

**EMILY GRIFFITH OPPORTUNITY SCHOOL
URBAN REDEVELOPMENT PLAN**

An Urban Renewal Plan for the

Emily Griffith Opportunity School Urban Redevelopment Area

DENVER URBAN RENEWAL AUTHORITY

Dated as of August _____, 2017

I. **PREFACE AND DEFINITIONS**

A. Preface

This urban renewal plan, referenced herein as the Urban Redevelopment Plan, has been prepared by the Denver Urban Renewal Authority (the “Authority”) pursuant to the provisions of the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, Colorado Revised Statutes, 1973, as amended (the “Act”). This Urban Redevelopment Plan describes the framework for certain public undertakings constituting urban renewal projects and other authorized undertakings under the Act in the Emily Griffith Opportunity School Urban Redevelopment Area, the legal description of which, is described in Exhibit A hereto and depicted on the map attached as Exhibit B hereto (the “Urban Redevelopment Area”).

Except as otherwise provided herein or as may be provided in any Cooperation Agreement (defined below), the administration of a Project and the implementation and enforcement of this Urban Redevelopment Plan, including, without limitation, the preparation and execution of any implementing documents, shall be performed by the Authority in accordance with the Act and this Urban Redevelopment Plan.

B. Background of the Urban Redevelopment Area

The Urban Redevelopment Area is comprised of a single 106,400 square foot city block bounded by 13th Street to the northeast, Glenarm Place to the southeast, 12th Street to the southwest, and Welton Street to the northwest at the southern end of Downtown Denver. In 1916, Denver Public Schools (“DPS”) opened the Opportunity School with encouragement from Emily Griffith (1868-1947), a local teacher who advocated that persons of all ages and races should have the opportunity to learn and better themselves. In 1926, the school moved to its permanent home at the corner of 12th and Welton Streets and in 1933, the school was renamed Emily Griffith Opportunity School to honor the founder. This building served as the primary

schoolhouse and was subsequently expanded in 1947 and 1956 and now fronts the entirety of Welton Street between 12th and 13th. In order to meet the demand for other vocational training including television and radio production, automotive repair and welding, five additional buildings were constructed on the opposite side of the block along Glenarm Place between 1941 and 1978. The school had been in continual operation since it was founded and occupied the subject site until 2013, when it relocated to its current location at 1860 Lincoln Street. Since then, the buildings have stood dormant and have begun to fall into a state of disrepair.

In 2016, the entire site was designated historic at the local level, and restrictions were placed on the amount and nature of the possible redevelopment, limiting the subject property's potential density. While the buildings on the Glenarm side of the block were deemed to be non-contributing, the majority of the structures on Welton Street must be retained, and significant setbacks were established to ensure that the appearance and massing of this building are preserved. Any future redevelopment on the site will be subject to the Design Standards and Guidelines adopted by Denver City Council in May 2016, and in addition to the typical entitlement process, must be approved by the Landmark Preservation Commission. The existing structure is also partially located within the view corridor between the State Capitol and Long's Peak and consequently is subject to a height restriction. The preservation requirements will likely place an additional financial burden on any redevelopment project.

Definitions

In addition to terms previously defined in the text, the following terms are used in this Urban Redevelopment Plan:

1. The term "Conditions Study" means the conditions study conducted by Matrix Design Group in February 2017 and finalized in May 2017.

2. The term “City” means the City and County of Denver.
3. The term “Cooperation Agreement” means any agreement between the Authority and the City respecting action to be taken pursuant to any of the powers set forth in the Act or in any other provision of Colorado law, for the purpose of facilitating undertakings deemed necessary or appropriate by the Authority under this Urban Redevelopment Plan. Any such Cooperation Agreement may include, without limitation, agreements respecting the planning or undertaking of this Urban Redevelopment Plan and the Project, as well as programs, works, operations or activities which the Authority, the City or such other public body is otherwise empowered to undertake and including, without limitation, agreements respecting the financing, installation, construction and reconstruction of public and private improvements in furtherance of the Urban Redevelopment Plan.
4. The term “DPS” means School District No. 1 in the City and County of Denver.
5. The term “Fiscal Year” means the fiscal year of the City, which commences on January 1 of each calendar year and ends on December 31 of the same calendar year, or any applicable portion of a fiscal year.
6. The term “Project” or “Projects” means any public and/or private undertaking for the purposes of redevelopment and rehabilitation in keeping with the objectives of this Urban Redevelopment Plan and pursuant to a Redevelopment Agreement. Each Project shall be approved by City Council and if approved, such Project will be attached hereto as a part of Appendix A and incorporated herein.
7. The term “Property Tax” means the real and personal property taxes produced by the levy at the rate fixed each year by the governing bodies of the various taxing jurisdictions within the Property Tax Increment Area.

