**The mission of the Colorado Springs Urban Renewal Authority is to encourage investment and reinvestment that restores and connects areas that create strong community benefits while working to strengthen the tax base of the entire city.**

**Initial Project Application Questions and Considerations**

**Please Submit to:**

**The Colorado Springs Urban Renewal Authority**

**30 S. Nevada Ave. #603**

**Colorado Springs, CO 80903**

**Phone: 719-385-5714**

[**jwalker@springsgov.com**](mailto:jwalker@springsgov.com)

1. Where is the project located? What is the size of the parcel(s) for the project?
   * *SW Downtown COS. Three square blocks. West Cimarron/Rio Grande/Sahwatch. See attached map.* [*CityGate Apts Area Plan Concept - 04 19 21 FINAL*](https://www.dropbox.com/s/5jge9pgqmyreget/City%20Gate%20Apartments%20Area%20Plan%20Concept%20-%2004.19.21%20FINAL.pdf?dl=0)
2. What is the intended development program (square feet by use)? Existing and proposed zoning?
   * *This is a three-phase, mixed-use development with construction spanning 10 years estimated to cost in excess of $400M. Ground-breaking on Phase One is expected within months and is anticipated to conclude in 2030.*
   * *Within the project’s three distinct buildings there will be ~1200 residential units and ~37,000 square feet of retail.*
   * ***Phase 1 – South*** *will be the first phase of construction and will commence in Summer of 2021 and is projected to open Summer of 2024 and will include a seven-story building with 408 residential units (delivered in 3 floor to roof phases) with approximately 13,000 square feet of retail. In addition, a four-level parking garage with ~710 parking spaces is planned.*
   * ***Phase 2 – Southwest****;  ~360 units.  Planned for Spring 2027.*
   * ***Phase 3 – West****;  ~413 units.  Planned Spring 2030.*
   * *Each residential building will include a mix of Efficiency, Studio, 1 Bedroom/1 Bath, and 2 Bedrooms/2 Baths, Townhouses.*
3. What is the development time frame for the project? What phase in the City’s Land Use Review Process is the project within? Will it be phased?
   * *We’ve recently submitted our initial plans for permit review to the City and the project will be phased as outlined in Question #2.*
4. What is the entity that is doing the project and is it the entity that will be applying for URA funds?
   * *Each phase will be owned by a separate entity:  City Gate Apartments I LLC, City Gate Apartments II LLC, and City Gate Apartments III LLC.  Each of these entities are Delaware limited liability companies, 100% owned by the W. Dean Weidner Living Trust, with Weidner Investment Services, Inc. as the non-managing member.  Currently there are a couple of additional entities that may still be recorded as owners (City Gate Apartments IV LLC and City Gate Apartments V LLC); however, it is our plan to transfer ownership for each phase prior to development.*
5. What is the proposed revenue sharing for the project, total cost and expected return to the developer?
   * *No revenue sharing on this project. Expected return to owner/developer is as outlined in the attached Proforma.*
6. Does the project envision utilizing property tax, sales tax and/or private property tax increments?
   * *Yes. We are still undecided about the formation of Districts.*
7. What private developer funding is being allocated to the project and what is the financing schedule and developer’s source of funds.
   * *We anticipate that the project will be partially self-funded (40%) and partially lender funded (60%).*
8. What is the developers experience with TIF, urban renewal and operations?
   * *Recent experience with the City for Champions’ Downtown Stadium project, now known as Weidner Field. In addition, the developer has purchased several projects in Minnesota that have utilized some form of TIF financing. However, this is the first project that the developer will apply directly for TIF consideration.*
9. Does the project work without tax-increment financing?
   * *No. The project will not work as presented as it has been presented within this application with the additional parking and enhanced amenities outlined in Question #10 below.*
10. What would be different without the use of TIF?

