

Amended and Restated Ironworks Foundry Urban Redevelopment Plan



Denver City Council
Finance & Services Committee
May 13, 2015

Amended and Restated Ironworks Foundry Urban Redevelopment Plan



Two Ordinance Requests:

- CB 15-302– Amended and Restated Ironworks Foundry Urban Redevelopment Plan
- CB 15-303– Amended and Restated Ironworks Foundry Urban Redevelopment Area Cooperation Agreement

Amended and Restated Ironworks Foundry Urban Redevelopment Plan



- City Council approved original Ironworks Foundry Urban Redevelopment Plan in August, 2012
 - Area determined to be blighted
 - Urban Redevelopment Plan found to be in conformance with Denver Comprehensive Plan 2000 and its applicable supplements
 - Approved The Source Project
 - Approved Phase One Sales and Property Tax Increment Areas
- Amended and Restated Ironworks Foundry Urban Redevelopment Plan does four things:
 - Amend the Urban Renewal Area
 - Add the Phase Two Urban Redevelopment Project
 - Establishes the Phase Two Property Tax Increment Area
 - Establishes the Phase Two Sales Tax Increment Rea

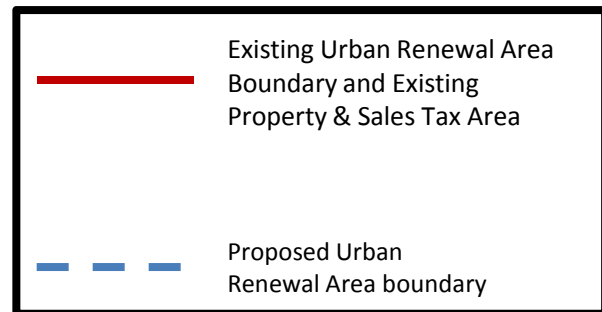
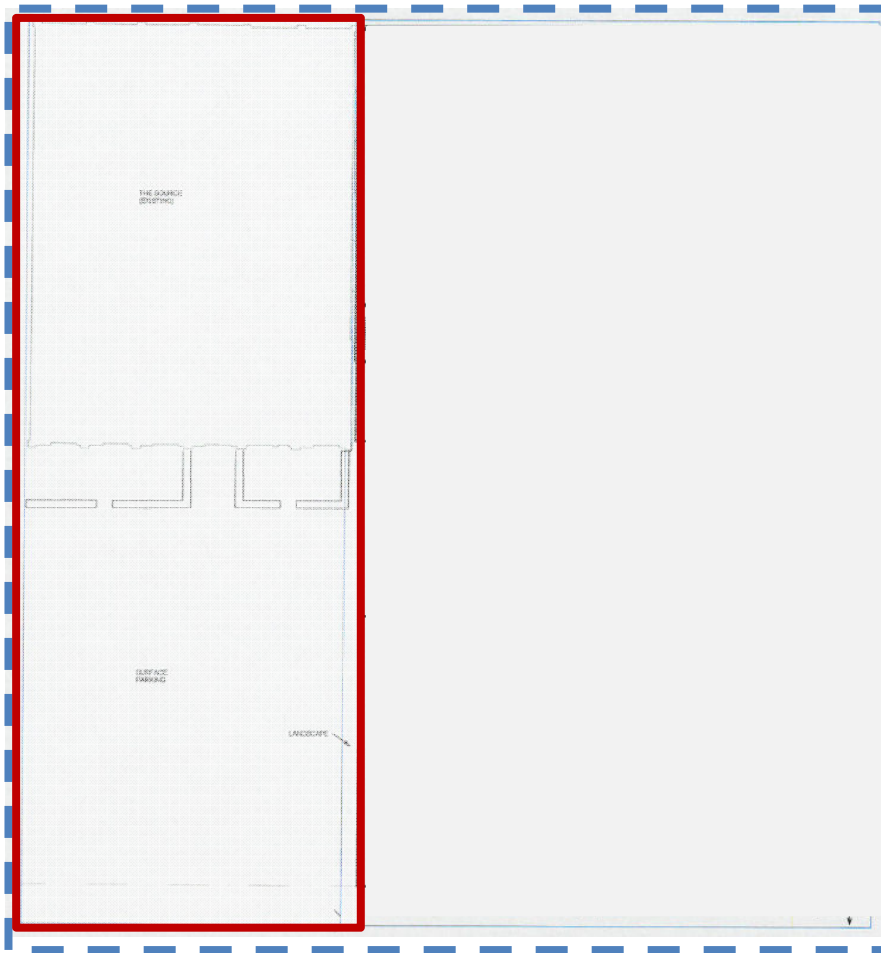
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3330 Brighton Boulevard – Site Location (Adjacent to The Source)



