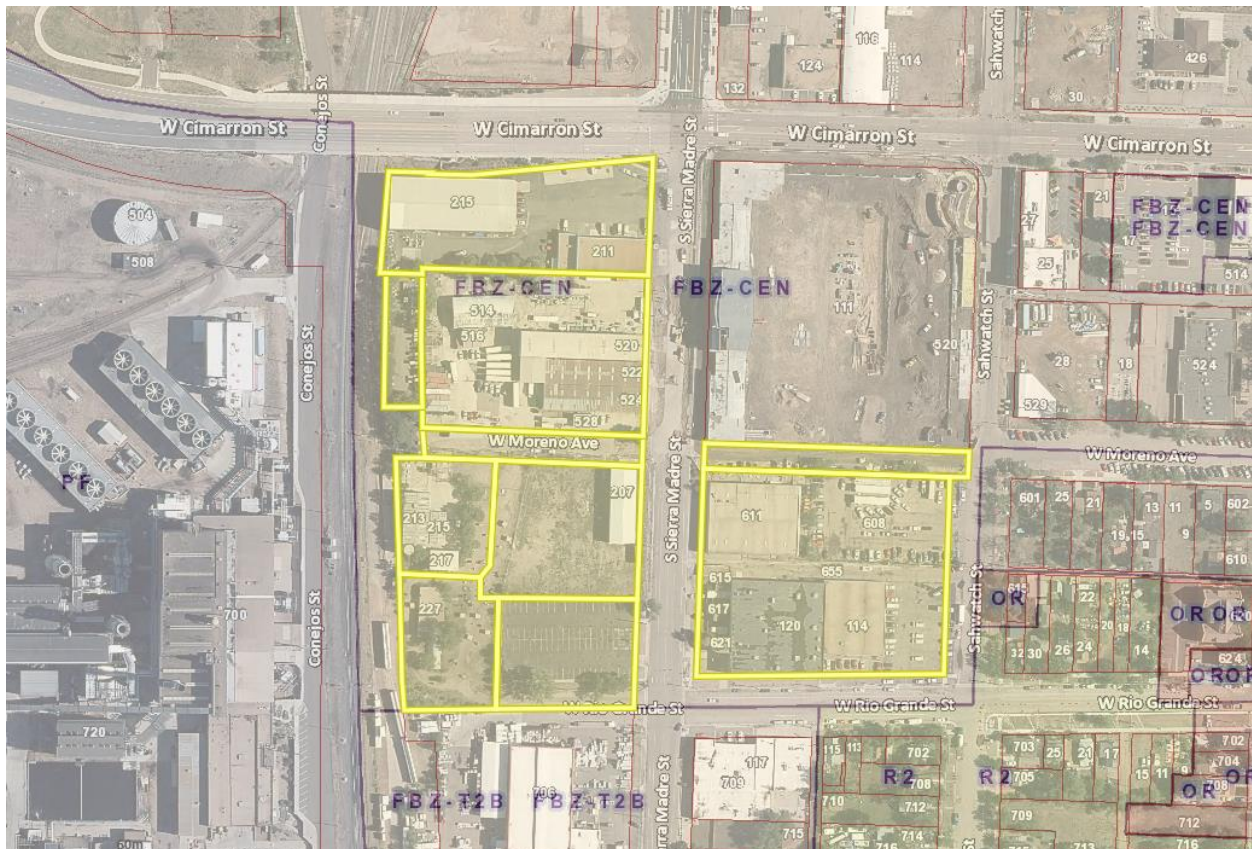


CITY PLANNING COMMISSION AGENDA  
NOVEMBER 9, 2022

STAFF: RYAN TEFERTILLER

FILE NO:  
URA 22-716

**PROJECT:** CITY GATE URBAN RENEWAL PLAN  
**OWNERS:** CITY GATE APARTMENT OWNERSHIP GROUP  
**APPLICANT:** COLORADO SPRINGS URBAN RENEWAL AUTHORITY