* *When the land was purchased within an existing URA, all of our planning documents were based on the restart of the URA like our neighbors to the north. Therefore, we have planned to “overbuild” parking to far exceed city zoning requirements in order to add to the parking inventory for both the existing and planned retail and restaurants in the immediate vicinity of this development.* *Current city code for Residential parking is set per Colorado Springs city code at .76 spaces per unit. Estimating ~1200 units, we are required to build 912 parking spaces. As of this writing, Weidner is planning ~2,222 parking spaces. This enhancement of ~1,310 parking spaces represents an additional investment of over $50M.* 
  + *We purposely planned to create a public plaza along Moreno connecting the residential experience to public amenities with a view into Weidner Field.  We envision that this public space will draw people from throughout Colorado Springs and foster a sense of urban vitality and community.  Those planned amenities would be significantly decreased without the supplemental TIF funding.*
  + *The entire CityGate Master Plan was thoughtfully planned to be an immersive urban experience with the full 25 year supplemental TIF funding. So, the streetscape, landscape, lighting and pedestrian amenity package throughout the project would be need to reconsidered if the application was not approved.*

1. How many housing units will the project provide?
   * *See above #2.*
2. Affordable?
   * *No set asides are planned for this project.*

1. What are any known environmental conditions or hazardous materials on site?
   * *Current Geotech analysis shows no hazardous materials. A demo study of has shown small amounts of hazardous materials with ongoing mitigation happening currently.*

**The following are anticipated Urban Renewal Board Questions in which the developer should be prepared to answer when considering a project for Urban Renewal designation:**

1. What is the public benefit/purpose of this project and how will its development benefit the neighborhood, city districts and/or county/state?

* *Weidner has been a part of the business community here in the Springs since 1993. We have a strong reputation of providing value to our customers and are currently serving over 6,000 residents in 18 unique COS apartment communities. Though its* ***Weidner Cares!*** *program, a series of hands-on community service events are held every year, along with strategic financial contributions to support myriad philanthropic organizations like* ***Partners in Housing, Boys and Girls Club, Red Cross Hometown Heroes, Colorado Springs Therapeutic Riding Center,*** *and* ***The Place (formerly Urban Peak)****, Weidner has consistently demonstrated its care and concern for the greater community of Colorado Springs. In addition, the company recognized the importance of having the* ***US Olympic and Paralympic Museum and Hall of Fame*** *make its home in Colorado Springs and provided a 7-figure donation to aid in the fund-raising efforts of this world class building****.***
* *Our roots in the community run deeper than 18 years as the founder of Weidner Apartment Homes, Dean Weidner, grew up in this community and has family who still call Colorado Springs home.*
* *Founded in 1977, Weidner Apartment Homes is a privately held real estate investment, development and management company that owes its success to its most important resource – the more than 1,800 associates that make up their onsite and regional teams. Weidner is ranked #15 on the NMHC list of the 50 largest Apartment Owners, and as of December 31, 2020, owns and self-manages a portfolio consisting of 283 multi-family communities representing just over 57,000 apartment homes throughout twelve states in the US, and four provinces of Canada. Weidner has had a presence in Colorado Springs since 1993. Headquartered in Kirkland, WA, Weidner’s commitment to delivering value drives its vision to distinguish itself as an industry leader in each of its markets. For more information:* [*www.weidner.com*](http://www.weidner.com)

Specific benefits to the neighborhood, region, and state would be as follows:

Economic:

* *During the construction stages, spanning approximately 10 years, we will employ ~200 workers. After the three-phased community is open, ~20 new permanent jobs will be created (leasing, maintenance, retail, etc.) and another ~40 new permanent jobs for ~37,000 square feet of retail.*
* *Using a factor of 1.7 new occupants per unit, we calculate that at full build out, the project will have a significant economic impact on the surrounding business with over 2,000 new residents calling SW Downtown home.*
* *Significant Property and Sales Tax increases for the city are expected with this new development project.* *Will include economic analysis provided by our consultant – Summit Economics.*

Public Improvements:

* *A new public pedestrian plaza along Moreno Avenue will connect Weidner Field to the first residential building (Phase 1), and will be a public/private entity that features a park-like setting. During the Summer of 2021, the space will be in a temporary condition (improved gravel) and feature some public pedestrian access connecting Sahwatch and Sierra Madre. Anticipated finish is 2023.*
* *Streetlighting, landscaping, sidewalks, street curb and gutter will all be enhanced throughout the city blocks.*
* *Additional retail and event parking supply will be made available within each building.*
* *New retail and restaurant offerings are planned for all buildings within this project.*

Aesthetic Urban Design and City Building:

* *Weidner’s planned development will encompass four city blocks of a formerly blighted area in the Urban Renewal Area of SouthWest Downtown COS just south of the Cimarron Gateway entrance to Downtown. Our development along with the opening of Weidner Field will significantly enhance the south end of the Cimarron gateway to Downtown. Together with our neighbors and fellow developers to the north and beyond, our vision for this development reinforces this wonderful community’s transformational momentum.*
* *Living within the CityGate development will be an immersive experience with several outdoor common areas designed for neighborhood gatherings and use. These common spaces will feature pet runs, grills, firepits, and a number of entertainment options. All will have the ability to enjoy catered events by 6035 Hospitality (Weidner Field’s food service partner). As many as 50 residential units of the first building of the project will feature direct views into the Stadium. See attached image of Phase One.* [*CityGate Phase 1 Rendering - 4 19 21*](https://www.dropbox.com/s/1gwlkolimuaanwc/CityGate%20Phase%20One%20Rendering%20-%2004%2019%2021.pdf?dl=0)
* *One square block of Weidner’s development is dedicated to an urban 8,000-seat Stadium on the site of the former Hassell Iron Works Foundry and Metal Shop. At 6,035 feet in elevation, teams at Weidner Field will compete at the highest altitude of any Professional Stadium in both the USL and in the U.S.*
* *With the unveiling of the Stadium’s entrance sculpture (named the Epicenter) in April 2021, Weidner will be establishing themselves as a cultural force in downtown Colorado Springs, on par with other prominent placemaking works of art in major cities. This $4.5M investment into public art and placemaking reflects Weidner’s commitment to city-building and aesthetic enhancements to urban design. This 35-foot tall, 65-foot wide, stainless steel engineering masterpiece was collaboratively designed to pay homage to the neighborhood’s unique and rich history while looking to celebrate the unlimited potential of the city’s future. The two interlocking 65-foot rings were specifically designed as a subtle nod to the pride of Colorado Springs as Olympic City, USA.* *The 19-foot, single-piece sphere is intended to represent the universal pursuit of human endeavor, and emphasizes Colorado Springs enduring role in the global world of sport. With over 7,000 pieces that make up the rings, the remote-controlled digital LED lighting system is nothing short of extraordinary. The reflection of the City’s skyline and the backdrop of our majestic mountain will be an ever-changing reflection of this unique destination that varies with the seasons, the time of day, and the activity within the Stadium itself.*
* *To further illustrate Weidner’s commitment to city-placemaking through art, a series of LeRoy Neiman’s paintings have been recently unveiled and are accessible to all visitors to the area. Where once stood a blighted, abandoned lot, will now be a place where locals and visitors gravitate to nearly 1,200 square feet of Neiman’s legendary work. Ten 9’x 12’ digitally-reproduced Neiman paintings now line the stadium along Sahwatch for an entire block between Moreno and Cimarron. Through a collaborative effort with the LeRoy Neiman Foundation, the Downtown Development Authority, the Stadium Partnership, and the US Olympic and Paralympic Museum Colorado Springs, locals and visitors will have the rare opportunity to enjoy Neiman’s work free and at their leisure 365 days a year, day or night.*
* *In addition, these improvements will increase of property values in one of the more economically depressed parts of Downtown.*

1. How do you foresee the long-term viability of the development, specifically beyond the URA TIF timeline?
   * *Weidner has historically acquired and developed multi-family projects, and held them within the portfolio as a long-term owner and investor. In fact, many of the very early acquisitions that Dean Weidner made are still held and managed by the firm for over 3 decades.*
2. What risks does the project pose to the city, county and other districts and how are those risks being mitigated? How will this project impact other Urban Renewal Areas (positively or negatively)?
   * *The risk is minimal due to the financial security of Weidner Apartment Homes. We believe this development will enhance not only SW Downtown, but the surrounding areas as stated above.*
3. How do plans for this project compare to other approved projects or urban renewal areas?
   * *There is great synergy between this development and the SW Downtown Museum and Park $2B development by Nor’wood.*
   * *The two firms enjoy a close professional relationship and have been in contact throughout the development process to share notes, insights and strategies. We expect to continue collaborations with Nor’Wood in the future.*
4. How will this project impact/ incorporate current residents and businesses in or near the project area?
   * *Current residents and business owners will benefit significantly by the improved public infrastructure, additional parking, and enhanced tax flow. Capital investment into this long-neglected part of town will act as a catalyst for the creation of new businesses that will meet the needs of both current residents* *and those who will move into the new rental residences.*
5. What considerations have been made in regard to minority or woman-owned businesses for the project?

