

TAMARAC SQUARE SOUTH URBAN REDEVELOPMENT PLAN

An Urban Redevelopment Plan

for the

Tamarac Square South Urban Redevelopment Area

DENVER URBAN RENEWAL AUTHORITY

DATED MARCH 30, 2012

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A. PREFACE AND DEFINITIONS

1. 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 the urban renewal project and other authorized undertakings under the Act in the Tamarac Square South Shopping Center described in Exhibit A hereto (the “Urban Redevelopment Area”) located in the City and County of Denver.

Except as otherwise provided herein or as may be provided in any Cooperation Agreement (defined below), the administration of the 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.

Sales Tax Increment financing as authorized by the provisions of Section 31-25-107(9) of the Act, but not property tax increment financing, may be utilized to finance the Project in whole or in part. In accordance with the Act, School District No. 1 in the City and County of Denver (the “School District”) was

permitted to participate in an advisory capacity with respect to the inclusion of tax increment financing in this Urban Redevelopment Plan.

2. Background of the Tamarac Square South Urban Redevelopment Plan

The Tamarac Square Shopping Center (the “Center”) was constructed in 1974 as a “specialty center” with 90 shops and a six-screen movie theater. The 175,000 square foot shopping center offered a mix of independent boutiques, dining and movie screens. The Center opened in 1976 despite being only partially leased.

Leasing of the Center continued with Fashion Bar and its brands expanding to five separate storefronts within the center. The neighborhood mall had strong performance until the 1990 opening of Cherry Creek Mall began to cause concerns for outlying shopping centers such as Tamarac Square.

In 1992, the Center underwent extensive renovations. The main entrance was reoriented toward Hampden Avenue and an escalator was added. As a result of these improvements, The Gap left their space from the retail center across the street at Tiffany Plaza to occupy approximately 11,000 square feet of leased space in the Center.

A fire occurred on January 1, 1994 when a 25-foot artificial Christmas tree caught fire. Smoke damage to the clothing retailers was significant and the overhead sprinklers which helped contain the blaze created approximately \$1 million in damage. The Center was repaired and reopened.

In 1999, major longtime tenant Hyde Park Jewelers left the Center for the more upscale Cherry Creek Mall. In 2001, Developers Diversified Realty Corporation acquired the ailing shopping center. Over the last decade, tenants have continued to leave, often times for newer retail developments. In July, 2010 only two tenants remained; a restaurant and the movie theater. These both closed in early 2011. The owner demolished the main mall building in late 2011.

The Urban Redevelopment Area is located in southeast Denver on East Hampden Avenue just east of Interstate 25. The area is generally bounded by East Hampden Avenue on the south, on the north by the remaining portion of the original Center, on the east by South Tamarac Drive and on the west by Goldsmith Gulch.

### 3. Definitions

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

- (a) The term “Blight Study” means the blight study conducted by URS Corp, dated December 2011.
- (b) The term “City” means the City and County of Denver.
- (c) The term “City Cooperation Agreement” means the Tamarac Square South Urban Redevelopment Area Cooperation Agreement between the City and the Authority.
- (d) The term “Cooperation Agreement” means any agreement between the Authority and the City or any public body (the term “public body” being used in this Urban Redevelopment Plan as defined by

the Act) 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 purposes of facilitating public 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.

- (e) The term “Fiscal Year” means the respective 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.
- (f) The term “Owner/Developer” means any owner of real or personal property within the Urban Redevelopment Area and any person or entity undertaking, funding, or financing any portion of the Project.
- (g) The term “Project” means the redevelopment of the Urban Redevelopment Area and its environs by construction of a Target retail store, life safety improvements, site improvements, right of

way improvements, public infrastructure and other public improvements.

- (h) The term “Redevelopment Agreement” means any agreement between the Authority and an Owner/Developer as applicable, as it may be amended from time to time, regarding a Project in furtherance of this Urban Redevelopment Plan.
- (i) 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, as amended by Ordinance No. 557, Series of 1987, and by Ordinance No. 973, Series of 1999, on the short-term rental of automotive vehicles, at the rate of three and three-quarters percent (3.75%) of the rentals paid or purchase price, (c) that portion of the Sales Tax levied by Section 53-27 of the City Code, as amended by Ordinance No. 556, Series of 2006 for the Denver pre-school program at the rate of twelve-one hundredths percent (0.12%) and (d) any increased portion of the Sales Tax, if any, designated by ordinance by the



City following the date hereof for specific purposes other than the general operations of the City.

