

City of Littleton Economic Plan 2013

Table of Contents

Economic Plan – City of Littleton

Forward	Page 2-4
Introduction	Page 5-6
Overview	Page 7
Assets, Priorities & Opportunities	Page 8
Assets	Page 9
Immediate Priorities	Pages 10-11
Medium to Long-Term Priorities	Pages 12-15
Opportunities	Pages 16-18
Conclusion	Page 19
Ten Principles for a High-Performing Economy	Pages 20-21
Council Goals	Pages 22-23
Addendum 1	Page 24
Definitions	
Addendum 2	Page 25
Revenue Changes – Estimated Annual Benefit	
Addendum 3	Page 26
Economic and Community Improvements to Date	

Forward

Beginning in 2012, a group of highly respected and accomplished professionals agreed to help the City of Littleton develop an economic plan that would preserve the existing character of the community while thoughtfully and strategically moving forward in a process that ensures economic vitality and sustainability. This group is known as the “**Think Tank Advisors.**” Their contributions are greatly appreciated.

Think Tank Advisors



Tom Wootten

Executive Managing Director, Global Corporate Services
Newmark Grubb Knight Frank

Mr. Wootten has advised investors, developers, and Fortune 500 companies on billions of dollars in real estate investments. He has personally directed scores of investment activities including strategy formation; acquisition, disposition, and joint venture negotiations; oversight of complex real estate assets in a fiduciary context; investment analysis and development advisory work on large infill development projects; loan workouts; real estate investment banking; and asset monetization strategies.

Mr. Wootten’s clients have included: Hewlett Packard Corporation, Whirlpool Corporation, Bank of America, Waste Management, Merrill Lynch Trust, URS, Liberty Global Inc., various municipalities, and many others.

Prior to joining Newmark Grubb Knight Frank and its predecessor companies, Mr. Wootten directed the domestic real estate portfolio for MediaOne Group/AT&T Broadband, and earlier for StorageTek’s global real estate portfolio. Throughout his career, Mr. Wootten has worked across the United States, Europe, and Asia/Pacific on all real estate asset types.

Mr. Wootten holds a bachelor’s degree from Yale College and a master’s degree (Beta Gamma Sigma and Sigma Lambda Chi) in real estate and construction management from the Burns School of Real Estate at the University of Denver’s Daniels College of Business. Mr. Wootten has been awarded honors as Top Rated Faculty for NACORE, has been an adjunct professor to the University of Colorado-Denver Graduate School of Planning and Urban Design teaching real estate finance and development, has lectured at the Brigham Young Law School on real estate finance development, and has lectured to numerous trade groups on real estate investment, development, and real estate economic forecasting. Mr. Wootten recently participated on the Open Space Task Force for the City of Littleton, Colorado.

Specialties

Corporate real estate strategy, asset recovery and asset monetization, real estate investment banking, transaction negotiation, development strategy, land planning and development viability analysis, and real estate investment strategy/oversight.



Sarah Rockwell

Partner

Kaplan Kirsch & Rockwell

Ms. Rockwell’s practice emphasizes land use, real estate and public sector negotiations. Having practiced in both Colorado and California, Ms. Rockwell has represented both public and private sector clients in land use, real estate and municipal law issues associated with complex, small and large-scale development projects; including transit oriented development projects, airports, and residential, industrial and commercial development projects.

Ms. Rockwell currently advises clients on real estate and land use issues associated with transit oriented development projects. She has advised the redeveloper of the former Stapleton International Airport in Denver on land use, real estate and environmental issues associated with one of the largest urban redevelopment projects in the country. She has prepared, negotiated and implemented agreements related to a variety of public/private sector development projects. She has advised the developer chosen to redevelop Denver’s Union Station site. She also has advised several airport clients on land use compatibility issues associated with land adjacent to the airports and has counseled both public and private entities on the preparation of habitat conservation plans under the federal Endangered Species Act and other endangered species issues. She also has advised clients in real estate transactions involving Brownfields properties.

Think Tank Advisors



Chuck J. Perry

Managing Partner

Perry Rose LLC

Mr. Perry is recognized as an authority in community based planning and mixed-use, mixed-income real estate development. He has an extensive background in creating visions for new sustainable communities, developing catalytic projects to transform housing and commercial markets, and overseeing the financing necessary to project implementation. As managing partner of Perry Rose in Denver, he directed the development of the award winning Highlands' Garden Village (HGV), leading the HGV team from concept, to entitlements, financing, design, construction and ongoing property management. The HGV PUD written by Mr. Perry, served as a model for Denver's mixed-use zoning code. Other recent projects include revitalization plans and financial feasibility analysis for the Denver Housing Authority's South Lincoln Redevelopment (SoLi) and the Seattle Housing Authority's Yesler Terrace. In 2011, HUD awarded Soli a \$10M HOPE VI Grant and awarded Yesler a \$10M Choice Neighborhoods Grant.

In 2012, Mr. Perry began the redevelopment of Aria Denver, a 17-acre mixed-use, mixed-income development focusing on affordable housing with NSP funds and urban agriculture. In 2008, Mr. Perry managed the planning process and financial feasibility analysis to create a master plan for the 12-acre Peak One parcel in the Town of Frisco, CO. The site was rezoned and is being developed into an affordable housing community. Mr. Perry also developed the master plan and PUD for the mixed-use, mixed-income redevelopment of the vacated Carbondale, CO downtown elementary school site. He is also a partner in Rose Companies Management (RCM) under which he participates in the acquisition, financing, management, and disposition of market rate and affordable apartments and commercial properties. As a principal in RCM he oversees the management and leasing of the Denver Dry Goods Building, the Trocadero Apartments, the Cottage Hill Senior Apartments and HGV Green Commons, which include over 250 housing units and 225,000 square feet of retail and office.



Andrew Hancock

President

FirstBank of Littleton

Mr. Hancock began his career with FirstBank in 1985 at the Vail location. He became president of FirstBank of Breckenridge in 1997 and took over as president of the Littleton market in 1998. He is presently a member of the Credit Policy Committee for First Bank and is Chairman of its loan committee. The Littleton market has assets in excess of \$450 million and annual loan production in excess of \$75 million.

Currently, Mr. Hancock serves on the boards of the Littleton Housing Authority (Committee Chair), Arapahoe Community College, Hudson Gardens and Littleton Public Schools Foundation (Treasurer). He is also a member of the American Bankers Council of Community Banks.

