

COUNCIL BILL NO. 13-027
ORDINANCE NO. 4396

AN ORDINANCE AMENDING CHAPTER 98, ARTICLE III “SALES AND USE TAX” OF THE ARVADA CITY CODE BY ADDING A NEW SECTION 98-109 TO PROVIDE A CREDIT AGAINST SALES TAXES DUE IF A RETAIL SALES FEE HAS BEEN PAID WITH RESPECT TO RETAIL SALES OCCURRING WITHIN THE ARVADA PLAZA AND INDEPENDENCE CENTER DEVELOPMENTS

WHEREAS, the City is a municipal corporation duly organized and existing under the City Charter adopted pursuant to Article XX of the Constitution of the State of Colorado; and

WHEREAS, the City has entered into a Cooperation Agreement dated July 15th, 2013 by and between the City of Arvada and the Arvada Urban Renewal Authority (the “Agreement”) pertaining to the redevelopment of the Arvada Plaza and the Independence Centers; and

WHEREAS, pursuant to the Agreement, a public improvement company is authorized to impose a retail sales fee, sometimes referred to as a public improvement fee, on retail sales transactions occurring at retail sales outlets on the property described in Exhibits A and B to the Agreement and incorporated herein by this reference; and

WHEREAS, pursuant to the Agreement, the City desires to provide a tax credit against the obligation to pay the sales tax to the City for persons who pay the retail sales fee to the public improvement company.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARVADA, COLORADO:

Section 1. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the City Council and other officers of the City in connection with imposition and collection of the sales tax, and the Agreement are ratified, approved and confirmed.

Section 2. Tax Credit. Chapter 98, Article III of the City Code is amended by the addition of the following section which shall read as follows:

“Sec. 98-109 Arvada Plaza and Independence Center Cooperation Agreement Credit
Notwithstanding any other provisions of this chapter, there shall be granted to each person obligated to remit the sales tax on retail sales transactions occurring at retail sales outlets on the property, described in Exhibits A and B to the Cooperation Agreement dated July 15, 2013, by and between the City of Arvada and the Arvada Urban Renewal Authority (the “Agreement”) and incorporated herein by this reference, a tax credit against collection of the tax equal to the amount of the retail sales fee paid to the public improvement company as described in the Agreement. The amount of the credit shall not exceed the amount of the sales tax, but in any event not more than 3% on taxable sales. This credit shall terminate when the collection of the retail sales fee terminates. For purposes of this section, the term “retail sales fee” shall have the same meaning as the

definition of “PIF” or “Public Improvement Fee” in the Agreement, which fee is imposed on retail sales transactions occurring at retail sales outlets on the property. The credit authorized hereby shall be effective only upon the recording of the Public Improvement Company covenants described in the Agreement, which, among other matters, shall create an obligation by retailers to collect and remit the retail sales fee to the public improvement company. At the option of the City, the City may function as the public improvement company.”

Section 3. Effect of Credit. The City Council hereby determines that the creation or termination of the credit does not constitute a tax increase, the imposition of a new tax, or a tax policy change.

Section 4. Repealer. All bylaws, orders, resolution and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, resolution or ordinance, or part thereof heretofore repealed.

Section 5. This ordinance shall be effective five days after publication following final passage.

INTRODUCED, READ, AND ORDERED PUBLISHED this 1st day of July, 2013.

PASSED, ADOPTED, AND APPROVED this 15th day of July, 2013.

Marc Williams, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Christopher K. Daly, City Attorney

Publication dates: July 4, 2013
 July 18, 2013