

9<sup>th</sup> & Colorado



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**Proposed Urban Redevelopment Area**



Land Use, Transportation & Infrastructure Council Committee  
June 4, 2013



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## City Council Approvals:

### **Informational Presentation -**

BR13-0358: Approves the 9<sup>th</sup> & Colorado Urban Redevelopment Plan

- Authorizes creation of an Urban Redevelopment Area
- Authorizes use of Tax Increment Financing

BR13-0359: Approves a Cooperation Agreement between the City and DURA – establishes, among other matters, the parameters for tax increment financing with incremental property taxes

### **Action Requested -**

RR13-0357: Resolution to set a public hearing on the 9<sup>th</sup> & Colorado Urban Redevelopment Plan for July 22, 2013



## Background

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- Proposed Urban Redevelopment Area is approximately 41 acres immediately east of Colorado Boulevard, bounded by East 11<sup>th</sup> Avenue and East 8<sup>th</sup> Avenue
  - Area occupied by the University of Colorado's medical campus for 85 years
  - In the early 1990s the University determined need for additional research space – deciding to relocate to the Fitzsimmons site in Aurora
  - Campus at 9<sup>th</sup> & Colorado completely vacated by end of 2009
- 
- University, City, Colorado Boulevard Healthcare District, local neighborhood organizations and general community have all worked to create a new vision for the site
  - General Development Plan (GDP) approved in 2009 – major amendment in 2012
  - GDP commits the property owner, future developers and the City to a long-range vision and general direction for future development of the site
  - Current site conditions and development vision suggest need for public investment to facilitate redevelopment

## Blight Findings

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- A formal Conditions (blight) study has been completed and the results identified sufficient evidence of more than four blight factors.
  - Slum Deteriorating or deteriorated structures
  - Predominance of defective or inadequate street layout
  - Deterioration of site or other improvements
  - Unusual topography or inadequate public improvements or utilities
  - Environmental contamination of buildings or property
  - 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.
- Operated as the University of Colorado's medical campus for approximately 85 years, redevelopment of the site may require demolition of existing buildings, construction of infrastructure, and solutions for reintegrating the surrounding street grid into the site.



