

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

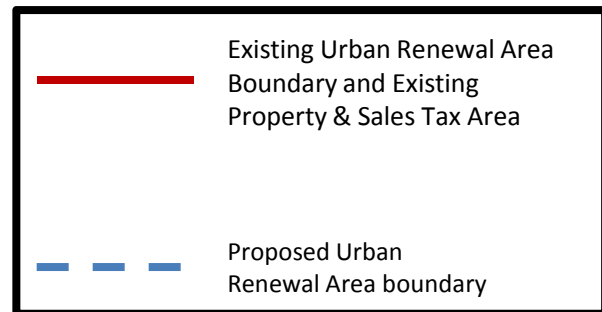
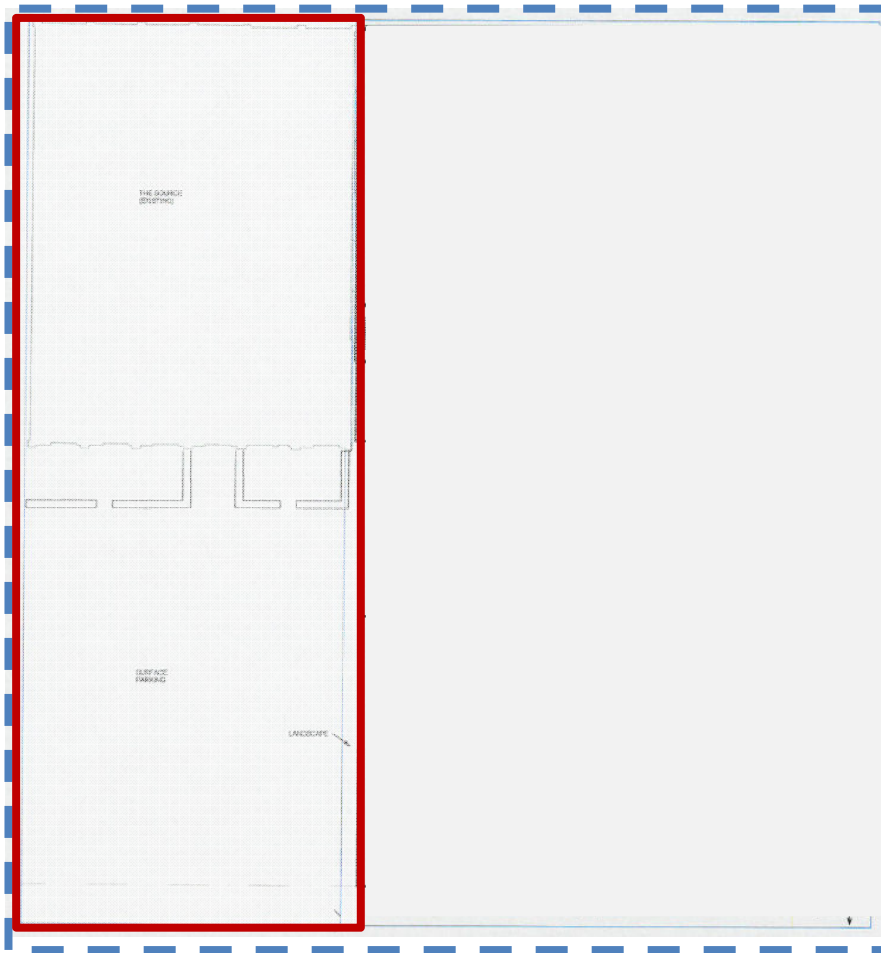
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3330 Brighton Boulevard – Site Location (Adjacent to The Source)



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:

