

Annual Report 2021



Thornton Development Authority Board Members 2021



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INTRODUCTION

Welcome to the 2021 Annual Report for the Thornton Development Authority (TDA), presented by the City of Thornton's Office of Economic Development. Thornton is the sixth largest city in Colorado and the population reached an estimated 146,270 in the fourth quarter of 2021; the land area remains at approximately 37 square miles. Established in 1981, the TDA is an Urban Renewal Authority tasked with revitalizing the community by using tax increment financing (TIF) to eliminate blight, invest in infrastructure, and lead the way towards greater economic vitality. Many of the redevelopment efforts over the past 40 years would not have occurred without this important tool. 2021 was another challenging year for the entire world due to the Coronavirus pandemic, and TDA activity mirrored the overall economy. New commercial Certificates of Occupancy (COs) were up 10 percent for the year, and 16 of the 47 COs granted in 2021 occurred within Urban Renewal Areas. Two of the three urban renewal areas saw a decline in revenue for 2021, but not at a concerning level. High impact projects happen because the TDA is proactive, using its TIF capabilities to catalyze private sector investment by funding public infrastructure improvements and other eligible activities.



Key TDA Objectives

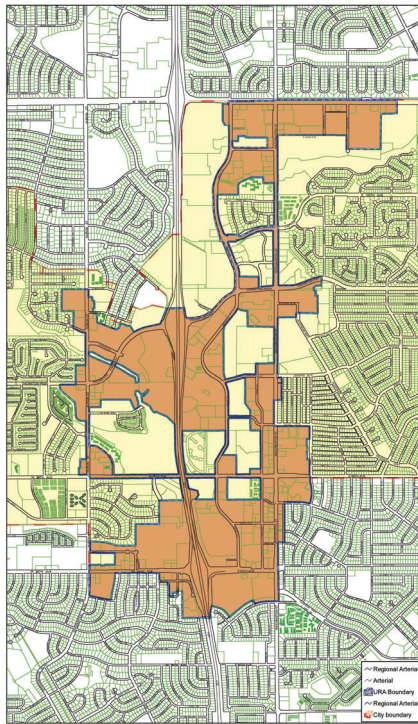
- Eliminate and prevent blight and deterioration
- Promote local and regional commercial development
- Improve property values
- Catalyze a mix of land uses and densities that address market demand and help ensure continued vitality
- Encourage the continued presence of businesses within the TDA plan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

What is an Urban Renewal Area?

The TDA can only operate in places officially designated by City Council as Urban Renewal (plan) Areas (URAs). 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 the City; this annual report will look at progress made in each area and look ahead to what is expected in the coming year.



SOUTH THORNTON URBAN RENEWAL AREA



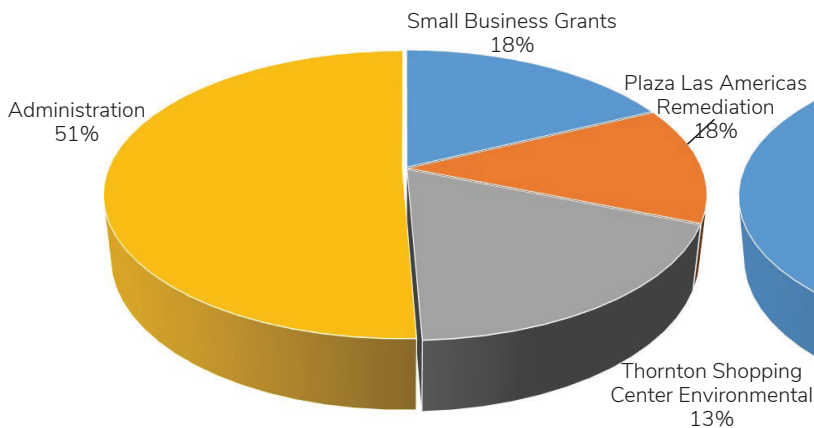
The current South Thornton URA, established in 2012, encompasses much of the commercial land south of 104th Avenue. The captured property tax increment fell by 5.3 percent after a gain of 3.3 percent in 2020. The total number of businesses within the URA decreased by seven in 2021, to 480.

