

SOUTHWEST DOWNTOWN

URBAN RENEWAL PLAN

COLORADO SPRINGS, COLORADO

14 AUGUST 2001

Prepared for: Urban Renewal Authority of the City of Colorado Springs

- i. Resolution Approving Plan (copy)
- ii. Map of Study Area (reflecting intended uses)

SECTION I: SOUTHWEST DOWNTOWN COLORADO SPRINGS URBAN RENEWAL PLAN

1.0 PREFACE AND BACKGROUND

1.1 PREFACE

This Southwest Downtown Urban Renewal Plan (referred to herein as the “Plan” or the “Urban Renewal Plan”) has been prepared for the Urban Renewal Authority of the City of Colorado Springs, (referred to herein as the “Authority”) pursuant to the provisions of the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, Colorado Revised Statutes, 1973, as amended (the “Act”). The administration of this project and the enforcement of this Plan, including the preparation and execution of any documents implementing it, shall be performed by the Authority.

1.2 BACKGROUND

A *Downtown Development Strategy* was completed for Downtown Colorado Springs in the summer of 1999. The *Downtown Development Strategy* was initiated in an effort to continue the City’s work on the *Downtown Action Plan* which began during the early part of the decade. The purpose of the *Downtown Action Plan* was to establish a physical framework for the downtown influence area, a vision for its role in the community, a theme or sense of character consistent with its history and environment, and public investment initiatives necessary to implement the plan. The purpose of the *Downtown Development Strategy* was to reassess downtown’s role in the community (if different than that of 1992), identify investment opportunities available to the market in the short- and mid-term, and recommend organizational changes necessary for implementing priority projects, programs and policy changes which would create an environment where public and private investment could succeed. The goals of the *Downtown Development Strategy* were also consistent with the City of Colorado Springs’s Strategic Plan which identifies priorities for investment in the downtown core.

During completion of the *Downtown Development Strategy*, several analyses were completed and work products prepared. Among them, a refined vision and related policy statements; summary of existing conditions and barriers to future investment assessment; detailed analysis of prevailing market conditions; district identification and assessment; strategy for future marketing and investment and “guiding principles”; identification of priority projects which would further the vision; summation of incentive projects and programs; and, an organizational framework for the City and Downtown Partnership

which would facilitate implementation of the strategy. While each analysis provided specific observations about the downtown neighborhood, the overall conclusion which was drawn was that the health of downtown is critical to the overall welfare of the community and that its continued success depends on strategic investment and public-private solutions.

The final vision statement (or statement of purpose) included in the *Downtown Development Strategy* and adopted by City Council as the foundation for all future efforts in Downtown was as follows, “... a vision for the future which establishes the downtown as the center of commerce and cultural activities in the community, recognizes its unique environmental setting and historic precedence in the area, incorporates the residential and business characteristics of individual districts within the area, preserves the integrity of adjacent neighborhoods, and improves the livability of the area for all citizens.” The cornerstone of this vision being – economic health and livability.

In an effort to ensure the continued economic health of downtown and improve its livability, a plan was proposed to develop a “great park” which would serve as an amenity to downtown neighborhoods and a destination for residents and visitors. During the spring of 1999, a bond issue passed within the City to assist with funding “Confluence Park.” In June a team of landscape architects, planners and engineers was retained to prepare a design concept for the park and peripheral properties. The park design-related work will be initiated during the Summer of 2001. Efforts to promote investment on peripheral properties to the park, as well establish strong linkages between the park and central business district, were the impetus for creation of the Southwest Downtown Urban Renewal Plan.

1.3 PURPOSE OF THE ANALYSIS

A key component of the *Downtown Development Strategy* for downtown Colorado Springs was implementation of a process that keeps multiple projects moving forward simultaneously. The definition of “project” in this application was broad – public, private or public-private physical projects, social programs, educational programs, public relations and goodwill-building programs, etc. What was most important, strategically, was to maintain a number and variety of these project and/or programs that were constantly being introduced and implemented. Within the context of the *Downtown Development Strategy* work effort, several “priority projects” were identified for public and private pursuit. While many projects were identified as important to the continued health and diversification of the downtown neighborhood, eight stood out in their ability to meet the following criteria: address a market opportunity (short- or long-term); link opportunities to strengthen and link existing downtown districts; leverage public investment; and illustrate ownership patterns/character of projects favorable for investment – criteria consistent with the overall guiding principles of the strategy.

Among the projects identified as vital to the evolution of downtown into an urban neighborhood were development of Confluence Park, redevelopment of adjacent properties and completion of public/private linkages between districts. In an effort to follow the directives of the *Downtown Development Strategy* and assist with implementing the priority projects, the Authority initiated a study process which focused on the redevelopment potential of properties located between the proposed park project and central business district. The results of this effort are presented in the Southwest

Downtown Urban Renewal Plan, Southwest Downtown Colorado Springs Blight Study, and Southwest Downtown Colorado Springs Market Study.

