Elbert County
Planning Commission Meeting
2-6-2018

Zoning Regulation Amendments

A. New Part II, Section 27, Economic Development Zone (EDZ) overlay
B. Revision to Part I, Section 6, Rezoning Procedures/Requirements
C. Revision to Part I, Section 7, Enforcement of the Zoning Regulations
• **Step 1** *(now – this action during PC and BOCC meetings in February 2018)*
  Intent – to facilitate the implementation of the goals of the existing Comprehensive Plan to promote economic activity and mixed uses along select Elbert County roadway corridors by adding the Economic Development Zone (EDZ) overlay district to the Elbert County Zoning Regulations, creating a County Initiated Rezoning process, and a new Zoning Regulation Enforcement section.

• **Step 2** *(later February and March 2018)*
  Meet with any jurisdictions and agencies that have comments (in accordance with the new referral & notice provisions) about the EDZ overlay district to discuss location of corridors intended to implement and establish on the Elbert County Zoning Map the placement of the EDZ overlay district which will be ‘over’ the existing underlying zone district for any location.

• **Step 3** *(March/April 2018)*
  Begin notification process to add the EDZ overlay zone to various roadway corridors within the County (current thought of locations is on Figure 1).

• **Step 4** *(April, May, June) 2018)*
  Conduct Planning Commission and BOCC public hearings in accordance with the notification procedure and decide where the EDZ overlay will be placed within the County on the Elbert County Zoning Map.
POTENTIAL OVERLAY LOCATIONS

NW CORNER
POTENTIAL OVERLAY LOCATIONS

EAST SIDE
Responding to Impacts of Gallagher Amendment Adjustments

Maintaining a Predictable County Revenue Stream

BOCC Discussion: January 31, 2018
Agenda

- What is Gallagher?
- What are Our Numbers?
- How are we Impacted?
- How do Limit Impact of Future Adjustments?
What is Gallagher?

- The Gallagher Amendment was an amendment to the Colorado Constitution enacted in 1982 concerning property tax.
- It addressed the impacts of skyrocketing residential tax burden.
- Has reduced assessment rate from 21% to 7.96% from 1984 to 2002.
- Requires a state-wide ratio of total property tax collections of 45% residential: 55% non-residential.
- Steep increases in front-range home values and reduction in oil & gas tax prices resulted in 2018 reduction to 7.2%
- Anticipate 2020 adjustment to 6.2% (~14% reduction).

![Graph showing Colorado residential assessment rates since Gallagher passed.](image)
What are our numbers?

- Current actual valuation of Residences: $3.3B
  - 2018 Revenue from Residential: $6.7M
- Non-Residential Property actual valuation: $0.4B
  - Commercial: $95M value  Revenue: $772K
  - Agricultural: $74M value  Revenue: $606K
  - Vacant land: $72M value  Revenue: $584K
  - State Assess: $146M value  Revenue: $1.19M
  - Minerals: $12M value  Revenue: $101K
- Gallagher Ideal: 45% Revenue from Residential
- Elbert County: 67% Revenue from Residential
How are we impacted?

- If we had the ideal 45:55 ratio of Res:Non-Res our Revenue from Non-Res would be $8.2M vs. $3.2M
- If state adjusts Gallagher Rate to 6.2% in 2020:
  - This would be a 14% reduction in Residential rate
  - Applied to 2018 values – a revenue reduction of $942K.
  - More than total revenue from Commercial Property!
- To maintain constant revenue:
  - Total value of Residential must increase by $467M, or
  - Commercial Property Value must increase by $115M.

- NOTE: If county ratio was 45:55, current revenue would be $5M higher in 2018.
Diversify Property Tax Base

GOAL: 45:55 Res/Non-Res Assessed Valuation

• Identify and correct assessments of commercial business use of residential properties.

• Ensure proper valuation of current commercial property.

• Establish policy that encourages increased use of current undeveloped land for commercial purposes.
  • 96% of Elbert County zoned Ag – 6% of Property Tax Revenue.
Economic Development Overlay Zone
THREE MILE & ONE MILE MUNICIPALITY BUFFERS

This map is a graphic representation of the proposed EDZ Overlay Zone District.