



Arapahoe County

5334 South Prince Street
Littleton, CO 80120
303-795-4630
Relay Colorado 711

Board Summary Report

File #: 25-320

Agenda Date: 6/24/2025

Agenda #:

To: Board of County Commissioners

Through: Michelle Halstead, Director, Commissioners' Office & Todd Weaver, Director, Finance Department

Prepared By:

Jennifer Orozco, Senior Redevelopment Project Manager, City of Aurora/ Aurora Urban Renewal Authority;
Melissa Rogers, Urban Renewal Supervisor, City of Aurora/Aurora Urban Renewal Authority

Presenter: Jennifer Orozco, Senior Redevelopment Project Manager, City of Aurora/Aurora Urban Renewal Authority

Subject:

4:00 PM *Proposed 13th Avenue Station Urban Renewal Area, Aurora

Purpose and Request:

Aurora staff will present background on the 13th Avenue Station area and the Aurora Urban Renewal Authority's efforts to assemble a financing package for the construction of a multimodal bridge and access roads, thereby enabling the future construction of nearly 1,000 workforce and affordable housing units near the RTD transit station. The purpose of this presentation is to provide the Board information about the proposed project and answer any questions to inform future negotiations to use Arapahoe County's incremental property tax revenue.

Background and Discussion: Consistent with Colorado Urban Renewal Law § 31-25-107(3.5) C.R.S., the Aurora Urban Renewal Authority (AURA) and the City of Aurora submitted an Impact Report June 10, 2025, concerning the proposed 13th Avenue Station Urban Renewal Plan and two proposed Tax Increment Financing (TIF) areas. Aurora has long-envisioned the transformation of the underutilized 13th Avenue Station into a multifaceted neighborhood with diverse transit-oriented housing choices. However, the high-level vision for residential development hinges on solving the access and infrastructure challenges in the area. By taking the lead in planning and securing financing for necessary infrastructure, mainly the extension of Dillon Way and a multimodal bridge crossing of Tollgate Creek, Aurora will enable the construction of a significant concentration of workforce and affordable/mixed-income housing.

Subject to final site plan designs, future development at 13th Avenue station could provide nearly 1,000 infill housing units. Total bridge and road costs are currently estimated at \$8 million (2024) and will be refined in the coming design process. Aurora has secured \$4 million in State grant funding to support the necessary infrastructure and TIF will be an important mechanism for closing the remaining financial gap. Aurora is seeking Arapahoe County's participation in financing the public improvements through sharing of future property tax increment, generated from the new development. The City formally submitted an impact report to the County June 10, 2025, which begins the 120-day statutory negotiation period. Staff from the Commissioners' Office, Finance, and Community Resources Departments have reviewed information and provided input to city staff to inform the presentation and documentation, identifying options for future negotiation discussions with the Board of County Commissioners. The Aurora City Council approved a blight designation for this area in March 2025 and is currently updating the station area plan, which included significant public outreach in 2024. The draft Urban Renewal Plan for this area is attached for reference in addition to the County Impact Report. County staff tentatively identified the Sept. 9, 2025, business meeting, for approving an intergovernmental agreement to memorialize outcomes, with council adoption slated for October 2025.

Fiscal Impact: Without an up-front investment in infrastructure, the 13th Avenue station area will continue to languish - a strategic urban, transit-oriented infill location with unrealized potential. Recognizing that housing does not generate large amounts of property tax increment and that deed-restricted affordable units are often tax-exempt, Aurora successfully secured \$4 million in State grant funding and the Authority is front-funding an additional \$4M, for the extraordinary infrastructure expenses, to be paid back over time with tax increment revenue. Assuming successful negotiation of an agreed-upon level of County support for TIF, the bridge and road improvements will allow for new development with a total estimated value of over \$225 million.

During the 25-year life of the TIF areas the County will receive a negotiated share of incremental property tax revenues, in addition to revenue from the Base portion of the assessed property values. At the conclusion of the TIF areas the County will receive the full increase in revenues from the assessed property values. Moreover, the future development within the TIF areas may also benefit the County through positive increases in the tax base in surrounding areas. The County's TIF participation could also result in a negotiated share of any future affordable housing constructed on the RTD property attributable to Proposition 123 goals.

Alternatives: County TIF participation is subject to negotiation. If the County and Aurora fail to reach an agreement, the parties will enter a State-mandated mediation process. Even with an agreed-upon level of support, however, it is possible that the final infrastructure costs may exceed the projected TIF revenues. If that is the case, AURA will seek additional funding (from grants, development partners, etc.) to fill the gap. If additional funding is unavailable, the infrastructure project will not proceed, and the identified housing sites will continue to remain undeveloped. Conversely, lower project costs or greater than anticipated TIF revenues would allow AURA to potentially assist with needs related to the construction of affordable housing on the RTD station parcel.

Alignment with Strategic Plan:

- ☐ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

Staff Recommendation: This study session is intended to answer questions about the project, urban renewal process, and identified financial options for TIF participation. County staff worked with City staff to create materials to provide a base level of information to inform future negotiation conversations among the Board and County staff.

Concurrence: Finance Department, Community Resources.