1.4 PUBLIC PARTICIPATION

The Plan has been made available to Colorado Springs residents. Input was solicited of area residents, property owners and business owners and tenants prior to completion of the Plan during a series of open houses held between May and October 2000. Notification of the public hearing was provided to property owners, tenants, and residents within the study area stating the following: time, date, place, and a description of the Urban Renewal Plan and its general scope.

Meetings were held before the Planning Commission and City Council in the Winter of 2000/2001 to receive comments and input on this Plan. To the extent provided in Colorado Public Records Act, Colo. Rev. Stat. Title 24, Article 72, Part 2 as the same may be amended from time to time, and pursuant to policies adopted by the Authority, project plans and proposals will be made available to the public.

1.5 DESCRIPTION OF STUDY AREA

The boundaries of the Southwest Downtown Colorado Springs Urban Renewal Plan are delineated on Figure No. 1, and are described as follows. All efforts have been made to draw the boundaries of the Urban Renewal Area as narrowly as was feasible to accomplish the planning and development objectives of the proposed Urban Renewal Plan.

The Southwest Downtown Urban Renewal Area (referred to herein as “the Urban Renewal Area” or the “Tax Increment Area”) is located southwest of the central business core in downtown Colorado Springs. The area is generally bounded by Interstate 25 on the west and Bijou Street on the north to the Union Pacific railroad lines. The rail lines then form the eastern boundary from Bijou Street to Colorado Avenue. Colorado Avenue then serves as a northern boundary from the rail lines east to Cascade. South of Colorado Avenue, Cascade forms the eastern boundary to Cimarron which serves as the southern boundary of the Urban Renewal Area. The figure controls the boundary description in case of any conflict with the description.

1.6 DEFINITIONS

In addition to terms previously defined in the text, the following terms are used in this Urban Renewal Plan:

Cooperation Agreement – means any agreement between the Authority and the City or any public body (the term “public body” being used in this Urban Renewal Plan as defined by the Act) respecting action to be taken pursuant to any of the powers set forth in the Act or in any other provision of Colorado law, for the purpose of facilitating public undertakings deemed necessary or appropriate by the Authority under this Urban Renewal Plan.

Insert Figure No. 1 – illustrating map boundaries

Any such Cooperation Agreement may include, without limitation, agreements respecting the planning or undertaking of this Urban Renewal Plan and its projects, as well as programs, public works operations, or activities which the Authority, the City or such other public body is otherwise empowered to undertake and including, without limitation, agreements respecting the financing, installation, construction and reconstruction of public improvements, utility line relocation, storm water detention, landscaping and/or other eligible improvements within the Urban Renewal Area.

Redevelopment Agreement – means an agreement between the Authority and developer(s) respecting the redevelopment or rehabilitation of property within the Urban Renewal Area.

Tax Increment Area – means the Urban Renewal Area from which tax increments will be derived for the financing described in the Plan.

2.0 LEGISLATIVE FINDINGS

2.1 QUALIFYING CONDITIONS

Based on the *Southwest Downtown Colorado Springs Blight Study* conducted by Leland Consulting Group under contract with the Authority connection with the adoption and approval of the Southwest Downtown Urban Renewal Plan, at least four qualifying conditions, as defined in the Act, are present within the proposed Urban Renewal Area. These conditions represent symptoms of “blight” which serve to retard the health and welfare of properties within the Urban Renewal Area.

The legal term “blight” describes a wide array of urban problems, which can range from physical deterioration of buildings and the environment, to health, social and economic problems in a particular area. According to Colorado State Statutes (CRS 31-25-103) (2), a “blighted area” is defined as follows:

“Blighted area” means an area that, in its present condition and use and, by reason of the presence of at least four of the following factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare;

- (a) *Slum, deteriorated, or deteriorating structures;*
- (b) *Predominance of defective or inadequate street layout;*
- (c) *Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
- (d) *Unsanitary or unsafe conditions;*
- (e) *Deterioration of site or other improvements;*
- (f) *Unusual topography;*
- (g) *Defective or unusual conditions of title rendering the title nonmarketable; or*
- (h) *The existence of conditions that endanger life or property by fire and other causes;*
- (i) *Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;*
- (j) *Environmental contamination of buildings or property;*
- (k) *Inadequate public improvements or utilities; or*

- (l) *If there is no objection by the property owner or owners and the tenant or tenants of such owner or owners, if any, to the inclusion of such property in an Urban Renewal Area, "blighted area" also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k) of this subsection (2), substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare. For purposes of this paragraph (1), the fact that an owner of an interest in such property does not object to the inclusion of such property in the Urban Renewal Area does not mean that the owner has waived any rights of such owner in connection with laws governing condemnation.*

2.2 PLANNING COMMISSION APPROVAL AND RELATIONSHIP TO COMPREHENSIVE PLAN

A general plan for the City, known as the Colorado Springs Comprehensive Plan, is currently being completed. This Urban Renewal Plan was submitted to the Planning Commission of the City for review and recommendation as to its conformity with the new Colorado Springs Comprehensive Plan, and as such Planning Commission has submitted its written recommendations with respect to this Urban Renewal Plan to the City Council.