Proposed Project in the Ironworks Foundry Urban Redevelopment Area

Proposed Amendments to Ironworks Foundry Urban Redevelopment Plan in furtherance of Source Hotel Project



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Existing Conditions – 3330 Brighton Boulevard



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Findings of Blight

A conditions study has been completed and the results identify evidence of four blight factors. Those factors are:

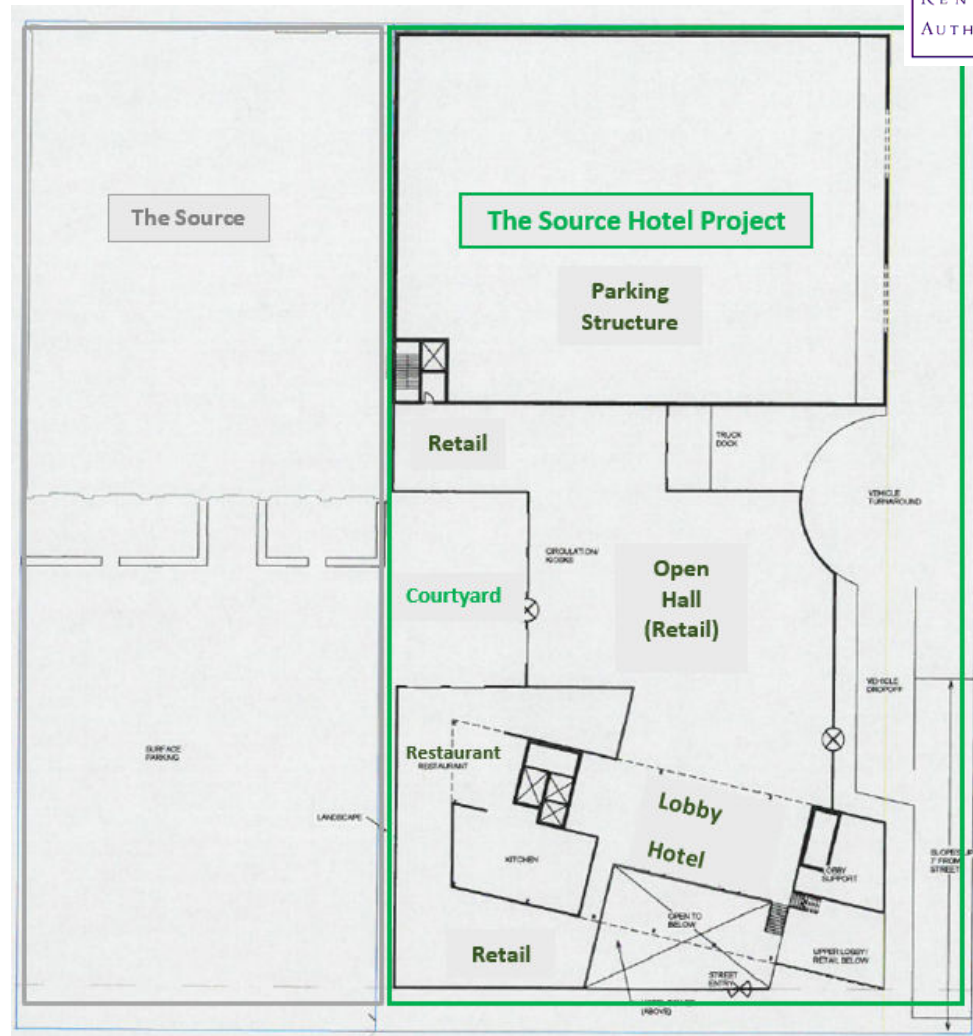
- Deterioration of site or other improvements.
- Unusual topography or inadequate public improvement or utilities.
- Environmental contamination of buildings or property
- High levels of municipal services or underutilization or vacancy of sites, buildings, or other improvements.

