



TDA THORNTON
DEVELOPMENT
AUTHORITY
Annual Report
2017



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INTRODUCTION

Welcome to the Thornton Development Authority's Annual Report for 2017. Thornton is the sixth largest city in Colorado, with a population estimated at approximately 136,000 and an area of 37 square miles. Established in 1981, the Thornton Development Authority (TDA) is an Urban Renewal Authority (URA) tasked with revitalizing our community by using tax increment financing (TIF) to eliminate blight, invest in infrastructure, and lead the way toward greater economic vitality. Many of our redevelopment efforts over the past 36 years would not have occurred without this important tool.

2017 was a year of continued success as the TDA continued to be a leader in revitalization of the North Metro Denver region. TDA uses its TIF capabilities to catalyze private sector redevelopment and enhances Thornton by providing funding for public amenities and improvements.

Key TDA Objectives

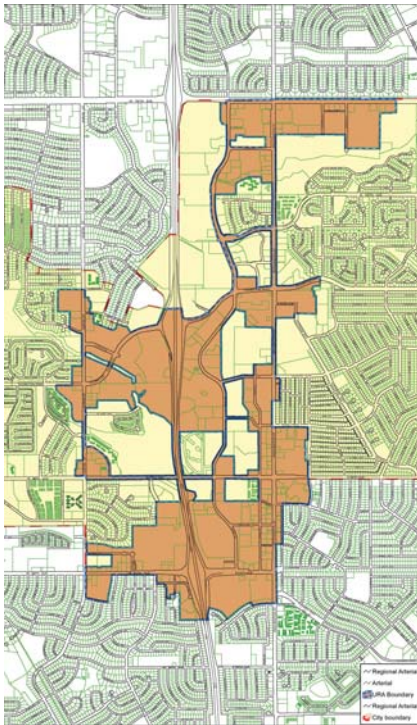
- Eliminate and prevent blight and deterioration
- Promote local and regional commercial development
- Improve property values
- Catalyze a mix of land uses and densities that address market demand and help ensure continued vitality
- Encourage the continued presence of businesses within the TDA plan areas

What is an Urban Renewal Area?

The TDA can only operate in places officially designated by Thornton City Council as Urban Renewal (plan) Areas. City Council can make such a designation only after a thorough analysis of the area pursuant to state urban renewal law. There are currently three URAs within Thornton; this annual report will look at progress made in each area and look ahead to what we expect in the coming year.



SOUTH THORNTON URBAN RENEWAL AREA

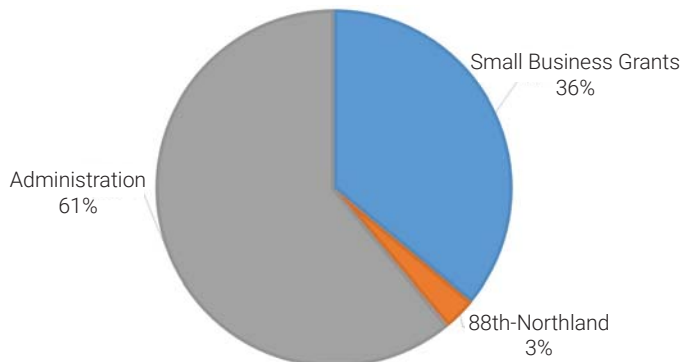


The South Thornton URA includes a wide variety of potential redevelopment opportunities, and in 2017, 46 businesses were issued business licenses within the area. Property taxes, which are the sole source of TIF in the area, were up 9.2 percent for the year. The North Valley Tech Center continues to enjoy physical improvements and new primary jobs, with Tower Engineering, Allied Global, and Sonder bringing 270 jobs and occupying nearly 50,000 square feet in 2017 alone.

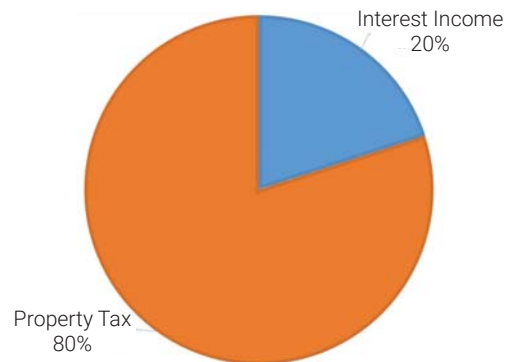
At the Thornton Healthcare District (Grant Street between 88th Avenue and Thornton Parkway), TDA continued to negotiate with Opus for assisted living, medical office building, hotel, restaurant, and retail uses that complement the North Suburban Medical Center. New businesses included Altierus Career College and The Senior Hub at the western end of Russell Boulevard, and Mountain Capital Investment and Western Law Group in the Horizon Terrace Building.