- (j) The term “Sales Tax Base Amount” means 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 approval of the Urban Redevelopment Plan.
- (k) 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; provided that such amount shall be reduced by costs and expenses of the City for such Fiscal Year of enforcing the Sales Tax in the Sales Tax Increment Area and collection 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.
- (l) The term “Sales Tax Increment Area” means the area more particularly described in Exhibit A, attached hereto and incorporated herein, which is coterminous with the Urban Redevelopment Area.
- (m) 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.

B. LEGISLATIVE FINDINGS

The City Council has found by approving this Plan that:

1. Blight

Based on the Blight Study (such survey having been heretofore filed with the City Council and the City Clerk in City Clerk File No, \_\_\_\_\_), 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, City Council determined that the Urban Redevelopment Area is a “blighted area” (as defined in the Act) by reason of (i) predominance of defective or inadequate street layout, (ii) unsanitary or unsafe conditions, (iii) deterioration of site or other improvements, (iv) unusual topography or inadequate public improvement or utilities, and (v) the 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. Pursuant to the Act, as there is a predominance of blight factors within the blight study boundary, the Urban Redevelopment Area constitutes a “blighted area” because the property in its present condition and use substantially impairs and impacts the sound growth of the municipality, constitutes an economic and social liability, and is a menace to the public health, safety, morals, and welfare.

2. Urban Redevelopment Project

The Urban Redevelopment Area is appropriate for one or more urban renewal projects, including the Project, and other authorized undertakings of the Authority pursuant to the Act, the Urban Redevelopment Plan and the City Cooperation Agreement. 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 the redevelopment and conversion of the Urban Redevelopment Area into a compatible and viable neighborhood commercial redevelopment.

3. Planning Approval

A general plan for the City, known as the Denver Comprehensive Plan 2000, including Blueprint Denver 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.

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

The Urban Redevelopment Area consists of approximately 12 acres containing the remnants of the demolished mall building and its adjacent parking lot located in an important commercial corridor of the City.

Blueprint Denver identifies the Tamarac Square site specifically as an “Area of Change” where growth is to be channeled 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 is beneficial.

Situated along East Hampden Avenue, the Project, as a retail infill development, is consistent with the City’s goal of increasing activity and density along major road and transit corridors. Redevelopment of this key site will create approximately 135,000 square feet of new retail space and upgraded associated parking. The Project will serve, support and catalyze existing and new retail establishments and businesses in the area.

The Project is consistent with the conceptual land uses for this Area of Change in Blueprint Denver which identifies the site as a Town Center along a commercial arterial to the south and a residential arterial to the east. Town Centers are similar to neighborhood centers but meet a larger variety of shopping, entertainment, service and employment needs and are large enough to serve several neighborhoods. They usually contain shopping and commercial uses that total at least 150,000 square feet. Town Centers are intended to occur at the intersection of arterial streets and are appropriate next to light-rail transit and regional bus corridors. There are three RTD bus stops within 1/8 mile of the site and an additional 5 are located within 1/4 mile.

The Plan 2000 contains numerous objectives and policies relevant to the Project and the redevelopment of the Urban Redevelopment Area. The Project will further several goals and objectives of Plan 2000, as set forth below:

- (a) Conserve land by promoting infill development within Denver at sites where services and infrastructure are already in place. (2-E, Page 39)
- (b) Promote the development of sustainable communities and centers of activity where shopping, jobs, recreation and schools are accessible by multiple forms of transportation, providing opportunities for people to live where they work. (4-A, Page 41)
- (c) Encourage quality infill development that is consistent with the character of the surrounding neighborhood. (3-B, Page 60)
- (d) Identify and enhance existing focal points in neighborhoods, and encourage the development of such focal points where none exist. (3-D, Page 60)
- (e) Identify areas in which increased density and new uses are desirable and can be accommodated. (3-A, Page 99)
- (f) Enhance existing business centers and establish new business centers in a manner that offers a variety of high-quality uses that support Denver's business environment, complements neighborhood residential areas, generates public revenue, and creates jobs. (4-B, Page 135)