This Urban Renewal Plan is regarded as supportive to and in conformance with the goals of the existing Comprehensive Plan of the City of Colorado Springs, as well as the stated objectives of the updated plan. This Plan is consistent with goals and policies set forth in the Comprehensive Plan, specifically the following:

Goal 2.3

Develop a coordinated approach to urban development within the City's Potential Urban Growth area, as defined by City Council.

Goal 2.4

Plan and guide development within the City in a manner which encourages optimal efficiency and cost-effectiveness in the delivery of infrastructure and City services.

Goal 3.1

Infill to achieve an efficient utilization of City resources.

Goal 4.1

Encourage a land use balance within the City and its Potential Urban Growth Area in order to promote the efficient provision of City services, generation of revenues which cover the costs of those services, and a mix of employment and housing opportunities which is consistent with the sub-community concept.

Policy 4.1.2

Where appropriate, encourage land use relationships which reduce reliance on the automobile and encourage compact development which promotes pedestrian movement.

Goal 4.2

Provide adequate residential land uses to achieve diversity in location and type throughout the City.

Policy 5.1.2

In developed areas and where appropriate, prepare master plans with the assistance of residents and property owners. The actual use of land and the existing zoning should be considered in the preparation of master plans for fully developed areas.

Goal 7.2

Plan and develop new neighborhoods which are integral elements of new sub-communities.

Policy 7.2.1

Promote the unique identity of new neighborhoods through the use of focal points, parks and open spaces, preservation of significant natural features, and the compatible location and design of mixed uses.

Policy 7.2.2

Encourage the interrelation of nonresidential uses which are compatible with and supportive of residential uses and which promotes pedestrian movement.

Policy 11.1.5

Pursue development of facilities, which can directly contribute to the strengthening of the City's competitive position with other communities. Examples of such facilities are expansion of the Colorado Springs Airport, development of a multipurpose center, provision of parks and recreational facilities, and enhancement of artistic and cultural opportunities.

Goal 12.1.2000

Promote, reinforce and maintain downtown Colorado Springs as the heart of the City and as the regional center for business, government, culture, arts, and special community events.

Policy 12.1.1

Strengthen and augment downtown as the major City activity center with a broad, mutually reinforcing mix of high intensity uses.

Policy 12.1.4

Encourage the establishment of entertainment, dining and retail activities that extend the use of downtown beyond normal day-time business hours.

Policy 12.1.6

Encourage the development in the downtown area of a multi-purpose facility capable of accommodating major activities such as conventions, conferences, exhibitions or sporting events.

Goal 12.2

Create, foster and maintain a unique downtown environment that invites pedestrian activity, exhibits visual and physical quality in design, attracts visitors and local residents, and supports economic vitality.

Goal 12.2.2

Establish a unified design theme for public improvements in downtown and the major Downtown entrances.

Goal 12.2.5

Encourage the development of downtown Colorado Springs in a compact, concentrated form that respects the human scale and character of existing districts, provides extensive pedestrian spaced, and balances high-rise and infill development within the overall context of existing structures.

Policy 12.3.3

Encourage both the development of additional housing opportunities within the downtown area and the preservation and enhancement of existing housing in downtown neighborhoods.

Policy 12.3.4

Maintain and upgrade all elements of the public infrastructure both above and belowground to support future development of downtown.

Policy 12.3.5

Coordinate public and private development strategies to encourage and enable the development of public improvements and amenities in downtown.

Policy 14.1.5

Place a high priority on those programs and projects which generate and attract private sector employment, improvements or investments that are consistent with policies of the Comprehensive Plan.

Policy 15.1.9

Develop partnership approaches with various governmental entities and, where appropriate the private sector, to plan and construct major physical improvements which provide community and/or regional benefit.