Staff continues to work with the ownership of Thornton Shopping Center (northeast corner of 88th and Washington) and interested redevelopment prospects. While two deals failed to move forward in 2017, TDA funds remain available for environmental cleanup, demolition, and other eligible activities as an incentive for a quality project and staff continues to court redevelopment prospects. Also in play for 2017 was enforcement of the new South Thornton URA Non-Residential Maintenance Code, which aims to improve the appearance and safety of commercial sites within the URA.

South Thornton - Expenditures \$329,560

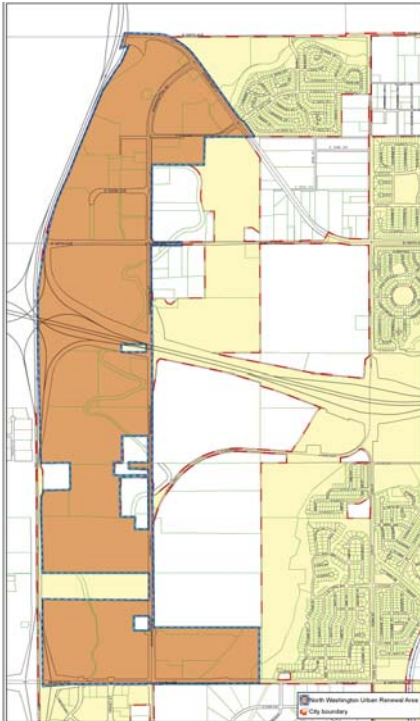


South Thornton - Revenue \$409,240



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|-------------------------------|--------------------|
| 2017 Net Revenue | \$79,680 |
| Beginning Fund Balance | \$8,181,641 |
| Restricted Funds/Values | (\$1,616,721) |
| Available Fund Balance | \$6,644,600 |

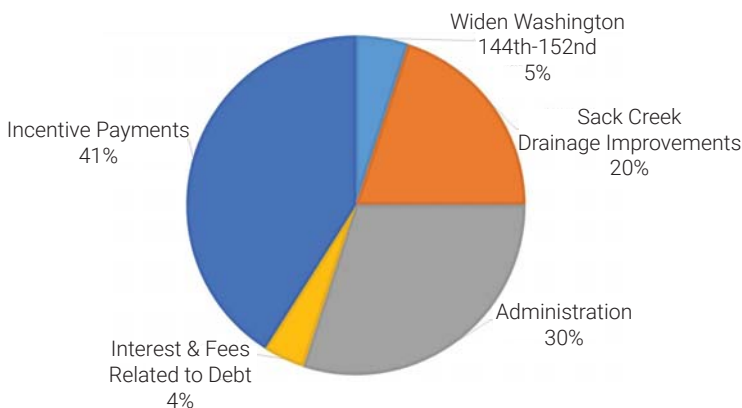
NORTH WASHINGTON URBAN RENEWAL PLAN AREA



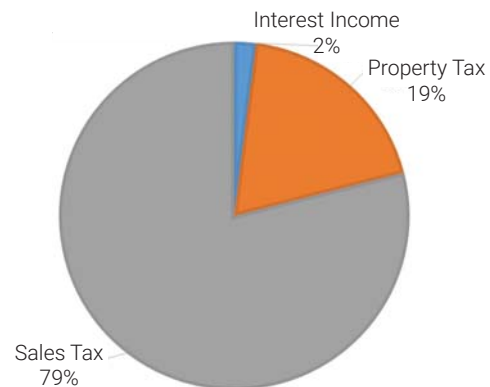
The North Washington URA includes some 913 acres, anchored by the Larkridge Shopping Center to the north and the new 2.4 million square foot Amazon Robotics and Fulfillment Center to the south, slated for completion in the third quarter of 2018. TDA is investing more than \$100 million into public improvements over the life of the URA and in 2017 continued the Sack Creek drainage improvements, widening of Washington Street, and construction of Grant Street between 144th and 148th Avenues.

The district is zoned for retail, commercial, and mixed uses, and the Larkridge development gained seven additional business in 2017, including the 20,000 square foot Duluth Trading Company retail store, the first physical retail location for the company in the state of Colorado. In the works for Larkridge in 2018 is the Topgolf development.

