a study session in 2019. In 2022, council approved an amendment to the UDO to accommodate

their use in more zoning categories. During all this time, the Aurora Economic Development Council has marketed Aurora to the industry and has subsequently attracted several projects.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

This presentation will provide a brief overview of existing and future projects while focusing on addressing information critical to understanding how data centers function as economic anchors/engines/magnets and are now seen more like infrastructure. Since this targeted industry is becoming a larger part of our city’s fabric, we believe it is prudent to examine the type of tax revenues, economic impact, land and water use, and ancillary development opportunities associated with its growth, and what supporting these facilities and operations entails, as well as how these centers support target industries for the city.

FISCAL IMPACT

Select all that apply. (If no fiscal impact, click that box and skip to “Questions for Council”)

- Revenue Impact Budgeted Expenditure Impact Non-Budgeted Expenditure Impact
 Workload Impact No Fiscal Impact

REVENUE IMPACT

Provide the revenue impact or N/A if no impact. (What is the estimated impact on revenue? What funds would be impacted? Provide additional detail as necessary.)

This item is for information and discussion purposes only but future policy decisions regarding the item may impact revenues, expenditures and staff workload.

BUDGETED EXPENDITURE IMPACT

Provide the budgeted expenditure impact or N/A if no impact. (List Org/Account # and fund. What is the amount of budget to be used? Does this shift existing budget away from existing programs/services? Provide additional detail as necessary.)

This item is for information and discussion purposes only but future policy decisions regarding the item may impact revenues, expenditures and staff workload.

NON-BUDGETED EXPENDITURE IMPACT

Provide the non-budgeted expenditure impact or N/A if no impact. (Provide information on non-budgeted costs. Include Personal Services, Supplies and Services, Interfund Charges, and Capital needs. Provide additional detail as necessary.)

N/A at this time

WORKLOAD IMPACT

Provide the workload impact or N/A if no impact. (Will more staff be needed or is the change absorbable? If new FTE(s) are needed, provide numbers and types of positions, and a duty summary. Provide additional detail as necessary.)

This item is for information and discussion purposes only but future policy decisions regarding the item may impact revenues, expenditures and staff workload.

QUESTIONS FOR COUNCIL

Does the Policy Committee wish to move this discussion forward to study session?

LEGAL COMMENTS

The city council finds and declares that the health, safety, and welfare of the people of the city are dependent upon the attraction of new private enterprise as well as the expansion and redevelopment of existing private enterprise; that incentives are often necessary in order to attract new private enterprise and to encourage existing private enterprises to redevelop or expand; that providing incentives will stimulate economic development in the city and will result in the creation and maintenance of new jobs; and that the public purpose to be served by providing incentives outweighs any individual interests incidentally served thereby. (City Code Sec. 130-297) (Allen)



> City Council Meeting > Agenda Items > Data Centers - Economic Impact & Incentives

Agenda Items : Data Centers - Economic Impact & Incentives

New Item |
 Edit Item |
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Short Title	Data Centers - Economic Impact & Incentives
Agenda Item Status	In Review
Meeting	09-16-2019 - Study Session
Draft Commentary	
Commentary Document	
Agenda Item Full Title	Data Centers - Economic Impact & Incentives
Council Goal	2012: 5.3--Aggressively pursue primary job attraction, retention and expansion
Department	Development Services
Agenda Item Initiator	Amonick, Andrea - Development Svcs/Aura Mgr - Planning & Development Service
Staff Source and Title	Amonick, Andrea - Development Svcs/Aura Mgr - Planning & Development Service
Outside Speaker	Yuriy Gorlov, Vice President Aurora Economic Development Council
Item and Committee History Narrative	<p>Data centers present a unique opportunity to satisfy the city's economic development priorities to create jobs and increase the tax base. At city council's instruction, AEDC staff has been working with site selectors and the private sector to develop such facilities. This type of facility supports the growth of every targeted industry doing business in Aurora and the Metro area. Data storage and processing needs are stronger than ever, with a variety of end users requiring more space to satisfy customer needs and consumer behavior. Generally, Colorado ranks well when climate, natural disasters, fiber backbone, power capacity, and business regulations are accounted for.</p> <p>The State does not provide incentives for data centers which causes Aurora's offers to be disregarded early in the process. Aurora is also eliminated from contention when companies consider where to locate because we lack a formal incentive policy. A handful of other markets have been successfully recruiting data centers due to having some form of incentive programs in place.</p> <p>Discussions with the private sector revealed that attraction efforts could be more successful with these businesses if the City had a written incentive policy that the site selectors could refer to in their searches.</p>
Agenda Item Summary	<p>In order to attract more data center operations to the city, AEDC is recommending the implementation of a specific incentive policy. Other markets offer automatic incentives to users. Our local electricity provider is now working on a special rate. Adams and Arapahoe Counties will also participate.</p>
Formal Action Needed	Yes
Presentation Time	0
Discussion Time	0
Questions for Council	Does the Aurora City Council wish to consider a formal Data Center Incentive Policy?

DATA CENTER INCENTIVE PROGRAM: POLICY GUIDELINES

(September 16, 2019)

PURPOSE: To attract more data centers, which generate additional employment and significant tax revenue (property, use and sales), enhancing the city's economic vitality. This type of facility supports the growth of every targeted industry doing business in Aurora and the Metro area. Data storage and processing needs are stronger than ever, with a variety of end users requiring more space to satisfy customer needs and consumer behavior. Generally, Colorado ranks well when climate, natural disasters, fiber backbone, power capacity, and business regulations are accounted for. However, all else being equal, Aurora is eliminated from contention when companies consider where to locate because we lack a formal incentive policy. A handful of other markets have been successfully recruiting data centers due to having some form of incentive programs in place.

ELIGIBLE PROJECTS: The Aurora Economic Development Council (AEDC) will not recommend a project receive incentives if need is not proven. Qualifying a business for incentives will depend on several additional factors: meeting city council goals of job creation, increasing the tax base, providing sufficient capital investment to offset services provided, if the company is a primary employer, providing wages to employees of the facility that are greater than the average, whether alternate sites outside the city/state are being evaluated.

Explicit Criteria include:

- Minimum jobs created – 10
- Minimum average wages – 130% of the county
- Minimum capital investment – \$100,000,000

ASSISTANCE: The following thresholds must be met for approval of sales/use tax rebates:

- 25% rebate, expenditures total \$100MM (3 Mega Watts);
- 50% rebate, expenditures total \$200MM (4 Mega Watts);
- 75% rebate, expenditures total \$300MM+ (5 Mega Watts)

PERFORMANCE STANDARDS: Any awarded incentives will always be based on performance. The company must be in its due diligence phase. Incentives will be provided at the sole discretion of the City Council, and subject to approval at a public meeting. Annual compliance reports will be required before disbursement of funds, to ensure thresholds are met. Businesses not fulfilling terms of an agreement will be subject to penalties. AEDC will seek approval of similar incentives from Adams and Arapahoe Counties, for \$1: \$1 matching commitments. Xcel Energy offers an 'economic development rate' to large users. Federal Opportunity Zone and Foreign Trade Zone programs do not matter.