

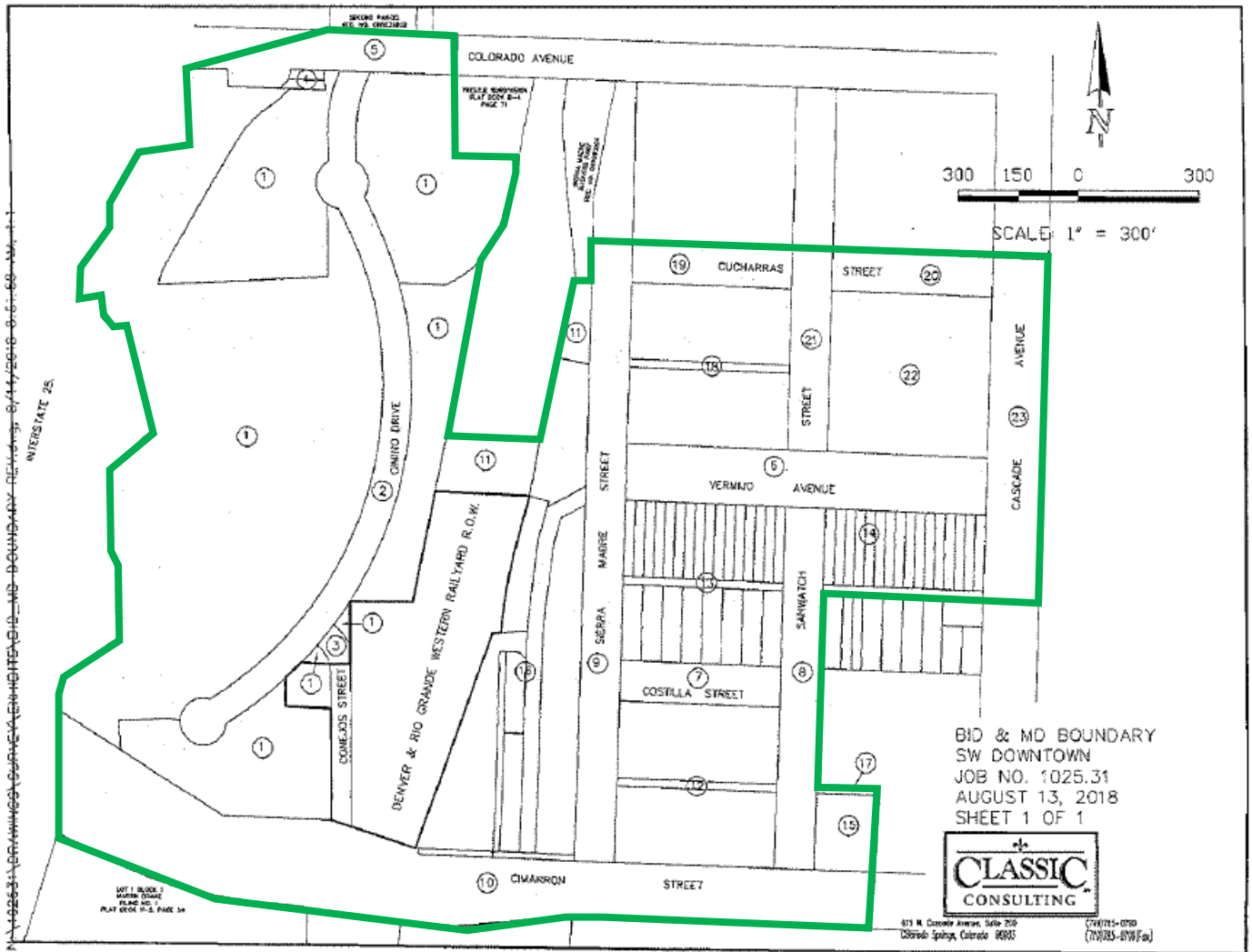
CITY PLANNING COMMISSION AGENDA
October 18, 2018

STAFF: PETER WYSOCKI
JARIAH WALKER

FILE NO(S):
CPC MP 01-00017-A2MJ18

PROJECT: MUSEUM AND PARK URBAN RENEWAL AREA PLAN

APPLICANT: COLORADO SPRINGS URBAN RENEWAL AUTHORITY
CITY OF COLORADO SPRINGS



PROJECT SUMMARY

Project Description: This is a request by the Colorado Springs Urban Renewal Authority for the Planning Commission to determine that the proposed Urban Renewal Plan for the Museum and Park Urban Renewal Area is consistent with the City of Colorado Springs 2001 Comprehensive Plan.

