

Figure 1. OneVeLa Urban Renewal Plan Area



Quick Facts

Applicant

Colorado Springs Urban Renewal Authority

Property Owner

14 Costilla LLC

Address / Location

14, 20, 22 & 30 W. Costilla St.
located at the NE corner of W.
Costilla St. and Sahwatch St.

TSNs

6418312004, 6418312005,
6418312006, & 6418312007

Zoning and Overlays

Current: FBZ-CEN

Site Area

1.1 acres + ROW

Proposed Land Use

Commercial & Residential

Project Summary

A request to establish the OneVeLa Urban Renewal District. The plan area includes four parcels which total approximately 1.1 acres plus adjacent public rights-of-way. The properties are all zoned FBZ-CEN (Form-Based Zone – Central Sector). The site is located on the northeastern corner of W. Costilla St. and Sahwatch St. Establishment of the proposed Urban Renewal District will support the redevelopment of the land through use of Tax Increment Financing (TIF).

File Number	Application Type	Decision Type
URAP-24-0002	Urban Renewal Plan	Legislative

Background

Prior Land-Use History and Applicable Actions

<i>Action</i>	<i>Name</i>	<i>Date</i>
Annexation	Town of Colorado Springs	Sept. 1872
Subdivision	Town of Colorado Springs Addition No. 1	April 1873
Master Plan	Experience Downtown Plan	Nov. 2016
Prior Enforcement Action	None	N/A

Site History

The subject properties are comprised of 4 parcels and the adjoining public rights-of-way in the Park Union area on the western edge of Downtown Colorado Springs. The properties are within the Southwest Downtown Urban Renewal District which was established by City Council in 2001 and will expire next year. A portion of the Southwest Downtown Urban Renewal District was incorporated into the Museum and Park Urban Renewal District in 2018, but that district excluded the subject properties (though it did include properties immediately north and west of the site).

Applicable Code

The subject application was submitted after the implementation date (06/05/2023) of the ReTool project. All subsequent references within this report that are made to “the Code” and related sections are references to the Unified Development Code.

Surrounding Zoning and Land Use

Adjacent Property Existing Conditions

	<i>Zoning</i>	<i>Existing Use</i>	<i>Special Conditions</i>
North	FBZ-CEN	Vacant	Vacant lot
West	FBZ-CEN	Parking	Surface Parking Lot approved in 2020
South	FBZ-CEN	Office, Education	Properties developed with a bank and educational institution
East	FBZ-CEN	Commercial, Office	Existing buildings with commercial and office uses

Zoning Map



Stakeholder Involvement

Public Notice

Public Notice Occurrences (Poster / Postcards)

Public notice for Urban Renewal Designation is managed by the Urban Renewal Authority and not required prior to Planning Commission recommendation. This item is noticed in the newspaper as part of the overall Planning Commission agenda.

Postcard Mailing Radius

N/A

Number of Postcards Mailed

N/A

Number of Comments Received

N/A

Public Engagement

Public notification for Urban Renewal designation is in accordance with State Statutes and is managed by the Colorado Springs Urban Renewal Authority. City Planning Department Staff are in compliance with zoning code requirements for public notice for other land use applications (e.g. zone change and land use plan modifications) that are currently under review for a portion of this site.

Timeline of Review

Initial Submittal Date	August 2024
Number of Review Cycles	One
Item(s) Ready for Agenda	August 2024

Agency Review

Traffic Impact Study

Not applicable

School District

School District 11 is engaged with the Urban Renewal Authority regarding the applicant's TIF request

Parks

Not applicable

SWENT

Not applicable

Colorado Springs Utilities

Not applicable

Urban Renewal Plan

Summary of Application

The applicant is requesting Urban Renewal District designation which would allow access to additional financial resources for the development of the proposed project.

Application Review Criteria

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".

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's 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.

