



# City of Littleton

Littleton Center  
2255 West Berry Avenue  
Littleton, CO 80120

## Meeting Agenda - Final City Council

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Tuesday, May 24, 2022

6:30 PM

Council Chamber

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### Study Session

#### **1. Study Session Topics**

- a) [ID# 22-111](#) Economic Development Update

**Attachments:** [1. Presentation Economic Development Update](#)

*Scheduled time: 60 minutes*

- b) [ID# 22-118](#) Capital Improvement Strategy

**Attachments:** [1. Final CIP Plan - 3A](#)  
[2. Presentation Capital Improvement Strategy](#)

*Scheduled time: 60 minutes*

#### **2. Administrative Updates**

- a) City Manager  
  
b) City Attorney

#### **3. Adjournment**

*The public is invited to attend all regular meetings or study sessions of the city council or any city authority, board, or commission. Please call 303-795-3780 at least forty-eight (48) hours prior to the meeting if you believe you will need special assistance or any reasonable accommodation in order to be in attendance at or participate in any such meeting. For any additional information concerning city meetings, please call the above referenced number.*



Staff Communication

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File #: ID# 22-111, Version: 2

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Agenda Date: 05/24/2022

Subject:  
Economic Development Update

Prepared By: Cindie Perry, Economic Development Director

**PURPOSE:**

To provide an update to city council on economic development activities over the past six months and outline the department's work plan through December 2022.

**PRESENTATIONS:**

Staff Presenter(s): Cindie Perry, Economic Development Director  
Additional Presenter(s): N/A

**SUMMARY:**

This update will summarize the past six months of activities and outline the work plan for the Economic Development (ED) Department through December 2022. The work plan focuses on three primary areas:

- Small business
- Workforce development
- Business, retention & expansion (BRE)

**PRIOR ACTIONS OR DISCUSSIONS:**

Economic development has been discussed as a key component of council Goal 2: Financial Sustainability updates and was discussed as a priority at the 2022 council retreat held on February 11 and 12. At the retreat, council directed staff to schedule an economic development update at an upcoming study session.

**ANALYSIS:**

Staff Analysis

During the pandemic (Spring 2020 - Winter 2021), the ED team focused on business support and recovery. In the Fall of 2021, the ED department experienced staffing changes resulting in a rebuilding phase. This report will summarize activities from November to May and highlight the department work plan through the end of 2022.

**Building a Foundation (November 2021 to May 2022):**

Early rebuilding efforts included assembling a new team, re-engaging with partners, taking inventory of ED resources, and beginning the process of promoting Littleton's unique position in the metro region.

Introducing Team ED: The Economic Development team is now fully staffed with a Director of Economic

Development, Cindie Perry, a Sr. Economic Development Specialist, Brian Garner, and an Economic Development Specialist, Jamie Crout.

Building Relationships: Staff has been meeting with key internal and external stakeholders to understand their needs, how to work best together and to identify common goals. Stakeholders include, but are not limited to, Arapahoe Community College, Arapahoe/Douglas Works!, Downtown Colorado, Inc., Economic Development Council of Colorado, brokers and developers, Littleton Public Schools, city staff, South Metro Fire District, Littleton Business Chamber, South Metro Denver Chamber, Xcel, Denver Water, the business community at large, and arts & culture/tourism partners (hotels and venues).

ED Toolbox: Littleton recently updated key economic development tools with council adoption of the Unified Land Use Code (ULUC) and voter approval of Measure 3A, the 0.75% sales tax dedicated to capital projects. Staff is working to explore, refine or improve upon the following: the use of downtown development authorities or business improvement districts; entitlement and permit process streamlining; better use of technology; and targeted partner and business engagement and information sharing.

Outreach and Engagement: ED has been actively positioning Littleton as a city of choice and thought leader in the region and beyond. In March, Mayor Schlachter participated with South Metro Mayors in a South Metro Denver Chamber panel discussion on economic development issues in the region. Additionally, the City of Littleton was featured in a BusinessView Magazine on how Littleton plans to balance growth with maintaining our unique character. Most recently, Littleton participated in International Economic Development Week's international Economic Development Week campaign. The department also launched a monthly email update to council in March.