North Washington - Expenditures \$14,267,847



North Washington - Revenue \$13,481,983



| | |
|--------------------------------------|--------------------|
| Other Financing (Principal Payments) | (\$865,000) |
| 2017 Net Revenue (Loss) | (\$785,864) |
| Beginning Fund Balance | \$19,828,519 |
| Restricted Funds/Values | (\$9,311,650) |
| Available Fund Balance | \$8,866,005 |

144TH AVENUE URBAN RENEWAL PLAN AREA

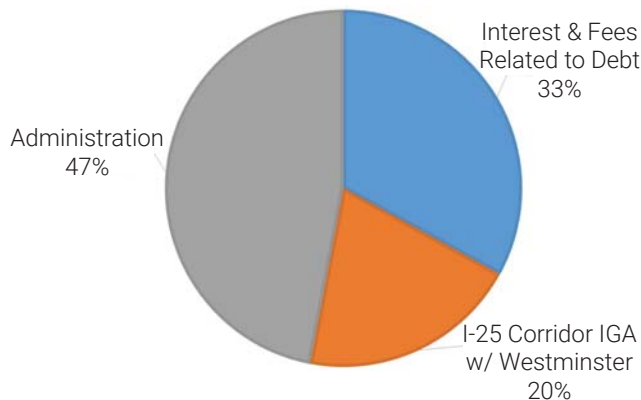


The 144th Avenue URA was created to catalyze The Grove development, anchored by Cabela's. TDA's investment of nearly \$15 million offset significant public infrastructure improvements such as streets, storm water drainage and detention, environmental remediation, water and sanitary sewer, and traffic-related improvements needed to stimulate investment.

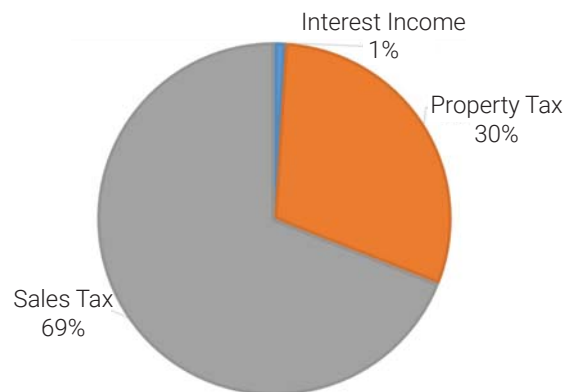
In 2017, master developer The Steinberg Group continued to increase the tenant mix and began construction of a 122-room Hilton Garden Inn on-site, which will feature a 5,000 square foot restaurant and patio, as well as a 4,000 square foot conference meeting facility. Five of nine business licenses issued within this URA in 2017 were for restaurants:

- Cuba Cuba Sandwicheria
- Five Guys Burgers & Fries
- Grabbagreen
- Potbelly Sandwich Works
- Your Pie

144th Ave - Expenditures \$3,525,931



144th Ave - Revenue \$3,536,335



| | |
|--------------------------------------|------------------|
| Other Financing (Principal Payments) | (\$625,000) |
| 2017 Net Revenue | \$10,404 |
| Beginning Fund Balance | \$3,852,777 |
| Restricted Funds/Values | (\$2,258,550) |
| Available Fund Balance | \$979,631 |

LOOKING AHEAD

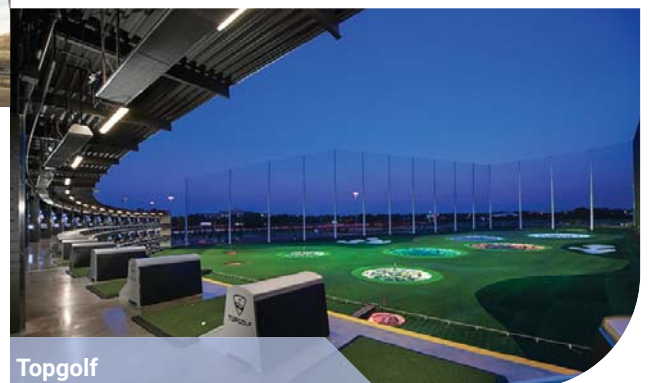
The Thornton Development Authority is expecting an exciting and successful 2018:

TDA expects to close on the Thornton Healthcare District with Opus Development by the end of June 2018; full development will likely be staggered over a two to three year period.

Staff will continue to help backfill available space in the North Valley Tech Center and will continue to assist another primary employer, Adam's Polishes, in their relocation to the former Jump Street building on the west side of I-25.

The 2.4 million square foot Amazon robotics and fulfillment center in the North Washington Street URA, slated for completion in the third quarter of 2018, represents the investment of at least \$150 million and the creation of 1,500 jobs.

The \$25 million Topgolf development in the North Washington Street URA will be under construction in 2018 and complete in 2019; a 77,000 square foot Floor & Décor will also be developed at the Larkridge Shopping Center in 2018.



Topgolf

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