



City Council Communication

AGENDA DATE: July 6, 2026

LEGISTAR ITEM #: Res 2026-096

PRESENTER: Keith Morey
Development

DEPARTMENT: Economic

<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Public Hearing
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REQUEST

A resolution authorizing a first amendment to incentive agreement with Ardent Mills LLC.

BACKGROUND

Ardent Mills LLC is constructing an expansion of their existing 250,000 SF facility with two new connected buildings; a cleaning tower and a loading tower. The total projected capital investment is \$105 million, and the facility will employ a total of 77 people upon its completion.

Business incentive requests are presented to City Council during an Executive Session to discuss terms. An Executive Session is necessary so that other communities vying for a project aren't given a competitive advantage by knowing what Commerce City is willing to offer incentives for a project. A Resolution with incentive terms typically goes to City Council on consent agenda. Once an incentive Resolution is passed by City Council, staff will prepare the incentive agreement based on the terms approved in the Resolution.

Potential business incentives for the proposed Ardent Mills facility improvements were discussed with City Council during an Executive Session on July 1, 2024. On August 22, 2024, Resolution No. 2024-080 was approved. Due to equipment delays and supply chain issues, the Resolution's construction deadline (December 31, 2026) for the project cannot be met. Ardent Mills LLC has revised their project development timeline and has requested a new construction deadline of December 31, 2027.

CITY COUNCIL COMMUNICATION CONTINUED

Resolution No. 2024-080 reflects the discussion and staff’s recommendation to offer a 50% incentive of building permit fees and building plan fees and a 40% incentive of the City’s non-dedicated sales and/or use taxes (at the 3.5% rate) for the construction and interior finish of the facility related to the facility improvements. Total incentives for the project are not to exceed \$1,406,897.

A business incentive is a strategic investment by a public agency that creates or enhances the feasibility of a private-sector project to help achieve a community’s economic development goals. Utilizing business incentive programs as an economic development tool to attract preferred development projects is a common practice.

FINANCIAL IMPACT

Contractor	Ardent Mills LLC
Amount of Request/Contract	\$1,406,897
Amount Not To Exceed	\$1,406,897
Amount Budgeted	\$N/A
Budget Year	FY2028
Funding Source	General Fund
Additional Funds Needed	\$N/A
Funding Source (if funds needed)	N/A

PROJECT TIMELINE

Estimated Start Date	Estimated End Date
August 22, 2024	December 31, 2027
Years and Months of Contract	Number of Times Renewable
N/A	N/A

JUSTIFICATION

<input checked="" type="checkbox"/> Council Goal	<input checked="" type="checkbox"/> Strategic Plan	<input type="checkbox"/> Work Plan	<input type="checkbox"/> Legal
Citation	Commerce City 2024-2028 Strategic Plan, Economic Development Goal, Strategy 2.2, Objective 2.2.5, “Expand support and programming to attract and retain primary employers”. City of Commerce City		

CITY COUNCIL COMMUNICATION CONTINUED

	Economic Development Strategic Plan, Goal 4, Strategy 4.5, “Establish policies and programs that facilitate growth for businesses across all industry sectors”.
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AVAILABLE ACTIONS

- Adopt Resolution 2026-096 as submitted

STAFF RECOMMENDATION

Staff recommends approve as submitted