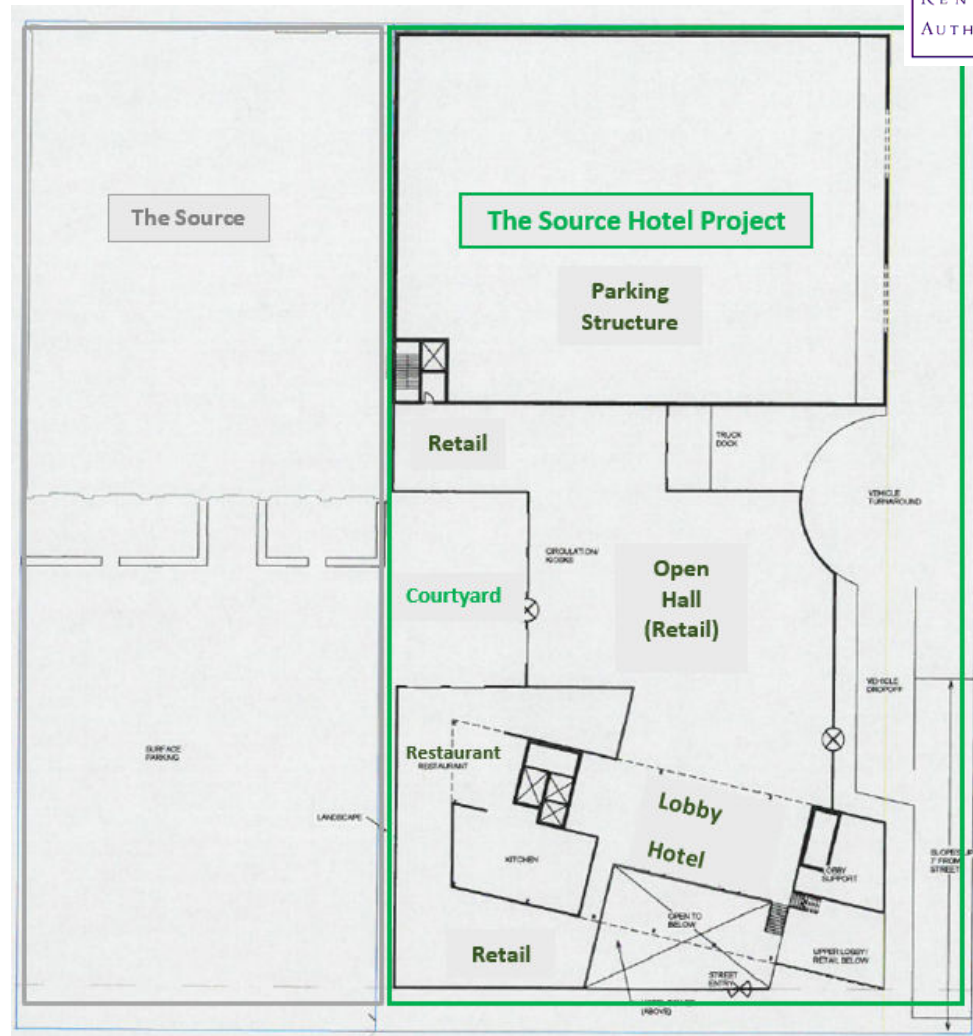
- Deterioration of site or other improvements.
- Unusual topography or inadequate public improvement or utilities.
- Environmental contamination of buildings or property
- High levels of municipal services or underutilization or vacancy of sites, buildings, or other improvements.

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

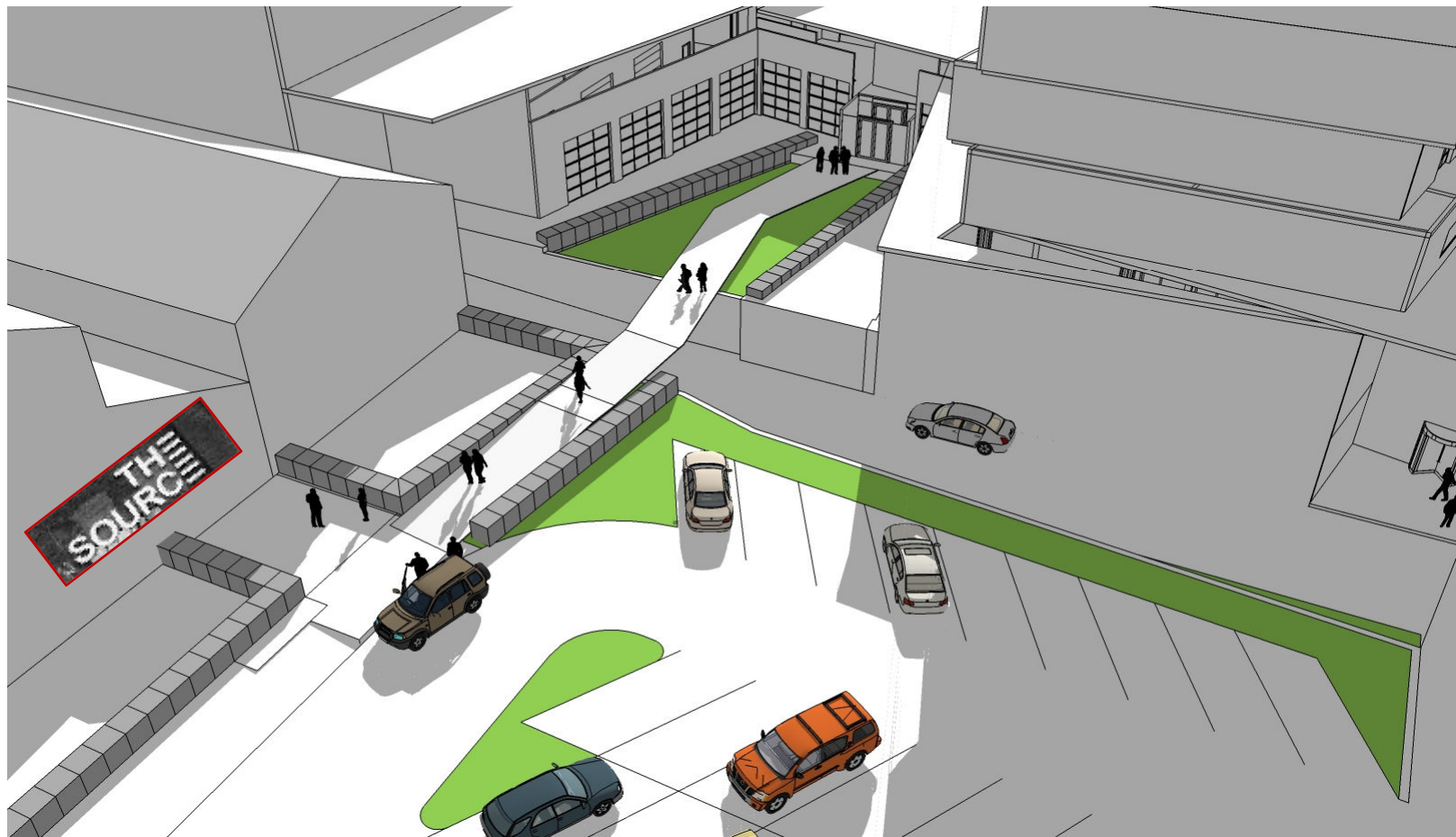
3330 Brighton Boulevard – Opposing Elevation



