

CHAPTER 339

GOVERNMENT - LOCAL

SENATE BILL 18-248

BY SENATOR(S) Martinez Humenik, Kefalas, Tate;
also REPRESENTATIVE(S) Lawrence and Gray, Exum, Herod, Kennedy.

AN ACT

CONCERNING THE TREATMENT UNDER STATUTORY PROVISIONS GOVERNING TAX INCREMENT FINANCING OF REVENUES RECEIVED BY AN URBAN RENEWAL AUTHORITY FOLLOWING CERTAIN VOTER-APPROVED REVENUE INCREASES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 31-25-107, **amend** (9)(a)(II) and (9.7)(b) as follows:

31-25-107. Approval of urban renewal plans by local governing body - definitions. (9) (a) Notwithstanding any law to the contrary, any urban renewal plan, as originally approved or as later modified pursuant to this part 1, may contain a provision that the property taxes of specifically designated public bodies, if any, levied after the effective date of the approval of such urban renewal plan upon taxable property in an urban renewal area each year or that municipal sales taxes collected within said area, or both such taxes, by or for the benefit of the designated public body must be divided for a period not to exceed twenty-five years after the effective date of adoption of such a provision, as follows:

(II) That portion of said property taxes or all or any portion of said sales taxes, or both, in excess of the amount of property taxes or sales taxes paid into the funds of each such public body in accordance with the requirements of ~~subparagraph (I) of this paragraph (a)~~ **SUBSECTION (9)(a)(I) OF THIS SECTION** must be allocated to and, when collected, paid into a special fund of the authority to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the authority for financing or refinancing, in whole or in part, an urban renewal project, or to make payments under an agreement executed pursuant to ~~subsection (11) of this section.~~ Any excess municipal sales tax or property tax

Capital letters or bold & italic numbers indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

collections not allocated pursuant to this ~~subparagraph (H)~~ SUBSECTION (9)(a)(II) must be paid into the funds of the municipality or other taxing entity, as applicable. Unless and until the total valuation for assessment of the taxable property in an urban renewal area exceeds the base valuation for assessment of the taxable property in such urban renewal area, as provided in ~~subparagraph (I) of this paragraph (a)~~ SUBSECTION (9)(a)(I) OF THIS SECTION, all of the taxes levied upon the taxable property in such urban renewal area must be paid into the funds of the respective public bodies. Unless and until the total municipal sales tax collections in an urban renewal area exceed the base year municipal sales tax collections in such urban renewal area, as provided in ~~subparagraph (I) of this paragraph (a)~~ SUBSECTION (9)(a)(I) OF THIS SECTION, all such sales tax collections must be paid into the funds of the municipality. When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property or the total municipal sales tax collections, or both, in such urban renewal area must be paid into the funds of the respective public bodies, and all ~~moneys~~ MONEY remaining in the special fund established pursuant to this ~~subparagraph (H)~~ SUBSECTION (9)(a)(II) that ~~have~~ HAS not previously been rebated and that originated as property tax increment generated based on the mill levy of a taxing body, other than the municipality, within the boundaries of the urban renewal area must be repaid to each taxing body based on the pro rata share of the prior year's property tax increment attributable to each taxing body's current mill levy in which property taxes were divided pursuant to this subsection (9). Any ~~moneys~~ MONEY remaining in the special fund not generated by property tax increment ~~are~~ IS excluded from any such repayment requirement. Notwithstanding any other provision of law, any additional revenues ~~the municipality, county, special district, or school district receives either~~ RESULTING because the voters have authorized the municipality, county, special district, or school district to retain and spend said ~~moneys~~ REVENUES pursuant to section 20 (7)(d) of article X of the state constitution subsequent to the creation of the special fund pursuant to this ~~subparagraph (H)~~ SUBSECTION (9)(a)(II) or as a result of an increase in the property tax mill levy approved by the voters of the municipality, county, special district, or school district subsequent to the creation of the special fund, to the extent the total mill levy of the municipality, county, special district, or school district exceeds the respective mill levy in effect at the time of approval or substantial modification of the urban renewal plan, ~~are not included in the amount of the increment that is allocated to and, when collected, paid into the special fund of the authority~~ SHALL NOT BE PLEDGED BY AN AUTHORITY FOR THE PAYMENT OF ANY BONDS OF, ANY LOANS OR ADVANCES TO, OR ANY INDEBTEDNESS INCURRED BY THE AUTHORITY WITHOUT THE CONSENT OF THE RELEVANT MUNICIPALITY, COUNTY, SPECIAL DISTRICT, OR SCHOOL DISTRICT. TO THE EXTENT THE AUTHORITY HAS RECEIVED THE NOTIFICATION SPECIFIED IN THIS SUBSECTION (9)(a)(II), SUCH ADDITIONAL REVENUES SHALL THEN BE PROMPTLY REPAYED BY THE AUTHORITY TO THE MUNICIPALITY OR OTHER TAXING ENTITY. THE AUTHORITY SHALL BE NOTIFIED OF THE AMOUNT OF ADDITIONAL REVENUES AND THE CALCULATIONS USED IN COMPUTING THE AMOUNT BY THE APPLICABLE MUNICIPALITY OR OTHER TAXING ENTITY PRIOR TO MAKING REPAYMENT AND, IN ANY EVENT, NOT LATER THAN FEBRUARY 1 IN EACH FISCAL YEAR FOLLOWING THE YEAR IN WHICH A VOTER-APPROVED REVENUE INCREASE HAS TAKEN EFFECT. THE AUTHORITY AND MUNICIPALITY OR ANY OTHER TAXING ENTITY MAY NEGOTIATE FOR THE PURPOSE OF ENTERING INTO AN AGREEMENT ON THE ISSUES OF THE AMOUNT OF REPAYMENT, THE MECHANICS OF HOW REPAYMENT OF THE ADDITIONAL REVENUES WILL BE

ACCOMPLISHED, A METHOD FOR RESOLVING DISPUTES REGARDING THE AMOUNT OF REPAYMENT, AND WHETHER THE MUNICIPALITY OR TAXING ENTITY WILL WAIVE THE REPAYMENT REQUIREMENT, SINGULARLY OR IN COMBINATION, AND MAY ENTER INTO AN INTERGOVERNMENTAL AGREEMENT REGARDING ANY OF THESE ISSUES.

(9.7) Notwithstanding any other provision of law:

(b) The requirements of section 31-25-104 (2)(a), (2)(b), and (2.5), section 31-25-115 (1.5), the introductory portion of subsection (9)(a) of this section, subsections (9)(a)(II), (9)(i), and (9.5) of this section, as added by House Bill 15-1348, enacted in 2015, and as amended by Senate Bill 16-177, enacted in 2016, and the requirements of subsections (7) and (7.5) of this section as amended by Senate Bill 17-279, enacted in 2017, AND THE REQUIREMENTS OF SUBSECTION (9)(a)(II) OF THIS SECTION AS AMENDED BY SENATE BILL 18-248, ENACTED IN 2018, apply to municipalities, urban renewal authorities, and any urban renewal plans created on or after January 1, 2016, and to any substantial modification of any urban renewal plan where the modification is approved on or after January 1, 2016.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 30, 2018