Proposed Project in the Ironworks Foundry Urban Redevelopment Area

3330 Brighton Boulevard – Proposed Redevelopment Project



- A hotel, market, restaurant and production space with structured public parking
 - 100 room hotel
 - Over 26,000 square feet of restaurant, retail and event space
 - 305 stalls of structured public parking
- Project designed to integrate with and complement The Source



Proposed Project in the Ironworks Foundry Urban Redevelopment Area

3330 Brighton Boulevard – Context Rendering



Proposed Project in the Ironworks Foundry Urban Redevelopment Area

3330 Brighton Boulevard – Opposing Elevation



SOURCE HOTEL

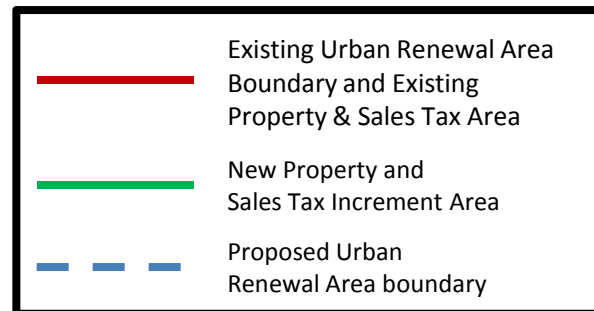
Proposed Project in the Ironworks Foundry Urban Redevelopment Area

3330 Brighton Boulevard – Retail Space and Plaza



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Proposed Project in the Ironworks Foundry Urban Redevelopment Area



