

Initiative Petition No. 2007-1

Full Text of the Proposed Initiated Ordinance

Ordinance No. _____ Series 2007

An ordinance transferring authority from the unelected Louisville Revitalization Commission to the Louisville City Council and establishing procedures for the Louisville Urban Renewal Authority.

THE PEOPLE MAKE THESE FINDINGS:

A. The City of Louisville is a Colorado home rule city.

B. Under state law, the City may create an urban renewal authority. It may designate either the City Council or a group of unelected persons to serve as the authority.

C. The City's urban renewal authority is the Louisville Revitalization Commission, also known as "LRC." It consists of seven unelected persons.

D. These unelected persons have five-year terms. There are no term limits. They are not subject to elections. They cannot be voted out of office by the People, even for ethical misbehavior or other serious misconduct.

E. The City Council and LRC have entered into a "cooperation agreement" that purports to limit the LRC's broad authority. However, as the agreement itself acknowledges, under state law the Council has only limited ability to control the LRC's powers. A majority of the LRC is free to terminate the cooperation agreement at any time.

F. The LRC has broad authority to sue, borrow money, issue bonds, and invest, receive and spend money. The LRC, with Council approval, also can condemn private property.

G. The purpose of an urban renewal authority is to prevent and remove blight. It cannot receive funding unless there is blight.

H. In 2003, the City completed a 3-year study of the "Hwy 42 Revitalization Area," an area bounded by the Burlington Northern railroad tracks, Hwy 42, South Boulder Road and Pine Street. The study proposed an urban renewal

district for this area. In 2005, the LRC found blight in this area.

I. In 2006, the LRC doubled the size of the area it was studying for blight. The new 228-acre area included the King Soopers, Safeway and Christopher Plaza shopping centers, vacant land, and commercial downtown Louisville. Of the 150 properties in this new area, the LRC found that 27—or 17% of the properties—qualified for blight designation. The LRC then proposed an urban renewal district including all 150 properties and doubling the size of the district originally proposed in the 2003 study.

J. In 2006, the City Council approved the LRC's proposed expanded urban renewal district and plan.

K. The LRC has identified two primary sources of funding: new sales-tax and property-tax revenues generated in the urban renewal district. In June 2006, the LRC said its expanded district could generate **\$77 million** in such new tax revenues over 25 years.

L. Under the plan, the unelected LRC will guide development in the district, including in the historic downtown area. It will use taxpayer dollars to fund its activities, such as giving financial and other benefits to developers as "incentives" to build in the district.

M. In December 2006, the City Council voted 5 to 2 to approve the 25-year plan. In January 2007, the same Council majority rejected a proposed resolution calling for (1) a plan establishing the priorities for the use of taxpayer dollars diverted to the LRC, (2) an analysis of the financial impact to the City of the LRC's diversion of taxpayer dollars, and (3) a declaration stating

that the LRC and City would not favor condemnation of private property.

N. The new property tax revenues generated in the district are being earmarked now to go to the LRC; new sales tax revenues from the district may be allocated to the LRC. None of these monies will go into the City's budget. Yet, the City—not the LRC—will pay for an increasing amount of services going to the district as it develops. As a result, other areas of the City will subsidize services to the district for up to 25 years.

O. Other than the LRC, no Louisville public body—except the elected City Council—has

power to expend potentially tens of millions of dollars.

P. The People of the City of Louisville expect their elected officials, not unelected persons, to be directly responsible for public monies, and for developing an appropriate plan for areas in and affecting the historic downtown.

Q. Like the City's many other valued advisory bodies, such as the Planning Commission, the LRC can and should serve as an advisory body to the Council.

NOW, THEREFORE, BE IT ORDAINED BY THE PEOPLE OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. (a) The authority of the Louisville Revitalization Commission is hereby transferred to the Louisville City Council, effective immediately. "Urban Renewal Authority" in this Section 1 shall mean the Louisville City Council acting as the urban renewal authority under the Colorado Urban Renewal Law, C.R.S. §§ 31-25-101 to -117.

(b) The Louisville City Council and the Urban Renewal Authority shall take such action to ensure, to the fullest extent possible, that all open-government and relevant ethics provisions, including enforcement provisions, in the Louisville Home Rule Charter are made applicable to the Council acting as the urban renewal authority.

(c) The Urban Renewal Authority's financial books shall be audited annually.

(d) The Urban Renewal Authority's meetings shall be broadcast on the government access channel and recorded on video, and its minutes shall be as detailed as the City Council's minutes.

(e) Citizens shall be permitted to participate at Urban Renewal Authority meetings to the same extent and in the same manner as at City Council meetings.

(f) The City Council may approve sales tax increment financing for the urban renewal district only by ordinance, provided, however, that no such approval shall occur before completion of:

(i) an analysis of the short- and long-term impact of such financing on the general fund and capital improvement budget of the City, and

(ii) an analysis of the cost-benefit relationship between the investment of any tax increment financing for the urban renewal district and the City's long-term financial position.

(g) Effective immediately, the Louisville Revitalization Commission shall be established under Article 10 of the Louisville Home Rule Charter as the City's urban renewal advisory body. The terms of its members, and its responsibilities, policies and procedures shall be established in accordance with Article 10.

Section 2. Any ordinance or resolution or portion thereof in conflict with this ordinance is hereby repealed to the extent of such conflict.