

1 **BY AUTHORITY**

ORDINANCE NO. _____

COUNCIL BILL NO. CB16-0322

SERIES OF 2016

COMMITTEE OF REFERENCE:

Finance & Services Committee

2 **A B I L L**

3 **For an Ordinance authorizing and approving an amendment to the Welton**
4 **Corridor Urban Redevelopment Plan to add the 2560 Welton Street Project**
5 **and to Create the 2560 Welton Street Tax Increment Area.**

6 **WHEREAS**, the Council of the City and County of Denver (“Council”) approved the Welton
7 Corridor Urban Redevelopment Plan (“Urban Redevelopment Plan”) by authority of Ordinance
8 No.448, Series of 2012, having found that the area described in the Urban Redevelopment Plan
9 consists of a blighted area which is appropriate for urban redevelopment projects according to the
10 Urban Renewal Law of the State of Colorado (“Act”); and

11 **WHEREAS**, the Council found and determined that it was desirable and in the public
12 interest for the Denver Urban Renewal Authority to undertake and carry out projects identified and
13 described in the Urban Redevelopment Plan; and

14 **WHEREAS**, Section V-C of the Urban Redevelopment Plan provides that, pursuant to
15 Section 31-25-107(9) of the Act, the Council in approving the Urban Redevelopment Plan
16 contemplated that separate property tax increment areas and/or sales tax increment areas may be
17 created within the Welton Corridor Urban Redevelopment Area for a project; and

18 **WHEREAS**, the Urban Redevelopment Plan may be amended to reflect the boundaries of a
19 property tax increment area and/or sales tax increment area for each project as set forth in an
20 Appendix which shall become part of the Urban Redevelopment Plan; and

21 **WHEREAS**, the Board of Commissioners of the Denver Urban Renewal Authority has
22 approved the redevelopment of 2560 Welton Street, consisting of approximately 129 units of rental
23 housing, 15,000 square feet of office space and 10,000 square feet of retail space (the "Project"),
24 as one of the projects for tax increment funding; and

25 **WHEREAS**, an amendment to the Urban Redevelopment Plan (the "Proposed Amendment")
26 to create the 2560 Welton Street Tax Increment Area (the “Tax Increment Area”), to add the
27 Project and to make certain revisions to the Urban Redevelopment Plan to reflect revisions to the
28 Act has been approved by the Board of Commissioners of the Denver Urban Renewal Authority;
29 and

1 **WHEREAS**, the Denver Planning Board which is the duly designated and acting official
2 planning body of the City and County of Denver, has submitted to the Council its report and
3 recommendations concerning the Proposed Amendment and has certified that the Proposed
4 Amendment conforms to the Comprehensive Plan for the City and County of Denver as a whole,
5 and the Council of the City and County of Denver has duly considered the report,
6 recommendations and certifications of the Planning Board; and

7 **WHEREAS**, there has been prepared and referred to the City Council of the City and
8 County of Denver for its consideration and approval, a copy of the Proposed Amendment; and

9 **WHEREAS**, after notice as required by Colorado Revised Statutes, a public hearing has
10 been held concerning the Proposed Amendment (the “Public Hearing”); and

11 **WHEREAS**, in accordance with the requirements of Section 31-25-107(9.5), Colorado
12 Revised Statutes, School District No. 1 in the City and County of Denver and State of Colorado
13 entered into an agreement with the Denver Urban Renewal Authority [and the City and County of
14 Denver] (the “DPS Agreement”) and the Urban Drainage and Flood Control District entered into an
15 agreement with the Denver Urban Renewal Authority and the City and County of Denver (the
16 “UDFCD Agreement”).

17 **NOW, THEREFORE,**

18 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

19 **Section 1.** City Council determines that the Project is located within the Welton Corridor
20 Urban Redevelopment Area and will promote the objectives set forth in the Urban Redevelopment
21 Plan. The Project further promotes the urban renewal objectives described in the Urban
22 Redevelopment Plan, which are hereby incorporated by reference.

23 **Section 2.** There are currently no individuals or families living in the Tax Increment Area,
24 therefore no individuals or families will be displaced from dwelling units as a result of adoption or
25 implementation of the Proposed Amendment to the Urban Redevelopment Plan.