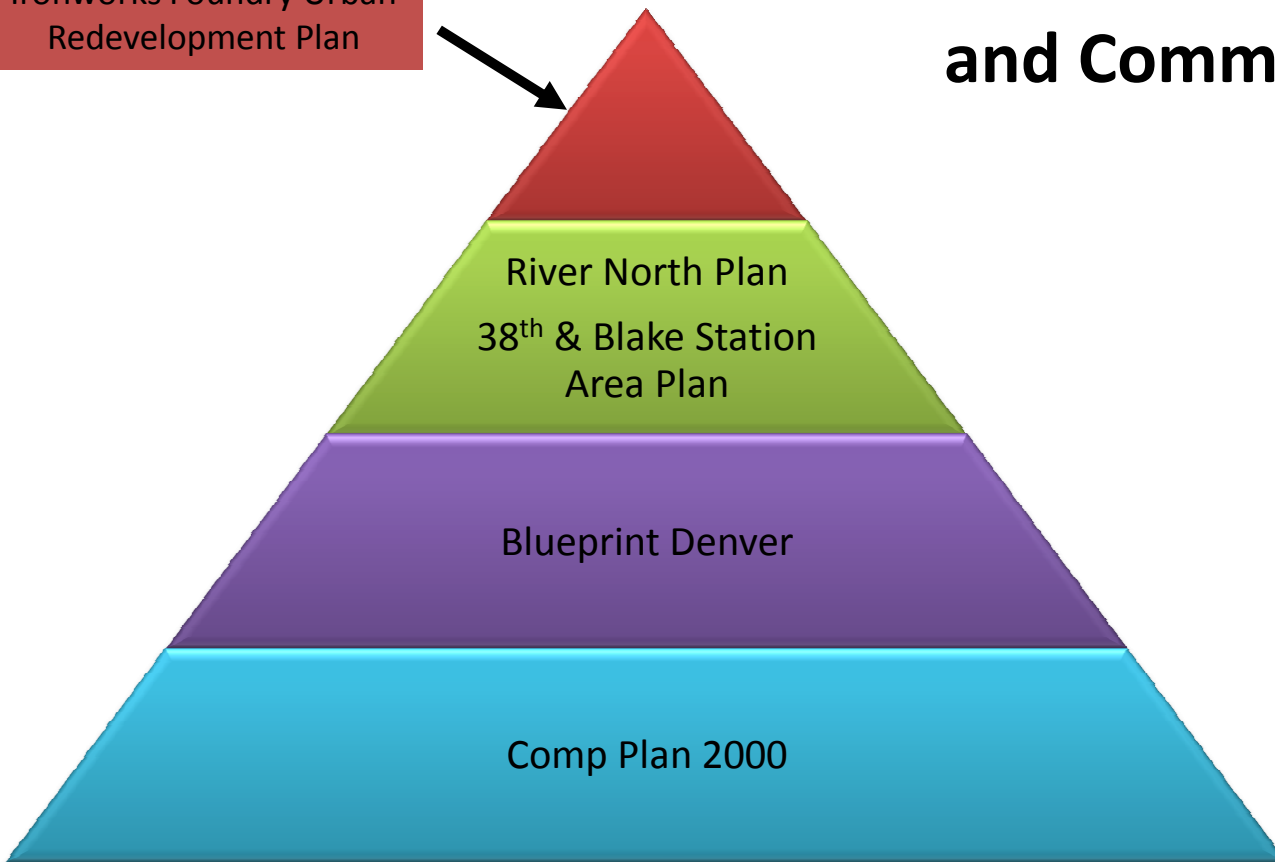
TIF Capacity - Summary

- Total project budget ~ \$41 million
- Developer advance of not less than \$5.5 million to be reimbursed by TIF
- Property and sales tax increment from the Source Hotel project
- Property tax increment and sales tax increment from The Source property after the existing obligation is retired (expected in 2018)
- Expected increment available at stabilization (approximate)
 - \$400,000 annually in property tax increment
 - \$380,000 annually in sales tax increment
 - \$325,000 annually in property and sales tax increment from The Source
 - The Source increment will not be made available to redeveloper if project is not completed or does not adhere to the terms of the Redevelopment Agreement with DURA
- TIF obligation projected to be repaid within 25 year statutory limit.

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Ironworks Foundry Urban
Redevelopment Plan



Conformance with City Plans and Community Vision

Amended and Restated Ironworks Foundry Urban Redevelopment Plan

Conformance with City Plans and Community Vision



Comp Plan 2000

- Promote quality infill development
- Enhance existing business center and establish new centers that support Denver's business environment, complement residential areas, generate public revenue and create jobs
- Use Public-private partnerships to facilitate development

Comp Plan 2000

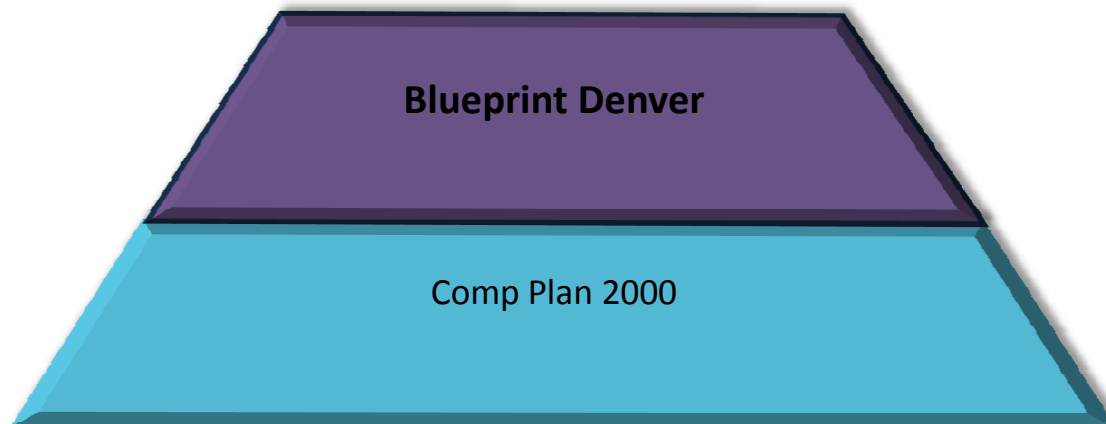
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Conformance with City Plans and Community Vision



Blueprint Denver

- Identified as “Area of Change”
- Supports the goal of increasing activity along major road and transit corridors
- Redevelopment will create new hotel, light industrial, retail and public parking to serve patrons and neighborhood users



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Conformance with City Plans and Community Vision