As Colorado's largest locally-owned banking organization, FirstBank has been providing full service banking for nearly 50 years. Since its first bank charter was granted in 1963, the bank has grown into a \$10 billion organization with over 130 locations and more than 2,000 employees in Colorado, Arizona, and California. FirstBank is one of the premier investors in Colorado based real estate secured loans and bonds. In addition, FirstBank is a strong supporter of its local communities and in the last ten years has contributed well over \$30 million to charitable organizations and countless hours of community service.

Jessica Ferrufino Alizadeh

President

Ferrucom Communications, LLC

No biographical information was provided.

Staff Advisors

Denise Stephens, Economic Development Director
Dennis Swain, Principal Planner
Glen Van Nimwegen, Community Development Director
Mike Braaten, Deputy City Manager
Kelli Narde, Director of Communications

Approval of the Economic Plan will allow, as defined in this document, staff access to the tools available to local government and provide guidelines to address the “Priorities” and “Opportunities” identified by residents, business owners and City Council. Specific actions such as the use of incentives or the reformation of the Urban Renewal Authority will be presented to City Council for consideration. This plan accompanies the successful programs already in place that include the nationally and internationally recognized business resources and services provided by the Economic Development Department, interdepartmental cooperation and excellent service delivery from all city employees. All projects, actions and outcomes will be properly analyzed and measured.

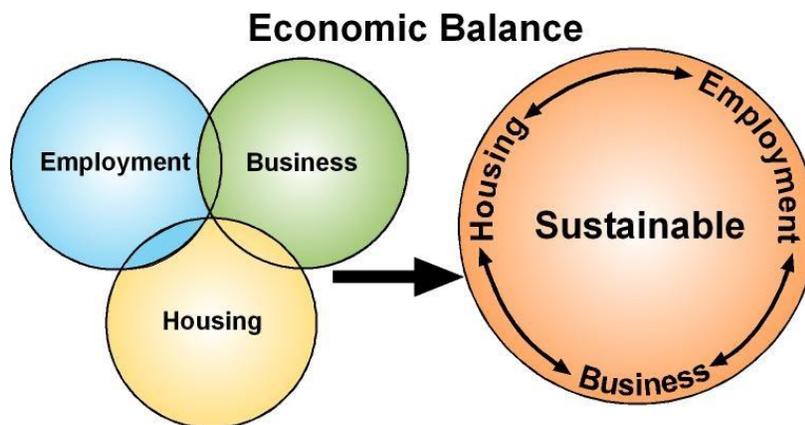
Economic Plan

Introduction

Littleton is a city with many assets. It is a great community in which to live, work and play. It possesses an attractive hometown feeling, an extensive system of parks and interconnected trails, a historic Main Street, light rail access and superior public schools. These attributes are a strong foundation on which to build ongoing economic vitality and a proactive plan for strategic development. Other states and neighboring communities have outlined plans and identified tools that help attract and retain businesses and guide the development of vacant land, underutilized corridors, infill improvements, and the revitalization of residential areas. To remain competitive, Littleton must do more.

The city has improved in many ways, but these improvements have occurred without an updated Comprehensive Plan, an Economic Plan or strategic proactive engagement. Development has “happened” in Littleton instead of being thoughtfully directed. Now is the time for the city council to continue its lead in this process; to serve as the moral compass for the community and to encourage a bright future for Littleton.

Sustainable economic vitality occurs when a plan considers the impact on business, employment and housing. The goal must be to view the fundamental components of a community holistically and plan for each part understanding its impact on the entire system.



A successful Economic Plan should drill down on how various elements influence business, employment and housing and create a vibrant, attractive community. These key elements include:

Business – retention and attraction

Employment opportunities – residents and non-residents

Public transportation – access and ease of use

Traffic flow – easy access to all parts of the city

Community services – street maintenance, police, fire, planning and zoning, health facilities, programs for challenged populations

Education – K-12, higher education, trade schools

Housing – adequate and affordable single-family and multi-family units for a diverse population, senior housing options

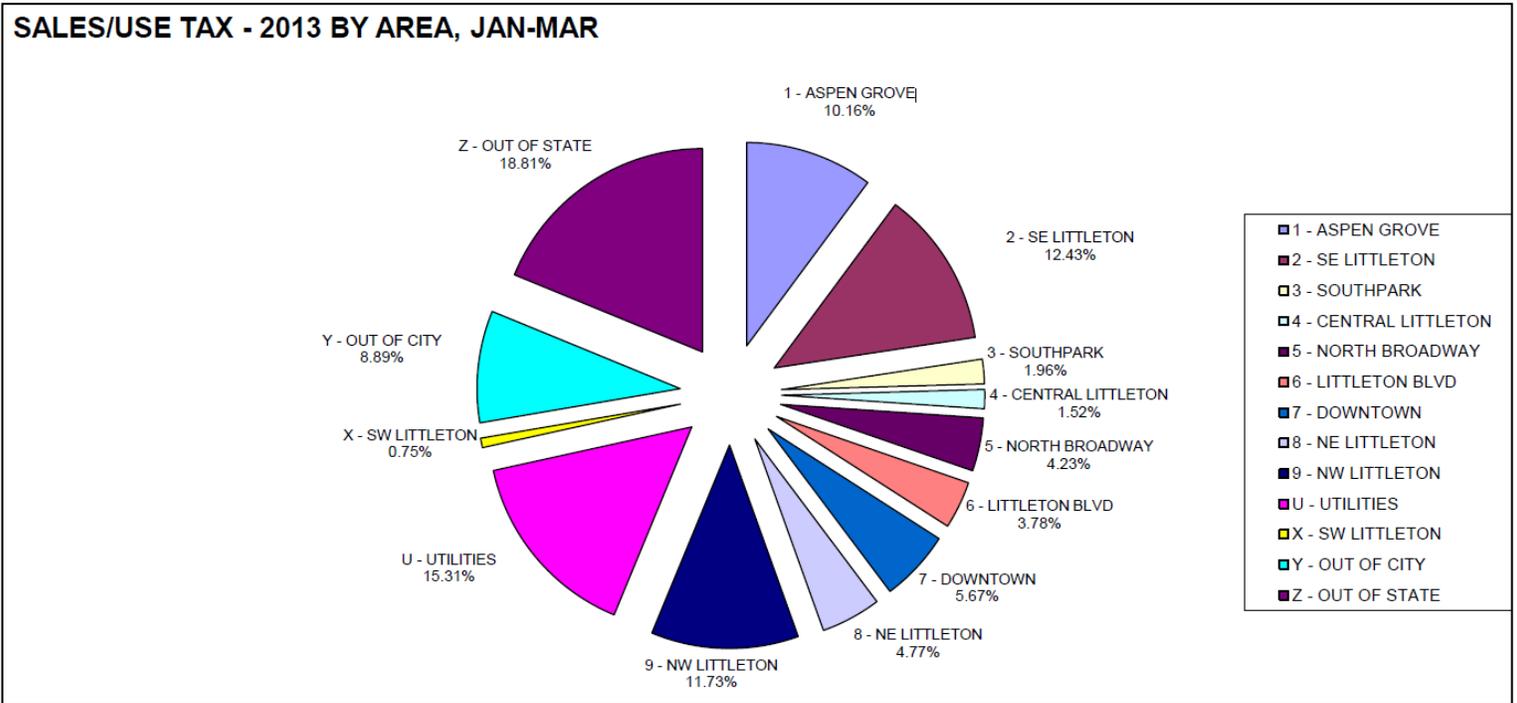
Amenities – parks and open space, recreation facilities, entertainment, cultural events, retail options

