

## BPPT Incentive Agreement Staff Report

**Date:** August 27, 2025  
**To:** Douglas County Board of County Commissioners  
**Through:** Douglas J. DeBord, County Manager  
**From:** Terence T. Quinn, AICP, Director of Community Development  
**CC:** DJ Beckwith, Principal Planner  
Lauren Pulver, Planning Supervisor  
Kati Carter, AICP, Assistant Director of Planning Resources  
**Subject:** **Business Personal Property Tax Incentive Agreement Between Douglas County and Dillon Companies, LLC**  
**Project File:** ED2025-004

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**Board of County Commissioners Meeting:**

**September 9, 2025 @ 1:30 p.m.**

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### **I. EXECUTIVE SUMMARY**

Dillon Companies, LLC, doing business as the Kroger Company (Kroger), has requested the rebate of business personal property tax (BPPT) to support its location of a facility in Douglas County. The proposed agreement provides a 100% rebate of Douglas County's portion of BPPT over a 15-year period. The project qualifies for economic development incentives, including BPPT rebates, based on the eligibility defined in Colorado Revised Statute (C.R.S.) Sections 30-11-123.

### **II. REQUEST**

#### **A. Business**

King Soopers  
12600 RidgeGate Parkway  
Lone Tree, CO 80134

#### **B. Representative**

Danielle Polak  
The Kroger Co.  
1014 Vine Street  
Cincinnati, OH 45202

#### **C. Request**

This request is for the approval of a BPPT Incentive Agreement between Douglas County and Kroger.

**D. Background**

Kroger is an American retail supermarket chain headquartered in Cincinnati, Ohio. This location would add to Kroger’s existing five locations in Douglas County. Kroger’s new location will include a 125,000 square-foot Marketplace store with a fuel center.

The agreement will cover 100% rebate of the County’s portion of BPPT for the period of 15 years, effective for business personal property assessed in 2026 for taxes payable in 2027. The estimated total rebate amount over the 15-year term is approximately \$ 2,898,254.48

**E. Location**

The new facility will be located at 12600 RidgeGate Parkway in Lone Tree, Colorado.

**F. Project Description**

Kroger anticipates that the new location will create 250 new jobs and include \$42 million in capital investments.

**G. Process**

The Board considers incentive requests based on C.R.S. Sections 30-11-123 C.R.S. Section 30-11-123 provides that the “health, safety, and welfare of the people of this state are dependent upon the attraction, creation, and retention of jobs,” and enables the County to use economic development incentives.

**III. STAFF ASSESSMENT**

Staff has evaluated the Incentive Agreement with both the County Attorney’s Office and the County Assessor’s Office to ensure compliance with Statute. The Board may approve the Incentive Agreement.

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1014 Vine Street, Cincinnati, OH 45202

**Rita L. Williams**

Director, Economic Development  
(513) 762-1425

November 22, 2022

Mr. Doug DeBord  
County Manager, Douglas County Government  
100 Third Street  
Castle Rock, CO 80104

Dear Mr. DeBord,

King Soopers ("KS") is seeking to establish a new 123,000 square foot Marketplace store with fuel located in a proposed development site on Ridgeway Parkway in Lone Tree, Colorado. The project is currently being evaluated under the capital management process at Kroger corporate. If approved, the project completion is scheduled for Q2 2024. The KS project involves an estimated \$42,000,000 capital investment and will employ over 250 new jobs.

Per recent discussions with County officials, we were briefed on the County's Business Personal Property tax rebate incentive program. Due to the nature of our proposed project's size, local tax revenue increase, and community impact, we would like to be considered for this incentive program at a 100%, 15-year term.

We do appreciate Douglas County's consideration of our request to collaborate on this project and look forward to working with you and your team. If you have any additional questions, I can be reached at [rita.williams@kroger.com](mailto:rita.williams@kroger.com) or (513) 762-1425.

Sincerely,

*Rita L. Williams*

Rita L. Williams  
Director, Corporate Economic Development  
The Kroger Co.



December 2, 2022

Kati Carter  
Assistant Director of Planning Resources  
Douglas County  
100 Third Street  
Castle Rock, CO 80104

Dear Kati,

Kroger/King Soopers is the planning stages of constructing a new 123,000 SF "Marketplace" grocery store at a mixed-use retail site on RidgeGate Parkway, within the City of Lone Tree.

The project is estimated to involve a \$42,000,000 capital investment and once completed will create over 250 permanent jobs. As such, we understand that they would like to apply for a Business Personal Property Tax Rebate from Douglas County. The City of Lone Tree is in full support of this application as it will contribute positively to the communities of Lone Tree and Douglas County.