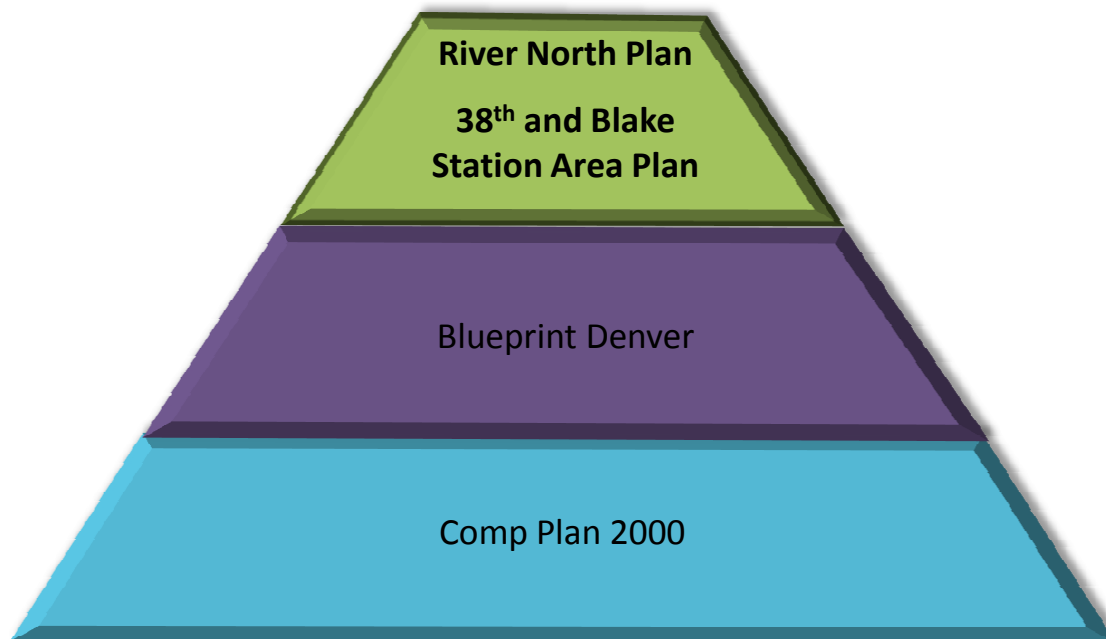


River North Plan

- Promoting economic activity.
- Reactivate vacant and underutilized sites on Brighton Boulevard
- Add new development to the current uses and structures, create a unique environment both in terms of an eclectic mix of uses and exciting, innovative architecture.

38th and Blake Station Area Plan

- Greater mix of commercial and employment uses
- Accommodate a compatible mix of industrial, commercial, and residential land uses.