In undertaking all projects pursuant to this Urban Renewal Plan, the Authority shall comply with all applicable building and zoning regulations, other applicable ordinances of the City and the Confluence Park Master Plan. All Redevelopment Agreements entered into in connection with this Urban Renewal Plan shall be subject to all applicable building and zoning regulations and other applicable ordinances of the City. All Redevelopment Agreements entered into in connection with this Urban Renewal Plan shall supercede any and all existing Redevelopment Agreements on properties within the Urban Renewal Area. In addition, all such existing Redevelopment Agreements on properties within the Urban Renewal Area will be rendered null and void upon adoption of this Urban Renewal Plan.

2.3 PUBLIC HEARING

The City Council has held a public hearing on this Urban Renewal Plan after public notice thereof in compliance with law by publication in a newspaper having a general circulation in the City, describing the time, date, place and purpose of the hearing, generally identifying the Urban Renewal Area covered by this Urban Renewal Plan, and outlining the general scope of projects to be considered for implementation by the Authority and/or private interest pursuant to this Urban Renewal Plan.

2.4 OTHER FINDINGS

2.4.1 One or more of the projects may require the demolition and clearance, subject to other restrictions, of certain property within the Urban renewal Area as provided in this Urban Renewal Plan. Such actions may be necessary to eliminate unhealthy, unsanitary, and unsafe conditions, eliminate obsolete and other uses detrimental to the public welfare, and otherwise remove and prevent the spread of deterioration.

2.4.2 Other portions of the Urban Renewal Area may be conserved or rehabilitated through appropriate public action, as authorized or contemplated by the Act, and through the cooperation and voluntary action of the present or future owners and tenants of such property.

2.4.3 In order to eliminate or reduce the qualifying conditions currently existing within the Urban Renewal Area, as well as those qualifying conditions which may be reasonably anticipated to develop within the Urban Renewal Area in the absence of public action, it is the intent of the City Council in adopting this Urban Renewal Plan that the Authority exercise all powers authorized to be exercised by the Authority under the Act and which are necessary, convenient or appropriate to accomplish the objectives of the Urban Renewal Plan. Acquisition of property or any interest in property by the Authority within the Urban Renewal Area may be undertaken by any means authorized by the Act, including condemnation.

2.4.4 The powers conferred by the Act are for public uses and purposes for which public money may be expended and the police powers exercised, and this Urban Renewal Plan is in the public interest and necessity, such finding being a matter of legislative determination by the Council.

2.4.5 The Authority may, in its discretion, issue bonds or other obligations, to the extent permitted by law.

3.0 LAND USE PLAN AND PLAN OBJECTIVES

3.1 GENERAL DESCRIPTION AND PURPOSE

Approximately 100 acres are included within the Urban Renewal Area. Uses north of the Urban Renewal Area include a mix of commercial and institutional establishments, as well as public improvements which form one of two gateways into downtown. Uses adjacent to the eastern portion of the area include public and private facilities including the Antlers Adams Mark Hotel, commercial office and retail uses, public parking facilities and government offices. Uses south of the Urban Renewal Area are located along the south side of Cimarron, downtown's other significant gateway, are predominantly industrial with residential beyond them.

The general purpose of this Urban Renewal Plan is to reduce, eliminate and prevent the spread of qualifying conditions within the Urban Renewal Area and to stimulate the growth and development of the Southwest Downtown Area. In particular, this Urban Renewal Plan is intended to promote local objectives with respect to appropriate land uses, improved traffic, public transportation, public utilities, and other public improvements; provided that the delineation of such objectives shall not be construed to require that any particular project necessarily promote all such objectives. Specifically, the purpose of the Plan is to create an urban neighborhood which leverages the community's investment in Confluence Park and creates linkages to the downtown core and which is in accordance with the *Downtown Action Plan* and *Downtown Development Strategy*.

3.2 DEVELOPMENT OBJECTIVES

The proposed development character for the Urban Renewal Area includes a variety of existing land uses and densities that will distinguish one area from another. Proposed land uses within the Plan include office, commercial, specialty retail, entertainment, hotel, hotel/convention center, performing arts, parks, a variety of residential uses, parking facilities, and lodging. Uses that are present in the Urban Renewal Area today which fall within one of these categories, and which are in compliance with existing City codes including zoning, are considered compatible with uses in the Plan. However, the Authority will only use its powers and resources to support those projects which further the development objectives of the Plan. Future land uses have been designated based not only on market needs and trends, but also on existing characteristics, uses and opportunities. As such, redevelopment of the Urban Renewal Area will provide for and promote a greater range and mix of land uses. In order to better support the economic success of the Urban Renewal Area as an urban neighborhood, the Plan promotes the integration of uses, enhanced linkages into and out of the Urban Renewal Area, improved pedestrian and vehicular circulation patterns, parking support, and a level of intensity

beyond that which exists today. Following are specific development objectives embodied in the Plan.