Forward thinking – comprehensive analysis and strategic long-term planning to help strengthen the overall community fabric and assure its long term sustainability.

A successful Economic Plan is critical to achieving council goals. Successful components are significantly more focused than in the Economic Plan. Attributes include:

- Sales Tax
- Property Tax
- Other Revenue Streams

Of these, the city budget is comprised as follows:



Risk

The risk of failing to act is a decline in retail sales. The city cannot afford any measureable reduction in sales tax revenue. A proactive plan calls for an analysis of the current and future retail market as well as a long-term plan for additional revenue streams.

Opportunity Cost

The cost of doing nothing or failing to act is lost opportunity. With retail trends shifting, the city must evaluate the potential impacts on existing and incoming retailers. The plan should encourage attraction of retail operations on the upswing, help mitigate decline of existing operations and minimize leakage to other jurisdictions.

Overview

The City of Littleton is home to approximately 2,493 businesses employing more than 28,510 workers. These two figures indicate success in retaining and attracting dynamic businesses offering a wide variety of employment opportunities. Jobs are important to the city for a variety of reasons, but primarily because people working in the community spend money here and often desire to live here, both of which result in sales tax revenue. While tax revenue is important, it is the vibrant and vital interplay between residential, business, and retail uses that help define the city's unique draw. With its structural reliance on sales tax revenue for operations, the city needs to be particularly supportive of retail businesses. Additionally, employees who commute to Littleton for work may decide to purchase a residence or shop in the city, which means more people and activity helping to expand the retail, residential, and employment market.

Challenging economic conditions and competition from other cities requires a thoughtful and flexible Economic Plan. The city needs to approach the business and community development process with a "yes" first attitude, an open mind and new tools that allow it to foster vitality. The city needs a plan that provides resources to retain and grow existing business and addresses the requirements for attracting new business. By implementing the Comprehensive Plan and Economic Plan, the city can achieve the following results:

- Retain and strengthen existing businesses
- Attract new businesses that offer new employment opportunities and new sources of revenue
- Promote new growth and development located along major transit lines and proximate to retail and service hubs in order to increase the customer base for Littleton businesses
- Improve the quality and availability of single-family housing through encouraging reinvestment in existing housing stock, an affordable senior housing rehab incentive program and expanded housing and graduated care options within or proximate to Littleton
- Encourage new housing development to complement existing housing stock and bolster local property values
- Improve or redevelop distressed and underperforming shopping areas
- Identify and improve undeveloped and underdeveloped properties along major corridors to meet the goals of the Comprehensive Plan
- Increase employment opportunities
- Expand the availability of products and services in Littleton
- Make strategic investments in expanding Littleton's parks and open space system in order to strengthen connections while stimulating high-quality development/redevelopment
- Develop, recognize and capitalize on strategic relationships and partnerships that make Littleton a great community

Assets, Priorities & Opportunities

Assets

Source: Citizen Survey, Business Survey, Inspire Littleton and Staff

1. Hometown Feel
2. Schools
3. Light Rail
4. Historic Main Street
5. Diverse Residential Areas
6. City Support of Business
7. Open Space and Interconnected Bike Paths and Trails
8. Health Care and Technology Business Clusters in South Park
9. Museum, Library, Buck Center, Hudson Gardens
10. South Platte River, Carson Nature Center, South Platte Park
11. Community Events
12. Educated Workforce
13. Developable Land with Great Visibility and Access
14. Developable Sites with Entitlements in Place

Priorities

Source: Citizen Survey, Business Survey, Inspire Littleton and Staff

1. Create Incentive for Business Investment (Meeting Site Selector Requirements)
2. Engage Property Owners and Developers
3. Inventory Existing Parking and Additional Options for the Downtown Area
4. Strategic Revitalization Along Major Corridors (Littleton Boulevard, Santa Fe, Broadway)
5. Update Aging Shopping Centers
6. Restore Underperforming Shopping Centers
7. Strategically Expand Retail Options
8. Diversification of Revenue Streams
9. Expand Employment Opportunities
10. Revitalize Northeast Neighborhood
11. Update and Increase Available Housing with Revitalization Programs
12. Increase Senior Housing Options
13. Attract More Students for K-12

Opportunities

1. Infill Development
2. Redevelopment
3. Transit Oriented Development
4. Health and Wellness
5. Technology and Information
6. Creative Industries
7. Tourism and Outdoor Recreation
8. Downtown as an Economic Engine

Littleton Resident Survey, National Research Center, Inc.: conducted October 2012 (Results in Littleton Report Dec/January 2012-2013)

Littleton Business Survey, National Research Center, Inc.: conducted November 2012 (Results in Littleton Report Feb/March 2013)

Inspire Littleton, "Guiding Principles" (Published in Littleton Report Dec/January 2012-2013)

Assets

The city needs to include the identified assets in a strategic marketing plan. Many people have a perception that everyone is aware of Littleton's quality of life and amenities or feel it is inappropriate for a municipality to develop a brand identity and market for attraction and retention of businesses and citizens. This view needs to change if the city hopes to remain competitive with the Denver Metro area and the greater Front Range. Littleton needs to rejuvenate its image and develop and present a consistent appearance and message to the public. It is counterintuitive to attempt to move forward with the practices and beliefs held from the past. The city cannot rest on its laurels if it is to remain vital by attracting new businesses and residents. Littleton is a great community with a hometown feel, top notch schools, an historic and interesting downtown, great recreational amenities, and engaged citizenry with many new and exciting things on the near horizon. We need to promote everything Littleton has to offer.