**PROJECT SUMMARY:**

1. Project Description: The project, known as the City Gate Urban Renewal Plan, was initiated to establish the City Gate Urban Renewal District. The plan area covers approximately 11.63 acres of land south of W. Cimarron St. on either side of S. Sierra Madre St. all of which is zoned FBZ-CEN (Form-Based Zone – Central Sector). Establishment of the proposed Urban Renewal District will support the redevelopment of the area through use of Tax Increment Financing (TIF).
2. Applicant's Urban Renewal Plan: **(FIGURE 1)**

3. Planning and Development Team's Recommendation: City Planning staff recommends that the Planning Commission find that the proposed plan conforms to the City's Comprehensive Plan as required by State Statutes CRS 31-25-107(2) prior to City Council approval of the District.

#### **BACKGROUND:**

1. Site Addresses: 0, 514, & 655 S. Sierra Madre St.; 211 W. Cimarron St.; 0, 207, 213, 227, and 235 W. Moreno Ave.; and 0 Sawatch St.
2. Existing Zoning/Land Use: The subject properties are zoned FBZ-CEN (Form-Based Zone – Central Sector) and are developed with a mix of light industrial and warehouse uses; the subject properties on the east side of S. Sierra Madre St. are currently under construction for an urban mixed-use project.
3. Surrounding Zoning/Land Use: **(FIGURE 2)**  
North: FBZ-CEN (Form-Based Zone – Central Sector) and includes a mix of commercial, office, entertainment, and vacant uses.  
South: FBZ-T2B and R2 (Form-Based Zone – Transition Sector 2B and Two-Family Residential) and consists of a mix of commercial, light industrial, and human service uses as well as single-family / two-family residential homes.  
East: FBZ-CEN, FBZ-T1, OR and R2 (Form-Based Zone – Central and Transition 1 Sectors, Office Residential, and Two-Family Residential) and includes a mix of commercial, entertainment, and residential uses  
West: PF (Public Facilities) Drake power plant
4. PlanCOS Vision: According to the PlanCOS Vision Map **(FIGURE 3)**, the project site is identified as being within the Downtown Activity area.
5. Annexation: The subject property is within the original Town of Colorado Springs area (1872).
6. Master Plan/Designated Master Plan Land Use: The site is within the Experience Downtown Master Plan area where it is identified as a “Activity Center Mixed-Use” area.
7. Subdivision: The subject properties fall within five different subdivisions including: Town of Colorado Springs Addition #1 (1873), Cimarron Street Subdivision Filing No. 2 (2009), City Gate Subdivision Filing No. 1 (2014), Downtown Stadium Filing No. 1 (2020), and City Gate Parcel 2 Filing No. 1 (2021).
8. Zoning Enforcement Action: There are no active code violations within the subject area.
9. Physical Characteristics: The property is relatively flat and has a mix of building types. The southeastern portion of the area is currently being developed for a urban mixed-use building.

#### **STAKEHOLDER PROCESS AND INVOLVEMENT:**

For the requested Urban Renewal Area Plan, the Colorado Springs Urban Renewal Authority has followed the requirements of Colorado Revised Statutes (“CRS”) 31-25-107. Notification of a blight conditions survey was sent to the property owners and the Colorado Springs Urban Renewal Authority (“CSURA”) held a public meeting on September 22, 2021 after which the CSURA board voted unanimously to move forward with the Condition Study (see **FIGURE 4**).

Review by other city departments and external agencies related to the Urban Renewal Area and Plan is not necessary at this point. Development-related reviews will occur once development applications are submitted for specific projects within the District.