26 **Section 3.** There are currently no business concerns in the Tax Increment Area, therefore
27 no business concerns will be displaced as a result of adoption or implementation of the Proposed
28 Amendment to the Urban Redevelopment Plan.

29 **Section 4.** Council set a public hearing on the Proposed Amendment for May 31, 2016
30 (“Public Hearing”) and that it be and is hereby found and determined that reasonable efforts have
31 been taken to provide written notice of the Public Hearing to all property owners, residents and

1 owners of business concerns in the Welton Corridor Urban Redevelopment Area at least thirty (30)
2 days prior to the date of the Public Hearing.

3 **Section 5.** That it be and is hereby found and determined that no more than one hundred
4 twenty (120) days have passed since the commencement of the Public Hearing.

5 **Section 6.** That it be and is hereby found and determined that the Urban Redevelopment
6 Plan, as amended by the Proposed Amendment, contains no property that was included in a
7 previously submitted urban redevelopment plan that Council failed to approve.

8 **Section 7.** That it be and is hereby found and determined that the Urban Redevelopment
9 Plan, as amended by the Proposed Amendment, conforms to the Denver Comprehensive Plan
10 2000, as a whole, and is necessary and appropriate to facilitate the proper growth and
11 development of the community in accordance with sound planning standards and local community
12 objectives.

13 **Section 8.** That it be and is hereby found and determined that the Urban Redevelopment
14 Plan, as amended by the Proposed Amendment, will afford maximum opportunity, consistent with
15 the sound needs of the City as a whole, for the rehabilitation and redevelopment of the Welton
16 Corridor Urban Redevelopment Area by private enterprise.

17 **Section 9.** That the City and County of Denver can adequately finance or agreements are
18 in place to finance any additional City and County of Denver infrastructure and services required to
19 serve development within the Tax Increment Area for the period during which City and County of
20 Denver property taxes are paid to the Authority.

21 **Section 10.** That the Urban Redevelopment Plan be and is amended hereby to add the
22 Project to Appendix A (Schedule of Projects) to the Urban Redevelopment Plan, filed in the office
23 of the Clerk and Recorder, Ex-Officio Clerk of the City and County of Denver (the "City Clerk") in
24 City Clerk's Filing No. _____ and to add the Tax Increment Area to Appendix B ("Property Tax
25 Increment Areas and Sales Tax Increment Areas"), filed with the City Clerk in the City Clerk's Filing
26 No. _____.

27 **Section 11.** The Urban Development Plan be and is hereby further amended as follows:
28 For all amendments involving a substantial modification to the Urban Redevelopment Plan
29 occurring after January 1, 2016, the term "Property Tax Revenues" is shall mean:

30 "Property Tax Revenues" means the amount derived by the City and all taxing
31 jurisdictions from the levy of Property Tax within the Property Tax Increment Area less
32 any amount derived from a specially earmarked voter-approved levy by which the City
33 has heretofore committed by contract to pay to a private contractor in order to provide
34 services to residents of the City, including any residents in the Urban Redevelopment

1 Area. "Property Tax Revenues" does not include any amounts derived by the City
2 and all taxing districts either (a) because voters authorized the City or other taxing
3 district to retain and spend the additional moneys pursuant to Section 20(7)(d) of
4 Article X of the Colorado Constitution subsequent to the creation of the special fund
5 pursuant to Colorado Revised Statutes § 31-25-107(9)(a)(II) or (b) as a result of an
6 increase in the property tax mill levy approved by the voters of the City or other taxing
7 district to the extent the total mill levy of the City or other taxing district, subsequent to
8 the creation of the special fund pursuant to Colorado Revised Statutes § 31-25-
9 107(9)(a)(II) exceeds the respective mill levy in effect at the time of substantial
10 modification of the Urban Redevelopment Plan by the adoption of this amendment to
11 the Urban Redevelopment Plan adding this Project.

