



Legislation Text

File #: CPC MP 01-00017-A2MJ18, **Version:** 2

A resolution making certain legislative findings and approving the Urban Renewal Plan for the Museum and Park Urban Renewal Area.

Presenter:

Peter Wysocki, Director Planning and Community Development
Jariah Walker, CSURA Executive Director
Bob Cope, Economic Development Officer

Summary:

There are three items proposed for Council review and action:

1. A resolution to remove 81.7 acres from the Southwest Urban Renewal Area (adopted by Council in 2001) in order to facilitate the establishment of the a new Museum and Park Urban Renewal Area and Plan. This action does not eliminate the Southwest Urban Renewal Plan/Area.
2. A resolution to establish the Museum and Park Area and Plan. The proposed urban renewal area consists of 81.7 acres and is generally located around the US Olympic Museum and Hall of Fame, stretching from America the Beautiful Park to Cascade, and Cimarron to Cucharras. Currently, the area is part of the existing Southwest Downtown Urban Renewal Area and Plan. If approved, this will be a separate Plan from the Southwest Urban Renewal Area, and become its "own" area and plan with a new 25-year URA clock. The project itself is an urban, mixed-use redevelopment - including lodging, multi-family residential, retail, and restaurants. Significant public improvements are part of the redevelopment - including parking garage, completely redesigned and re-envisioned streetscapes and utility upgrades.
3. A tax sharing agreement between the City and the Colorado Springs and Urban Renewal Authority for funding qualifying public improvements built by the project.

The Council must first vote on the Museum and Park Urban Renewal Area and Plan. If it is approved, the Council may then consider the tax sharing agreement. If the Plan is not approved or final action postponed, then the tax sharing agreement must be either withdrawn or postponed.

Previous Council Action:

In 2017, the City Council voted to establish a business improvement district (BID) and two metropolitan districts for the area. To date, neither the BID nor the metro districts have issued any debt.

This item was introduced to Council at the November 26, 2018 City Council Work Session. Subsequent to the work session, Councilor Gaebler requested a summary sheet of all eligible public

improvements and a breakdown of contributions from taxing entities (sources of revenue). The information is provided below.

Background:

Please see that attached Planning Commission Staff report, conditions survey and the urban renewal plan for background information related to urban renewal and project details.

Financial Implications:

City staff and project team will present the details on financial implications, fiscal impacts and economic impacts at the City Council Work Session. As background information, please refer to the attached materials.

Board/Commission Recommendation:

Pursuant the CRS § 31-25-107, the Museum and Park Urban Renewal Plan was reviewed by the Planning Commission on October 18, 2018. The Planning Commission found that the Museum and Park Urban Renewal Plan is consistent with the City's Comprehensive Plan. Although not specifically required by CRS to make a finding that an urban renewal plan is consistent with a small area/neighborhood plan in which the proposed urban renewal area is located, the Planning Commission also found that the Museum and Park Urban Renewal Plan is consistent with the Experience Downtown Master Plan and Plan of Development.

The Colorado Springs Urban Renewal Authority Board approved the conditions survey on July 27, 2018 and the Urban Renewal Plan on October 24, 2018.

Although the proposed urban renewal area is located within the boundaries of the Form-Based Zone and the Downtown Review Board (DRB), the DRB has not been designated as a review agency; therefore, the DRB has no authority to provide a recommendation to the City Council. The DRB has been briefed and supports the redevelopment of the area.

Stakeholder Process:

Pursuant to CRS § 31-25-107, a notice must be given to property owners of the conditions survey and potential establishment of an urban renewal area. Arguably, these CRS requirements do not apply given that the proposed urban renewal plan was initiated by the property owner and the property owner has been continually involved in the process. Regardless, to fully comply with CRS, all required notifications have been sent to the property owner throughout the process, including the City Council hearing.

Alternatives:

1. Adopt the plan and agreement as presented;
2. Adopt the plan and agreement with modifications;
3. Deny the plan and agreement; or
4. Postpone action for further analysis.

Proposed Motion:

Adopt a resolution making certain legislative findings and approving the Urban Renewal Plan for the Museum and Park Urban Renewal Area.

N/A

MUSEUM AND PARK PROJECT -

- Itemized Breakdown of Eligible Infrastructure with Cost
- Breakdown of Taxing Entity Contributions
- Estimated Revenues from Taxing Entities