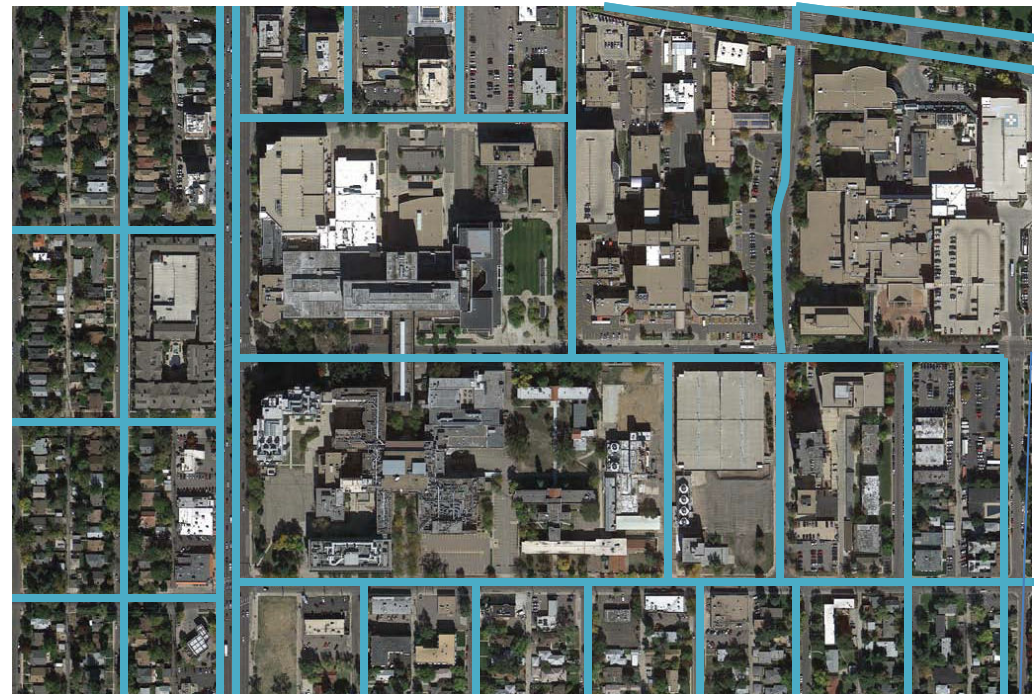


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## Blight Findings

### Conditions Study Findings

- Blight factors identified:
  - Slum/Deteriorated Structures
  - Defective and inadequate street layout
  - Deterioration of site or other improvements





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## Blight Findings

### Conditions Study Findings

- Blight factors identified:
  - Environmental contamination of buildings or property
  - Substantial physical underutilization or vacancy of sites, buildings or other improvements
  - Inadequate Public Improvements





## Conformance with City Plans / Community Vision

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The main objectives of the Urban Redevelopment Plan are to:

- Eliminate blight
- Renew and improve the character of the Area
- Encourage residential, retail and commercial development
- Build upon the present economic strengths in the Area by encouraging the growth of existing uses that are suitable in the Area
- Encourage land use patterns that result in a more environmentally sustainable city
- Encourage land use patterns where pedestrians are safe and welcome
- Encourage high and moderate density development where appropriate
- Encourage reuse of existing buildings, including historic preservation and adaptive reuse
- Promote a diverse, sustainable neighborhood economy, including mixed use and commercial development opportunities





## Conformance with City Plans / Community Vision

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The goals and objectives of the proposed Plan are consistent with a number of objectives from City Plans:

- **Denver Comprehensive Plan 2000**
  - Promote quality infill development
  - Encourage mixed-use, transit oriented development
  - Support mixed-income housing development
  - Use Public-private partnerships to facilitate development
- **Conformance with Denver Comprehensive Plan 2000** - Planning Board will be asked to find the Urban Redevelopment Plan to be in conformance with Plan 2000





## Conformance with City Plans / Community Vision

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- **Blueprint Denver**
  - Supports the creation of high-density, transit supportive, pedestrian oriented, mixed-use “Town Centers” or “Urban Centers”
  - Anticipated “reinvestment areas” within Areas of Stability that would benefit from substantial reinvestment through infill and redevelopment
- **Colorado Boulevard Healthcare District Plan**
  - Maintain and improve the livability of the surrounding area as an urban, mixed-use neighborhood with a vital residential base and strong neighborhood-serving business
  - Improve the physical appearance of the district
  - The scale and buffering of new development should respect the character of buildings across the street



- **General Development Plan (GDP) and 9<sup>th</sup> & Colorado Urban Design Standards and Guidelines**
  - Create a neighborhood that integrates multiple uses, including commercial, office, retail, hotel, live-work possibilities, residential, public services, and appropriate public spaces.
  - Establish a hierarchy and network of corridors that provides safe and comfortable routes for pedestrians, bicycle and automobile traffic.
  - Coordinate the overall plan, building massing, and connectivity together with design elements to create a desirable, unique environment which encourages a variety of activities including strolling, sitting, conversing, relaxing, and interacting.
  - Create a unique, distinctive, and identifiable development that establishes and promotes connectivity and access across neighborhoods.

## Phase 1 Project

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- Total Urban Redevelopment Area is approximately 41 acres
- Redevelopment will occur in phases.
- Phase I consists of approximately 6.74 acres bounded by E. 9<sup>th</sup> Avenue, Clermont St., E. 8<sup>th</sup> Avenue and a newly constructed Bellaire St.
- Phase I development to provide approximately 325 market-rate apartments
- As proposed, closing on residential parcel to occur June 14, 2013 - demolition would begin immediately thereafter.