- a) Promote the downtown's 24 hour / 7-day live/work/play environment
- b) Eliminate blight and prevent environmental deficiencies
- c) Improve the relationship between this area and downtown core
- d) Improve property values
- e) Provide an attractive entry to downtown
- f) Provide a mix of land uses supportive of and complimentary to planned improvements in the Urban Renewal Area, as well as existing downtown core
- g) Provide densities and intensities of land uses appropriate to an urban neighborhood
- h) Create urban housing opportunities currently lacking in the market
- i) Provide ease of vehicular and pedestrian circulation
- j) Provide well-designed parking sufficient to meet the needs generated by the projects
- k) Provide improvements which link Confluence Park to the downtown core
- l) Encourage the continued presence of businesses within the Urban Renewal Area that are consistent with a traditional urban neighborhood
- m) Encourage development of affordable housing equivalent to a minimum of 10% of all housing units in the Urban Renewal Area (Note: Affordability is assumed to address the housing needs of purchasers at or below 80% of the median household income for the Colorado Springs metropolitan area)

Section 3.3 below describes each of the Urban Renewal Area's districts in terms of development objectives, urban design, character, intensity of uses, and the vision for redevelopment.

3.3 PLAN DISTRICTS

Mixed Use District 1 – Artisan Center (South of Bijou, west of the UP Railroad)

Given the existing style and character, its location adjacent to the railroad, limited vehicular access, riverfront locale, and historic and industrial structures, this area has been designated for office, commercial, specialty retail and residential land uses. Residential opportunities would include medium to higher density loft-type apartments and live/work studio housing. Office and retail uses would be targeted to the arts and culinary community to the best extent feasible.

Mixed Use District 2 – Confluence Park (south of Colorado, west of UP Railroad)

Designated for office and retail uses, this area's full development could include major parking facilities to serve adjacent park needs as well as new on-site development. While the two existing office structures will provide the framework for new development, an increase in density of uses would be compatible with existing adjacent uses to the east and the development of the new Confluence Park and residential development to the south.

Mixed Use District 3 – (east of UP RR)

This area will be promoted for high-density office, commercial, parking facilities, retail, entertainment, lodging, and high-density residential complexes, consistent with the intensity and character of the adjacent Central Business District urban uses. While some

historic architectural elements within this area will influence new development, opportunities to maximize building height and massing, provide architectural diversity, and deviate from historic architectural themes are perhaps greatest here. Physical, visual and pedestrian linkages from the Central Business District, as well as other redevelopment areas to Confluence Park will help establish this area as the “gateway” of the Urban Renewal Area. Pedestrian linkages to other portions of the Urban Renewal Area and the Central Business District will help ensure and enhance the human scale, while structured parking will enable a more intense “urban” buildout. An urban entertainment complex, destination in character, could be accommodated in this location, as well as a Hotel or Hotel/Convention Center.

Mixed Use District 4 – Confluence Park (north of Cimarron, west of the UP RR)

Adjacent to the proposed Confluence Park, this area of the Urban Renewal Plan offers the greatest opportunity for medium density residential and related commercial and retail land use. As an existing industrial site, this area is programmed for total redevelopment and as such, will have no constraints in terms of architectural style and character. New development here can reflect and relate directly to the significant amenity in the form of Confluence Park, and provide the 24 hour/7 day environment that will help enhance the downtown as a viable live/work/play environment.

3.4 DESIGN STANDARD OBJECTIVES

While the Urban Renewal Plan is designed to be flexible, adapting to prevailing market conditions, and promoting architectural character and treatment reflective of appropriate historic resources and neighborhood conditions, there are common design/development goals which will be present throughout the Urban Renewal Area. These goals include:

- a) Pedestrian-oriented development with a “human” scale
- b) Mix of land uses that help ensure vitality and livability in each of the districts within the Urban Renewal Area, while complimenting the existing businesses within the Central Business District
- c) Variety of land use densities to address housing affordability, market demand, and enhance developer participation
- d) Urban design treatment that is “people-friendly, increases public open space and use, and helps “energize” day and night time enjoyment in the downtown area
- e) Off-street parking opportunities maximized without negatively impacting vehicular and pedestrian circulation, visual quality and compatibility, and convenient access to the Central Business District
- f) Disbursed vehicular traffic patterns designed to enhance access into and out of the Urban Renewal Area
- g) Safe, convenient pedestrian linkages between the Urban Renewal Area and Central Business District, as well as within districts of the Urban Renewal Area
- h) Minimal pedestrian/vehicular conflicts
- i) Pedestrian-friendly streetscape which unifies area
- j) Buildings in scale with existing adjacent land uses and Confluence Park improvements
- k) Design and construction of public improvements consistent with design objectives for entire area
- l) Lighting standards and signage which exhibit a unified theme and which complement existing and proposed structures