The average commercial/retail lease rate for South Thornton was \$9.99 per square foot, down by approximately \$5.00 from pre-pandemic rates. Vacancy for the area south of 104th Avenue held steady at about 7.2 percent.

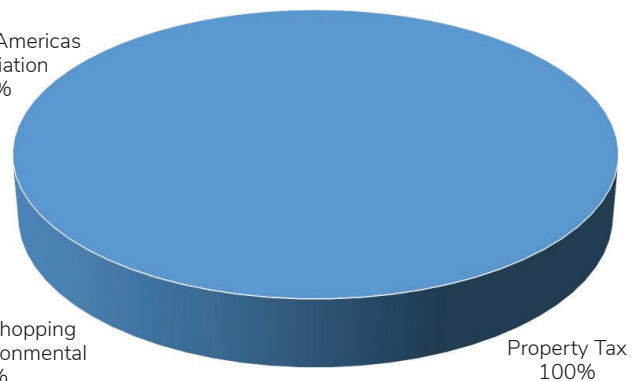
Expenditures supported a portion of staff salaries, small business grants, and select projects. At the Thornton Shopping Center, TDA continued to seek redevelopment opportunities and resolve the significant environmental and code compliance issues with both the owner and the Colorado Department of Public Health and Environment (CDPHE). 2021 TDA investment totaled \$56,771 for surveying and testing necessary to determine which portions of the 16-acre site are free from dry cleaning chemical contamination, as well as other due diligence necessary should the City acquire some or all of the property. Monitoring and cleanup activities at the south adjoining Plaza Las Americas (formerly Northland) continued during 2021.

Denver Bouldering Club North occupied 15,000 square feet in the Huron Shopping Center, and Glacier Car Wash opened at 9140 Huron Street. In and around North Suburban Medical Center, improvements were completed to a catheterization lab, Rocky Mountain Physical Therapy and Colorado Brain and Spine. Hungry Howie's Pizza opened a new location in the Washington Plaza (10382 Washington Street) and Pet Supplies Plus located nearby at 1010 E 104th Avenue.

South Thornton - Expenditures
\$428,977

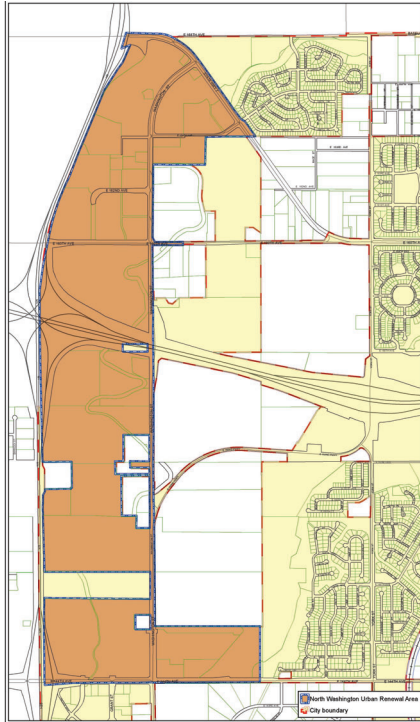


South Thornton - Revenue
\$704,440



2021 Net Revenue	\$275,463
Beginning Fund Balance	\$9,353,657
Restricted Funds/Values	(\$1,580,160)
Available Fund Balance	\$8,048,960