Sources including the Denver University student branding and marketing analysis, the citizen survey and the business survey have made strong recommendations for updating the city image and engaging in proactive marketing. The brand update is almost complete and is the first step in building a strategic marketing plan that will capitalize on the city's assets and help attract new businesses and residents to Littleton.

Immediate Priorities

Priority #1 – Create Incentives for Business Investment (Meeting Site Selector Requirements)

Issue: Site selectors are looking for properties that meet specific functional/location requirements as well as overall cost profiles including public incentives and finance mechanisms. Competitor cities offer a variety of incentives and many have more diverse property offerings. The right incentives can help when site selector goals can't be completely accommodated by the private sector alone.

Solution(s): To remain competitive with other cities, **Littleton needs to offer the tools required to attract and complete developments (TIF's, PIF's, Sales Tax Sharing Agreements, Use Tax Rebates, and Permit Fee Abatement).**

Priority #2 – Engage Property Owners and Developers

Being landlocked with limited vacant land for development in private ownership requires several things.

Issue: Communication and positive rapport with land owners and developers.

Solution(s): Identify land owners and developers. Engage them in an ongoing communication to include access to the city manager and department representatives empowered to expedite the development process.

Issue: Partner with owners, developers and the affected community to gain expeditious approval of projects that further the goals of the Comprehensive Plan.

Solution(s): **Expedite projects that meet economic and land use goals whenever possible. Continue to amend development codes to ensure all steps in process add value to the outcome. Provide feasible alternatives when necessary. Identify specific uses and desired types of development.**

Issue: Strategies for a proactive approach to infill development.

Solution(s): Engage property owners in regular communications. **Hold commercial property owner roundtables to discuss issues and describe city resources, including the "Revitalization Incentive Grant."** Identify specific uses and desired development. Provide the tools required for strategic infill improvements such as making limited property acquisitions through typical arm's length transactions that facilitate assemblage; or a land exchange with current city owned parcels. Use public tools to guide higher quality development that implements the city's goals that would otherwise not be viable.

Priority #3 – Inventory Existing Parking and Additional Options for the Downtown Area Accessibility

Issue: The downtown area has both perceived and actual parking limitations. Mitigation of the problem is being done intermittently, but a long-term solution addressing the impacts on the residents, the historic character of the area, the pedestrian environment and growing business demand must be identified and implemented.

Solution(s): Properties central to downtown need to be appraised for parking and the costs versus benefits must be assessed. **Available parking should be clearly identified on-site, as well as on individual business websites.** Available parking, free and paid needs to be more clearly identified for visitors. The city should look at options for establishing circulator bus service from outlying parking to Main Street. Metered parking should be revisited. **Agreements between businesses and owners of private parking should be encouraged.** Look toward increased density

development in the downtown area to help provide additional paid public parking options including structured parking facilities.

Priority #4 – Strategic Revitalization along Major Corridors (Littleton Boulevard, Santa Fe and Broadway)

Issue: The city has three major corridors that need improvement and strategies for sustainable development as identified by the Comprehensive Plan. The city needs to identify the major assets and issues and mechanisms for new development and redevelopment. **Sub-area plans for each of these areas should be a high priority and those plans should include a strategic relationship to one another. A variety of development tools should be considered to implement the plans.**

Solution(s): The reformation of an **Urban Renewal Authority** to identify districts and projects and implement improvements. Focusing revitalization along Littleton Boulevard and Broadway will have several positive impacts. Littleton Boulevard is the gateway to downtown Main Street and strategic redevelopment would benefit both areas. The Broadway corridor is improving one or two parcels at a time. A more comprehensive strategy would help create a more cohesive appearance and feel. Many experts recommend planned developments that border and face onto as opposed to away from the river. Various city plans have recognized the Santa Fe corridor as a premier location for mixed-use development. These plans should be reviewed to determine if what currently exists will help encourage connections to the South Platte River.

Medium to Long-Term Priorities

Priority #5 – Update Aging Shopping Centers

Issue: Many of the area shopping centers suffer from deferred maintenance and outdated appearance.

Solution(s): **Provide grant programs that incentivize improvements** that benefit and enhance the public realm for existing tenants and make the center more appealing for new tenants. The city offers a matching grant for this purpose known as the “Revitalization Incentive Grant Program.” Improvements would help attract more viable merchants and an increased customer base. **Additional tools, where appropriate and legally permissible, should include PIF’s, Sales Tax Sharing Agreements, and Use Tax Rebates.**

Priority #6 – Restore or Redevelop Underperforming Shopping Centers to Meet Market Demands

Issue: Many of the area shopping centers are experiencing vacancies as well as underperforming merchants. This may be due to physical issues or an eroded market area.

Solution(s): **The city should explore opportunities to restore underperforming or obsolete commercial properties to an economically efficient condition. This may include strategic property acquisition or land use changes that allow mixed-use opportunities.**

Priority #7 – Strategically Expand Retail Options

Issue: The largest source of revenue for the city is retail sales tax. One or two larger retailers can produce as much sales tax as all smaller retailers combined. For a variety of reasons, some residents and small business owners oppose big box retailers, while others prefer larger retailers.

Solution(s): **More desirable larger retailers need to be identified and courted in order for the city to sustain its fiscal health.** The Economic Development Department will research site requirements, corporate contacts and public response to companies such as Whole Foods, Trader Joes, Cabelas, etc. Once good candidates are identified and vetted, staff will establish communication and proactively seek a location in the city through an incentive package. **Incentives should include TIF’s, PIF’s, GID’s, Sales Tax Sharing Agreements, Use Tax Rebates, and Permit Fee Abatement.**

Priority #8 – Diversification of Revenue Streams

Issue: Dependence on sales tax means the city budget rises and falls with consumer spending. It also means an unspoken but clear directive to maintain and grow retail operations. Expending city resources on businesses that create greater employment opportunities are overshadowed by a financial survival imperative to give priority to sales tax generating businesses.