4.0 PROJECT IMPLEMENTATION

4.1 PROPERTY ACQUISITION AND LAND ASSEMBLAGE

It is the principal intent of this Plan that property for projects in the Urban Renewal Area be acquired by private individuals and entities. While the Authority is authorized to acquire real property or any interest in real property by purchase, gift, donation, lease or other conveyance, this principle intent is the foundation upon which this Plan has been developed. If necessary, the Authority is authorized to acquire property or interest in property by condemnation as provided in Article 1 and Article 7 of Title 38 of the Colorado Revised Statutes. All redevelopment plan submittals and proposals to enter into a redevelopment agreement with the Authority shall identify all real property which is to be part of the project, not then owned by, controlled by or, under contract to be acquired by the proponent or with the consent of the Owner (the “Non-owned Property”). As to such Non-owned Property, the proponent shall submit evidence that the owner of said Non-owned Property has been advised in writing of the proponent’s intent to include said Non-owned Property in its proposal, and shall set forth a plan for the acquisition of said Non-owned Property. In the event the Authority adopts a redevelopment proposal which encompasses Non-owned Property, the Authority shall notify the owners of such Non-owned Property in writing of the possibility of acquisition of their property by condemnation. Upon presentation of evidence by the selected redeveloper that good faith negotiations with the Owner(s) of the Non-owned Property have not resulted in purchase agreements, the use of condemnation may be authorized by the Authority subject to approval by the Colorado Springs City Council. The Authority shall not initiate condemnation proceedings on such Non-owned Property less than thirty–six (36) months (the Moratorium Period) from the date of final approval of the use of condemnation by City Council for acquisition of said Non-owned Property. The Authority reserves the right, in the Authority’s absolute discretion, to consider or reject proposals from the owner of the Non-owned Property for the redevelopment of said Non-owned Property, amend the adopted redevelopment plan and/or redevelopment agreement as to the Non-owned Property, and enter into a redevelopment plan and redevelopment agreement with the owner of the Non-owned Property for the redevelopment of said Non-owned Property. This will not, however, preclude private sector acquisition of property during this period.

4.2 RELOCATION ASSISTANCE AND PAYMENTS

In the event it is necessary to relocate or displace any business or other commercial establishments as a result of any property acquisition, the Authority is authorized to adopt relocation policies for payment of actual relocation expenses. Such expenses might include moving expenses, actual direct losses of property for business concerns, and goodwill and lost profits that are reasonably related to relocation of the business, resulting from their displacement for which reimbursement or compensation is not otherwise made.

A description of the Relocation Plan objectives is presented in 6.0 below. The detailed Relocation Plan is presented in Section II of this Urban Renewal Plan.

4.3 DEMOLITION, CLEARANCE AND SITE PREPARATION

With respect to property acquired by the Authority, it may demolish and clear, or contract to demolish and clear, those buildings, structures and other improvements from property pursuant to this Urban Renewal Plan if in the judgment of the Authority such building,

structures and other improvements are not to be rehabilitated in accordance with this Urban Renewal Plan.

4.4 PUBLIC IMPROVEMENT AND FACILITIES

The Authority may undertake certain actions which would make the Urban Renewal Area more attractive for private investment. The Authority may, or cause others to, install, construct, and reconstruct any public improvements in the Urban Renewal Area, which may include, without limitation, sidewalks, underground utility and service facilities, streetscapes, pedestrian corridors, and parking facilities. The Authority may also, or cause others to, install, construct and reconstruct any other authorized improvements in the Urban Renewal Area, which may include, without limitation, other authorized undertakings or improvements for the purpose of promoting the objectives of this Urban Renewal Plan and the Act.

Public projects are intended to stimulate private sector investment in and around the Urban Renewal Area. As such, the Authority intends to direct revenue generated from the Urban Renewal Area to those areas which are most likely to further the objectives of the Plan, as well as those areas where private investment is most imminent. The combination of public and private investment will assist in the reinvestment and conversion of the Urban Renewal Area into a compatible and viable urban neighborhood contributing increased property and sales taxes to the City of Colorado Springs, El Paso County Schools and El Paso County.

4.5 PROPERTY DISPOSITION

The Authority may sell, lease, or otherwise transfer real property or any interest in real property subject to covenants, conditions and restrictions, including architectural and design controls, time restrictions on development and building requirements in addition to zoning and building code regulations. Real property or interests in real property may be either sold, leased or otherwise transferred for uses in accordance with this Urban Renewal Plan.