#### **A Look Ahead (May 2022 to December 2022):**

Programs and Services Development: Economic Development will focus on identifying best practices for small business, BRE, and workforce programs for the remainder of the year.

Staff Focus Areas: Each team member is assigned lead responsibilities and will be assigned a target industry sector specialty (i.e. life sciences; aerospace; tech or retail). While staff is already engaging with industry sectors that we intuitively understand to be target industries, staff specialties will be formally assigned once key sectors are confirmed as part of the 2023 ED Strategy work.

- Director - Department strategy and day to day operations; business and developer outreach and engagement; program management; industry liaison; catalytic projects.
- Sr. ED Specialist - Process improvement; business retention and expansion program development and implementation; industry liaison; catalytic project support.
- ED Specialist - Small business program development/liaison; workforce development programs/liaison; and industry liaison.

Data and Strategy Foundation Building: Staff has retained Economic Planning Systems (EPS) to conduct retail and mixed-use studies as well as to identify Littleton's economic indicators. This work lays the foundation for our Comprehensive Economic Development Strategy in 2023 and will provide a set of recommendations for the City of Littleton outlining ways to increase retail expenditure, attract private capital, and set the groundwork for redevelopment in the city. EPS will also design and produce market and economic conditions data to inform the city's business attraction efforts and Economic Strategic Plan. Staff will return to council with the findings of this work in Winter 2022 and lay out a plan for the 2023 Strategy.

Storytelling: Staff is developing a series of storytelling campaigns to raise awareness of Littleton as a business-friendly city. We have already launched “Made in Littleton” with Economic Development Week and will continue to expand on that campaign through the rest of the year. Other campaign ideas include, “LittletonLive” a talk show, interview format where businesses and leaders discuss localized business issues; a women owned business article; “Innovate Littleton” - quarterly public recognition of businesses doing something noteworthy; and broker visits sharing what’s happening in Littleton. (Note: campaign concepts and names may change as they are further developed).

### **2023 - A Comprehensive Economic Development Strategic Plan**

Staff anticipates issuing a request for proposal in late 2022 for development of a Comprehensive Economic Development Strategy and to include our strategic partners in the process. The goal of the strategy is to create actionable short, medium and long term goals. The recommendations will be based in part on economic data derived from EPS’ work noted above.

#### Council Goal, Objective, and/or Guiding Principle

Goal 2: Financial Sustainability

#### Fiscal Impacts

None associated with this update. With the expansion of Economic Development efforts for the city and in anticipation of the 2023 strategy, staff is anticipating specific funding requests and a series of policy questions as part of the 2023 budget process.

#### Alternatives

N/A

#### **STAFF RECOMMENDATION:**

N/A



# Economic Development Update

5/24/2022

Cindie Perry, Economic Development Director

# Economic Development Update



6 MONTHS IN REVIEW



A LOOK FORWARD – DEC  
2022...and beyond!