Solution(s): **Begin increasing and diversifying revenue streams.** Although under TABOR, state and local governments cannot raise tax rates without voter approval and cannot spend revenues collected under existing tax rates if revenues grow faster than the rate of inflation, it is advisable to **build and implement a strategy**

before it becomes a critical necessity with no time to gather support. Many cities have increased their sales use tax rate and Littleton remains one of the lowest at 3%. A common solution would be to increase the rate from 3% to 3.5%. Other possibilities include:

1. **Candy & Soda Tax** – Lakewood and Aurora separated these as exceptions from the food for home consumption tax.
2. **Lodging Tax** – Littleton does not have this tax. It is a low impact tax as it is paid by hotel guests, typically non-residents.
3. **Rental Tax** (Rental Property Owners) – similar to a “lodging tax.” This would be another revenue stream and might also help to curb the tide of non-owner occupied housing units. This money could be allocated in part or in full for capital improvements. It can be argued that multi-family units through density alone place a higher demand on city services without producing much revenue for those services.
4. **Head Tax/Occupational Privilege Tax** – This has been a part of doing business in Denver and Aurora for decades. Revenue generated from head tax/occupational privilege tax would allow the city more latitude in what kind of businesses to attract. Some larger service employers don’t produce sales tax but utilize city services. This would be a way to cover those service costs.
5. **Internet Sales Tax** – The State of Colorado is looking at legislation that would permit taxation of Internet sales at both state and local levels, requiring remote sellers and single and consolidated providers to collect sales and use taxes pursuant to the applicable destination rate. Support of this legislation should be balanced against opposition to the uniformity in sales tax rates and state level administration and collection of sales and use taxes.
6. **Development Impact Fees** – Investigate the costs and benefits of implementing growth impact fees for new development.

Priority #9 – Expand Employment Opportunities

Issue:

Everyone wants to see improved job opportunities. Generally, job creation takes place in the private sector. Littleton, as all cities, would benefit from more employment opportunities for residents and new employment opportunities for non-residents. Current economic challenges are causing most private companies to hire conservatively. Very few companies are creating new jobs. The city needs to maintain a business friendly environment including the resources already provided by the Community and Economic Development Departments. When business owners are helped to grow their businesses, it follows they would develop more confidence and become more likely to hire new employees.

Current studies indicate an impending “workforce crisis” with a severe shortage of qualified workers. Everyone that will be hired in the next 25 years has already been born. Since the economy can’t grow faster than the population, a strategic plan for attracting and educating workers for growing industry sectors is imperative. Business attraction plans should include workforce availability.

Solution(s):

1. The city needs to identify existing business employment needs and the labor requirements for the industries it wants to attract. Strategies and progress can be leveraged through partnership with the state, Arapahoe/Douglas Works and local educators.

2. City staff should research employment incentives at all levels including federal, state and county and make that information readily available to business owners.
3. The city needs to assess how many residents are unemployed and what jobs would meet their skill sets. The city then could determine how many businesses might be hiring for those positions and how the city can facilitate appropriate matches.
4. Staff needs to analyze how many non-residents work here, how much money these employees bring to the city and what types of jobs do these non-residents hold?
5. Once these two sectors can be evaluated, staff can then incorporate the numbers and types of jobs that are sought through business attraction efforts.
6. Job creation strategies need to be weighed against current and future city revenue generation.
7. Bringing gigabit broadband capabilities to Littleton would open many opportunities including business attraction and new employment opportunities.
8. The city may consider commissioning targeted economic development studies in order to help identify specific industry clusters and companies for targeted marketing.

Priority #10 – Revitalize the Northeast Neighborhood

Issue: Although many issues related to the Northeast Neighborhood have been improved with code enforcement and some renovation and scrape and rebuild, and aging multi-family apartments remain a concern.

Solution(s): The city should encourage improvements in residential areas and engagement of the community. Continued use of the city CDBG allocation for infrastructure improvements is advised. The city should further explore development of a Northeast Neighborhood Community Group that would include residents, property owners, community service providers and city representatives. A properly facilitated, ongoing interaction could provide valuable insights from the participants regarding their impressions about their community and what the city does to care for the area. **A sub-area plan for commercial properties along Littleton Boulevard should recommend land use changes and improvements that would be supported by the neighborhood and bring new people to the area as well.**

Priority #11 – Update and Increase Available Housing with Revitalization Programs

Issue: When a community has limited, affordable single-family housing, a plan must include strategies to improve existing homes experiencing deferred maintenance, alternative options for current home owners and mechanisms that encourage new ownership.

Solution(s): Identify single-family homes showing wear due to deferred maintenance that are owned by people looking to downsize.

Work with South Metro Housing Options on a **senior housing rehabilitation program**. The first step is to identify target areas (clusters of single-family homes with owners ages 55+ who are low to moderate income). The second step is to identify grants and programs available for low cost rehab. Third is to develop a

communication plan for potential participants that encourages voluntary transition within the community.

Introduce a first-time home buyers program that will encourage younger couples and families to purchase single-family homes. The city is participating in the Metro Mortgage Assistance program (MMA) that offers down-payment and closing cost assistance grants (DPA) and below-market rate, 30-year fixed loans to income qualified, first-time homebuyers.

The Denver region is experiencing a great in-migration of people ages 25 to 35. The city needs to provide housing options that address the lifestyle requirements of this demographic, who are often attracted to higher density, mixed-use and walkable communities within or adjacent to the downtown area. Meetings with realtors and residential property developers will provide lifestyle and housing preferences that will be incorporated in the housing assessment and plan.

Priority #12 – Increase Senior Housing Options

For a community to remain vital it needs to experience an appropriate level of housing turnover. Current, aging single-family homeowners resist selling because of income and asset concerns and because seniors have few or no downsize housing options within the city limits.

Issue: Seniors looking for alternative, affordable housing options are not finding them in the City of Littleton. Most people aging in place are not vacating because they do not have a workable transition plan, their homes are paid off, they have deferred maintenance and they want to remain in the neighborhood they know. Many fail to downsize prior to a critical event that forces them into another, less desirable living situation.

Solution(s): Provide transition liaison services and moving assistance programs for seniors. Develop or redevelop areas within the city that provide **affordable, low maintenance housing** such as patio homes and cohousing. Develop or redevelop areas within the city that **offer graduated care and flexible financial participation**.

Priority #13 – Attract More Students for K-12

Issue: As the city population has aged, Littleton Public Schools has experienced a continuing decline in student enrollment. This has resulted in school closures in the last few years. Part of attracting new residents and business is having a strong primary education system, especially compared with neighboring municipalities. Currently, the student population is 20% out of district. It is imperative for the city to help avoid any additional reduction.

Solution(s): **Find ways to free up more single-family homes.** Affordable senior rehab programs will enable improvements to properties experiencing deferred maintenance, improve property values, and encourage older residents to downsize and free up their homes for sale. Participation in the Metro Mortgage Assistance program will help encourage younger families with children to move into the city and increase the student population.

Opportunities

There are a number of opportunities within the city that will require city investment in order to “harvest” true potential. These opportunities may involve areas where current zoning is not reflective of development potential under current and future market conditions. This potential may include changing or broadening uses, or may also include significant density increases over what is currently allowed by zoning. Encouragement of sustainable development includes a proactive approach with the city working with property owners and developers to achieve the optimum use of property consistent with the Comprehensive Plan.