8. The term “Property Tax Base Amount” means the total valuation for assessment last certified by the County Assessor for the City of all taxable property within the Property Tax Increment Area prior to the effective date of the Property Tax Increment Area, as the same may be adjusted from time to time in accordance with the Act.
9. “Property Tax Increment” means, for each Fiscal Year subsequent to the creation of the Property Tax Increment Area, all Property Tax Revenues in excess of Property Tax Revenues produced by the levy of Property Tax on the Property Tax Base Amount and paid to the Authority by the City; provided that such amount shall be reduced by any lawful collection fee charged by the City.
10. The term “Property Tax Increment Area” means the area more particularly described in Exhibit A and depicted on Exhibit B, attached hereto and incorporated herein.
11. The term “Property Tax Revenues” means the amount derived by the City and all taxing jurisdictions from the levy of Property Tax within a Property Tax Increment Area less any amount derived from a specially earmarked voter-approved levy by which the City has heretofore committed by contract to pay to a private contractor in order to provide services to residents of the City, including any residents in the Urban Redevelopment Area. “Property Tax Revenues” does not include any amounts derived by the City and all taxing districts either (a) because voters authorized the City or other taxing district to retain and spend the additional moneys pursuant to Section 20(7)(D) OF Article X of the Colorado Constitution subsequent to the creation of the special fund pursuant to Colorado Revised Statutes §31-25-107(9)(a)(11) or (b) as a result of an increase in the property tax mill levy approved by the voters of the City or other taxing district to the extent the total mill levy of the City or other taxing district, subsequent to the creation of the special fund

pursuant to Colorado Revised Statutes §31-25-107(9)(a)(11) exceeds the respective mill levy in effect at the time of substantial modification of the Urban Redevelopment Plan, provided that the amounts derived from the increase in the property tax mill levy as the result of the City removing credited property tax mills that were approved as of the date of this Agreement shall not be excluded.

12. The term “Redevelopment Agreement” means any agreement between the Authority and property owners, private developers, as applicable, regarding a Project in furtherance of this Urban Redevelopment Plan.
13. The term “Sales Tax” means the sales tax levied by the City from time to time on the retail sales of taxable goods and services, excluding (a) that portion of the Sales Tax levied by Section 53-27 of the City Code, as amended by Ordinance No. 557, Series of 1987, on food and beverages not exempted from taxation under Section 53-26(8) of the City Code, at the rate of one-half percent (0.5%) of the purchase price, (b) that portion of the Sales Tax levied by Section 53-27 of the City Code on the short-term rental of automotive vehicles, on rentals paid or purchase price, (c) that portion of the Sales Tax levied by Section 53-27 of the City Code, as amended by Council Bill No. 574, Series of 2014 for the Denver pre-school program at the rate of fifteen one-hundredths percent (0.15%), and (d) that portion of any increase to the percentage rate of the Sales Tax, if any, levied by the City following the date of approval of a Sales Tax Increment Area to pay for specifically designated purposes other than the general operations of the City.
14. The term “Sales Tax Base Amount” means, with respect to a Sales Tax Increment Area, the actual collection of Sales Tax Revenues during the twelve (12) month period ending on the last day of the month prior to the effective date of the Sales Tax Increment Area.

15. The term “Sales Tax Increment” means, for each Fiscal Year subsequent to the creation of the Sales Tax Increment Area, all Sales Tax Revenues in excess of the Sales Tax Base Amount subsequent to the creation of the applicable Sales Tax Increment Area and paid to the Authority by the City, provided that such amount shall be reduced by the costs and expenses of the City for such Fiscal Year of enforcing the Sales Tax in the Sales Tax Increment Area and collecting the Sales Tax Revenues as allowed by state statute, including the pro-rata share of uncollectible Sales Tax Revenues to be absorbed by the Authority for such Fiscal Year as set forth in a Cooperation Agreement.
16. The term “Sales Tax Increment Area” means the area more particularly described in Exhibit A and depicted on Exhibit B, attached hereto and incorporated herein.
17. The term “Sales Tax Revenues” means the amount to be derived by the City in each Fiscal Year from the levy of the Sales Tax within the Sales Tax Increment Area.
18. The term “UDFCD” means the Urban Drainage and Flood Control District.

II. **LEGISLATIVE FINDINGS**

The City Council has found by approving this Plan that:

A. Blight

Based on the Conditions Study of which the Authority provided notice, in accordance with Section 31-25-107(1)(b), C.R.S., to owners of private property within the proposed Urban Redevelopment Area, and evidence presented at a public hearing before City Council, City Council determined that there exists a “blighted area” (as defined in the Act) in the Urban Redevelopment Area by reason of (i) slum, deteriorated, or deteriorating structures, (ii) unsanitary or unsafe conditions, (iii) deterioration of site or other improvements, (iv) environmental contamination of buildings or property, and (v) existence of health, safety or

welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements. Such blight substantially impairs or arrests the sound growth of the municipality. As there is a predominance of blight factors across a majority of the area within the conditions study boundary, the Urban Redevelopment Area constitutes a “blighted area” because the property in its present condition and use substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare.