12
13 The first paragraph of Section V(C) is amended to read:

14
15 **C. Tax Increment Financing**

16
17 This Urban Redevelopment Plan contemplates that the primary method of
18 financing the Projects and other activities shall be the use of Sales Tax Increment
19 and/or Property Tax Increment financing, or any combination thereof, under the tax
20 increment financing provisions of Colo. Rev. Stat. § 31-25-107(9), as amended from
21 time to time, which is by this reference incorporated herein as if set forth in its entirety,
22 subject to Council approval as set forth herein. For each Project for which Property
23 Tax Increment and/or Sales Tax Increment is to be used, a separate Property Tax
24 Increment Area and/or Sales Tax Increment Area shall be designated by the
25 Authority and the City, and approved by the Council. In accordance with the Act,
26 School District No. 1 in the City and County of Denver shall be permitted to
27 participate in an advisory capacity with respect to the inclusion of tax increment
28 financing in this Urban Renewal Plan and with respect to any use of Property Tax
29 Increment. To the extent required by the Act, the Authority shall notify the governing
30 bodies of each other public body whose Property Tax Revenues would be allocated
31 under this Urban Redevelopment Plan and the Authority shall meet with
32 representatives of such other public bodies and attempt to negotiate an agreement
33 governing the types and limits of tax revenues of each taxing entity to be allocated
34 under the Urban Redevelopment Plan. The agreement must address, without
35 limitation, estimated impacts of the Urban Redevelopment Plan on district services
36 associated solely with the Urban Redevelopment Plan. The agreement may be
37 entered into separately among the Authority and each other public body, or through a
38 joint agreement among the City, the Authority and any public body that has chosen to
39 enter that agreement. Any such allocated shared tax revenues governed by any
40 agreement are limited to all or any portion of the taxes levied upon taxable property
41 by the public body within the area covered by the Urban Redevelopment Plan in
42 addition to any sales tax revenues generated within the Urban Redevelopment Area
43 covered by the Urban Redevelopment Plan by the imposition of the sales tax of the
44 City and any other public body. In the absence of an agreement between the City,

1 the Authority and any taxing entity described above, the parties must submit to
2 mediation on the issue of appropriate allocation of project costs among the City and
3 other taxing entities whose taxes will be allocated pursuant to the Urban
4 Redevelopment Plan. If there is any conflict between the Act, any Cooperation
5 Agreements between the City and DURA and this Urban Redevelopment Plan, the
6 provisions of the Act shall control.
7

8 **Section 12.** That it be and hereby is found that the DPS Agreement and the UDFCD
9 Agreement have been entered into in satisfaction of the requirements of Section 31-25-
10 107(9.5), Colorado Revised Statutes, and the Act.

11 **Section 13.** That Ordinance No. 448, Series of 2012, is hereby amended to the extent
12 described herein. That to the extent that any provision or provisions of the Urban
13 Redevelopment Plan is or are deemed by a court of competent jurisdiction to be illegal, invalid
14 or unenforceable, such provision or provisions shall not affect the validity or enforceability of all
15 remaining provisions of the Urban Redevelopment Plan.

16 COMMITTEE APPROVAL DATE: May 3, 2016

17 MAYOR-COUNCIL DATE: May 10, 2016

18 COMMITTEE APPROVAL DATE: May 3, 2016

19 MAYOR-COUNCIL DATE: May 10, 2016

20 PASSED BY THE COUNCIL: _____, 2016

21 _____ - PRESIDENT

22 APPROVED: _____ - MAYOR _____, 2016

23 ATTEST: _____ - CLERK AND RECORDER,
24 EX-OFFICIO CLERK OF THE
25 CITY AND COUNTY OF DENVER

26 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2016; _____, 2016

27 PREPARED BY: Jennifer Welborn, Assistant City Attorney DATE: May 19, 2016

28 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
29 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
30 ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to §
31 3.2.6 of the Charter.

32 Denver City Attorney

33 BY: _____, Assistant City Attorney DATE: _____, 2016

APPENDIX A
Schedule of Projects

4. 2560 Welton Street Project
Developer: 2560 Welton, LLC

PREVIOUSLY APPROVED PROJECTS

1. 2300 Welton Street Project
Developer: 2300 Welton LLC
2. 2801 Welton Street Project
Developer: SMP 2801 Welton LLC
3. 2460 Welton Street Project
Developer: 2460 Welton LLC

APPENDIX B
Property Tax Increment Areas and Sales Tax Increment Areas

4. 2560 Welton Street Property Tax Increment Area and Sales Tax Increment Area

PREVIOUSLY APPROVED PROJECTS

1. 2300 Welton Street Property Tax Increment Area
2. 2801 Welton Street Property Tax Increment Area and Sales Tax Increment Area
3. 2460 Welton Street Property Tax Increment AreaD