We are happy to work with you on any related applications or public hearings, and we will also be working Kroger/King Soopers on all of their entitlements.

Please let us know if you have any related questions, and thank you for your support of this project.

Sincerely,

Best regards,

A handwritten signature in blue ink that reads "J. Holwell".

Jeff Holwell  
Director of Economic Development and Public Affairs  
[Jeff.holwell@cityoflonetree.com](mailto:Jeff.holwell@cityoflonetree.com)  
720-509-1276

January 3, 2023

The Kroger Company  
Rita L. Williams  
Director, Economic Development  
1014 Vine Street  
Cincinnati, OH 45202  
Via email: rita.williams@kroger.com

Ms. Williams:

As you may know, Douglas County has a growing and desirable reputation for being intentional and responsive in its commitment to effectively partner with the public and private sectors, keenly focused on our goal to create and sustain a strong local and state economy. Consistent with our reputation, the Board of Douglas County Commissioners is committed to strategically investing in that which provides the foundation for a strong economy and ultimately establishing an environment in which businesses can succeed.

To that end, Douglas County is pleased to support the location of a King Soopers in the Lone Tree community. Douglas County is willing to offer the incentives needed for successful relocation. Upon final approval by the Board of County Commissioners, those incentives include:

- Business Personal Property Tax Rebate of 100% for 15 years on the new personal property at the company's new facility (county's portion only).

It is our pleasure to work with The Kroger Company. Douglas County looks forward to supporting the project through timely and efficient transition as your business locates in our County.

Sincerely,

BOARD OF DOUGLAS COUNTY COMMISSIONERS

  
Abe Laydon  
George Teal  
Lora L. Thomas

**AGREEMENT BETWEEN DOUGLAS COUNTY AND THE KROGER COMPANY  
CONCERNING PERSONAL PROPERTY TAX INCENTIVE PAYMENTS**

THIS AGREEMENT (the “Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2025, between the **BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO** (the “County”) and **THE KROGER CO.** authorized to do business in Colorado (the “Company”). The County and the Company are hereinafter collectively referred to as the “Parties” and individually to as a “Party.”

**RECITALS**

WHEREAS, the health, safety, and welfare of the citizens of Douglas County are dependent upon the attraction of new business, and retention and expansion of existing business; and

WHEREAS, tax incentives are often necessary to attract new business, stimulate economic development, and create and maintain new jobs; and

WHEREAS, Section 30-11-123, C.R.S., authorizes counties to negotiate for incentive payments for the County’s portion of any Business Personal Property Taxes (BPPT) with any taxpayer who establishes a new business facility or expands an existing facility in the County; and

WHEREAS, the Parties desire to enter into this Agreement for personal property tax incentive payments in accordance with the provisions of Section 30-11-123, C.R.S. granting specified incentives to the Company for the County’s portion of BPPT as otherwise detailed herein;

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter set forth, the Parties agree as follows:

1. The Company occupies a new business facility located on Ridgeway Parkway in Lone Tree, Colorado (the “New Facility”). For the New Facility, the County will assign to the Company a new parcel identification number, which shall be used to report the personal property acquired by the Company in connection with the new investment and treated as part of a new business facility under Section 30-11-123, C.R.S.

2. The Company represents, certifies, and warrants to the County that the New Facility qualifies as a new or expanded business facility under the provisions of Section 30-11-123(1)(b), C.R.S. and is eligible for business personal property tax incentives authorized by the County.

3. Beginning for taxes levied in the 2027 tax year and for fifteen (15) consecutive tax years, the County shall rebate to the Company one hundred percent (100%) of the County’s portion of BPPT levied by the County and paid by the Company, as applicable, on taxable personal property acquired on or after January 1, 2026, located at or within the New Facility, and appearing on the personal property declaration schedules submitted by the Company to the County Assessor

for the New Facility for the applicable tax year. The total amount rebated by the County with respect to any tax year shall not exceed one hundred percent (100%) of the County's portion of the BPPT levied by Douglas County upon the Company's taxable personal property located within the New Facility and used in connection with the operation of such New Facility for the applicable tax year. The term "tax year" as used herein shall mean the year in which the personal property is assessed for tax purposes. Such personal property must be located at the Company's facility as of January 1st of the tax year in question to be assessed. Personal property that is moved to or acquired at the Company's New Facility after the assessment date of January 1st becomes assessable in the following tax year. Personal property taxes become due and payable on January 1st of the year following the year in which they are levied.