B. Urban Redevelopment Projects

The Urban Redevelopment Area is appropriate for one or more Projects and other authorized undertaking of the Authority pursuant to the Act and as provided for in any Cooperation Agreements between the City and the Authority.

Projects are intended to eliminate blight and stimulate private sector investment in and around the Urban Redevelopment Area. The combination of public and private investment will assist in the redevelopment and revitalization of the Urban Redevelopment Area, adapting historic and underutilized buildings which will contribute to anchoring this portion of Downtown Denver.

C. Planning Approval

A general plan for the City, known as the Denver Comprehensive Plan 2000 and all other relevant plans adopted as supplements to the Comprehensive Plan (“Plan 2000”) has been prepared and adopted by City Council. This Urban Redevelopment Plan was submitted to the Planning Board of the City for review and recommendations as to its conformity with Plan 2000 and the Planning Board submitted its written recommendations with respect to this Urban Redevelopment Plan to the City Council.

D. Conformance with Comprehensive Plan: Objectives Relating to Appropriate Land Uses

The Plan 2000 contains numerous objectives and policies relevant to the redevelopment of the Urban Redevelopment Area. The City's Planning Board and the City Council has reviewed this Urban Redevelopment Plan and determined that it is in compliance with the Plan 2000 and that it furthers several city-wide objectives, policies and actions in the Plan 2000, including (with reference to Plan 2000 sections):

1. Conserve raw materials by promoting efforts to adapt existing buildings for new uses, rather than destroying them. (Environmental Sustainability Strategy, 2-E, Page 39)
2. Conserve land by promoting infill development within Denver at sites where service and infrastructure are already in place, by designing mixed-use communities and reducing sprawl, and by creating more density at transit nodes (Environmental Sustainability Strategy 2-F, Page 39)
3. Provide market based incentives and tax incentives to encourage sustainable development. (Environmental Sustainability Strategy, 3-D, Page 41)
4. Encourage quality infill development that is consistent with the character of the surrounding neighborhood; that offers opportunities for increased density and more amenities; and that broadens the variety of compatible uses. (Land Use Strategy 3-B, Page 60)
5. Promote standards and incentives for design that enhance the quality and character of the city, including the preservation of significant historic structures and features. (Legacies Strategy 1-B, Page 98)
6. Preserve Denver's architectural and design legacies while allowing new ones to evolve. (Legacies Strategy 1-C, Page 98)

7. Identify area in which increased density and new uses are desirable and can be accommodated. (Legacies Strategy, 3-A, page 99)

8. Leverage City resources to protect Denver’s Landmarks and eligible historic buildings and to avoid their demolition. (Legacies Strategy, 6-D, Page 101)

9. Ensure Downtown’s future as Denver’s preeminent center for business, tourism, and entertainment, including through continued support of the reuse of historic buildings in and around Downtown. (Economic Activity Strategy 4-A, Page 134)

10. Use public-private partnerships to facilitate development and redevelopment projects that advance the City’s goals and objectives. When appropriate, take advantage of the Denver Urban Renewal Authority’s powers and experience. (Economic Activity Strategy 4-C, Page 136)

11. Incorporate relevant recommendations from neighborhood, corridor and area plans that are supplements to Plan 2000 (Land Use Strategy 1-C, Page 57) including the following:

a. Blueprint Denver

Blueprint Denver, Denver’s integrated land use and transportation plan adopted by the City Council in 2002, identifies the Urban Redevelopment Area as being located within an “Area of Change,” with the concept land use of “Downtown.” The purpose of Areas of Change is to channel growth to where it will be beneficial and can best improve access to jobs, housing, and services with fewer and shorter auto trips. Areas of Change are parts of the City where the City believes that development or redevelopment can be best accomplished. The overarching guiding principles for Areas of Change in Blueprint Denver are (p. 142):

- Contribute to urban design vision
- Contribute to economic vision
- Respect valued attributes of the area
- Expand transportation choice
- Improve environmental quality

As described above, Blueprint Denver’s Concept Land Use Map identifies the Urban Redevelopment Area as located within Downtown. Downtown District is recognized as the centerpiece of the City and region with the highest intensity of uses in Colorado. It has the most intense land-use development and transportation systems. The vision for Downtown is to continue more of the same types of high quality office, hotel, retail, residential and mixed-use development. The Urban Redevelopment Plan will help to anchor the southwest portion of the Central Business District, an area which has seen minimal investment relative to other portions of the Central Business District.