4.6 REDEVELOPMENT AND REHABILITATION ACTIONS

Redevelopment and rehabilitation actions within the Urban Renewal Area may include such undertakings and activities as are in accordance with this Urban Renewal Plan and the Act, including without limitation: demolition and removal of buildings and improvements as set forth herein; installation, construction and reconstruction of public improvements as set forth herein; elimination of unhealthful, unsanitary or unsafe conditions; elimination of obsolete or other uses detrimental to the public welfare; prevention of the spread of deterioration; and provision of land for needed public facilities.

4.7 REDEVELOPMENT AGREEMENTS

The Authority is authorized to enter into one or more Redevelopment Agreements with developer(s) and such other individuals or entities as are determined by the Authority to be necessary or desirable by the Authority to carry out the purposes of this Urban Renewal Plan. Such Redevelopment Agreements may contain such terms and provisions as shall be deemed necessary or appropriate by the Authority for the purpose of

undertaking the activities contemplated by this Urban Renewal Plan or the Act, and may further provide for such undertakings by the Authority, including financial assistance, as may be necessary for the achievement of the objectives of this Urban Renewal Plan or as may otherwise be authorized by the Act.

5.0 FINANCING STRATEGY

5.1 PUBLIC INVESTMENT OBJECTIVE

Historically, the planning, financing and implementation of projects in the downtown market were the primary responsibility of public sector entities. The City was understood to have the largest and longest term interest and responsibility for downtown, making it the obvious lead in any revitalization or investment effort. It was also understood to be the logical conduit for local, regional, state and federal funding sources. As reflected in this Plan, it is the intent of the Authority that the public sector continue to play a significant role in revitalization efforts as a strategic partner. Experience has proven that a critical component to the success of any revitalization strategy is participation by both the public and private sectors. Leveraging of resources is key, as no one entity, either public or private, has sufficient resources alone to sustain a long-term downtown improvement effort. The Authority and City are committed to providing public investments in various forms deemed necessary. Typical public infrastructure investments may include any or all of the following: unifying streetscape elements, access and circulation improvements, parking, utilities, and creation of special districts.

5.2 PROJECT REVENUES

Tax Increment Financing

The Urban Renewal Plan contemplates that a primary method of financing this project shall be the use of sales and property tax increment. Tax increment financing under the tax increment financing provisions of Section 31-25-107 (9), C.R.S. which, as it may be amended, is by this reference incorporated herein as if set forth in its entirety. If there is any conflict between the Act and this Urban Renewal Plan, the provisions of the Act shall control. All property and sales taxes collected within the Tax Increment Area, by or for the benefit of any public body, shall be divided as follows:

- a) That portion of property and sales taxes equal to the amount collected within the boundaries of the Urban Renewal Area in the twelve-month period ending on the last day of the month prior to the effective date of the approval of this Plan shall be paid into the funds of each such public body as are all other taxes collected by or for such public body.
- b) Except as the Authority may legally provide otherwise under the Act, the portion of such property and sales taxes in excess of the amounts described in paragraph a), above shall be allocated to and, when collected, paid into a special fund of the Authority to fund the Authority's obligations with respect to the Urban Renewal Area, including payment of the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by (whether funded, refunded, assumed, or otherwise) the Authority for financing or refinancing, in whole or in part, the reinvestment projects.

- c) When such bonds, loans, advances, and indebtedness, if any, including interest thereon and any premiums due in connection therewith, have been paid, but in no event later than 25 years following the adoption of this Urban Renewal Plan for the construction of the project's improvements, any excess property and sales taxes collections not allocated pursuant to this paragraph or any Cooperation Agreement between the Authority and City or other taxing jurisdiction, shall be paid into the funds of said jurisdiction or public body. Unless and until the total property and sales taxes collections in the Urban Renewal Area exceed the base year property and sales taxes collections in the Urban Renewal Area, as provided in paragraph a) above, all such property and sales taxes collections shall be paid into the funds of the appropriate public body. Note: The Authority reserves the right to enter into Cooperation Agreements with select taxing jurisdictions relative to allocation of incremental tax revenues.
- d) The adoption of this Urban Renewal Plan shall be deemed an adoption of a provision that taxes, if any, levied after the effective date of the approval of this Plan upon taxable property in the Tax Increment Area, shall be divided among the Authority and various taxing entities for a period of 25 years thereafter or such lesser period as provided in Section 31-25-107 (9) of the Act or in any Cooperation Agreement between the Authority and the County, City or Special District(s).
- e) The Authority and the City may, by Cooperation Agreement or other agreement, provide for the method by which sales tax increments shall be allocated and paid to the Authority pursuant to the provisions of this Urban Renewal Plan and the Act. Such agreements, and similar agreements between the Authority and other public bodies, may provide for additional assistance by the City and cooperation between the Authority and the City in support of the projects as may be more fully set forth in the provisions of such Cooperation Agreement or other agreement.