* *WAH consistently works to include minority / woman-owned business in our development projects.*

1. How will this project impact public services (transit, police/fire, schools and libraries)?

* *See economic analysis provided by consultant.*

1. How will this project impact the tax base surrounding the area?

* *See economic analysis provided by consultant.*

1. Are you looking to bond, and if so, how do you foresee the bonds of the project being administered?

* *We do not expect to bond on this project.*

1. What considerations have been made for affordable housing with the project?

* *While there are no plans to incorporate specific set-asides at this project, it must be noted that a healthy rental housing market is only successful when all sectors are increasing capacity and access with respect to their specific target consumers. While the developers that specialize in either senior, student, affordable, work force or the single-family home markets are all trying to bring those types of housing projects to the market in order to provide options for the consumer – Weidner has expertise in the conventional, market rate sector and that is the type of project that we will be developing*

**In addition to the above questions, please also provide:**

1. A two-page narrative and summary describing the development objectives of the project including proposed land uses and locations for those uses including a discussion as to how the project furthers the Authority’s objectives and Mission Statement.

[*CityGate URA Development Objectives - 04 19 21 FINAL*](https://www.dropbox.com/s/c13ul9jlicsw87u/CityGate%20URA%20Development%20Objectives%20-%2004%2019%2021%20FINAL.pdf?dl=0)

1. A vicinity map.
   * *Included – see above #1*
2. Location of parking, parking access and total parking count.
   * *Included – see above #1*
3. A description of the proposed project art component and affordable housing component where applicable.

* *As stated above*, *with the unveiling of the Stadium’s Entrance Sculpture in April 2021, Weidner will be establishing themselves as a cultural force in downtown Colorado Springs, and the company is confident that the Epicenter will be on par with other prominent placemaking works of art in major cities. This $4.5M investment into public art and placemaking reflects Weidner’s commitment to city-building and aesthetic enhancements to urban design. To further illustrate Weidner’s commitment to city-placemaking through art, a series of LeRoy Neiman’s paintings were unveiled on April 2, 2021. Where once stood a blighted, abandoned lot, (URA-designated parcel!) will now be a place where locals and visitors gravitate to nearly 1,200 square feet of Neiman’s legendary work. Ten 9’x 12’ digitally-reproduced Neiman paintings will line the building along Sahwatch for an entire block between Moreno and Cimarron. Through a collaborative effort with the LeRoy Neiman Foundation, the Downtown Development Authority, the Stadium Partnership, and the US Olympic and Paralympic Museum Colorado Springs, locals and visitors will have the rare opportunity to enjoy Neiman’s work free and at their leisure 365 days a year, day or night. See attached Press Releases on Weidner’s commitment to art.* 
  + [*Epicenter news release - 04 23 21 FINAL*](https://www.dropbox.com/s/9r4yjn1kiac2yo7/Epicenter%20Local%20Release%20-%2004%2023%2021.docx?dl=0)
  + [*Neiman Art Installation release - CO VER - 04 02 21 FINAL*](https://www.dropbox.com/s/va95v5hp486van7/COLO%20VER%20Neiman%20art%20installation%20news%20release%20-%2004%2002%2021%20FINAL.pdf?dl=0)

1. A description of plans for any designated or eligible historic structures existing on the project site.
   * *None.*

**Should the proposal be selected by the Authority for further evaluation, additional conceptual design information or alternative presentation formats may be required to be submitted. The Authority will retain design approval throughout all phases of project development. The Authority maintains the right to require the development of design standards that control exterior architectural and site design on approved projects. All design submissions must be consistent with the Colorado Springs Comprehensive Plan, applicable City Codes and Ordinances.**

**Schedule**

Once an urban renewal plan has been approved by the Colorado Springs City Council, the plan will be in effect and tax increments available for no longer than twenty-five years. A proposed project schedule is required with the submittal that includes:

The design and engineering period, equity and debt financing, property acquisition (if any), demolition schedule, construction schedule, lease-up schedule and other key elements.