b. Downtown Area Plan

The Downtown Area Plan, adopted by City Council in 2007 as a supplement to the Comprehensive Plan 2000, identifies a number of strategies and objectives to serve as “tools to help community leaders, decision makers, and citizens build upon Downtown’s assets and guide future development.” (p. 10) The Downtown Area Plan presents an update to the 1986 Downtown Area Plan by providing an updated Vision and set of goals and recommendations for Downtown which will provide direction for a 20-year horizon or until 2027. The vision seeks to create a vibrant, economically healthy, growing and vital downtown through a sustained effort in each of these elements: prosperous, walkable, diverse, distinctive and green. As specified within the Downtown Area Plan,

the Urban Redevelopment Area is considered to be located within the Cultural Core. The Cultural Core is generally defined in the Downtown Area Plan as the area encompassing the Convention Center, Denver Performing Arts Center, Civic Center Park, Denver Public Library, Denver Art Museum, Denver Public Library and various municipal and government buildings along 14th Street extending south to 13th Avenue and Lincoln to the east. A key recommendation identified in the plan calls for the creation of a “mixed-use, public-private development that includes the Emily Griffith Opportunity School and other complementary uses” (page 45). In addition, any Project will be consistent with the following goals and policies outlined in the plan:

1. Preserve, reuse, and reinvest in historic buildings and places throughout Downtown. These buildings and places demonstrate to future generations Denver’s pre-eminence as a western city over 150 years. (A Prosperous City Vision Element A-1g, Page 17)
2. Retain and reuse historic buildings to fortify the district identity of districts. (A Distinctive City Vision Element D-1c, Page 33)
3. Develop a Downtown-wide strategy to reduce resource consumption, especially energy, water and materials, and to reduce greenhouse gas emission through encouraging the reuse of existing building to retain embedded energy. (A Green City Vision Element, E3a, Page 39)

E. Public Hearing

The City Council has held a public hearing on this Urban Redevelopment Plan after public notice thereof in compliance with law by publication in a newspaper having a general circulation in the City, describing the time, date, place and purpose of the hearing, generally

identifying the Urban Redevelopment Area covered by this Urban Redevelopment Plan, and outlining the general scope of the urban renewal projects to be considered for implementation by the Authority pursuant to this Urban Redevelopment Plan.

Additionally, reasonable efforts have been undertaken by the Authority to provide written notice of the public hearing to all property owners, residents and owners of business concerns in the Urban Redevelopment Area at their last known address of record at least thirty days prior to such hearing. The written notice contained the same information as the published notice.

F. Other Findings

1. The Urban Redevelopment Area may be conserved or rehabilitated through appropriate public action, as authorized or contemplated by the Act, and through the cooperation and voluntary action of the owners located in the Urban Redevelopment Area.

2. In order to eliminate or reduce the blighted conditions currently existing within the Urban Redevelopment Area, as well as those blighted conditions which may be reasonably anticipated to develop within the Urban Redevelopment Area in the absence of public action, it is the intent of the City Council in adopting this Urban Redevelopment Plan that the Authority exercise all powers authorized to be exercised by the Authority under the Act and which are necessary, convenient or appropriate to accomplish the objectives of the Urban Redevelopment Plan. It is the intent of this Urban Redevelopment Plan that, except as otherwise provided herein, the Authority shall exercise all such powers (except condemnation) as may now be possessed or hereafter granted to the Authority for the elimination of blight within the Urban Redevelopment Area.

3. The powers conferred by the Act are for public uses and purposes for which public money may be expended and the police power exercised, and this Urban

Redevelopment Plan is in the public interest and necessity, such finding being a matter of legislative determination by the City Council.

4. The Authority may, in its discretion, issue bonds or other obligations, including revenue bonds, to the extent permitted by law, this Urban Redevelopment Plan, and any Cooperation Agreement.

5. No individuals, families or business concerns will be displaced by any Projects in the Urban Redevelopment Area.

6. The Emily Griffith Opportunity School Intergovernmental Agreement between the Authority and DPS and the letter agreement between the Authority and the UDFCD have been entered into in satisfaction of the requirements of C.R.S Section 31-25-107(9.5) and the Act.

III. DESCRIPTION OF THE EMILY GRIFFITH OPPORTUNITY SCHOOL URBAN REDEVELOPMENT AREA GOALS AND OBJECTIVES

A. Boundaries of the Emily Griffith Opportunity School Urban Redevelopment Area

The boundaries of the Urban Redevelopment Area shall be as set forth in the legal description on Exhibit A and as depicted on Exhibit B hereto and are drawn as narrowly as feasible to accomplish the planning and development objectives of the Urban Redevelopment Plan. The Urban Redevelopment Area does not contain any agricultural land as defined in Section 31-25-103(1), C.R.S.