4. The Company estimates that it will add up to two hundred and fifty (250) jobs within Douglas County during the fifteen (15) years of this Agreement.

5. The Company shall submit annual reports to the County on or before March 31st of each year of this Agreement. The annual reports shall document the number of jobs added (net), the number of full-time equivalent jobs (total and net created annually), position titles, and annual average wage. The Company shall not be required to provide the County with employee names, social security numbers, or any other personal identifying information.

6. The County shall pay the rebate to the Company within sixty (60) days of the County Manager's written notice of satisfaction with the Company's evidence of all personal property taxes paid in full and the Company submitting a written waiver to the County of any right to tax refund including but not limited to the right to contest assessed taxes before the rebate is paid. This waiver must be executed once each year directly after the Company makes tax payments and via a form provided by the County. In the event the Company seeks an abatement or refund of any or all portion of the taxes levied on the personal property, the County shall not make a rebate payment to the Company until such abatement or refund proceeding has fully concluded and any personal property taxes found to be due are paid in full.

7. The rebate payment shall be made only if the Company is eligible to receive this incentive payment under the provisions of Section 30-11-123, C.R.S., in each year for which a rebate payment is requested.

8. In the event of any dispute as to the amount of any rebate payment to be made to the Company hereunder, the Parties shall meet and confer in good faith to resolve the dispute. In the event the Parties are unable for any reason to resolve the dispute within a period of sixty (60) days after notice of a dispute has been given by one Party to the other, the decision of the County shall be final and conclusive.

9. The Company's acceptance of a rebate payment shall be full and final satisfaction of any obligation of the County to make the payment for the tax year for which the payment is made.

10. This Agreement is subject to and shall be interpreted under the laws of the State of Colorado. Court jurisdiction for any dispute concerning this Agreement shall be exclusively in the District Court in and for Douglas County, Colorado.

11. The County reserves the right for the Douglas County Assessor to perform an annual physical inspection of the facility to verify assets listed by the Company on the Commercial Personal Property Declaration Schedule filed by the Company for each New Facility for the applicable tax year. Written notice of the physical inspection will be provided.

12. All notices under this Agreement shall be effective when mailed by regular mail, postage prepaid, to the following addresses:

A. If intended for the Company:

The Kroger Company  
Rita L. Williams  
Director, Economic Development  
1014 Vine Street  
Cincinnati, OH 45202  
Re: Economic Development Agreement

B. If intended for the County:

Douglas County  
c/o County Manager  
100 Third Street  
Castle Rock, CO 80104  
Re: Economic Development Agreement

Or to the other address as either Party may hereafter from time to time designate by written notice to the other Party given in accordance with this paragraph.

13. Any potential expenditure for this Agreement outside the current fiscal year is subject to future annual appropriation of funds for any proposed expenditure, pursuant to section 29-1-110, C.R.S.

14. This Agreement, as to its subject matter, exclusively and completely states the rights, duties and obligations of the Parties and supersedes all prior and contemporaneous representations, letters, proposals, discussions, and understandings by or between the Parties. This Agreement may only be amended in writing and signed by the Parties.

(Remainder of Page Intentionally Blank)



**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the date above.

**THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO**

**BY:** \_\_\_\_\_

**Chair**

**Date:** \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
**Deputy Clerk to the Board**

**Date:** \_\_\_\_\_

**APPROVED AS TO CONTENT:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Doug DeBord, County Manager**

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Arielle J. Denis, Assistant County Attorney**

**Date:** \_\_\_\_\_

**APPROVED AS TO FISCAL  
CONTENT:**

\_\_\_\_\_  
**Andrew Copland, Director of Finance**

**Date:** \_\_\_\_\_

DILLON COMPANIES, LLC,  
a Kansas limited liability company

By: Carin L. Fike  
Carin Fike, Treasurer  
Date: 8/14/25

ATTEST:  
By: Lori Baldi  
Lori Baldi, Executive Assistant  
Date: 8/14/25

STATE OF OHIO                    )  
  ) ss.  
COUNTY OF HAMILTON        )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of August, 2025, by  
Carin L. Fike, the Treasurer and Dorothy D. Roberts,  
the Assistant Secretary of Dillon Companies, LLC, a Kansas limited liability company, on behalf  
of the company.

Kimberly K Smiddy  
Notary Public

May 27, 2029  
Commission Expiration



Kimberly K Smiddy  
Notary Public, State of Ohio  
My Commission Expires:  
May 27, 2029