# Phase 1 Project -



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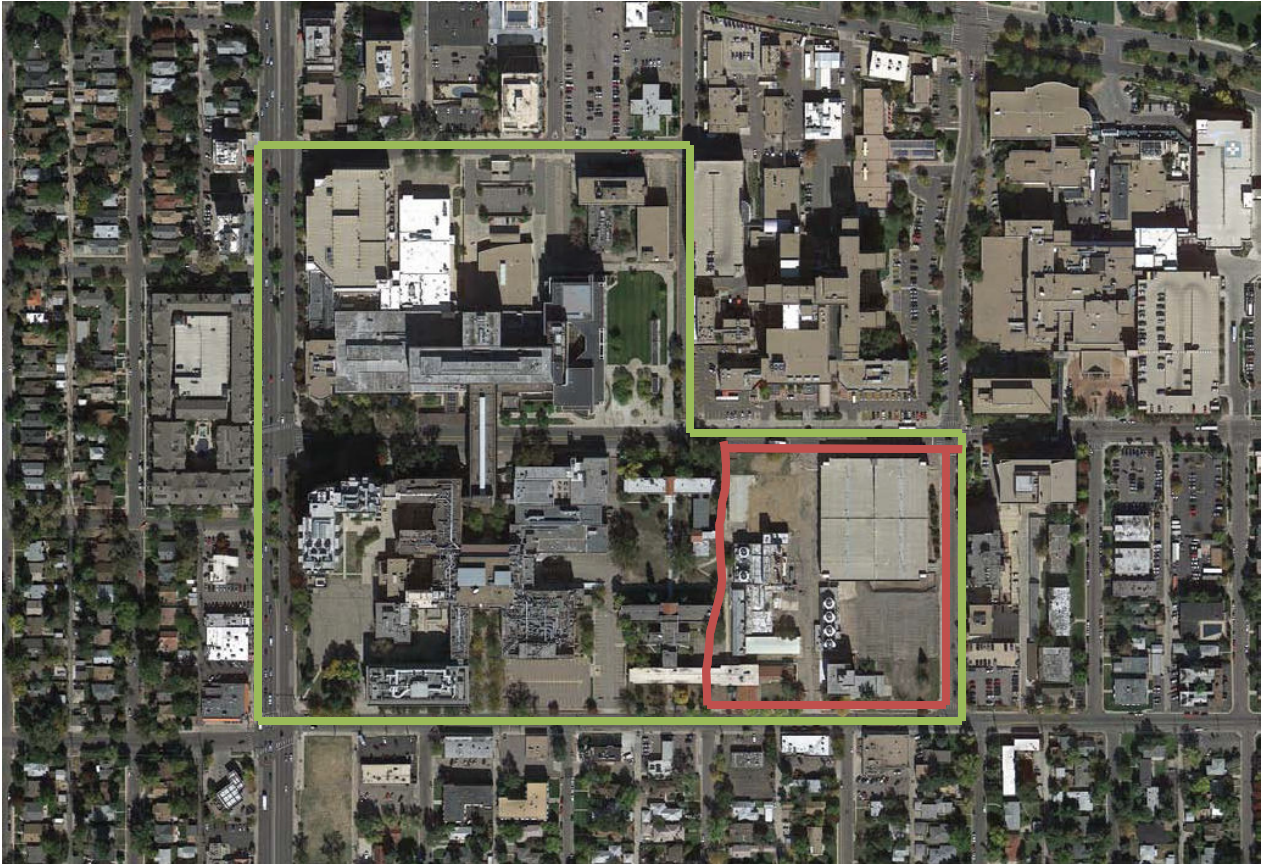



# Tax Increment Financing



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## Phase 1 Property Tax Increment Area



 Property  
Tax  
Increment  
Area –  
Phase I



## Phase I Tax Increment Commitment

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### **Authorization of:**

- Sales Tax Increment
- Property Tax Increment
- All sources of Tax Increment derived from project site only.
- **Approval** of Property Tax Increment Area only for Phase I Residential Development
- DURA may seek approval of future property and/or sales tax increment areas

### **TIF Request:**

- \$2.4 million for reimbursement of infrastructure, demolition and abatement costs
- Reimbursed at 4% over 15 years
- If not repaid by year 15, seek to refinance
- If not refinanced, default interest rate of 9.25%

### **Capacity:**

- The total projected TIF capacity of Phase I is approximately \$7.9 million over 25 years.
- Accruing interest at 4%, the estimated gap of \$2.4 million would be repaid in 15 years.