B. Urban Redevelopment Plan Objectives

The general objectives of this Urban Redevelopment Plan are to reduce or eliminate blighted conditions and to stimulate the continued growth and development of the Urban Redevelopment Area and the greater Downtown District. In particular, this Urban Redevelopment Plan is intended to promote the following (or any combination of the following)

local objectives respecting appropriate land uses provided that the delineation of such objectives shall not be construed to require that any particular Project shall necessarily promote all such objectives:

1. To eliminate the present factors which contribute to the blight in the Urban Redevelopment Area. Such blighting factors are detrimental to the community and limit the development potential of the surrounding area.

2. To renew and improve the character and environment of the Urban Redevelopment Area and its surroundings by enhancing and improving an existing historical landmark building which will prevent or ameliorate economic, physical, and environmental deterioration.

3. To encourage commercial, residential and retail development and redevelopment that is socially and economically inclusive and from which the Urban Redevelopment Area and its environs can draw economic strength.

4. To encourage and protect existing development within and immediately adjoining the Urban Redevelopment Area by creating conditions from which these areas can draw new economic strength.

5. To more effectively use underdeveloped Land within the Urban Redevelopment Area.

6. To encourage land use patterns within the Urban Redevelopment Area and its environs where pedestrians are safe and welcome.

7. To encourage the participation of existing property owners within and adjacent to the Urban Redevelopment Area in the redevelopment of their property.

8. To encourage the reuse of existing buildings where appropriate, including historic preservation and adaptive reuse.
9. To improve and provide for employment centers at areas proximate to multimodal transit centers and access.
10. To improve the economy of the City by stabilizing and upgrading property values.
11. To protect and enhance the existing character of Denver Structures Designated for Historic Preservation.
12. Encourage high and moderate density development where appropriate, including structured parking.
13. To achieve goals as outlined in adopted City Plans.

IV. PROJECT ACTIVITIES

In undertaking the Projects pursuant to this Urban Redevelopment Plan, the Authority shall comply, and shall require any developer of Projects under any Redevelopment Agreement to comply with the Charter and all applicable building and zoning regulations and other applicable ordinances of the City. All Redevelopment Agreements entered into in connection with this Urban Redevelopment Plan shall be subject to all applicable building and zoning regulations, and other applicable ordinances of the City.

A. Public Participation

The Authority is committed to the process of public participation in pursuit of the objectives of this Urban Redevelopment Plan through discussion with the appropriate registered neighborhood organizations and other organizations and will invite public comment on the Project. Pursuant to policies adopted by the Authority and to the extent provided in Colorado

Open Records Act, Colo. Rev. Stat. Title 24, Article 72, Part 2, as the same may be amended from time to time, the Projects' plans and proposals will be made available to the public.

B. Redevelopment Agreement

Subject to the provisions of this Section IV(B), the Authority is authorized to enter into one or more Redevelopment Agreements with developers, land owners and such other entities as are determined by the Authority to be necessary or desirable to carry out the purposes of this Urban Redevelopment Plan. Such Redevelopment Agreements may contain such terms and provisions as shall be deemed necessary or appropriate by the Authority for the purpose of undertaking the activities contemplated by this Urban Redevelopment Plan or the Act, and may further provide for such undertakings by the Authority, including financial assistance (subject to the limitations contained herein), as may be necessary for the achievement of the objectives of this Urban Redevelopment Plan or as may otherwise be authorized by the Act.

C. Public and Other Improvements and Facilities

The Authority may undertake certain actions that would eliminate blight and make the Urban Redevelopment Area and its environs more attractive for private investment. The Authority may or may cause to be installed, constructed and reconstructed public improvements in furtherance of the Urban Redevelopment Plan, which may include, without limitation, streets, sidewalks, alleys, utilities, utility service facilities, parks, streetscapes, pedestrian corridors, bicycle facilities, and parking facilities. The Authority also may or may cause to be installed, constructed and reconstructed any other authorized improvements in furtherance of the Urban Redevelopment Plan, which may include, without limitation, façade improvements, public access ways, public gathering areas, and other undertakings or improvements, all for the purpose of promoting the objectives of this Urban Redevelopment Plan and the Act. Any such

construction of improvements shall be performed in accordance with Comprehensive Plan 2000, City specifications, and upon obtaining required City permits and comply with all applicable laws.

D. Redevelopment and Rehabilitation Actions

Redevelopment and rehabilitation actions within the Urban Redevelopment Area may include such undertakings and activities as are in accordance with this Urban Redevelopment Plan and the Act, including without limitation: (i) renovation and enhancement of buildings and improvements; (ii) the installation, construction, relocation and reconstruction of public and private improvements; (iii) the carrying out of plans for a program through voluntary action for the repair, alteration, and rehabilitation of buildings or other improvements in accordance with this Urban Redevelopment Plan; and (iv) the taking of such other actions as determined by the Authority as necessary or desirable to eliminate unhealthy, unsanitary or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare, or otherwise remove or prevent the spread of blight or deterioration.

