

BILL/ RESOLUTION REQUEST

1. Title: Approves The Globeville Commercial Urban Redevelopment Plan authorizing the creation of an Urban Redevelopment Area in Adams County and Denver and authorizing both property and sales tax increment financing.

2. Requesting Agency: Department of Finance

3. Contact Person *with actual knowledge of proposed ordinance*

Name: Andrew Johnston

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4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary*

Name: Andrew Johnston and Tracy Huggins, Executive Director of Denver Urban Renewal Authority

Phone: 720-913-9372

Email: Andrew.Johnston@denvergov.org

5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved

a. Scope of Work

This Ordinance approves The Globeville Commercial Urban Redevelopment Plan authorizing the creation of one Urban Redevelopment Area in both Adams County and Denver and authorizing both property and sales tax increment financing. The Urban Redevelopment Area is located at the North West corner of 51st Avenue and Washington Street. It is a 78-acre site whereby approximately 20% is located in Denver and the remainder in Adams County.

Staff with the City, DURA, Adams County, and Globeville I have agreed to an Urban Redevelopment Plan and Cooperation Agreement for the creation of the Globeville Commercial Urban Redevelopment Area and the use of TIF by DURA. Structurally, there will be one Urban Redevelopment Area covering both Denver and Adams County portions of the site and four TIF areas: City Property Tax Increment Area; City Sales Tax Increment Area; Adams County Property Tax Increment Area; and Adams County Sales Tax Increment Area with all TIF flowing to DURA to assist with achieving the plan objectives for the entire redevelopment area.

This ordinance approves the Globeville Commercial Urban Redevelopment Plan, an urban renewal plan for the Globeville Commercial Urban Redevelopment Area (the Plan). The Urban Redevelopment Area is located at the North West corner of 51st

Avenue and Washington Street. It is a 78-acre site whereby approximately 20% is located in Denver and the remainder in Adams County.

The Plan makes the required statutory findings for the creation of an urban renewal area, including a finding of blight (see ASARCO Blight Study, October 2008 by URS Corporation). Additionally, the Plan has been found to be in conformance with both the City's Comprehensive Plan 2000 and the Adams County Comprehensive Plan. This conformance will be represented by a finding of the Denver Planning Board and the Adams County Planning Commission, respectively. The Plan lays out objectives for revitalizing the property. In addition, the Plan authorizes DURA to undertake projects using tax increment financing (TIF) to achieve those objectives.

The primary objectives of the Plan are to allow for the full remediation and redevelopment of the former ASARCO smelter site into a modern commercial development of approximately 1 million square feet and creating as many as 2,000 new jobs in this under resourced area of the City and the County. This Plan is the first multi-jurisdictional urban redevelopment plan approved by Denver City Council.

b. Duration

N/A

c. Location

495 East 51st Avenue, Denver, Colorado (NW corner of 51st Avenue and Washington Street). Approximately 20% of the 78-acre site is located in Denver, the remainder in Adams County.

d. Affected Council District

Council District #9 – Judy Montero

e. Benefits

Revitalization of a blighted and dormant site with redevelopment of approximately 1 million square foot warehouse industrial park with the potential of up to 2,000 new jobs.

f. Costs

Total Initial Project costs are to paid from: \$14.4 million Bankruptcy Trust; \$750,000 CDBG grant from Denver's Office of Economic Development; \$10 million HUD section 108 loan program through Adams County; TIF support through DURA not to exceed \$10.5 million for the "Initial Project" which includes collateralizing the Adams County 108 Loan. The Cooperation Agreement governs use of the TIF funds. The primary use of TIF is the repay the 108 loan if such loan is not repaid by land sales. Additional TIF after the Initial Project (repayment of the 108 loan) is completed will require written authorization of the Denver Managers of Finance and Public Works.

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.