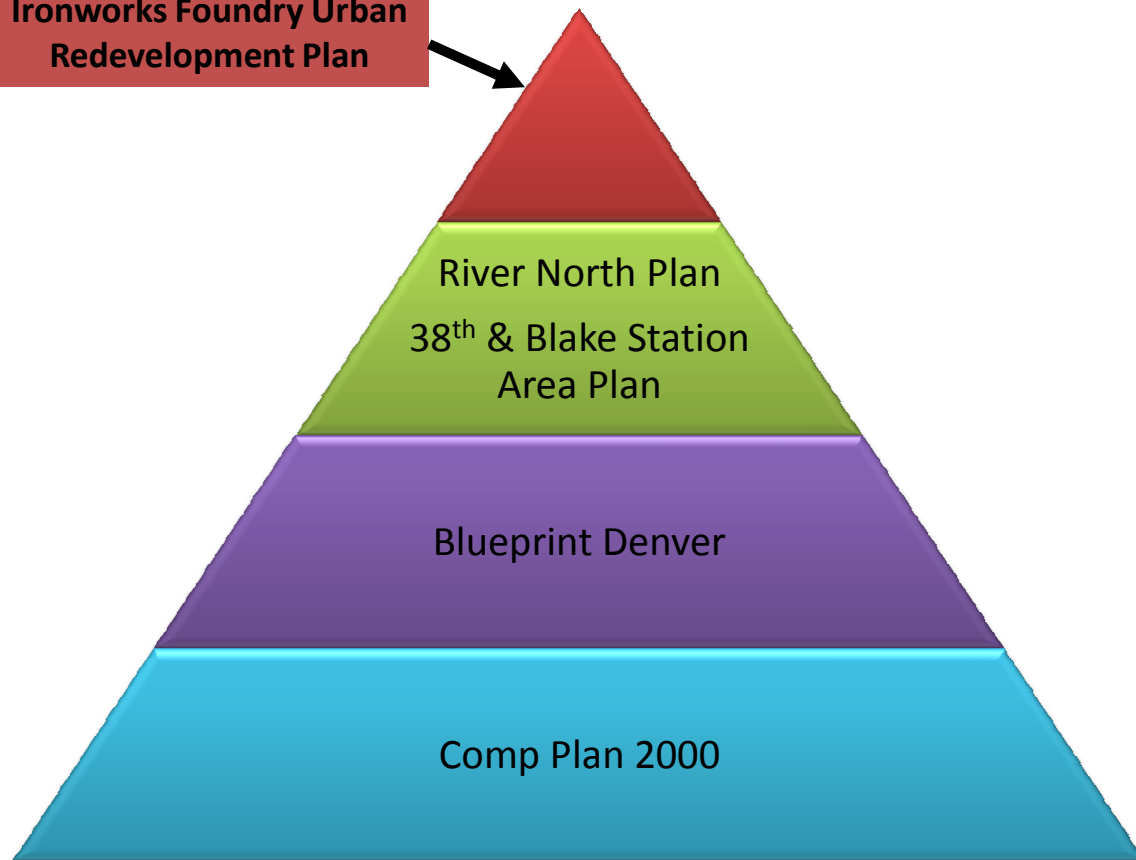
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Conformance with City Plans and Community Vision



Ironworks Foundry Urban Redevelopment Plan

Ironworks Foundry Urban
Redevelopment Plan



- Stimulate the continued growth and redevelopment of the Urban Redevelopment Area and its surroundings.
- Encourage residential, retail and commercial development
- Renew and improve the character and environment of the Urban Redevelopment Area by preventing or ameliorating the cycle of economic, physical and environmental deterioration.
- More effectively utilize the land in the Urban Redevelopment Area.
- Create a local business climate that serves the neighborhood so that area residents can shop in the neighborhood which could enhance City air quality improvement efforts.



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Project Analysis: Benefits of Redevelopment

- Situated along Brighton Boulevard, the gateway to Downtown Denver from I-70, the Project as a mixed use infill development, is consistent with the City's goal of increasing activity along major road and transit corridors.
- Unique development concept would help to serve, support and catalyze existing and new retail establishments and businesses in the area.
- Redevelopment of this site will reactivate a parcel which has been vacant for approximately many years.
- Eliminate blighted conditions within urban redevelopment area.
- Increase the sales and property tax base collected by the City.
- Creation of full and part-time permanent jobs.



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Urban Redevelopment Plan

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- **City and County of Denver Legislative Findings:**
 - Constitutes a Blighted Area
 - Appropriate for one or more Projects
 - In conformance with adopted plans
 - Authorizes urban renewal powers
- **Project Activities:**
 - Demolition, Site Prep, Redevelopment, Etc.
 - Anticipates Redevelopment Agreements
 - Public Improvements and Facilities
- **Project Financing:** Authorizes use of TIF
- **DURA Programs:** Project Art, SBE, First Source, Enhanced Training Opportunities

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Cooperation Agreement

- **Land Use Matters:** Cooperate with DURA / Project
- **Special Program Requirements:** Project Art, SBE, First Source, Enhanced Training Opportunities
- **Project:** Redevelopment of the former Ironworks Foundry Buildings, life safety improvements, site improvements, public infrastructure, and other public improvements.
- **Property and Sales Tax Increment Finance:** Mechanics (base, increment defined, etc)
- **Term of TIF:** Authorizes Property and Sales TIF for 25 years or repayment of all Obligations in the Area, whichever is earlier.

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Approval Process

- Finance & Services Council Committee – May 13, 2015
- City Planning Board – May 20, 2015
- DURA Board of Commissioners – May 21, 2015
- Public Hearing – City Council – June 8, 2015

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Questions?

