



Legislation Text

File #: Res URA 2016-01, **Version:** 1

RESOLUTION APPROVING PHASED REDEVELOPMENT AGREEMENT FOR THE FORMER MILE HIGH GREYHOUND PARK

Summary and Background Information :

In review of the February 1, 2016 Council meeting there was a review of the Master Development Agreement (MDA) and an overview of the major MDA deal points.

Council discussed the proposed change with the school district TIF share and requested further discussion with the school district. The MDA approval was continued to allow a discussion regarding the new proposed change with the school district.

Comments were made by a new residential developer, DelWest. A request was made to have REGen meet with DelWest. The current MOU is with REGen and would ultimately be the decision of REGen to select a residential developer. REGen was asked and did agree to meet with DelWest.

February 3, 2016, REGen revised the pro forma and created a new term sheet for DelWest.

February 11, 2016, there was a joint meeting with the City, REGen and DelWest to discuss the new term sheet. DelWest stated they would provide an LOI to REGen.

February 18, 2016, the City met with Adams County School District 14 to discuss the new proposed change with the TIF share. The district acknowledges this type of development would add students, especially to Central Elementary. The district is supportive of the project keeping TIF on both commercial and residential provided that they would maintain the fee-in-lieu of land dedication and requested that the developers provide a voluntary contribution to support a modular type of classroom space at Central Elementary that includes water (with an additional ERU). Should the district pass an additional levy for a bond or override election, the new mill amounts would be part of the district tax base.

February 26, 2016, DelWest provides a first draft LOI to REGen for review.

March 4, 2016, REGen submitted a counter proposal to DelWest.

March 14, 2016, Council Meeting, continue case to April 18, 2016

Due to the fact that a potential residential developer spoke at the podium at the February 1 meeting, the process to include additional sub-developers into the project should be clarified. For a sub-developer to purchase land from the URA, the following steps will have to occur to be consistent with state law:

1. MDA Approval
2. Competitive Process, as outlined in the MDA

3. Additional URA steps as required by HB 1348, such as notifying and adding additional board seats
4. URA plan approval
5. URA then has the ability to dispose of property

For Council's consideration, two options are present:

- A. Approve the MDA as written - the MDA in the packet has four changes that differ from the Feb. 1 MDA version:
 1. Definition of "Incremental Property Taxes" related to the school district.
 2. Add "approximately" and "anticipated to be" to the definitions of Parcels, Property and Urban Renewal Area to allow greater flexibility if certain parcels end up being excluded from the TIF as a result of other financing schemes such as Low Income Housing Tax Credits (LIHTC)
 3. Revisions the schedule - Exhibit B to Exhibit C Development Plan of MDA
 4. Section 13.5 of the MDA regarding either party being able to terminate the MDA if the Urban Renewal Plan is not approved
- B. Direct staff to work with REGen on alternative MDA to incorporate financing scheme to allow for LIHTC

Staff Responsible (Department Head): Chris Cramer, Community Development Director

Staff Member Presenting : Chris Cramer, Community Development Director

Outside Presenter: Rick Wells, REGen LLC

Financial Impact : TBD

Funding Source : N/A

Staff Recommendation : Approval of the MDA as presented

Suggested Motion : I move to approve Resolution URA 2016-01