It is anticipated that the redevelopment and rehabilitation of property within the Urban Redevelopment Area shall, if required in the judgment of the Authority, be undertaken pursuant to the terms of a Redevelopment Agreement, provided that in the absence of any such Redevelopment Agreement, development, redevelopment, and rehabilitation in furtherance of the Urban Redevelopment Plan may be undertaken in accordance with, as applicable, the building and zoning regulations and other applicable ordinances of the City.

V. **PROJECT FINANCING**

A. Financing Methods

The Authority is authorized to finance the Project and other activities by several methods, including, but not limited to, the following: appropriations from the City; Property Tax

Increment and Sales Tax Increment paid pursuant to the Cooperation Agreement; interest income; federal loans or grants; or any other available source of revenue allowable under the provisions of the Act or other applicable laws. In addition, the Authority is authorized to issue bonds or other obligations, incur indebtedness, loans, or advances as contemplated by the Act in an amount sufficient to carry out all or any part of the Project and other activities. The principal of, interest on, and any premiums due in connection with such bonds, indebtedness, loans or advances may be paid from Property Tax Increment, Sales Tax Increment or any other funds, revenues, assets or properties legally available to the Authority.

B. Cooperation Agreements between the City and the Authority

Before the Authority enters into a Redevelopment Agreement, the City and the Authority shall enter into a Cooperation Agreement.

C. Tax Increment Financing

This Urban Redevelopment Plan contemplates that the primary method of financing the Project and other activities shall be the use of Sales Tax Increment financing and/or Property Tax Increment financing, or any combination thereof, under the tax increment financing provisions of C.R.S.. § 31-25-107(9), as amended from time to time, which is by this reference incorporated herein as if set forth in its entirety, subject to City Council approval as set forth herein. In accordance with the Act, the Authority notified DPS and UDFCD, the governing bodies of each other public body whose Property Tax Revenues would be allocated under this Urban Redevelopment Plan negotiated agreements governing the types and limits of tax revenues of each taxing entity to be allocated under the Urban Redevelopment Plan. The Authority and DPS have agreed upon that certain Emily Griffith Opportunity School Intergovernmental Agreement and the Authority and UDFCD have agreed upon that certain letter agreement. Each agreement

addresses, without limitation, estimated impacts of the Urban Redevelopment Plan on district services associated solely with the Urban Redevelopment Plan. The allocated shared tax revenues governed by each agreement are limited to all or any portion of the taxes levied upon taxable property by the public body within the area covered by the Urban Redevelopment Plan. If there is any conflict between the Act, the Cooperation Agreement and this Urban Redevelopment Plan, the provisions of the Act shall control.

For the Property Tax Increment Area and/or Sales Tax Increment Area, all Property Taxes levied after the effective date of the approval of the Property Tax Increment Area upon the taxable property in the Property Tax Increment Area each year and all Sales Tax Revenue collected within the Sales Tax Increment Area by or for the benefit of the City, shall be divided as follows:

1. (a) In the case of a Property Tax Increment Area, that portion of the Property Tax Revenues that are produced by the levy at the rate fixed each year by or for each public body upon the valuation for assessment of taxable property in the Property Tax Increment Area last certified prior to the effective date of approval of such Property Tax Increment Area in respect of this Urban Redevelopment Plan or, as to an area later added to the Property Tax Increment Area, the effective date of the modification of this Urban Redevelopment Plan specifying such Property Tax Increment Area shall be paid into the funds of each such public body as are all other taxes collected by or for such public body.

(b) In the case of the Sales Tax Increment Area, that portion of Sales Tax Revenues equal to the amount collected within the boundaries of the Sales Tax Increment Area in the twelve-month period ending on the last day of the month prior to effective date of approval of such Sales Tax Increment Area in respect to this Urban

Redevelopment Plan or as to an area later added to the Urban Redevelopment Area, the effective date of modification of this Urban Redevelopment Plan shall be paid into the funds of each such public body as are all other taxes collected by or for such public body.

2. Except as the Authority may legally provide otherwise under the Act, that portion of the Property Tax Revenues in excess of the amounts described in paragraph C(1)(a) above, and/or all of any portion of Sales Tax Revenues in excess of those described in paragraph C(1)(b) above, shall be allocated to, and when collected, paid into a special fund of the Authority, and may be irrevocably pledged by the Authority for the payment of the principal of, premium, if any, and interest on any bonds of, loans or advances to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Authority to finance or refinance, in whole or in part, the Projects. Unless and until the Property Tax Revenue in the Property Tax Increment Area exceeds the amount as provided in paragraph C(1)(a), above, all of the Property Tax Revenues for the Property Tax Increment Area shall be paid into the funds of the respective public bodies. Unless and until the total Sales Tax Revenues in the Sales Tax Increment Area exceed the Sales Tax Base Amount in such Sales Tax increment Area, as provided in paragraph C(1)(b), above, all such Sales Tax Revenue shall be paid into the funds of the City.