5.3 FINANCING MECHANISMS/STRUCTURES

The Authority recognizes that tax increment financing is one tool which can be made available to attract investment and that others are needed. The Authority is committed to making a variety of strategies and mechanisms available which are financial, physical, market and organizational in nature. It is the intent of this Plan that the tools may be used either independently or in various combinations. Given the obstacles associated with downtown development, the Authority recognizes that is imperative that solutions and resources be put in place which are comprehensive, flexible and creative. Among those deemed reasonable for the Urban Renewal Area are – improvement district(s) and overlay district.

Improvement Districts – district that includes “all organized local entities other than counties, municipalities, townships, or school district” that provide only one or a limited number of designated functions and that have sufficient administrative and fiscal autonomy to qualify as separate governments;” in downtown environments are typically used to provide services related to health and safety, however can be expanded to address issues related to marketing and management.

Overlay Districts – designated area superimposed on one or more existing zoning districts; designed to protect or enhance an area's special qualities; governmental review of all developments, with the power to approve design according to standards contained

in the ordinance or in a district plan or design guidelines; program elements include “bonuses” and “requirement adjustments.”

5.4 AUTHORITY PARTICIPATING INTEREST IN PRIVATE DEVELOPMENT PROJECTS

The Authority may require a participating interest in private development projects in which it provides financial support. The philosophy behind this is that public support is frequently needed for projects of this nature, in order to fill a gap in available traditional financing. In the event the project(s) produces revenues in excess of a market rate of return, the public sector might become a partner and share in the success of the project. In this event, the Authority may also require an excess profits provision. The terms of the participating interest and excess profits provisions will be negotiated in the Redevelopment Agreement(s).

6.0 RELOCATION POLICY

The “Relocation Policy” has been prepared by the Authority pursuant to the Urban Renewal Law, Sections 31-25-105 (1) (i) (IV) and (j), C.R.S., and as part of the Southwest Downtown Urban Renewal Plan. The purpose of the Relocation Policy is to provide an assistance program offering a broad range of services to all individuals and businesses that might be displaced as a result of implementation of the Urban Renewal Plan.

6.1 OBJECTIVES

The Authority recognizes that the successful relocation of individuals and businesses is an important part of any redevelopment program. Therefore, the Authority has adopted the following relocation program objectives:

- 6.1.1 Development of a relocation program designed to minimize the inconvenience and expense of individuals and business establishments expected to be relocated.
- 6.1.2 Preparation of an information program to keep any affected persons or entities advised of relocation activities on a continuing basis and to encourage all such persons and entities to keep the Authority informed of their needs and requirements.
- 6.1.3 Assistance to businesses displaced from the URBAN RENEWAL AREA to maximize relocation within the City of Colorado Springs and El Paso County. In meeting this objective, the Authority, in cooperation with the City, will extend advice, information and resources to assist the business concerns in the following areas:
 - a. Selection of new quarters in areas of their choice (whenever possible) with a minimum of hardship;
 - b. Assistance in locating sources of financial assistance to supplement those provided for by the Authority through the urban renewal process;
 - c. Applying for payment of eligible relocation expenses;
 - d. Assistance in working with other agencies to minimize cost and time in obtaining replacement licenses and certifications which may be required at new location (e.g., Building Department, Health Department, etc.); and

- e. Assistance with quantifying moving expenses and locating alternative business locations.

6.1.4 Provision of eligible relocation expenses which minimize the hardship of existing businesses in the Urban Renewal Area. It is the intention of the Authority that determinations regarding eligibility for and the amount of relocation payments made pursuant to this Relocation Policy shall be a matter of discretion of the Authority.

The Urban Renewal Authority of the City of Colorado Springs will adopt a Relocation Policy that will apply to the Southwest Downtown Colorado Springs Urban Renewal Plan.

7.0 CHANGES AND MINOR VARIATIONS FROM ADOPTED PLAN

7.1 CHANGES IN THE APPROVED URBAN RENEWAL PLAN

This Urban Renewal Plan may be modified pursuant to the provisions of the Act governing such modification, including Section 31-25-107 thereof, as the same may be amended from time to time.

7.2 MINOR VARIATIONS

In specific cases, where a literal enforcement of the provisions contained in the Urban Renewal Plan constitutes an unreasonable elimination beyond the intent and purpose of these provisions, the Authority may allow minor variances from these provisions. In such cases, the Authority shall notify the City.

7.3 INTER-AGENCY COOPERATION

For the purpose of this Plan, the Authority may enter into one or more Cooperation Agreements with the City or other public bodies pursuant to the Act. The City and Authority recognize the need to cooperate in the implementation of this Urban Renewal Plan for, but not limited to, such items as project financing and administering the construction of public improvements. This paragraph shall not be construed to require any particular form of cooperation.