SOURCE HOTEL

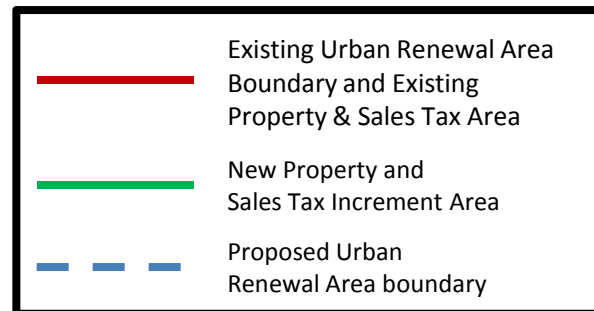
Proposed Project in the Ironworks Foundry Urban Redevelopment Area

3330 Brighton Boulevard – Retail Space and Plaza



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



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.

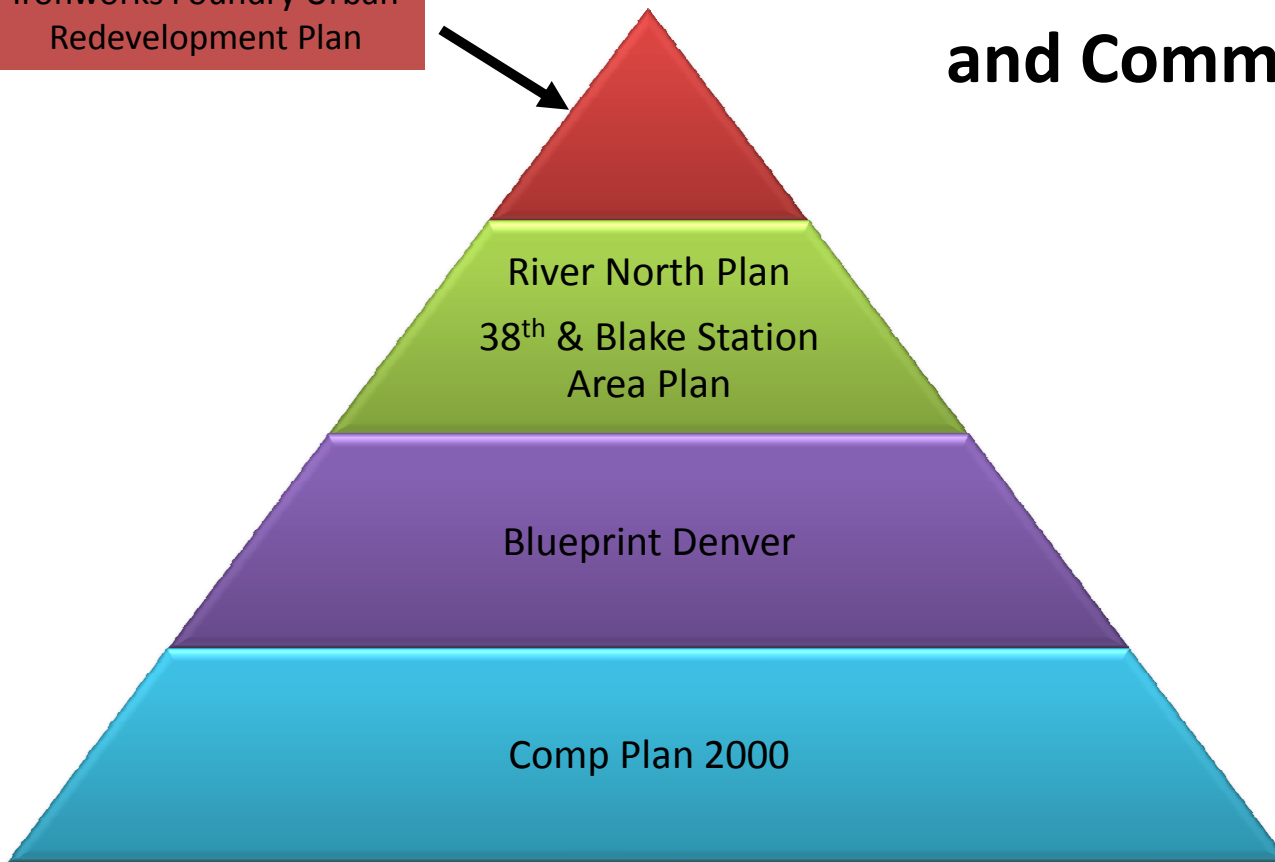
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Ironworks Foundry Urban
Redevelopment Plan