By definition, these opportunities will require sufficient direct economic return to justify the city’s investment. Results should be far greater than pure direct economic return, however: by engaging in thoughtful planning and strategy, the city investment will generate a virtuous circle of benefits that extend far beyond direct economic return, and position the city for a sustainable renaissance.

Direct Economic Benefit: Direct economic benefit will come in the form of increased sales tax, additional permitting fees and higher property tax. These benefits are easy to quantify and measure, and will define the threshold for city investment.

Indirect Economic Benefit: Studies consistently show that thoughtful property investment stimulates investment in adjacent properties. This investment comes in the form of reinvestment (improving existing buildings and homes through rehabilitation) and redevelopment (replacing functionally obsolete buildings with more relevant and sustainable buildings that better embrace area potential). Thoughtful city investment will catalyze area investment and fundamentally transform expectation of what its citizens deem possible.

Positive City Image: The City of Littleton needs to avoid a reputation that discourages development. Evidence suggests that property owners and developers talk with one another sharing good and bad experiences. The city must embrace innovative and new concepts that change the paradigm (or “raise the bar”) of what can be done within city boundaries and recognize the associated value and benefits that come with thoughtful partnership between the public and private sectors.

These opportunities are characterized as follows:

1. Infill Development

There are opportunities related to the remaining, first-generation development parcels. With proactive city engagement, there is the opportunity to raise the bar: different or mixed uses, higher density, and higher quality developments. The city can choose to become a stakeholder and partner in transformative change have far-reaching consequences. Becoming a proactive partner in meeting the challenges of the future will signal a return to the strong and mixed-use community fabric that historically defined the City of Littleton.

2. Redevelopment

The city has a number of aging commercial districts that may no longer be viable in today’s economy. These districts are characterized by large land assemblages and define significant potential opportunity by virtue of their location and size. The city can be instrumental in reversing a downward spiral of deterioration and tenant strength by encouraging re-investment that will transform and help redefine the future of these properties and surrounding areas within the city.

Redevelopment in some cases might mean demolition and rebuilding while in other cases it might mean increasing density to re-energize uses which are not otherwise viable.

It is important for the city to recognize that each of these opportunities is not an island unto themselves, but rather has connections with surrounding communities that tie success and reinvestment of one to the other. Underperforming commercial properties can weigh down adjacent commercial and residential properties, while vibrant commercial and mixed-use properties can infuse adjacent properties with new vibrancy and development.

3. Transit Oriented Development

The city has active light rail running through its boundaries, with stops in Downtown Littleton and at Aspen Grove. The light rail stops are currently characterized by a large amount of surface parking. Over time, these areas have the potential to redevelop in a manner that reorganizes the surface parking into parking structures and thereby significantly increases potential for adjacent development.

Because these sites are already in recognized mixed-use areas, development potential is highly viable. That said, the associated development burden (structuring existing parking uses) is prohibitively high to allow any viable development without public involvement.

4. Health and Wellness

Already home to the fittest and leanest population due to active lifestyles and access to the outdoors, Colorado is building health and wellness into the state brand and aims to be the healthiest state in the nation. The State of Colorado and the City of Littleton are collaborating with the public and private sectors, as well as nonprofit foundations like the Colorado Health Foundation and LiveWell Colorado. With more than 253,000 health and wellness workers across the state and an \$11.3 billion annual payroll, the health and wellness industry has a compelling economic impact within Colorado.

SouthPark is home to an industry cluster of 38 health and wellness-related businesses, with HealthSouth to open in May of 2013. The city needs to help market and grow this cluster. The city can market its success as a participating member of the LiveWell Colorado's Healthy Eating/Active Living (HEAL) Cities & Towns campaign.

5. Technology and Information

Countless opportunities exist in the technology and information industry in Colorado. There is strong entrepreneurial activity and continual expansion into markets, alongside major corporate regional offices. Colorado's geographic location and extensive infrastructure means goods and services are readily deliverable across the country and around the world. The industry is diverse, with particular concentration in the software and communications technology sectors. The technology industry has deep roots in Colorado, with global players like DISH Network, Liberty Interactive, Liberty Global, Oracle, Clear Channel, Century Link, Comcast, SAP and more. The corporate presence helps feed the hot start-up innovation scene in Boulder, which is expanding along the Front Range to Denver, Fort Collins and Colorado Springs. Colorado is a leading high-tech state with the second most educated workforce in the country, third highest concentration of high-tech workers nationwide and high-tech exports totaling more than \$2.9 billion per year.

The city needs to continue to pursue gigabit speed broadband. Achieving this goal will help attract high tech businesses and high tech professionals. Chattanooga, Tennessee is home to the most advanced smart grid in the nation, customers are enjoying Internet speeds that are almost 100 times faster than the national average. Most Internet users in the U.S. have access to about 4.5 megabits of Internet speed. Yet the 600 square-mile fiber optic grid under Chattanooga offers residents and businesses a blazing 50 megabits. Business leaders are capitalizing on the fast Internet speeds by launching two initiatives to attract bright minds to the city, create jobs and stimulate the economy.

6. Creative Industries

Colorado is a global leader in the creative industries, which include six creative sectors: design, film and media, heritage, literary and publishing, performing arts, and visual arts and crafts. With its existing ecosystem of creative entrepreneurs, arts and cultural nonprofits, media and entertainment giants, and universities and academic leaders who encourage creativity and innovation, creative industries are well-positioned to grow and continue to help Colorado's economy thrive.

The creative industries in Colorado have been growing faster than in most other states and Colorado now ranks 6th in the nation in percent of its workforce in creative class occupations. These jobs are well-distributed across the state; in fact, Colorado has ten of the nation's top 25 non-metro counties in concentration of creative occupations. Artists and creative professionals are a major workforce asset for Colorado, as over half of all artists have received at least a bachelor's degree.

The entrepreneurial spirit of Colorado is especially strong in creative professionals, who are 3.5 times more likely than the total U.S. workforce to be self-employed. And there is a close connection between art and technology, with one in three artists working in the professional, scientific, and technical services sectors.

The creative industries help draw new people with discretionary income into the community.