List of Estimated Costs

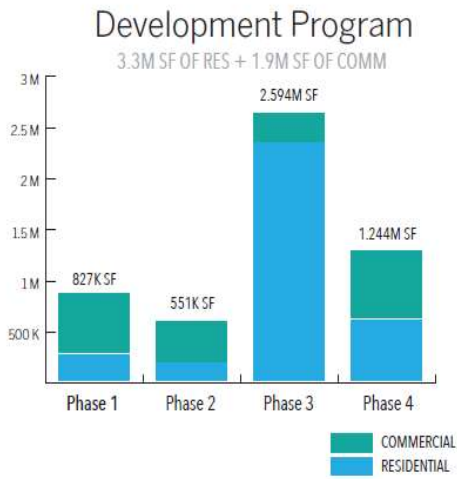
PRESENTED TO CITY COUNCIL ON 8.28.2017

Item #	SW Downtown Infrastructure Category	Phase 1	Phases 2 - 4	Total
1	America the Beautiful Park Enhancements	\$ 1,000,000	\$ 1,500,000	\$ 2,500,000
2	Bridge from America the Beautiful Park to USOM	\$ 11,000,000	\$ -	\$ 11,000,000
3	Cimarron / ATBP Trail Enhancements	\$ 400,000	\$ -	\$ 400,000
4	Cimino Street Road Extension	\$ 800,000	\$ -	\$ 800,000
5	Cimino Streetscape Enhancements	\$ 1,500,000	\$ 1,500,000	\$ 3,000,000
6	Data Infrastructure	\$ 250,000	\$ 1,750,000	\$ 2,000,000
7	District Eligible Site + Blight Remediation Costs	\$ 3,500,000	\$ 24,000,000	\$ 27,500,000
8	District Expenditures	\$ 1,500,000	\$ 1,000,000	\$ 2,500,000
9	Environmental Remediation	\$ 3,500,000	\$ 6,500,000	\$ 10,000,000
10	Museum Site Infrastructure	\$ 3,400,000	\$ -	\$ 3,400,000
11	Parking Structure (Phase 1)	\$ 36,400,000	\$ -	\$ 36,400,000
12	Parking Structure (Phase 2)	\$ -	\$ 36,400,000	\$ 36,400,000
13	Parking Structure 3 (Future)	\$ -	\$ 20,000,000	\$ 20,000,000
14	Parking Structure 4 (Future)	\$ -	\$ 20,000,000	\$ 20,000,000
15	Public Art	\$ 1,500,000	\$ 3,000,000	\$ 4,500,000
16	Secondary Street Reconstruction & Enhancements	\$ 750,000	\$ 10,250,000	\$ 11,000,000
18	Sierra Madre / Vermijo Avenue	\$ 7,000,000	\$ 5,500,000	\$ 12,500,000
19	Stormwater + Water Quality	\$ 1,500,000	\$ 4,500,000	\$ 6,000,000
20	Utility Infrastructure	\$ 2,500,000	\$ 4,500,000	\$ 7,000,000
21	Contingency @ 10%	\$ 7,650,000	\$ 14,040,000	\$ 21,690,000
SW Downtown District Infrastructure TOTAL		\$ 84,150,000	\$ 154,440,000	\$ 238,590,000

General Notes / Clarifications:

Phase 1 represents the first 5 years (2018 - 2022) / Phase 2 - 4 represents the remaining 15 years (2023 - 2037)
 List of infrastructure (above) identifies currently-known infrastructure items / Scope of infrastructure items is subject to change
 Preliminary estimate of costs based on current info to date / estimated in 2017 and do not include cost escalation or inflation
 Additional infrastructure may be needed for other identified efforts including: Multi-modal Transit, Commuter Rail Connection, Smart City Facilities, etc.
 Various funding sources identified to build these improvements include - Regional Tourism Act Bond Proceeds, PPRTA, Tax Increment, BID and Metro District Mill Levies, PIF
 Does not include ongoing O&M costs or all anticipated capital re-investment costs expected in later years
 Base cost of instructure = \$216.9M / Contingency of 10% added for unknown infrastructure additions / changes

SW Downtown - Revenue Sources



Estimated Value Assumptions

EXISTING PROP TAX MILL LEVY	74.494
<i>Values provided by the El Paso County Assessors Office</i>	
RESIDENTIAL MARKET VALUE	\$162 / SF
COMMERCIAL MARKET VALUE	\$153 / SF
RESIDENTIAL ASSESSMENT	6.84%
COMMERCIAL ASSESSMENT	29.00%
ANNUAL PERCENTAGE OF INFLATION	1%
PROPERTY TAX INCREMENT	100%
CITY SALES TAX INCREMENT	1.75%
CITY SALES / USE TAX CONST MAT	1.00%
COUNTY SALES TAX INCREMENT	1.00%
BUSINESS IMPROVEMENT DISTRICT MILLS	20.00
METROPOLITAN DISTRICT(S) MILLS	30.00
PUBLIC IMPROVEMENT FEE	2.00%

Total Estimated Revenue

\$152M
NET PRESENT VALUE
(6% @ 1.15 DCR 25 yrs less 3%)

\$353M
EST. REVENUE
(Over 25 Year Term)

\$164M

URA PROP TAX INC
FOR 25 YEARS

\$129M

BID + MD MILLS + PIF
FOR 25 YEARS

\$59M

SALES TAX INC
FOR 25 YEARS

SW Downtown - Revenue Sources Detail

Estimated Revenue Sources by Entity

ENTITY	PROP TAX INC	SALES TAX INC	SALES/USE TAX	BID / METRO / PIF	TOTAL
CITY OF COLORADO SPRINGS	\$10,079,255	\$33,855,770	\$5,801,795		\$49,736,820
EL PASO COUNTY	\$17,690,862	\$19,346,154			\$37,037,016
SCHOOL DISTRICT #11	\$119,070,842				\$119,070,842
PIKES PEAK LIBRARY DISTRICT	\$8,645,842				\$8,645,842
SEC WATER CONSERVANCY	\$2,129,708				\$2,129,708
DOWNTOWN DEVELOPMENT AUTHORITY	\$6,804,178				\$6,804,178
PROPERTY OWNERS (BID+MD)				\$129,896,019	\$129,896,019
TOTAL	\$164,420,687	\$53,201,924	\$5,801,795	\$129,896,019	\$353,320,425