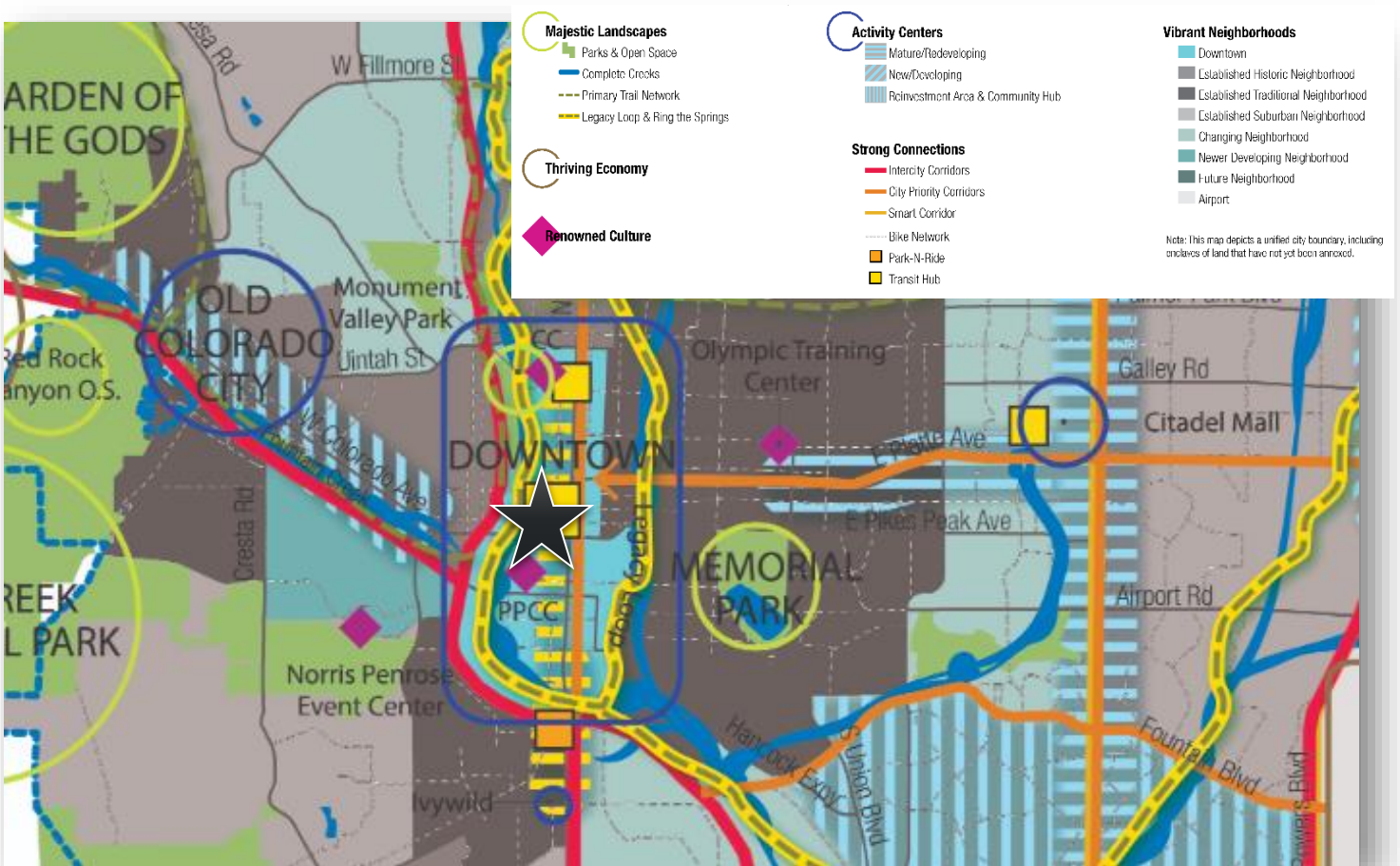
Pursuant to CRS, urban renewal plans sunset 25 years after their adoption. The most common method of funding improvements is through the issuance of bonds by an urban renewal authority in order to initiate the money for specified improvements. The bonds are then repaid by the urban renewal authority 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 base - 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 Colorado Springs Urban Renewal Authority (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.