# Our Starting Point

Covid Response and Recovery



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graph TD; A[Covid Response and Recovery] --> B[Staff Changes]; B --> C[Economic Development Reboot];
```

Staff Changes

Economic Development Reboot

# What We've Been Up To

Building a Team



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graph TD; A[Building a Team] --> B[Nurturing Relationships]; B --> C[Assessing our Toolbox and Needs]; C --> D[Positioning Littleton as a City of Choice];
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Nurturing Relationships

Assessing our Toolbox and Needs

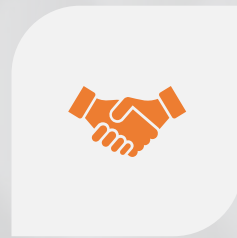
Positioning Littleton as a City of Choice



# Economic Development Week Update



INFRASTRUCTURE  
DAY



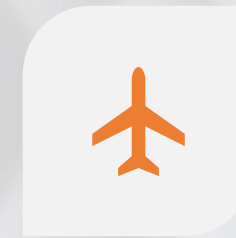
SMALL BUSINESS  
DAY



KEY INDUSTRIES



WORKFORCE DAY



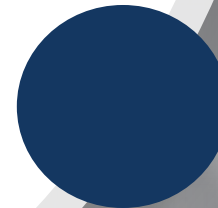
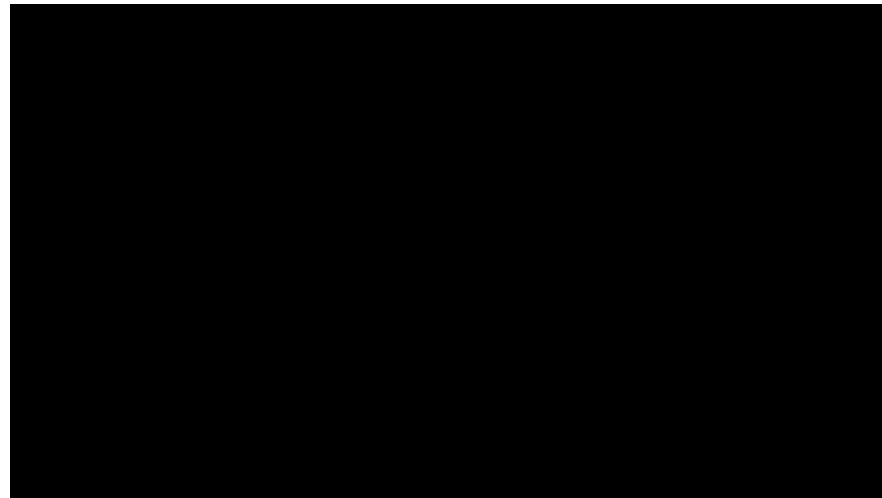
TOURISM DAY



# Littleton



Made in Littleton  
– A Montage



# What's Next? – 6 Month Program Focus



Small Business Support



Workforce Development



Business Retention and  
Expansion



Website Update

# Who Does What...Most of the Time

## Cindie - Director

- Strategy
- Day to Day Operations
- Outreach and Attraction
- Catalytic Projects

## Brian – Sr. ED Specialist

- Process Improvement
- Business Retention  
Expansion Program
- Catalytic Project Support

## Jamie – ED Specialist

- Small Businesses
- Workforce Development
- Youth and Non-Profit  
Engagement

# Other 2022 Priority Initiatives

## Data & Strategy Foundation

- Retail and Mixed-Use Analysis
- Competitive Advantages/Economic Indicators
- Business & Demographic Data Tools

## Storytelling

- Campaign Ideas
  - Made in Littleton
  - Innovate Littleton
  - LittletonLive
- Expanding our Regional Voice
- Story Placement
- **A SPECIAL THANKS TO OUR COMMUNICATIONS TEAM!!!!!!**

# 2023 Comprehensive Strategy!

- Actionable
- Data Driven
  - EPS work in 2022
- Short, Medium & Long Term Goals
- Inclusive Process



**Questions?**



Staff Communication

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**File #:** ID# 22-118, **Version:** 1

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Agenda Date: 05/24/2022

Subject:  
Capital Improvement Strategy

Prepared By: Keith Reester, Public Works Director Tiffany Hooten, Finance Director
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**PURPOSE:**

In November 2021, Littleton voters approved Ballot Initiative 3A raising the city's sales tax rate by 0.75%. The intent of the funds generated from this tax are directed at funding capital improvement projects for the city. The staff review with Council will cover the projected funds generated from the tax over the next decade and strategies for potential implementation based on Council Goals and, the Comprehensive Plan, and other existing adopted plans.

