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Aurora must catch up on sales-tax revenue

The Denver Gazette · 21 Jan 2026 · B4 · JEFF BROWN Jeff Brown is a former member of the Citizens Advisory Budget Committee for the City of Aurora and has worked in project management and infrastructure development for over 20 years.

Aurora's long-term fiscal health depends on a basic reality: population growth alone does not pay for city services. Retail and dining activity does.

Cities fund police, fire, roads, parks and public facilities largely through sales tax. When retail activity does not keep pace with population growth, cities face ongoing pressure — more people to serve and streets to plow, but not enough tax revenue to support the added demand.

In Aurora the warning signs are increasingly clear. In recent years, the city has closed or consolidated public facilities and sold $35 million in Certificates of Participation (quasi-debt) for basic street maintenance. Sudden facility closures and borrowing for routine upkeep are red flags that everyday needs are exceeding available revenue.

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Despite the recent uptick in hand wringing, this is not a new problem. A 2016 benchmark comparison of retail activity showed Aurora severely lagging its peer cities in Colorado. At that time, Aurora had 14% less retail activity per resident than the average of Colorado cities, and 40% to 59% less than the strongest-performing cities. That gap means something: With no serious strategy to climb to average, it equates to roughly $45 million in tax revenue being left on the table each year.

This discussion is especially timely because the seven-county reauthorization of the Denver Scientific and Cultural Facilities District (SCFD) is just over the horizon. Reauthorization is a decision point and City Council should evaluate whether existing arrangements continue to serve Aurora's economic and community interests — or whether Aurora should seek to exit the Denver SCFD and form its own tax district focused on Aurora's needs.

But last week, City Council plunged into a new retail strategy with vague, unmeasurable goals, zero expectation to improve tax revenue, no synergy with entertainment and without four key data points.

First, how far below the regional average is Aurora's retail activity

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per resident today, compared to the 2016 benchmark, when it lagged the average of Colorado cities by 14% and Denver by 59%?

Second, what would the city's financial gain look like if retail activity moved up to the average of Colorado cities? If Aurora is still down 14%, rising to average would come with a $45 million/year bump in
Note
sales tax revenue.

Third, what would Aurora's slice of the regional performing arts market look like if the city had a market share commensurate in size with Aurora's share of the metro Denver population?

Fourth, how much tax is collected in Aurora by the Denver Scientific and Cultural Facilities District and what percentage is returned as grants to entities in Aurora? The three-tier distribution of SCFD taxes may have made sense in 1988.

But considering the blight that surrounds Aurora's Fox Theater — a prestigious SCFD Tier 2 grantee — it's abundantly clear Aurora has become victim to something much akin to a Ponzi scheme.

It is rather insightful that the Council Agenda Commentary that previewed last Monday's vote on the retail strategy indicated that the impact to city revenue would be "N/A." No impact is expected — yet there is a $45 million/year gap in sales tax between the status quo and what tax would be collected if retail climbed up to the average of Colorado cities. Talk about setting a low bar.

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