NORTH WASHINGTON URBAN RENEWAL AREA



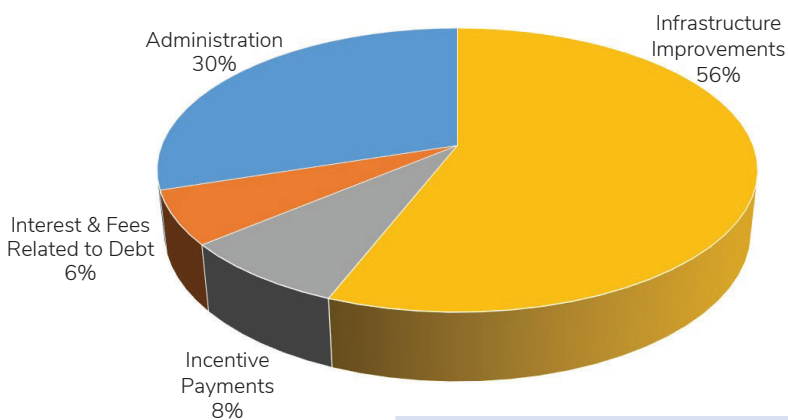
The North Washington Street Corridor URA, adopted in 2003, covers approximately 913 acres, mostly bounded by Interstate 25, Colorado Highway 7, Washington Street, and 144th Avenue. For 2021, revenue was up 3.2 percent from 2020. The number of commercial businesses within the URA was 59 in 2021, up from 56 in 2020.

Active investments continued into significant infrastructure improvements such as Washington Street widening, sewer connections, and drainage improvements; 2021 investment in these improvements was approximately \$3.8 million.

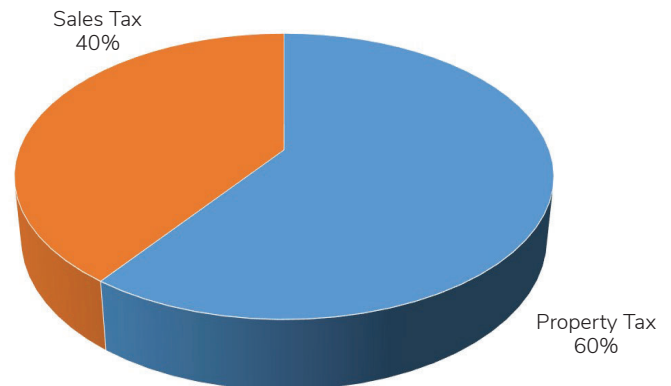
New certificates of occupancy issued in 2021 included Woodspring Suites, Discount Tire, Cycle Gear, and Planet Fitness at the Larkridge Shopping Center, as well as Advanced Heart and Vein Center and Taco Bell on the north side of 144th Avenue. The North Washington Street Corridor URA is zoned for a variety of retail, commercial, and employment uses and a stronger pace of development is expected as the pandemic eases.

The first two speculative buildings in the 25 North Business Park that were completed in 2020 are being occupied by Sashco (manufacturer of caulks, sealants and stains, 150 jobs) and Meati Foods (200 jobs, includes corporate headquarters). A third building was completed in 2021; Epicurean Butter has occupied 30,000 square feet and Solid Power will soon establish a production facility for components of solid-state battery cells. The 70-acre property, adjacent to the north of the Amazon fulfillment center, will eventually house as many as eight industrial buildings (930,000 square feet).

North Washington - Expenditures
\$6,787,849

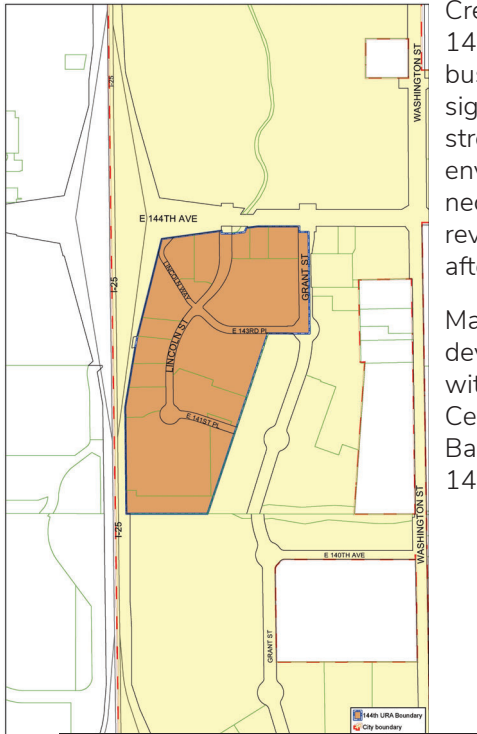


North Washington - Revenue
\$17,050,241



Other Financing (Principal Payments)	(\$995,000)
2021 Net Revenue	\$10,262,392
Beginning Fund Balance	\$8,217,190
Restricted Funds/Values	(\$6,079,225)
Available Fund Balance	\$11,405,357