**PRESENTATIONS:**

**Staff Presenter(s):** Keith Reester, Public Works Director  
Tiffany Hooten, Finance Director

**Additional Presenter(s):** N/A

**SUMMARY:**

In November 2021 Littleton voters approved a 0.75% sales tax increase targeted at supporting needed capital expenditures, long overdue maintenance and new opportunities to support community programs. As has been previously discussed, there is a significant backlog of city needs from decades of deferred maintenance and capital improvements.

**PRIOR ACTIONS OR DISCUSSIONS:**

Capital improvement project funding has been discussed in several previous council meetings and was included as a ballot question in November 2021.

**ANALYSIS:**

Staff Analysis

As a result of the election, a discussion on capital improvement strategy is warranted. Staff will be addressing four topics in this communication.

- 1) Projected 3A Revenues
- 2) Strategy for Use of Funds
- 3) Citizen Review Committee
- 4) Establishment of Fund

**Projected 3A Revenues**



Staff will review the anticipated income from the sales tax for the next decade, averaging over \$12.5M/year in that time span.

### **Strategy for Use of Funds**

There are several alternative strategies for use of funds. Based on the Envision Comprehensive Plan, the Transportation Master Plan, and the still developing Facilities, and Open Space Master Plans; staff developed a potential example of expenditures over the next decade. The basis is building supporting critical capital maintenance, leveraging grant funding, and targeting key community goals.

As part of this staff is also recommending a policy for council consideration that would clearly define how non-capital expenditures (overhead) for delivering projects would be calculated and applied. This example also shows two potential strategies for funding, one that only utilizes year over year expenditures to complete projects versus an example of a bonding strategy to accelerate projects. In the attached table the “Downtown Streetscape” is shown in a methodology that is spread over 10 years, while the “Public Works Bldg 2 & 3 Replacement” is shown as a single year expenditure.

### **Citizen Review Committee**

Staff is recommending a plan for implementation of a citizen review committee to annually review expenditures and confirm council’s intent. The committee would meet twice each year, once each in April and May. The committee will review an annual report prepared by staff outlining the expenditures over the previous 12 months and the plan for expenditures in the forthcoming year. The committee will prepare a memo to council outlining a review of objectives based on the ballot initiative and whether they believe the objectives have been met over the past year. The specific review criteria will be outlined in the committee charter that will be adopted by council later this year.