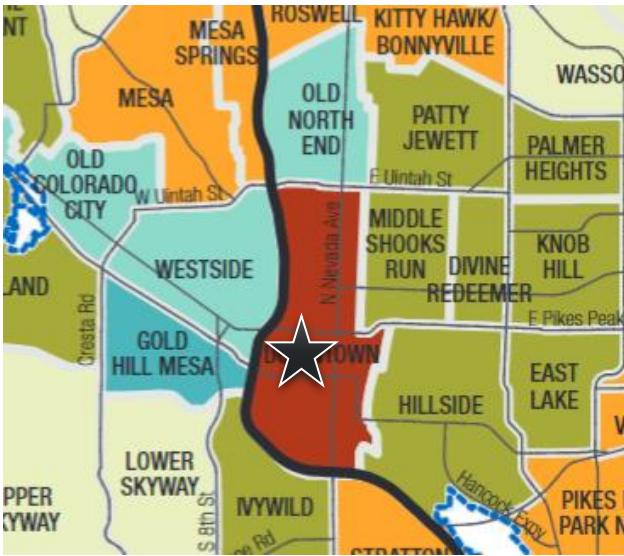
The adoption of the OneVeLa Renewal Plan (see Attachment 1 – OneVeLa URA Plan Final) allows CSURA, among other powers, to enact property tax and sales tax increment financing to assist with the financing of infrastructure and site remediation requirements necessary to eliminate and prevent the spread of blighted conditions in the area for a full 25-year period.

Compliance with PlanCOS

PlanCOS Vision



The subject properties are located on the west central side of the Downtown Colorado Springs activity center. The site is within what is often referred to as the Park Union area of Downtown, an area that features the United States Olympic and Paralympic Museum and the Park Union Bridge connecting downtown to America the Beautiful Park and Monument Creek. The site has immediate access to Downtown's multi-modal system and multiple transit routes, as well as public parks and trails along the Monument Creek corridor. It is integrated within major employment, dining, arts and cultural opportunities, education and civic uses. The site is highly compatibility with the PlanCOS Vision and most, if not all, of the Plan's "Big Ideas."



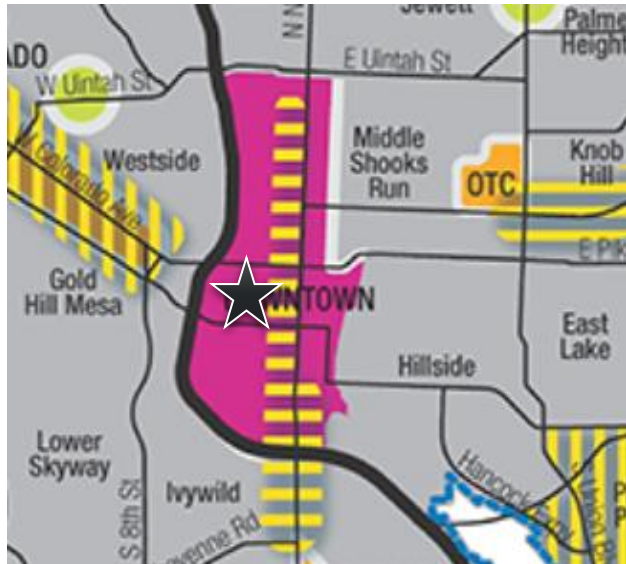
Predominant Typology

- Downtown
- Newer Developing Neighborhood
- Changing Neighborhood
- Established Historic Neighborhood
- Established Traditional Neighborhood
- Established Suburban Neighborhood
- Airport
- Future Neighborhood

Vibrant Neighborhoods

The subject properties fall within the west central side of the Downtown neighborhood. Redevelopment efforts within the proposed District are consistent with a number of Goals, Policies, and Strategies of the Vibrant Neighborhood chapter of the Plan including:

- 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.
- Strategy VN-3.A-6: Where and when applicable, specifically incorporate mixed-use neighborhood building as an outcome tied to the use of urban renewal area designation, public/private partnerships, and other tools and incentives to encourage redevelopment.
- And others



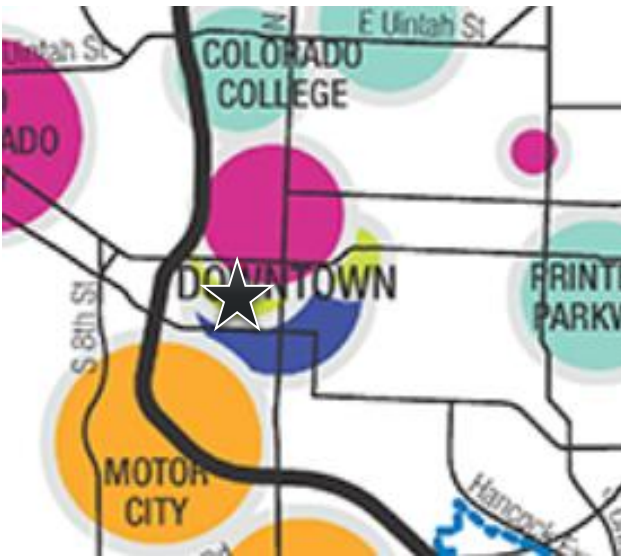
Predominant Typology

- Neighborhood Centers
- Community Activity Centers
- Entertainment and Commercial Centers
- Regional Employment and Activity Centers
- Downtown
- Mature/Redeveloping Corridors
- New/Developing Corridors
- Reinvestment Area and Community Hub

Unique Places

The proposed district area is within the Downtown area and specifically within the Park Union area. Downtown generally, and Park Union specifically, are unique areas with long and interesting histories. The proposed district aligns with a number of Goals, Policies, and Strategies of the Unique Places chapter of the Plan including:

- Goal UP-1: Enrich the texture and livability of the city as a tapestry of unique, vibrant, and walkable places.
- Policy UP-2.A: Support infill and land use investment throughout the mature and developed areas of the City.
- Strategy UP-2.A-1: Encourage the development or redevelopment of vacant properties in the core area of the city by using a combination of incentives, rezoning, and creative design solutions.
- Policy UP-3.A: Proactively participate and invest in the development of Downtown as the City’s premier urban activity center.



Thriving Economy

The proposed urban renewal district is on the west central side of Downtown Colorado Springs which is identified in PlanCOS as an area for Cornerstone Institutions, Spinoffs & Startups, and the Experience Economy. Additionally, the Thriving Economy chapter includes a number of Goals, Policies, and Strategies that support the proposed district, including:

- Policy TE-1.C: Leverage the City’s livability as a workforce and economic driver
- Strategy TE-1.C-3: Ensure an adequate supply of attainable housing for the workforce across all industries, and that it is conveniently located near hubs of employment and/or public transportation.
- Strategy TE-4.A-1: Encourage revitalization and infill in underutilized urban places, as detailed in Chapter 3
- Policy TE-4.B: Improve local funding mechanisms to better support economic development efforts.



Strong Connections

The proposed urban renewal districts is within the City’s “urban core streets” area and within the area identified as a “major destination area.” The district is also within a few blocks of the W. Colorado Ave., S. Nevada Ave., and I-25 “multimodal corridors” as well as the Downtown “Transportation Hub.” The proposed district aligns with a number of Goals, Policies, and Strategies of the Strong Connections chapter of the Plan including:

- Goal SC-1: Multimodally connect people and land uses throughout the City and region.
- Policy SC-2.A: Systematically support and encourage the density and design needed to support this network beginning with Downtown, key corridors, activity centers, and trip generators.

Statement of Compliance

URAP-24-0002

After evaluation of the OneVeLa Urban Renewal Plan, Planning Staff have determined that the proposal is consistent with the City's Comprehensive Plan.