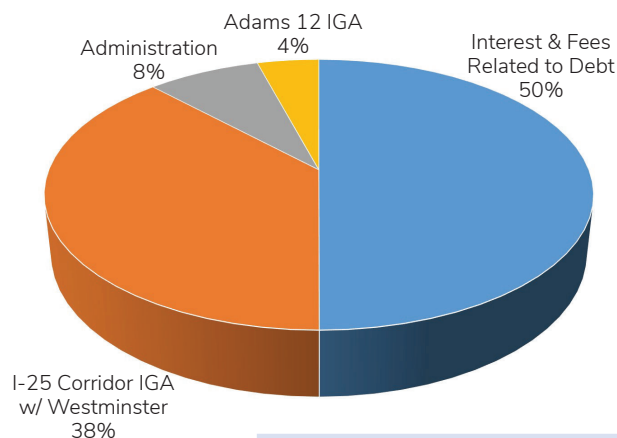
144TH AVENUE URBAN RENEWAL AREA



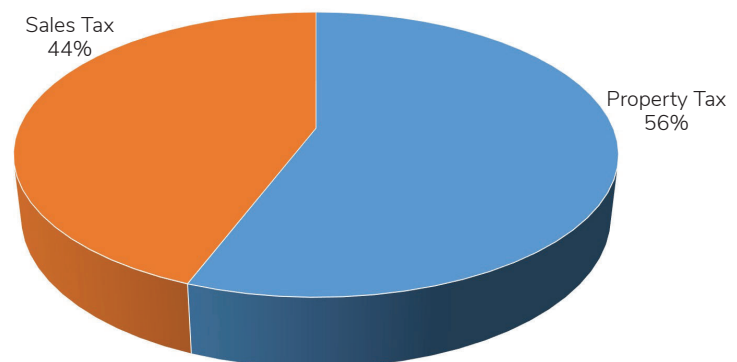
Created in 2012 to catalyze The Grove development, the 144th Avenue URA is anchored by Cabela's and 36 other businesses. The TDA initially invested nearly \$75 million in significant public infrastructure improvements including streets, water, sewer and storm water systems, environmental remediation, and traffic related improvements necessary to stimulate private investment. Overall TIF revenue for 2021 was down about one percent for 2021, after having fallen approximately 5.9 percent in 2020.

Master developer, The Staenberg Group, continues to develop the 65-acre center. The total number of businesses within the URA for 2021 was 37, up three from 2020. Certificates of Occupancy for 2021 included Tous Les Jour Bakery & Café at 14352 Lincoln Street and F-45 Training at 14340 Lincoln Street. Stay tuned for a better 2022!

144th Ave - Expenditures \$2,190,179



144th Ave - Revenue \$2,917,112



Other Financing (Principal Payments)	(\$710,000)
2021 Net Revenue	\$726,933
Beginning Fund Balance	\$2,322,152
Restricted Funds/Values	(\$2,258,550)
Available Fund Balance	\$80,535

LOOKING AHEAD

The TDA is looking forward to an exciting 2022 for developments within Urban Renewal Areas. In the South Thornton URA, the TDA will continue to promote quality redevelopment of the Thornton Shopping Center. For the Gateway District (Grant Street south of Thornton Parkway), a new market study and other efforts to attract quality commercial development for the site are underway for 2022. It is also expected for the former AAA Propane site at Washington Street and 85th Avenue to be redeveloped as a Panda Express. In the North Washington URA, grading is underway for Phase II of the 25 North Business Park development (additional 600,000 square feet of speculative industrial space). Numerous commercial prospects are looking at the Larkridge shopping area; and a new retail building is under consideration for The Grove.



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