

LRA - Frequently Asked Questions

How does Reinvestment benefit the citizens of Lakewood?

LRA establishes Reinvestment Areas in areas where the existing conditions negatively impact the community and where barriers impede redevelopment. Reinvestment results in quality redevelopment that benefits the adjacent neighborhoods, and permanent increases in the revenue that the City has available to provide services to its residents.

How does Reinvestment benefit Lakewood businesses?

Businesses thrive in commercial areas that are vibrant and attractive. In some areas of Lakewood, market forces were failing to draw private redevelopment due to costly improvements needed to meet health & safety codes. In designated reinvestment areas, the LRA is authorized to use a variety of tools for redevelopment. LRA reinvestment projects strengthen the area for all businesses. The LRA can also offer support to existing businesses within a reinvestment area.

How does the LRA decide where to designate a Reinvestment Area?

Colorado Revised State Statute defines the criteria for establishing reinvestment areas. In order to declare a reinvestment area, the LRA must first conduct a study to demonstrate that significant impediments to redevelopment exist in that area. The LRA has established reinvestment areas only where the number of impediments found far exceed the State required minimum. The study and a reinvestment plan are presented at public hearings, and must be accepted by the City Council in order to finalize the reinvestment area designation.

What is the difference between a reinvestment area and a redevelopment project?

A reinvestment area is an area within which the LRA's redevelopment tools may be used for a redevelopment project(s). An area may encompass just a few acres or a large area such as an urban corridor or downtown area. A redevelopment project occurs when the LRA partners with the private sector for redevelopment of a specific location within a reinvestment area or area. If the area is small, a project may cover the entire area, such as at the Creekside shopping center redevelopment project, located in the Colfax-Wadsworth Reinvestment Area. A project area may be smaller than the area, such as the Belmar redevelopment project that is located in the West Alameda Avenue Corridor Redevelopment Area.

How does a Reinvestment Area affect property values?

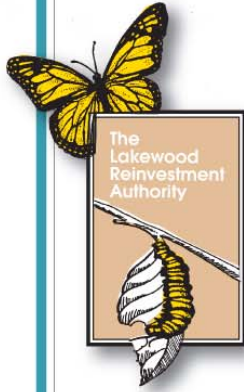
Being in a reinvestment area typically increases property values, as nearby redevelopment occurs and because the designation signals a commitment by local government to the area that encourages private investment. Property values in both the West Alameda corridor and Colfax-Wadsworth reinvestment areas have increased significantly since they were designated, at rates much faster than the citywide average. The same benefit is expected to happen over time in the recently designated West Colfax Corridor.

Will I have to pay additional taxes if my property is in a Reinvestment Area?

The reinvestment area designation does not cause any new restrictions on property or any new taxes.

Will my property be condemned if it is located in a Reinvestment Area?

No, being located within a Reinvestment Area does not mean that your property will be condemned. Only if your property is in a redevelopment project area could you be required to sell (see project vs. area, above). Property owners may be able to participate in the redevelopment project rather than relocate.



How does the LRA decide where to undertake a redevelopment project?

The LRA can only undertake a redevelopment project within an established Reinvestment Area. When an area is created, a redevelopment plan outlines the purpose of the area and the tools that may be used. The LRA establishes projects where the tools available can effectively be used to meet the goals of the area – for example, improving commercial viability and public amenities in a distressed area. The LRA only uses its tools where market forces alone are unable to bring about quality redevelopment. The LRA typically partners with private developers who can share the costs of reinvestment.

Can I be a participant in the redevelopment if my property is located in a Reinvestment Project area?

Yes, it is possible for a property owner to participate in a redevelopment project. All property owners in a redevelopment area have the opportunity to submit a proposal for redevelopment. The proposal competes against all other submittals as to its ability to meet the project criteria, which are determined in accordance with the goals and purpose of the Reinvestment Plan for the Area. A property owner may submit a proposal alone or seek to be a partner in a proposal.

How are property owners and tenants compensated if they must move for a project?

The LRA must pay fair market value for any property obtained through condemnation. If a fair price cannot be agreed upon, a court determines the fair market value. The LRA also pays relocation costs to businesses and residents. Relocation compensation includes a wide variety of costs such as business closure, new business cards and advertising the new address. Unlike the open market, in a reinvestment project, tenants have the same rights to relocation assistance as property owners and are justly compensated.