7. Tourism and Outdoor Recreation

Outdoor recreation and tourism are woven through the fabric of Colorado's culture and define the state. Domestic and international visitors are invited to "Come to Life" in Colorado. And while experiencing the outdoors is a large part of the lifestyle in Colorado, it is also a significant economic driver. Colorado's tradition and passion for outdoor access is due in large part to unparalleled natural resources, as well as a long history of environmental conservation and stewardship. Colorado welcomed a record 57.9 million travelers in 2011, ranking Colorado 18th in overnight leisure trips. Visitors also spent a record \$14.6 billion in 2010, touring historic places, enjoying cultural activities and attractions, experiencing exceptional culinary experiences, and discovering eco-tourism and agritourism.

The most visible outdoor recreation activities for the state are skiing and snowboarding. Colorado is #1 in the nation for overnight ski visits. In addition to winter recreation offerings, the state offers numerous opportunities for hiking, backpacking, camping, visiting state and national parks, biking, rafting, boating, mountain climbing and hunting. Outdoor overnight trips equate to 22 percent of the total overnight visitor spending, ranking Colorado 8th in the country for outdoor overnight trips. Colorado is an international hub of outdoor recreation, with a concentration of outdoor industry companies estimated to be about 12% of the national total. The Outdoor Industry Association found that the outdoor industry accounted for over 107,000 jobs and \$10 billion annual economic output in Colorado alone.

Breckenridge Brewery will draw tourists to Littleton. This coupled with existing and future recreational opportunities will serve as a foundation for tourism and outdoor recreation development along the South Platte River.

8. Downtown as an Economic Engine

Entrepreneurs thrive on the casual collisions with other creative people. Downtown provides the most opportunity for these interactions. The city should not limit its views on the downtown as merely an opportunity to create jobs and revenue within its borders, but as an incubator for greater ideas and opportunities.

The city needs to encourage a downtown brand; an image that identifies the area with the unique experience it provides. Expanding the arts in downtown also fosters the collision of creative thinkers.

Conclusion

Littleton is a city that must embrace a strategic plan. A well-developed proactive approach will ensure a connected community and a sustainable future. Now is the time to take the calculated risks that will allow the city to prevail in a highly competitive market and succeed as an economically vital community.

Ten Principles for a High-Performing Economy

Economist Lee W. Munnich

Goals

Munnich suggests that an area seeking to achieve a high-performance economy should re-examine its goals.

Competitiveness

A community should take **stock of its comparative advantages--its strengths and assets** compared to other areas--and how they are changing. Where assets are underutilized, the community should invest in enhancements that improve the productivity of the local economy. In addition, the community should **establish programs to market its assets to the outside world.**

Equity

Every community experiences **disparities in productivity and wealth** among areas or population groups. The overall effectiveness of any economy is greatly affected by how well it addresses these disparities. Investing in a way that **reduces economic disadvantage** is an important strategy for local development.

Scope

The scope of economic strategies--the range of issues they address--is an important factor in their success.

Global Economy

As the economy becomes increasingly global, **building the capacity to sell to world markets** becomes more imperative. High-performing communities assess their advantages and disadvantages in world markets, address barriers to global marketing, and promote international business opportunities among their industries.

Comprehensive Strategy

High-performing communities **understand the interrelationships** between economic development strategies and other strategies--such as education, environmental enhancement, housing, and recreation--that improve the overall community climate. To assure maximum impact of their investments, they **correlate business investments with improvements in other areas of the community.**

The way economic development programs are organized determines their effectiveness.

Regional Collaboration

Economic development cannot truly be local. A community's economy is greatly influenced by the larger region of which it is a part. **Communities that participate in broader, regional strategies will be more effective** than those that try to go it alone. Especially in rural areas, where resources are often stretched to the limit, the effectiveness of development efforts can be maximized when they are taken in collaboration with partners within the same region.

Industrial Focus

Effective economic development strategies are built on a sound awareness of the strengths and weaknesses of local industries. In high-performance economies, development officials exhibit **keen awareness of the key sectors or clusters in the economy, and their performance** is tracked closely and issues affecting their future are identified and addressed. Development strategies emphasize actions to understand and support industrial clusters and their linkages with other local and regional industries.

Process

How the development process is organized and how strategies are implemented is also important.

Customer Orientation

In high-performance economies, there is **keen awareness of the customers** of economic development strategies--the businesses, communities, and citizens that are affected by development policies. Attention is given to meeting customers' needs. And, **customer input is not only sought out but is used carefully in crafting development strategies and programs.**

Partnerships

The **strongest development programs rest upon solid partnerships** among local organizations. Partnerships can range from the simple exchange of information to alliances that combine resources to achieve results beyond the means of any single organization. Strong alliances do not just happen, however; they require farsighted leadership to form and special cultivation to maintain.

Measurement and Evaluation

High-performing organizations **measure their outputs and evaluate the reasons for success or failure.** This means that they collect information about their own performance. Then they regularly evaluate their performance against the goals they established and hold themselves accountable for the outcomes.

Learning

No effort is without the potential for improvement, and high-performance development programs **seek out a wide range of ideas on how to improve their strategies and delivery methods.** They eagerly compare themselves with other development programs in other regions. And, they maintain a posture of flexibility that makes it easier to put new ideas into operation.

COUNCIL GOALS 2012-2013

To preserve a family-oriented and economically-vibrant community that encourages citizen involvement, respects diversity, values community character, and enhances the quality of life of Littleton residents and visitors.

1. ASSURE A FINANCIALLY-SOUND CITY GOVERNMENT

Objective: Develop a budget process that provides the ability to evaluate costs/benefits along with program prioritization.

Objective: Deliver innovative, cost-efficient municipal services.

Objective: Research and pursue alternative revenue sources.

2. PROVIDE A SAFE COMMUNITY TO LIVE, WORK, AND PLAY

Objective: Provide a comprehensive evaluation of City service that meets the needs of the community.

Objective: Provide police protection, code enforcement, and other services that meet the needs of the community, with a specific focus on the northeast neighborhood.

Objective: Provide fire protection and emergency medical services that meet the needs of the community and the City's fire partners.

Objective: Focus on vehicular, bike, and pedestrian safety and accessibility improvement opportunities.

Objective: Improve the City's ability to respond to emergencies; update the City's Emergency Operations Plan.

Objective: Partner with other governmental and non-governmental agencies to maximize effectiveness in providing a safe community.

3. DEVELOP AND MAINTAIN THE PUBLIC INFRASTRUCTURE

Objective: Provide and maintain a high-quality public infrastructure that addresses the needs of residents, visitors, and businesses.

Objective: Develop an asset management plan to identify maintenance and capital investment needs of the public infrastructure.

Objective: Develop a Littleton/Englewood Wastewater Treatment Plant long-range plan.

4. PRESERVE AND CULTIVATE A QUALITY COMMUNITY

Objective: Encourage continuous improvement in service delivery and evaluate potential alternatives.