3. When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, with respect to a Tax Increment Area but in no event later than twenty-five (25) years following the effective date such Tax increment Area is included in and amends this Urban Redevelopment Plan by an amendment approved by City Council, the total Sales Tax Revenues and Property Tax Revenues

in such Tax Increment Area shall be paid into the funds of the City and the applicable public bodies, respectively.

4. In the event there is a general reassessment of taxable property valuations in the City including all or part of any Property Tax Increment Area, or a change in the sales tax percentage levied in the City including all or part of any Sales Tax Increment Area, the portions of valuations for assessment or sales tax revenues attributable thereto under this Part V shall be proportionately adjusted in accordance with such reassessment or change.

5. The Authority and the City may, by Cooperation Agreement or other agreement, provide for the method by which Property Tax Increment and Sales Tax Increment shall be allocated and paid to the Authority pursuant to the provisions of this Urban Redevelopment Plan and the Act. Such agreements, and similar agreements between the Authority and other public bodies, may provide for additional assistance by the City and cooperation between the Authority and the City in support of the Projects as may be more fully set forth in the provisions of such Cooperation Agreement or other agreement.

VI. LAND USE PLAN

A. Land Use Designation

Land use within the Urban Redevelopment Area shall conform to those uses permitted and applicable by City ordinance including the City's zoning ordinances and regulations.

B. Land Use Objectives

Land use objectives of this Urban Redevelopment Plan are to encourage the redevelopment of an existing historic structure and other related facilities in order to help catalyze an area of Downtown which has seen minimal investment.

VII. MODIFICATIONS TO THE APPROVED URBAN REDEVELOPMENT PLAN

This Urban Redevelopment Plan may be modified pursuant to the provisions of the Act governing such modification, including Section 31-25-107 thereof, as the same may be amended from time to time.

VIII. PROJECT ART

The Authority requires that project art be installed in accordance with the Authority's Project Art Program. This program provides for at least 1% of the gross bond proceeds issued by the Authority in connection with the Projects or 1% of the Projects' maximum reimbursable expenses as of the effective date of any Redevelopment Agreement to be utilized for project art in a location accessible to the general public.

IX. DESIGN REVIEW

In connection with its undertaking of Projects, the Authority may require participation in a design review process in collaboration with applicable City staff, in addition to any design review required by the City.

X. SEVERABILITY

If any provision of this Urban Redevelopment Plan is held by a court to be illegal, invalid, or unenforceable, the other provisions herein that are severable shall be unaffected. Furthermore, such illegal, invalid or unenforceable provision shall be automatically replaced with a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still be legal, valid, and enforceable, and this Urban Redevelopment Plan shall be deemed reformed accordingly.

XI. MINOR VARIATIONS

In specific cases, where a literal enforcement of the provisions contained in this Urban Redevelopment Plan constitutes an unreasonable limitation beyond the intent and purpose of these

provisions, the Authority may allow minor variances from these provisions. In such cases, the Authority shall notify the City prior to allowing any such minor variance.

XII. FIRST SOURCE HIRING PROGRAM

With respect to any Redevelopment Agreement and for any other agreement Authority implements in connection with the Projects, the Authority and the Owners, Developers or Redevelopers, as applicable, shall carry out the First Source Hiring Program designed to provide employment opportunities to Denver residents, and which includes, among other things, recruitment, training, and similar activities, for permanent employees of the owners and tenants at the Projects.

XIII. SMALL BUSINESS ENTERPRISE UTILIZATION PROGRAM

The Authority has adopted and will require owners, developers or redevelopers to adopt a small business enterprise utilization plan regarding small business enterprise participation for each Redevelopment Agreement and for any other agreement the Authority implements in connection with the Projects. The Authority agrees to implement and enforce, or cause owners, developers and redevelopers to implement and enforce, such small business enterprise utilization plans and to review and, if necessary, update such plans from time to time.

XIV. CONSTRUCTION EMPLOYMENT OPPORTUNITIES

The Authority has adopted and will require owners, developers and redevelopers to participate in the Authority's Construction Employment Opportunities Policy ("CEO Policy") for each Redevelopment Agreement and for any other agreement Authority implements in connection with the Projects. Pursuant to the CEO Policy, owners, developers or redevelopers entering into a Redevelopment Agreement will be required to contribute funding in the amount of one percent (1%) of the maximum reimbursable project costs to the Authority for use in accordance with the CEO Policy.