The proposed urban renewal area consists of 81.7 acres; generally located around the US Olympic Museum and Hall of Fame, stretching from America the Beautiful Park to Cascade, and Cimarron to Cucharas. Currently, the area is part of the existing Southwest Downtown Urban Renewal Area and Plan that was approved by the City in 2001. Since 2001, there have been no projects developed in the Southwest URA, while the 25-year clock has continued. In order to support a new, large-scale redevelopment of the Southwest part of the Downtown, the master development and owner, Nor'wood Development Group, is seeking to remove the 81.7 acres from the Southwest URA and establish a new urban renewal area with a new 25-year window for redevelopment. The redevelopment project itself consists of various uses, including lodging, multi-family residential, retail, and restaurants. In addition, significant public improvements are planned, including completely redesigned and re-envisioned streetscapes and utility upgrades.

Please see the attached Urban Renewal Plan for a detailed background and summary.

The CSURA Board approved the Condition Study Report (blight study) on July 27, 2018 and the fiscal impact report on August 22, 2018. The final plan is scheduled for CSURA Board approval on October 24, 2018.

BACKGROUND

1. Existing Zoning/Land Use: Form Based Zone – Central District
2. Surrounding Zoning/Land Use: Form Based Zone
3. Comprehensive Plan/Designated 2020 Land Use: Regional Center
4. Master Plan/Designated Master Plan Land Use: Experience Downtown Master Plan

ANALYSIS

Urban Renewal Plans

Urban renewal authorities, urban renewal plans and the use of tax increment financing (TIF) are regulated by CRS Title 31, Article 25. The intent of urban renewal plans is to encourage and facilitate redevelopment and to eliminate blight within the designated area, ideally consistent with a city's comprehensive plan. For the purpose of urban renewal, "blighted area" is defined in CRS. In order for an area to be classified as blighted, it must exhibit 4 of 12 characteristics also stipulated in CRS.

In accordance with CRS 31-25-107(2), prior to City Council approval of an urban renewal plan or a substantial amendment to an existing plan, the plan or amendment must first be reviewed and a recommendation offered by the City Planning Commission regarding its conformity to the City Comprehensive Plan. If no recommendation is offered by the City Planning Commission within 30 days of submittal, the City Council may proceed to act upon the submitted plan or amendment.

Pursuant to CRS, urban renewal plans sunset 25 years after their adoption. The URA has several methods it can fund eligible improvements including: issuance of bonds, borrowing, creation of indebtedness, and reimbursement. Whichever method is used the URA repays the funds or debt by using the revenue generated from the incremental increase in sales and

property taxes collected within the urban renewal area - this is commonly referred to as tax increment financing or "TIF". It should be noted that creation of an urban renewal area does not change the tax rate - the tax increment yields are generated by the increases in property values and sales of taxable goods above the taxes collected prior to the adoption of the plan. (Typically, the year prior to or the year a plan was adopted serves as the "base year" from which the increment is determined. The "base year" rates are later adjusted every two years to establish a new base.) It should be noted that CSURA normally receives 100% of the City's portion of the property tax increment; however, the portion of the City's 2% of the general sales tax increment is negotiated through a separate agreement with the City. Other special City taxes such as PPST, TOPS and 2C are not subject to the TIF. Due to a recent amendment to states statutes, taxes received by other agencies (e.g. El Paso County, school districts, and other districts) are separately negotiated with those agencies/districts.

Comprehensive Plan/Master Plan Conformance:

The role of the Planning Commission is clearly defined in CRS. The Planning Commission is responsible for determining if the proposed urban renewal plan is consistent with the City's Comprehensive Plan. The analysis of the proposed URA plan is included in the Plan. Staff concurs with the analysis and finds that the Museum and Park Urban Renewal Area Plan is consistent with the City's 2001 Comprehensive Plan.

In addition of being consistent with the 2001 Comprehensive Plan, the Museum and Park Urban Renewal Area Plan implements the vision of the Experience Downtown Colorado Springs Plan of Development and the Experience Downtown Colorado Springs Master Plan. In general, both documents support continual redevelopment and revitalization of the Downtown as a vibrant, pedestrian oriented, lively and re-imagined hub of the City. This includes additional lodging, retail, multi-family housing, community and public spaces, and restaurants. This area is also identified as one of 16 Catalytic Development Sites within Downtown Colorado Springs.

Future Actions

Upon Planning Commission's recommendation, and final approval by the Urban Renewal Board, the urban renewal plan will be forwarded to the City Council for their consideration and adoption. Urban renewal plans do not determine tax sharing or other financial obligations. A tax sharing agreement will be determined based upon the cost of redevelopment, financial gaps, final project design and negotiations with the City. Once final project financials, economic analysis, and pro-forma are finalized, a separate tax sharing agreement will be presented to the City Council and other participating agencies.

STAFF RECOMMENDATION

Recommend approval of the Museum and Park Urban Renewal Area Plan to the City Council based on the finding that it is consistent with the City's 2001 Comprehensive plan and the Experience Downtown Plan of Development and Master Plan.