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

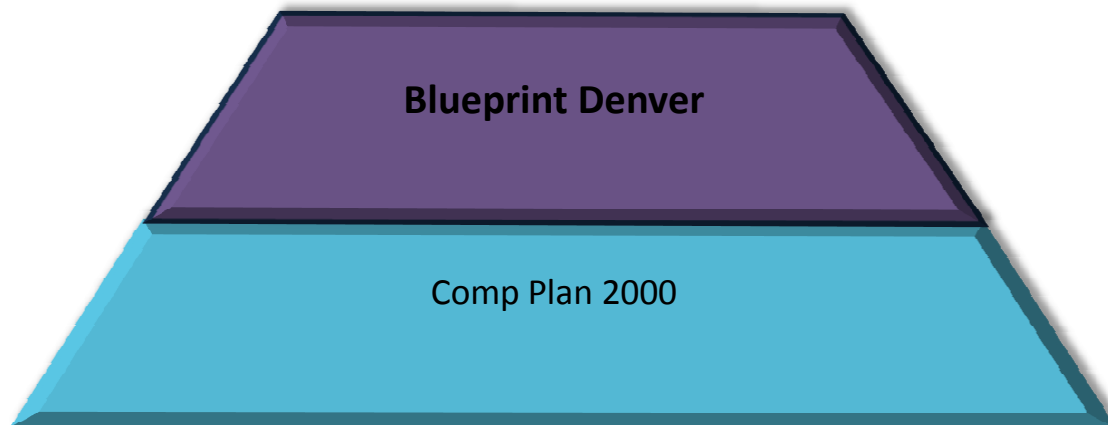
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Conformance with City Plans and Community Vision