- (g) 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. (4-C, Page 136)
- (h) Support development of neighborhood business centers that serve adjacent residential areas in existing neighborhoods and new neighborhoods within development areas (5-A, Page 136)
- (i) Provide essential retail and consumer services and neighborhood-based employment to residents (5-B, page 137)
- (j) Focus job-creation efforts for entry-level workers in neighborhoods through the metropolitan area where potential employees already live. (2-C, Page 216)

5. Boundaries of the Urban Redevelopment Area

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

6. 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 Project 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.

7. Other Findings

- (a) 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 and tenants, if any, of the property located in the Urban Redevelopment Area.
- (b) 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 under the Act (except condemnation) and which are necessary, convenient or appropriate to accomplish the objectives

of this Urban Redevelopment Plan, consistent with the City Cooperation Agreement.

- (c) 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.
- (d) No individual, families or businesses will be displaced by the Project undertaken pursuant to this Urban Redevelopment Plan.

C. DESCRIPTION OF URBAN REDEVELOPMENT AREA AND OBJECTIVES

1. Urban Redevelopment Plan Objectives

The general objectives of this Urban Redevelopment Plan are to reduce or eliminate blighted conditions within the Urban Redevelopment Area and to stimulate the continued growth and redevelopment of the Urban Redevelopment Area and its surroundings. In particular, this Urban Redevelopment Plan is intended to promote the following (or any combination of the following) local objectives respecting appropriate land uses, improved traffic, public utilities, and other public improvements; provided that the delineation of such objectives shall not be construed to require that the Project or any other particular project shall necessarily promote all such objectives:

- (a) To renew and improve the character and environment of the Urban Redevelopment Area by preventing or ameliorating the cycle of economic, physical and environmental deterioration.



- (b) To eliminate the present and growing factors which contribute to the blight in the area; such blighting factors are detrimental to the community, and represent an economic liability to the City.
- (c) To more effectively utilize the land in the Urban Redevelopment Area.
- (d) To build upon present economic strengths in the Urban Redevelopment Area.
- (e) To encourage and protect existing development immediately adjoining the Urban Redevelopment Area by creating conditions from which these adjoining areas can draw new economic strength.
- (f) To improve the economy of the Urban Redevelopment Area by stabilizing and upgrading property values. To enhance the current sales and property tax base within the city by stimulating the growth of assessed valuation and sales tax collections within the Urban Redevelopment Area.
- (g) To provide access to employment opportunities for low-income and unemployed Denver residents.
- (h) To create a local business climate that serves the neighborhood so that area residents can shop in the neighborhood which will enhance City air quality improvement efforts.
- (i) To carry out the objectives of the Plan 2000, as amended.

D. PROJECT ACTIVITIES

In undertaking the Project and any other projects pursuant to this Urban Redevelopment Plan and the City Cooperation Agreement, the Authority shall comply, and shall require each Owner/Developer under any Redevelopment Agreement to comply with all applicable building and zoning regulations and other applicable ordinances of the City. Any Redevelopment Agreement 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.

1. Demolition, Clearance and Site Preparation

The Authority may demolish and clear, or contract to demolish and clear, those buildings, structures and other improvements from property pursuant to this Urban Redevelopment Plan if, in the judgment of the Authority, such buildings, structures and other improvements are not to be rehabilitated in accordance with this Urban Redevelopment Plan.

2. Redevelopment and Rehabilitation Actions

Redevelopment and rehabilitation actions in furtherance of 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) the demolition and removal of buildings and improvements as set forth herein; (ii) the installation, construction and reconstruction of public improvements as set forth herein; and (iii) to eliminate unhealthful, 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 or to provide land for needed public facilities.

It is anticipated that the redevelopment and rehabilitation of property within the Urban Redevelopment Area will be for the purpose of promoting development of the Project, a retail facility to be owned and operated by Target Corporation and related support facilities within the Urban Redevelopment Area and other undertakings authorized or allowed by this Urban Redevelopment Plan, the City Cooperation Agreement or the Act, and 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 within the Urban Redevelopment Area may be undertaken in accordance with the applicable building and zoning regulations and other applicable ordinances of the City.