### **Establishment of Fund**

It is recommended the city formally create a separate fund to account for revenues and expenditures specific to this ballot measure. Staff will prepare an ordinance to create a fund to align with intended use. This will include defining sources and uses of funding.

### Council Goal, Objective, and/or Guiding Principle

Goal 2: Financial Sustainability

Goal 8: Good Governance

### Fiscal Impacts

The additional sales and use tax rate of 0.75% is anticipated to provide an average of \$12.5M/year over the next decade to address the capital and infrastructure needs of the city.

### Alternatives

Strategy alternatives are noted in the staff communication.

### **STAFF RECOMMENDATION:**

Staff recommends moving forward with the strategic plan. Staff anticipates presenting draft documents of the committee charter, a policy on use of funds and the creation of the 3A Fund for council consideration with formal action to be taken in August.

	2022		2023		2024		2025		2026		2027		2028		2029		2030	
	\$8,821,000		\$11,162,409		\$11,684,467		\$12,274,135		\$ 12,887,690		\$ 13,526,028		\$ 13,792,198		\$ 14,963,519		\$ 14,340,085	
Category	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent	Allocation	Percent
Fleet	\$1,100,000	12%	\$1,200,000	11%	\$400,000	3%		0%		0%		0%		0%		0%		0%
Information Tech Capital	\$500,000	6%	\$750,000	7%	\$750,000	6%	\$850,000	7%	\$900,000	7%	\$900,000	7%	\$900,000	7%	\$900,000	6%	\$900,000	6%
Facilities Capital Maintenance	\$850,000	10%	\$850,000	8%	\$850,000	7%	\$875,000	7%	\$950,000	7%	\$950,000	7%	\$950,000	7%	\$950,000	6%	\$950,000	7%
Streets Capital Maintenance	\$2,000,000	23%	\$2,000,000	18%	\$2,000,000	17%	\$2,000,000	16%	\$2,500,000	19%	\$2,500,000	18%	\$3,000,000	22%	\$2,500,000	17%	\$2,500,000	17%
Local Match Projection	\$350,000	4%	\$1,000,000	9%	\$1,000,000	9%	\$1,000,000	8%	\$1,500,000	12%	\$1,500,000	11%	\$1,500,000	11%	\$1,500,000	10%	\$1,500,000	10%
Assigned Local Match		0%		0%		0%		0%		0%		0%		0%		0%		0%
• Santa Fe/Mineral	\$1,914,000	22%		0%		0%		0%		0%		0%		0%		0%		0%
• County Line Road	\$305,000	3%		0%		0%		0%		0%		0%		0%		0%		0%
Security Capital		0%	\$275,000	2%	\$300,000	3%	\$350,000	3%	\$375,000	3%	\$400,000	3%	\$400,000	3%	\$400,000	3%	\$400,000	3%
Facilities Capital Construction	\$900,000	10%	\$900,000	8%	\$900,000	8%	\$900,000	7%	\$900,000	7%	\$900,000	7%	\$900,000	7%	\$900,000	6%	\$900,000	6%
Public Safety Capital		0%	\$250,000	2%	\$250,000	2%	\$1,860,309	15%	\$350,000	3%	\$450,000	3%	\$450,000	3%	\$450,000	3%	\$450,000	3%
Public Works Bdg 2&3 Replacement		0%	\$1,300,000	12%		0%		0%	\$13,000,000	101%		0%		0%		0%		0%
Public Works Campus Changes		0%		0%		0%	\$900,000	7%	\$900,000	7%	\$900,000	7%		0%		0%		0%
Major Facilities Capital											\$3,000,000	22%	\$3,000,000	22%	\$4,000,000	27%	\$4,000,000	28%
Citywide Irrigation/Medians	\$300,000	3%	\$350,000	3%	\$400,000	3%	\$500,000	4%	\$550,000	4%	\$600,000	4%	\$600,000	4%	\$600,000	4%	\$600,000	4%
Downtown Streetscape		0%	\$1,100,000	10%	\$4,000,000	34%	\$3,000,000	24%		0%	\$1,200,000	9%	\$1,200,000	9%	\$1,200,000	8%	\$1,200,000	8%