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

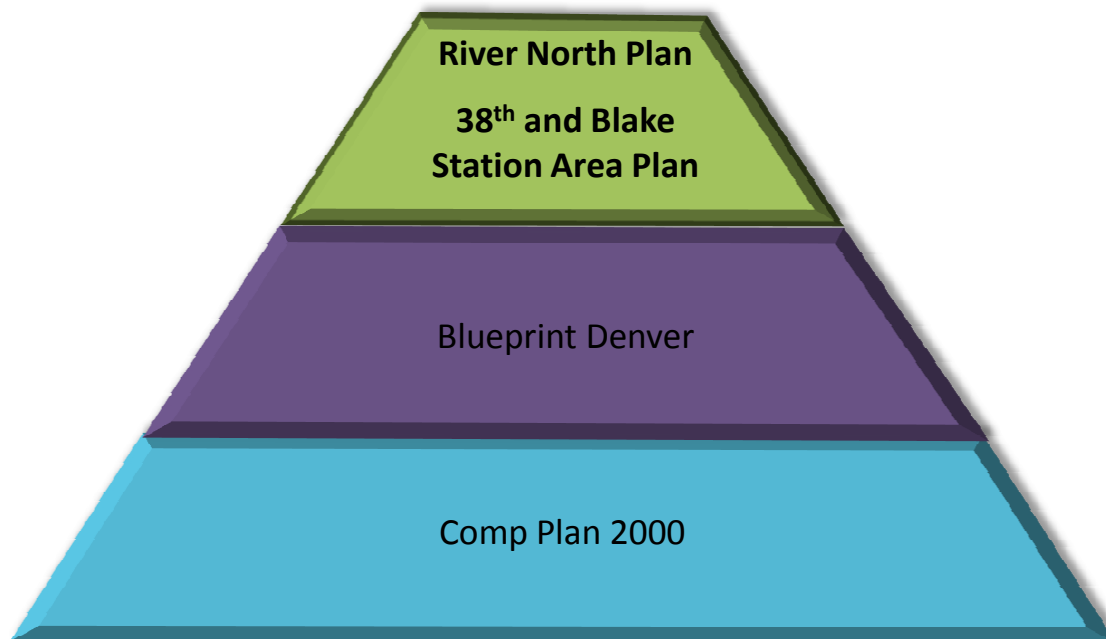


River North Plan

- 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.



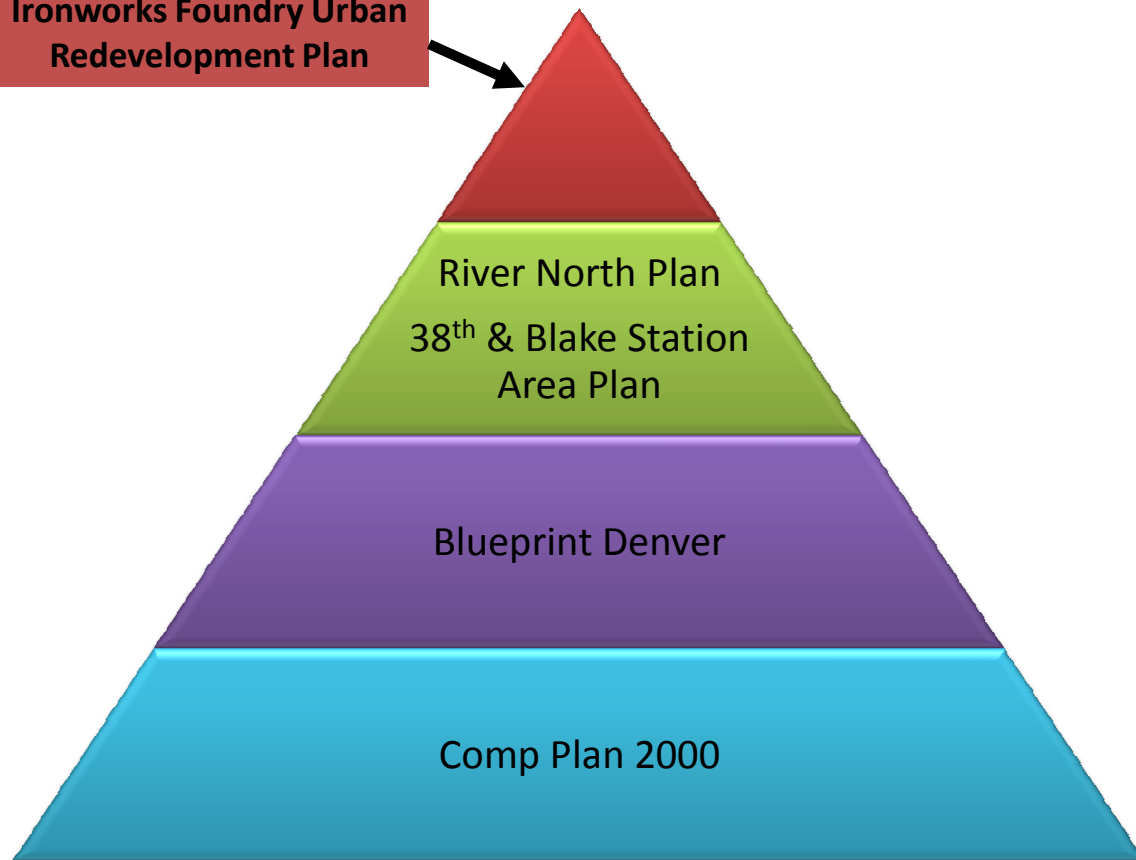
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Conformance with City Plans and Community Vision



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.



Amended and Restated Ironworks Foundry Urban Redevelopment Plan

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

DENVER
URBAN
RENEWAL
AUTHORITY

- **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

Amended and Restated Ironworks Foundry Urban Redevelopment Plan



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AUTHORITY

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?