Objective: Actions and decisions should follow a comprehensive review of all impacts and benefits, including the aggregate impact on the community's property values.

Objective: Evaluate diversity, density, and quality of community housing stock and options for improvement.

Objective: Continue to update the 1981 Comprehensive Plan.

Objective: Evaluate ways to maintain Littleton as a community in which families wish to live and address the needs of the elderly.

Objective: Initiate a review and update of the City's development and zoning codes to ensure ability to implement community goals.

Objective: Improve focus on immigration issues.

Objective: Encourage an appreciation of life-long learning, history, art, culture, and literacy through the Library, Museum, and community partners.

Objective: Enhance the quality of City parks, trails, and open space system to increase the public's use and enjoyment of them.

Objective: Develop a policy statement that addresses the trade-offs between preservation of open space and commercial development.

Objective: Maintain and enhance public art.

5. PURSUE A BALANCED AND SUSTAINABLE LOCAL ECONOMY

Objective: Grow jobs and sales tax revenue by providing strategic assistance to Littleton businesses.

Objective: Take a proactive approach to recruiting businesses, retaining existing businesses, and assisting businesses wishing to expand.

Objective: Work with community partners to increase the number of events which draw citizens and visitors as well as focus on improving the quality of existing events.

Objective: Promote policies and practices which sustain the environment.

6. PROMOTE ENVIRONMENTAL SUSTAINABILITY

Objective: Identify long-term, cost-effective sustainable energy efficiencies for city operations.

Objective: Develop solid waste reduction targets and implementation actions to meet those targets.

Objective: Develop and implement an environmental stewardship and sustainability plan.

Objective: Reduce environmental impacts.

7. FOSTER COMMUNITY INVOLVEMENT, COMMUNICATION, AND TRUST

Objective: Provide the highest level of service delivery with unwavering integrity and ethics.

Objective: Explore options for improving citizen education about and involvement in their community.

Objective: Foster community spirit.

Objective: Evaluate ways to support local education organizations to maintain a high quality of educational opportunities within Littleton.

Objective: Improve ways to disseminate information to citizens (e.g., utilize technology to provide greater and more timely access to governmental information).

Objective: Develop a plan for a youth-in-government initiative to involve and educate youth and young adults about local government.

Addendum 1

Definitions

Littleton Urban Renewal Authority (LURA)

The Littleton Urban Renewal Authority (LURA) would assist in the redevelopment of blighted property and help foster sound growth and development in Littleton. Working with residents, businesses, civic leaders, area developers, and financing institutions, LURA will provide financial assistance to support redevelopment activities throughout the city. These include single-family home rehabilitation, emergency home repair, historic preservation, Brownfield redevelopment, infill development, and neighborhood revitalization, among others.

Business Improvement District (BID)

A Business Improvement District (BID) is a defined area within which businesses pay an additional tax or fee in order to fund improvements within the district's boundaries. Grant funds acquired by the city for special programs and/or incentives such as tax abatements can be made available to assist businesses or to recruit new business. The services provided by BID's are supplemental to those already provided by the municipality.

Tax Increment Financing (TIF)

Tax Increment Financing, or TIF, is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects in. TIF is a method to use estimated future gains in taxes to subsidize current improvements, which are projected to create the conditions for said gains. The completion of a public or private project often results in an increase in the value of surrounding real estate, which generates additional tax revenue.

Public Improvement Fee (PIF)

A Public Improvement Fee (PIF) is a fee that developers may require their tenants to collect on sales transactions to pay for on-site improvements. Generally, these improvements are financed through a Public Improvement Corporation or a Special District. The Public Improvement Fee collected repays the PIF debt incurred by the developers. Examples of these improvements include curbs and sidewalks, parking facilities, storm management systems, sanitary sewer systems, road development (within the site) and outdoor public plazas.

Sales Tax Sharing Agreements

Sales Tax Sharing Agreements allow for the collection of a reduced share of sales tax to be collected by the city for an agreed upon period of time. As an example, new retail operations or existing retailers making significant improvements would pay 50% of 3% for one year and 80% of 3% for an additional two years to help offset their cost for new or improved developments. The reduction in taxes to the city for the specified period would be compensated with the increase in sales tax revenue once the agreement is satisfied.

Permit Fee Reduction

The city would reduce permit fees, as allowed, to encourage new development and help offset the cost of new construction costs.

Revitalization Incentive Grants

The city will provide matching grants to encourage improvements to existing properties.

Addendum 2

Revenue Changes – Estimated Annual Benefit

Type of Tax	Number of Units	Tax Base	Frequency	Total Annual Benefit	Comments
Sales Tax Increase	3.5%	2012 = \$25.5M	Per Year	\$4,200,000	Retail, General Use, Motor Vehicle
Sales Tax Increase	3.5%	2012 = \$750K	Per Year	\$125,000	Building Use Tax
Soda & Candy Tax	3.0%		Per Year	\$115,000	.5% of Retail Sales
Lodging Tax	3.0%		Per Year	\$90,000	Based on existing industry taxes currently received by COL
Renter's Tax	7,720	\$5 Per Unit	Once a Month	\$463,200	(Source: Esri) Rental Units
Renter's Tax	9,020	\$5 Per Unit	Once a Month	\$541,200	Current Units + 1,300 New
Occupational (Head Tax)	28,510	\$5	Twice a Month	\$3,421,200	(Source: Esri) Number of Employees
Internet Sales Tax	3.0%	\$23,000,000	Per Year	\$3,450,000	15% of Retail Sales

NOTE: Development Impact Fees - More research is needed to estimate potential revenues related to this type of change.

Addendum 3

Economic and Community Improvements to Date

Nationally and Internationally Recognized Resources for Littleton Businesses

Business Education Series 2013 – Lunch and Learn

Proactive Business Attraction – Responses to Site Selection Inquiries

Streamlined Plan Review Process

Improved Permitting Process

Metro Mortgage Assistance Plus Program – Littleton Participation

Northeast Neighborhood Improvements with CDBG Funds (\$955,013)

City Council Community Outreach Breakfasts

Economic Plan 2013

Comprehensive Plan 2013

Revitalization Incentive Grant 2013

New Brand for Littleton

New City Website

New Business Marketing Website (Launch - June 2013)

Neighborhood Housing Revitalization Program

New Website Project Activity List & Project Activity Maps

Business/Development Projects

Alamo Drafthouse Cinema

Breckenridge Brewery

CarMax

Health South

Larrabee's Furniture & Design

Nevada Place – Phase II