Overhead for Construction/Allocated Personnel	\$405,000	5%	\$650,000	7%	\$815,000	9%	\$817,500	9%	\$1,880,000	15%	\$1,005,000	7%	\$965,000	7%	\$1,015,000	7%	\$1,015,000	7%
Total Projects	\$8,624,000		\$10,625,000		\$11,665,000		\$13,052,809		\$23,805,000		\$14,305,000		\$13,865,000		\$14,415,000		\$14,415,000	
		98%		97%		100%		109%		185%		106%		101%		96%		101%

Design
Construction
Capital Purchase
Fleet Fund Seed Funding
Local Match
Overhead (10% on Construction)



# Capital Improvement Strategy

Keith Reester, Public Works Director  
Tiffany Hooten, Finance Director  
5/24/2022

# Agenda

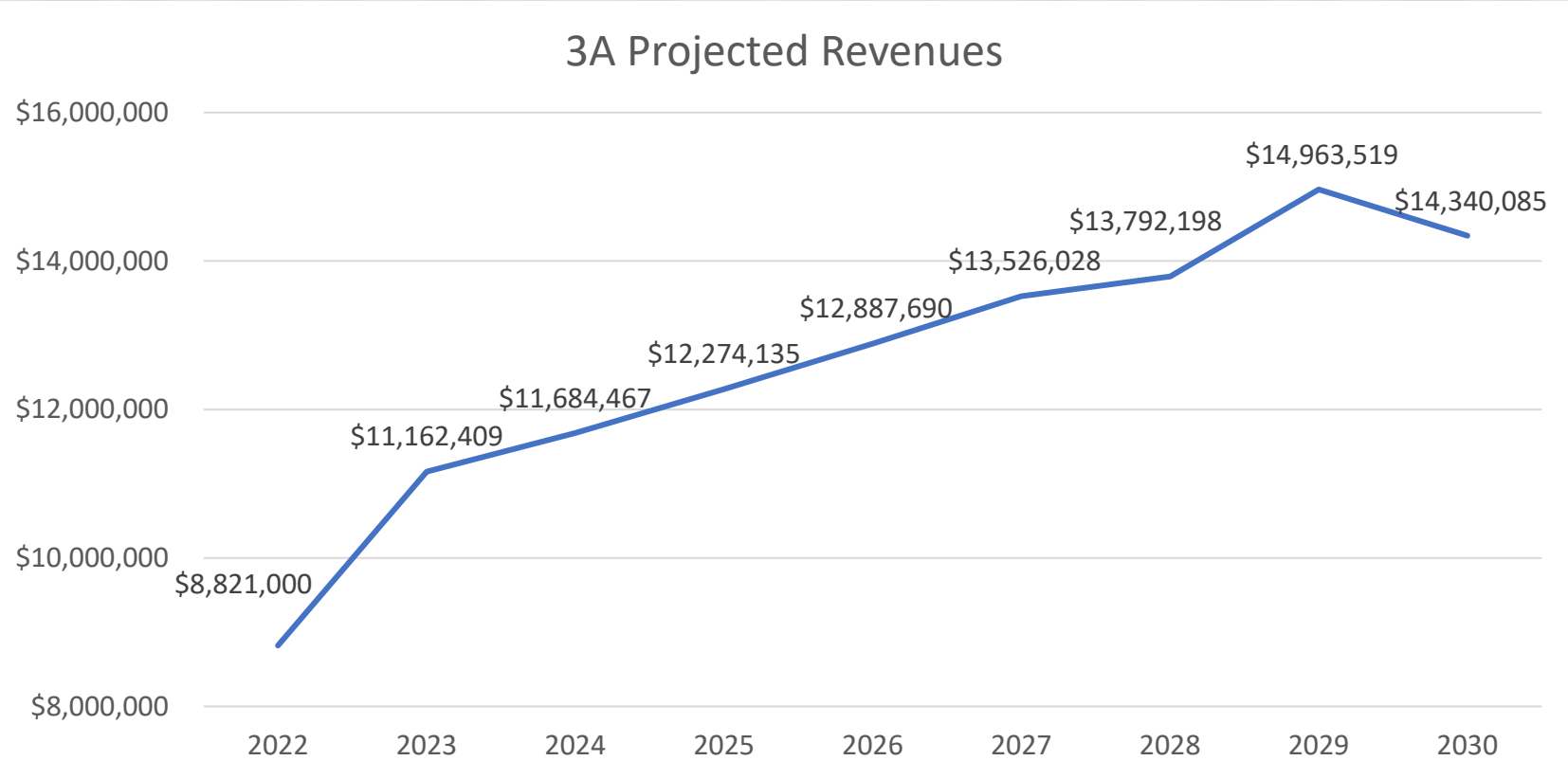
- Projected 3A Revenues
- Strategy for Use of Funds
- Citizen Review Committee
- Establishment of Fund

# Projected 3A Revenues

# 3A Background

- Additional 0.75% sales and use tax
  - Effective January 1, 2022
- Delayed compliance
- Collections through April 2022 = \$2,209,102
  - Represents January through March 2022 transactions
- 2022 estimated sales and use tax revenues = \$8,743,260

# Projected 3A Revenues



Note: reporting on cash basis

# Strategy for Use of Funds



# Strategies

- Year over year
  - Plan projects to align with annual funding available
  - Could provide difficulty in planning projects
  - High \$ projects could be delayed as funds are accumulated
    - Ex: Downtown Streetscape spread over 10 years
- Issuance of Bonds
  - Accelerates projects
  - Potential costs savings
    - Ex: Public Works building 2 & 3 Replacement in a single year

# Overhead Allocation

- Capital Improvement Projects
  - Design and Construction
  - Other services
    - Attorney's office
    - Engineering
    - Transportation
    - Procurement
    - Finance
- Other services to be allocated to projects using a systematic and rational methodology

# Overhead Allocation

- Methodology
  - Direct-charged personnel
  - Project management allocation
    - PW personnel
    - Based on allocation of hours
  - Project allocation
    - Other personnel
    - Based on allocation of hours

Streets and Infrastructure Projects (Example)	
<u>Total CIP Projects</u>	<u>\$ 7,332,541</u>
Direct-charged personnel	\$ 178,750
Project management allocation	\$ 289,007
<u>Project Allocation</u>	<u>\$ 274,911</u>
<u>Total personnel related costs</u>	<u>\$ 742,668</u>
% Allocation	10%

# Citizen Committee

## 3A Citizen Committee

- Goal: Annually review expenditures from the 0.75% sales tax revenue generated for ballot item 3A
- Committee
  - Meets 2x each year – April & May
  - Annual Report prepared by staff (after closing year)
  - Committee charter outlines the 5-7 criteria for evaluation
  - June 1 deliver annual memo to Council on evaluation
- Recommended Membership
  - Members selected from existing boards/commissions
  - Chair appointed by Council

# Establishment of Fund

# 3A Capital Improvement Fund

- Ordinance Establishing Fund
- Define Sources and Uses of Funds

**Questions?**