## Approval Process

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- Planning Board – June 5, 2013 (Informational Briefing)
- Resolution Setting Public Hearing – June 17, 2013
- Planning Board – June 19, 2013 (Action)
- DURA Board – June 20, 2013
- LUTI Council Committee – June 25, 2013
- Public Hearing – City Council – July 22, 2013

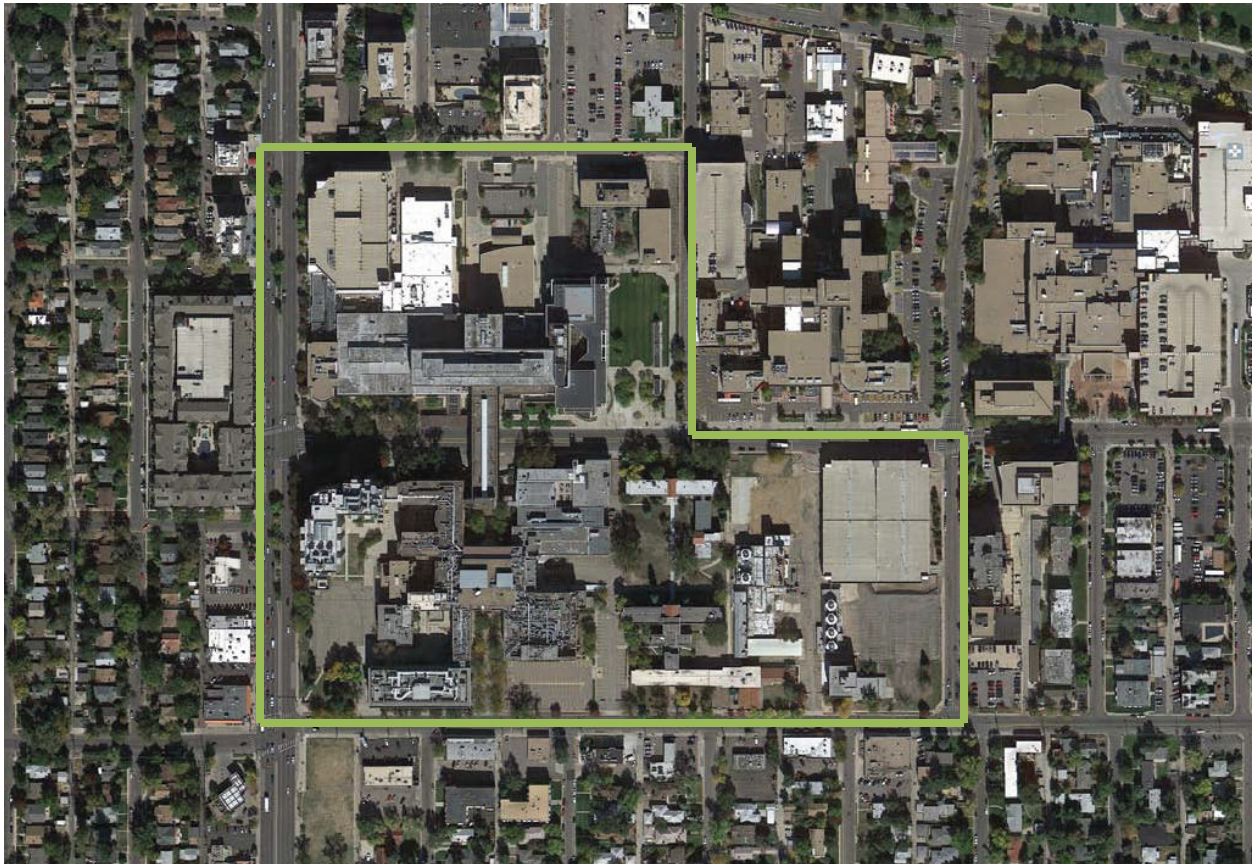


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## Questions?



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