3. Public Participation

The Authority has been in contact with various homeowners associations and other neighborhood organizations and interested property owners in the vicinity of the Urban Redevelopment Area to invite public comments relating to the Project. Pursuant to policies adopted by the Authority and to the extent provided in Colorado Public Records Act, Colo. Rev. Stat. Title 24, Article 72, Part 2, as the same may be amended from time to time, the Project's plans and proposals will be made available to the public.

4. Redevelopment Agreements

The Authority is authorized to enter into one or more Redevelopment Agreements with an Owner/Developer 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 and as may otherwise be authorized by the Act and the City Cooperation Agreement

5. Public and Other Improvements and Facilities

The Authority may undertake certain actions which would make the Urban Redevelopment Area more attractive for private investment. The Authority may or may cause to be installed, constructed, and reconstructed any public improvements in the Urban Redevelopment Area, which may include, without limitation, road improvements, sidewalks, utility and service facilities, streetscapes, drainage improvements, pedestrian corridors, and parking facilities. The Authority may also, or cause others to, install, construct and reconstruct any other authorized improvements in the Urban Redevelopment Area, which may include, without limitation, other authorized undertakings or improvements 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 Plan 2000 and the City specifications and upon obtaining required City permits.

Public projects are intended to stimulate private sector investment in and around the Urban Redevelopment Area. The combination of public and private investment will assist in the redevelopment and conversion of the Urban Redevelopment Area into a compatible and viable neighborhood shopping center contributing increased property and sales taxes to the City.

E. PROJECT FINANCING

As more fully set forth herein, it is the intent of the Council in approving this Urban Redevelopment Plan to authorize the use of Sales Tax Increment by the Authority as part of its efforts to undertake this Urban Redevelopment Plan. The adoption of this Urban Redevelopment Plan shall be deemed an adoption of a provision that Sales Taxes, if any, collected after the effective date of the approval of this Plan by or for the benefit of any public body shall be divided among the Authority and the applicable taxing entities for a period of twenty-five years thereafter or such lesser period as provided in Section 31-25-107 (9) of the Act or in the City Cooperation Agreement. The Project may be financed in whole or in part by the Authority under the sales tax increment financing provisions of Section 31-25-107(9) (a) of the Act, or by any other available source of financing authorized to be undertaken by the Authority under the Act. The School District has been permitted to participate in an advisory capacity with respect to the tax increment financing provisions included in this Urban Redevelopment Plan, in the manner contemplated by the Act.

1. Financing Methods

The Authority is authorized to finance the Project within the Urban Redevelopment Area by several methods, including but not limited to the following: appropriations from the City; sales tax increments; interest income; federal loans or grants; or any other available source of revenue allowable under the provisions of the Act or other applicable laws. Subject to the City Cooperation Agreement, the Authority is authorized to issue bonds or other obligations contemplated by the Act in an amount sufficient to finance all or any part of the Project within the Urban Redevelopment Area and to borrow funds and create indebtedness in any authorized form in carrying out this Urban Redevelopment Plan in the manner contemplated by the Act. The principal of, premium, if any, and interest on such indebtedness may be paid from Sales Tax Increment, or any other funds, revenues, assets or properties legally available to the Authority.

2. Sales Tax Increment Financing

The Urban Redevelopment Plan contemplates that the primary method of financing this Project shall be the use of sales tax increment financing under the tax increment financing provisions of Section 31-25-107(9), C.R.S. which, as it may be amended, is by this reference incorporated herein as if set forth in its entirety. If there is any conflict between the Act and this Urban Redevelopment Plan, the provisions of the Act shall control. All Sales Taxes collected within the Sales Tax Increment Area, by or for the benefit of any public body, shall be divided as follows:

- (a) That portion of the Sales Taxes 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 the effective date of the approval 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.
- (b) Except as the authority may legally provide otherwise under the Act, the portion of such Sales Taxes in excess of the amounts described in paragraph (a), above shall be allocated to and, when collected, paid into a special fund of the Authority in accordance with the Cooperation Agreement between the City and the Authority to fund the Authority's obligations with respect to the Project, including payment of the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by (whether funded, refunded, assumed, or otherwise) the Authority for financing or refinancing, in whole or in part, the Project and other urban renewal projects. Any excess Sales Tax collections not allocated pursuant to this paragraph or the City Cooperation Agreements shall be paid into the funds of the City. Unless and until the total Sales Tax Revenues in the Sales Tax Increment Area exceed the Sales Tax Base Amount in the Sales Tax Increment Area, as

provided in paragraph (a), above, all such Sales Tax Revenues shall be paid into the funds of the City.

When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, but in no event later than September 30, 2023, the total Sales Tax Revenues in the Sales Tax Increment Area shall be paid into the funds of the City.

- (c) Subject to the City Cooperation Agreement, the portion of Sales Taxes described in paragraph (b), above, or any portion thereof however determined, 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 Project, or may be used for any other purposes permitted under the Act.
- (d) The Authority and the City may, by Cooperation Agreement or other agreement, provide for the method by which sales tax increments 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 or other public bodies and cooperation between the Authority and the City or other public bodies in support of the



Projects as may be more fully set forth in such Cooperation Agreement or other agreements.

3. DURA Participating Interest in Private Development Projects

DURA will require a participating interest in the Project and all private development projects in the Urban Redevelopment Area to which the Authority provides financial support. The philosophy behind this is that public support is needed for the Project or other projects to fill a gap in available traditional financing, but if the project produces revenues in excess of a market rate of return, the public sector should share in the success of the Project. The terms of the participating interest will be negotiated in a Redevelopment Agreement and may take the form of a percentage of gross sales above an established level or another structure as negotiated.

F. LAND USE PLAN

1. Land Use Designation

Land use within the Urban Redevelopment Area shall conform to those uses (by right or otherwise) permitted by the Plan 2000, and applicable ordinances and regulations, including zoning regulations, of the City.

2. Land Use Objectives

Land use objectives of this Urban Redevelopment Plan are to encourage the development of uses, building densities, pedestrian and vehicular accommodations and other related facilities in order to create a high-quality and

economic commercial retail environment commensurate with high-quality urban design.

G. CHANGES IN 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.

H. MINOR VARIATIONS

In specific cases, where a literal enforcement of the provisions contained in the 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 Manager of Finance.

I. INTER-GOVERNMENTAL COOPERATION

For the purposes of this Plan, the Authority may enter into one or more Cooperation Agreements with the City or other public bodies pursuant to the Act. The City and the Authority recognize the need to cooperate in the implementation of this Urban Redevelopment Plan for, but not limited to, such items as project financing and the administering of the construction of public improvements. This paragraph shall not be construed to require any particular form of cooperation.

J. DESIGN REVIEW

In connection with its undertaking of the Project, 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.

K. 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.

L. PROJECT ART

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

M. FIRST SOURCE HIRING PROGRAM

With respect to the Redevelopment Agreement, the Authority and the Owner/Developer shall work together with designated agencies to carry out the DURA First Source Hiring and Outreach 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 Project.

N. SMALL BUSINESS ENTERPRISES UTILIZATION PROGRAM

The Authority has adopted and will require Owner/Developers 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 Project. The Authority agrees to implement and enforce, or cause Owner/Developer to implement and enforce, such small business enterprise utilization plans and to review and, if necessary, update such plans from time to time.

O. ENHANCED TRAINING OPPORTUNITIES POLICY

The Authority has adopted and will require each Owner/Developer to adopt an Enhanced Training Opportunities plan for each Redevelopment Agreement and for any other agreement the Authority implements in connection with the Project. The Authority agrees to implement and enforce, or cause each Owner/Developer to implement and enforce, such plans and to review and, if necessary, update such plans from time to time.

P. 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 each Owner/Developer constructing such improvements to comply with the City’s prevailing wage requirements for the construction of such improvements.

EXHIBIT A

LEGAL DESCRIPTION OF URBAN REDEVELOPMENT AREA

AND SALES TAX INCREMENT AREA

[TO BE INSERTED]