#### **ANALYSIS OF REVIEW CRITERIA/MAJOR ISSUES/COMPREHENSIVE PLAN & MASTER PLAN CONFORMANCE:**

1. Review Criteria / Design & Development Issues:
  - a. Background

The subject properties include roughly 11.63 acres of land located on the southwestern edge of Downtown Colorado Springs. The area was historically utilized for industrial and warehouse uses given proximity to the City's primary rail corridor as well as US-24 (aka W. Cimarron St.) to the north. The subject properties were approved as an urban renewal district in 2007 but reinvestment on the properties has been limited since then. The proposed termination of the 2007 plan and establishment of a new district will better incentivize projects within the district and help finance improvements that benefit the area and the community. These improvements could bring the site into improved conformance with the significant investment that has taken place in the surrounding area over the last 5+ years.

b. Approval of an Urban Renewal Designation:

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. A blight conditions survey was completed and concludes that as a stand-alone area, it qualifies as a "blighted area". The conditions survey for the subject properties is attached (**FIGURE 4**).

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 most common method of funding improvements is through the issuance of bonds by an urban renewal authority in order to "front" the money for specified improvements. The bonds are then repaid by the urban renewal authority 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 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 (**see FIGURE 5**).

The adoption of the City Gate Renewal Plan allows CSURA, among other powers, to enact property tax and sales tax increment financing to assist with the financing of infrastructure and site remediation requirements necessary to eliminate and prevent the spread of blighted conditions in the area for a full 25-year period.

c. Comprehensive Plan Conformance:

As stated above, the City's Planning Commission must evaluate the proposed District for compliance with the City's Comprehensive Plan (PlanCOS). To assist in this effort Planning Staff has reviewed the proposed District and the associated urban renewal plan to provide insights and analysis for the Commission. Planning staff finds the proposal is in conformance with PlanCOS and its guidance for the reasons further explained below.

The subject properties are located on the edge of Downtown Colorado Springs in close proximity to two City for Champions projects: the United States Olympic and Paralympic Museum and Weider Field, the home of the Colorado Springs Switchbacks. They are also within a few blocks of the

highly successful S. Tejon corridor and the Park Union District. Located within the Experience Downtown Master Plan area, the properties are areas for targeted investment and densification.

Below are a number of PlanCOS Goals and Policies which the Planning and Community Development Department staff suggests are supported by this plan.

- Goal VN-2: Strive for a diversity of housing types, styles, and price points distributed throughout our city through a combination of supportive development standards, community partnerships, and appropriate zoning and density that is adaptable to market demands and housing needs.
- Goal UP-2: Embrace thoughtful, targeted, and forward-thinking changes in land use, infill, reinvestment, and redevelopment to respond to shifts in demographics, technology, and the market.
- Policy UP-2.A: Support infill and land use investment throughout the mature and developed areas of the city.
- Goal UP-3: Continue to grow and support Downtown as an inclusive, mixed use, cultural, and economic heart of the region.
- Policy UP-3.A: Proactively participate and invest in the development of Downtown as the city's premier urban activity center.
- Goal UP-4: Strengthen our overall community identity and better serve the needs of residents and businesses within our large metropolitan area by developing active, unique, and connected centers and corridors.
- Policy UP-4.B: Within unique centers, incorporate density and mixed uses along with higher standards of design, attention to the public realm, and design for multimodal access including transit.
- Policy UP-5.A: Actively evaluate plans for existing, new, and redeveloping urban places and corridors from the perspective of fiscal and environmental sustainability.
- Goal TE-1: Build on our quality of place and existing competitive advantages.
- Policy TE-1.C: Leverage the city's livability as a workforce and economic driver.
- Goal TE-4: Focus on productively developing and redeveloping areas already in, nearby, or surrounded by the city in order to preserve open spaces, maximize investments in existing infrastructure, limit future maintenance costs, and reduce the impacts of disinvestment in blighted areas.
- Policy TE-4.A: Prioritize development within the existing City boundaries and built environment (not in the periphery).

It is clear from the list above that the proposed District and the associated Plan which shows future high-density mixed-use development within subject properties, is highly compliant with the City's Comprehensive Plan.

**STAFF RECOMMENDATION:**

**CITY GATE URBAN RENEWAL PLAN**

Recommend to City Council that the City Gate Urban Renewal Area is consistent with the city comprehensive plan, based upon the findings contained in the above section of the staff report.