**Project Development Team Description**

The names, addresses, email addresses, telephone and fax numbers of the development team and the contact person who will be making decisions and with whom the Authority would negotiate. *Emails and telephone numbers will be provided upon successful selection.*

Length of time the development team and each member has been in the development business and a list of completed projects similar to the type of redevelopment project being proposed. *See below.*

Identification of consultants who will be involved in the project. *Information to be provided upon successful selection.*

* Description of the role the Developer will play, i.e., as owner or for a developer’s fee.

*As is the case with most of the development activity that Weidner Apartment Homes undertakes, a wholly owned subsidiary of the company (Complete Development, LLC) will function as the developer for the project and will be a paid a fee for their work.*

* A description of the development team’s experience and success with similar types of projects and how those projects relate to the type of development concept being proposed. Include location of projects and date completed, as well as the financing structure for the projects, size, total development costs and current financial status.

*See below for development team’s experience. Further information available in the Financial Capability section.*

***W. Dean Weidner –President***

* *Mr. Weidner began his career in 1965 with TWA in San Francisco, where he served in various positions as Assistant to the General Manager, Manager of Reservations, Airport Operations Supervisor and Manager of Cargo Distribution Sales. He then was promoted to Sales Manager for New Jersey and Newark Airport. Subsequently, he moved to TWA Headquarters to lead Domestic Leisure Marketing Programs.*
* *In 1973, he was recruited to Alaska Airlines as head of all sales and marketing activities. From 1977-1980 he was Assistant VP of Corporate Planning, strategizing route planning, tariffs and Market Research.*
* *In 1984, the growth of Mr. Weidner’s real estate activities dictated that he devote himself full time to directing the staffing and growth of Weidner Apartment Homes.*
* *Mr. Weidner has a B.A. in Business from the University of Colorado and an MBA in Marketing and Finance from Fresno State University.*

***Jack O’Connor –CEO (Chief Executive Officer)***

* *Mr. O’Connor joined Weidner in 2005 bringing a wide variety of property management experience in stable market-rate assets, ground up development, substantial rehab and repositioning of product, fee and asset management.*
* *As CEO, Jack is responsible for the overall operational performance of all apartment units in twelve regions throughout the United States and Canada.*
* *Jack provides strategic leadership, guidance and supervision, mirroring the adopted company Vision, Mission and core Values to over 1,500 Weidner associates.*
* *Mr. O’Connor received his B.A. in Economics from the University of St. Thomas. He is a Certified Property Manager and sits on the Executive Board of Directors for the National Multi-Housing Council (NMHC).*

***Ben Katon –Senior Vice President of Finance & Acquisitions***

* *Mr. Katon joined Weidner Apartment Homes in 2003 and has over 20 years of finance and commercial real estate experience. Prior to joining Weidner, Ben worked for Porsche in sales and finance and managed real estate debt restructuring for Conseco Finance’s Texas division.*
* *Ben is a member of Weidner’s Executive Team and is responsible for overseeing all aspects of the company’s finance activity and debt portfolio.*
* *He received his B.A. in Business Administration and Accounting from Black Hills State University and later received his Master’s in Business Services Management and Finance from the same university. He also attended Denver University.*
* *Mr. Katon is a member of the National Mortgage Bankers Association, and the National Multi-Housing Council.*

***Kevin Colard –Chief Investment Officer***

* *Mr. Colard joined Weidner in 2006 and has 15+ years of commercial real estate experience. He started his career as an apartment sales broker with Marcus and Millichap in their Bellevue and Seattle offices. He then worked in the commercial lending sector for Intervest Mortgage/Sterling Savings Bank.*
* *He is a member of Weidner’s Executive Team and is responsible for executing all asset acquisition and disposition strategies throughout the portfolio. Since starting at Weidner, Mr. Colard has been responsible for acquiring over 165 assets totaling over 32,000 units, with an asset value of over $6 Billion. He has successfully sold 16 properties totaling approximately 4,500 units, with an asset value of over $510 Million.*
* *Kevin received his B.A. in Business Management from Western Washington University, where he also played collegiate football and basketball*

