



Legislation Text

File #: 20-028, **Version:** 1

A Resolution Approving a Cooperation Agreement for Redevelopment of Portions of Southwest Downtown, Colorado Springs, Colorado

Presenter:

Bob Cope, Economic Development Officer

Summary:

The proposed Cooperation Agreement sets forth a framework and an expression of intent by the parties to accomplish the successful redevelopment of portions of Southwest Downtown (the Project), for the mutual benefit of the parties and in furtherance of the Museum and Park Urban Renewal Plan. The parties to the agreement are the City of Colorado Springs, Colorado Springs Utilities, Southwest Downtown Business Improvement District, Colorado Springs Urban Renewal Authority and Nor'Wood Limited, Inc. as the Master Developer.

Background:

The Cooperation Agreement is an acknowledgement that the parties share a broad vision for the redevelopment of Southwest Downtown, and that there are significant mutual benefits to the parties associated with the successful execution of the Project

The redevelopment of Southwest Downtown in accordance with the Museum and Park Urban Renewal Plan is estimated to be a 20-year project, to be accomplished in phases. Each phase will require investment in private improvements by the private sector parties, and investment in public improvements (infrastructure) by the public sector parties. Due to the projected 20-year build out schedule, it is anticipated that many of the individuals affiliated with the parties to this agreement and directly engaged in the execution of the initial phases of the project will no longer be affiliated with the parties during the execution of later phases of the project. In addition to providing a framework for redevelopment and an expression of intent by the parties, the Cooperation Agreement will provide an historical record for reference by future individuals affiliated with the parties relating to the execution of future phases of the project.

The Cooperation Agreement provides a general description of the roles and responsibilities of the parties in the execution of the redevelopment of Southwest Downtown. Roles and responsibilities are described with some specificity for the immediate phases of the project, and they are described with less specificity for the future phases.

The guiding principles reflected in the agreement include that the parties will cooperate and collaborate in good faith toward the successful execution of all phases of the project, and that the roles and responsibilities of the parties shall be subject to regulations in effect at that time.

Previous Council Action:

In 2018 City Council approved the Museum and Park Urban Renewal Plan. In 2018 City Council approved a previous Cooperation Agreement providing for the allocation of sales and use tax increment to the Project.

Financial Implications:

A 20 year Economic and Fiscal Impact analysis indicates that the project will create approximately 5,292 permanent jobs, 1,358 construction jobs and have an estimated \$10 billion total economic impact. The analysis also indicates that the Project will generate an estimated \$108 million in net new City tax revenue, \$28 million in net new City PPRTA revenue, for a total of \$136 million in total net new City revenue.

City Council Appointed Board/Commission/Committee Recommendation:

The Cooperation Agreement will be presented to City Council Budget Committee January 28, 2020.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Approve a Resolution Approving a Cooperation Agreement for Redevelopment of Portions of Southwest Downtown, Colorado Springs, Colorado.

N/A