



Legislation Text

File #: 19-146, **Version:** 1

A Resolution Approving and Authorizing the Mayor to Execute the First Amendment to Cooperation Agreement with the Colorado Springs Urban Renewal Authority and Copper Ridge Metropolitan District Regarding the Copper Ridge at Northgate Urban Renewal Project.

Presenter:

Bob Cope, Economic Development Officer

Summary:

The Copper Ridge at Northgate Urban Renewal Plan was approved by City Council in 2011. Situated at the I-25 and Northgate Road Interchange, the project is located at a strategic retail location with significant fiscal and economic implications to the City. The Copper Ridge site is dissected by the CDOT right of way for the extension of North Powers Boulevard from Hwy 83 to I-25. CDOT indicates that state funding has not been identified for the extension. The Copper Ridge at Northgate URA Plan provides that the URA TIF revenues are to be primarily dedicated to the costs associated with the extension of Powers Blvd. The Powers extension is necessary to allow for the development of a regional shopping destination. The Powers Boulevard extension is critical regional transportation infrastructure that will connect Powers Boulevard from I-25 South of Colorado Springs to I-25 North of Colorado Springs.

In 2013, Northgate Properties, the Copper Ridge developer, provided an analysis indicating that a sales tax increment based upon 1.5% sales tax sharing by the City and .5% by El Paso County would be necessary to provide the bonding capacity to fund the cost to construct the Powers extension. In 2013, the City of Colorado Springs approved 1% sales tax sharing, and the sales tax sharing request to El Paso County was postponed indefinitely. The name of the Copper Ridge development was subsequently changed to Polaris Pointe.

The north portion of the Polaris Pointe site has developed as anticipated based upon access and visibility provided by Northgate Road. Also as anticipated, the south portion of the site has not, and cannot be developed as a regional shopping destination without the access and visibility provided by the Powers extension. The URA is receiving the property and sales tax increment, however, the existing bonding capacity is falling short of what is required to build the Powers extension, consistent with the 2013 analysis. Northgate Properties is requesting that the existing Cooperation Agreement between the City and Northgate Properties be amended to provide for sales tax sharing in the amount of 1.75%, an increase from the existing 1.0%.

Previous Council Action:

City Council approved the Copper Ridge at Northgate Urban Renewal Plan in 2011. City Council approved the Copper Ridge at Northgate Cooperation Agreement in 2013.

Background:

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Financial Implications:

An Economic and Fiscal Impact Analysis has been prepared that analyzes the impacts based upon two scenarios (1) the existing Cooperation Agreement and (2) the proposed Amended Cooperation Agreement. The analysis identifies substantial net increases in economic and fiscal benefits under the Amended Cooperation Agreement scenario. The findings include an estimated \$3.4 billion in additional economic growth, 3,000 additional estimated permanent jobs and \$223 million in estimated additional net new City revenue over 25 years.

Board/Commission Recommendation:

The Colorado Springs Urban Renewal Authority, at their January meeting recommended approval of an Amended Cooperation Agreement. The Colorado Springs Urban Renewal Authority will be reviewing a revised Amended Cooperation Agreement at their February 27th or March 13th meeting.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Approve a resolution approving and authorizing the Mayor to execute the First Amendment to Cooperation Agreement with the Colorado Springs Urban Renewal Authority and Copper Ridge Metropolitan District regarding the Copper Ridge at Northgate Urban Renewal Project.

N/A