XV. AUTHORITY PREVAILING WAGE POLICY

The Authority has adopted a Prevailing Wage Policy which is applicable in certain circumstances. In the event any improvements funded in whole or in part with tax increment financing provided by the Authority are deemed to be “City Projects” pursuant to the Authority’s Prevailing Wage Policy, the Authority will require any owner, developer or redeveloper constructing the “City Projects” to comply with the City’s prevailing wage requirements for the construction of such “City Projects.”

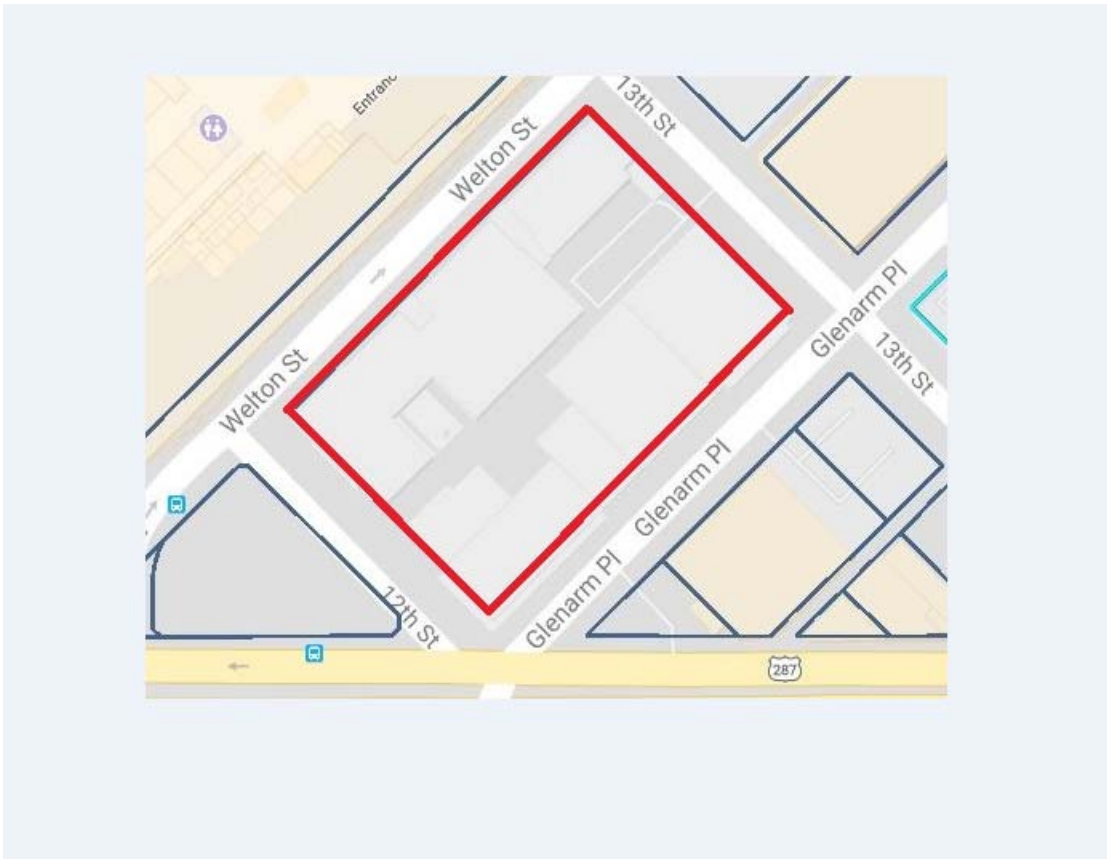
EXHIBIT A

**LEGAL DESCRIPTION OF EMILY GRIFFITH SCHOOL
URBAN REDEVELOPMENT AREA**

LOTS ONE (1) THROUGH THIRTY-TWO (32), INCLUSIVE, BLOCK ONE HUNDRED SEVENTY (170), EAST DENVER, TOGETHER WITH ALL OF THE VACATED ALLEY IN SAID BLOCK, AS VACATED BY ORDINANCE NO. 317, SERIES OF 1978 RECORDED AUGUST 7, 1978 IN BOOK 1720 AT PAGE 349, CITY AND COUNTY OF DENVER, STATE OF COLORADO.

EXHIBIT B

**MAP OF EMILY GRIFFITH SCHOOL
URBAN REDEVELOPMENT AREA**



APPENDIX A

Schedule of Projects

[to be amended when City Council approves a Project]

APPENDIX B

Property Tax Increment Areas

And

Sales Tax Increment Areas

**[to be amended when City Council approves Property Tax Increment and/or Sales
Tax Increment Areas]**