

CITY PLANNING COMMISSION AGENDA
April 18, 2018

STAFF: PETER WYSOCKI and JARIAH WALKER

FILE NO(S):

19-210

PROJECT: TRUE NORTH COMMONS URBAN RENEWAL 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 True North Commons Urban Renewal Area is consistent with the City of Colorado Springs 2019 Comprehensive Plan.

The vision for the new True North Commons development is to seamlessly embrace the overall character and history of the Air Force Academy campus while providing an iconic architectural Visitors Center Facility and national treasure for residents, visitors and cadets. The experience that the visitor has in this location should reference the dignity and the architectural character of the campus that are about to visit. Our vision reflects that philosophy as it presents itself at the intersection of Northgate Boulevard and Interstate 25.

The master plan will include a mix of complimentary, non-residential uses such as commercial, hotel, office and retail / restaurant, all designed to complement and be integrated with a new Visitor Center to be constructed as part of this undertaking.

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

The CSURA Board approved the Condition Study Report (blight study) and the fiscal impact report on December 12, 2018. The final plan is scheduled for CSURA Board approval on April 24, 2019.

BACKGROUND and ANALYSIS

Recent Annexation:

The subject area was annexed into the City as part of a larger, serial annexation of approximately 183 acres that was approved by the City Council on March 12, 2019. The Planning Commission recommended the annexation to the City Council at its January 17, 2019 meeting (8-0 vote). The land will remain under the ownership of the United States Airforce Academy (USAFA). In order to facilitate private development on land owned by a military installation, USAFA will enter into an Enhanced Land Use lease with the developer. (The lease is still being finalized between the two parties.) Although the lease is not yet finalized, USAFA has been a partner with the City and the developer since the inception of the project and the City of Champions initiative. The land that was annexed is zoned Planned Unit Development (PUD) to accommodate a mix of retail, conference, lodging and restaurant uses, and of course the USAFA visitors center.

Urban Renewal:

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. It should

be noted that undeveloped vacant land can meet the definition of “blight” as defined in CRS Title 31 if it meets the criteria. In other words, urban renewal is not limited to urban areas.

Staff understands that there may be some apprehension to deem this property as a candidate for urban renewal. However, given the site’s conditions and limited availability of infrastructure, yet the desire to create a gateway at the City’s northern boundary by creating a cultural and economic node, urban renewal is a justifiable tool available to the City to partner with the developer to bring this project to fruition.

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. 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.

Conformance with the City’s Comprehensive Plan - PlanCOS:

The role of the Planning Commission is clearly defined in CRS. The Planning Commission is responsible for determining if the proposed urban renewal plan and project is consistent with the City’s comprehensive plan. The analysis of the proposed URA plan is included in the URA Plan. PlanCOS does not map or provide evaluation criteria for “scoring” site suitability for urban renewal. However, staff concurs with the analysis contained within the proposed True North Commons Urban Renewal Area Plan. Notwithstanding urban renewal, staff concludes that the project itself is consistent with PlanCOS.

Three of its six themes are particularly pertinent to and aligned with this annexation and entitlement requests; Unique Places, Thriving Economy and Renowned Culture. A detailed analysis of the proposed project’s alignment with PlanCOS is included as FIGURE 16 prepared by the City Comprehensive Planning Manager.

PlanCOS lists ten common contributing elements for Unique Places. The project aligns, or has the potential to align with many or all of these. As a unique and iconic building and gathering place, the Visitors Center itself will certainly qualify as a unique place and contribute positively to the big idea within the theme of Unique Places to 'be a City of places'. The Visitors Center will be identifiable nationally and internationally, both physically and with its connection to the Academy. The ancillary uses within the larger project have the potential to contribute to integrated, connected and walkable placemaking. Although there will not be any permanent residents, the likely combination of lodging, restaurants, other retail and business uses, create potential for a place that is activated year round and throughout the day and evening. Forward thinking planning, design and adaptability will be critical in this project. Future details for the planning, design and adaptability of this project will be import to its ultimate full alignment with this PlanCOS theme.

Another theme identified from the Plan focuses on Thriving Economy. Again, many of the common desired elements for this theme are well aligned with the proposed project. Within this theme there are five established 'big ideas' that all have substantial applicability; Brand as the Best, Expand our Base, Think and Act Regionally, Embrace Sustainability, and Become a Smarter Cities Leader. The project would advance the first 3 ideas directly, by advancing the City's brand, leveraging our relationship with the military and enhancing economic development via partnerships. This project will also result in a net fiscal benefit to the City, and it presents a potential for sustainability.

One of the more unique themes and elements of PlanCOS focuses on Renowned Culture. The project (particularly the Visitors Center) coincide very well with all the big ideas identified for this theme. The Air Force Academy is now very much a historical and cultural asset. This will be a partnership project. At the future programming level, it has the potential to promote cross cultural connections and to strengthen educational resources. In the case of Renowned Culture there are several typologies from PlanCOS that are pertinent; the most driving force being Cultural and Tourist Attractions particularly applicable and consistent with the proposed applications.

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 from taxing districts, beyond establishing the TIF. Separate tax sharing agreements between the URA and taxing districts (including the City) will be determined based upon the cost of redevelopment, financial gaps, final project design and negotiations. Once final project finance stack, economic analysis, and pro-forma are finalized, a separate tax sharing agreement will be presented to the City Council and other taxing districts.

STAFF RECOMMENDATION

Recommend approval of True North Commons Urban Renewal Area Plan to the City Council based on the finding that it is consistent with the City's Comprehensive Plan - PlanCOS.