***Eric Moselle –Chief Risk Officer, Chief Economist***

* *Mr. Moselle and his team at Weidner are responsible for the organization’s insurance, real estate taxation and economic research. Eric is a member of Weidner’s Executive Team.*
* *He began his career in commercial real estate appraisal and commercial mortgage banking. As it seems obligatory in Seattle to be involved with tech startups, he spent some time with a profitable mobile applications software company. He was the lead investor and a partner.*
* *Eric earned his MBA from the University of Washington’s Foster School of Business and did his undergraduate work in finance and economics at Washington State University.*
* *He is a family man, an avid outdoorsman and has been actively involved with a number of charitable organizations over the years as a board member or chairman.*

***Peter Kim –CIO (Chief Information Officer)***

* *Mr. Kim joined Weidner in 2014 bringing over 16 years of technology and leadership experience in private, academic, and public sectors. He has a diversified background from organizations such as Microsoft, University of Washington, and ADP as well as owning and operating small businesses and real estate investments.*
* *He is a member of Weidner’s Executive Team and is responsible for Weidner’s overall Technology strategy from IT to Low-Voltage and Security systems across the organization.*
* *Peter received his B.A. in Information Technology from American Intercontinental University and holds several industry leading engineering certifications from Microsoft and Cisco. He is also a certified Project Management professional with education and certification from the University of Washington.*
* *Peter currently serves as a board member and finance treasurer for his church. He actively volunteers and supports local and global non-profit organizations such as building water wells for developing countries.*

**Marie Virgilio, CPO (Chief People Officer)**

* *Ms. Virgilio joined Weidner in 2007 with an extensive background in successfully recruiting top talent in a variety of industries. During her years with Weidner, she has helped the company grow from 500 associates in 2007 to over 1,500 associates currently.*
* *Ms. Virgilio successfully developed Weidner’s Manager-in-Training program and college recruiting strategy, establishing Weidner as the industry leader for attracting and developing talent to the apartment industry.*
* *Under Marie’s leadership and efforts, Weidner has won two national awards for promoting careers in the apartment industry. In 2017, IREM awarded Weidner the Louise L. and Y.T. Lum Award for making distinguished contributions to the profession through education. In 2018, NAA selected Weidner as the winner of the Anthony V. Pusateri Award for initiatives that promote apartment careers.*
* *As Chief People Officer, Ms. Virgilio oversees Recruiting, Learning and Development, Payroll and Human Resources. She represents Weidner on several college advisory boards for current and developing property management degree programs. She also serves NAA by participating on the Career Committee and chairs the HR Advisory Council.*

**Financial Capability**

Provide evidence satisfactory to the Authority of the financial capability of the Developer or Development Team to complete the project. Three (3) bound copies of the following information should be submitted under separate cover:

If a new entity is contemplated among the Development Team, include the above financial information for each owner of the new entity and a statement of the manner in which the new entity will be capitalized. The Authority reserves the right to require additional information.

*After the CityGate URA Application has been successfully accepted by the Authority, we will provide more detailed financial capability information to the board, noting that we respectfully request this information to be treated as proprietary, confidential information not to be made public.*

*For our initial application, please note the following:*

* *The Company was founded in 1977 by W. Dean Weidner, who continues to oversee the operations of the Company today.*
* *Mr. W. Dean Weidner controls 100% of Weidner Apartment Homes and Weidner Property Management LLC.*
* *As of December 31, 2020, Weidner owns and manages 283 properties comprising 57,081 units.*
  + *239 U.S. properties totaling 50,608 units*
  + *44 Canadian properties totaling 6,473 units*
  + *768,783 sf commercial/office space*
* *Weidner Apartment Homes is in essence a Private REIT. We hold and operate properties for the long term.*
* *See attached letters of support from* ***US Bank*** *and* ***UMB****.*

[*US Bank reference letter 04 19 21 FINAL*](https://www.dropbox.com/s/3qu382rvyx1ckhg/US%20Bank%20letter%20for%20Weidner%20COS%20-%2004%2019%2021%20FINAL.pdf?dl=0)

[*UMB Bank reference letter - 04 19 21 FINAL*](https://www.dropbox.com/s/4id0wqw5ejq2yqi/UMB%20Bank%20letter%20for%20Weidner%20COS%20-%2004%2019%2021.pdf?dl=0)

**Project Financial Plan**

The developer will submit as much financial information as available in a preliminary pro forma in order to demonstrate the economic viability of the proposed project. A complete pro forma will be submitted prior to the signing of a Redevelopment Agreement that will include sufficient information regarding acquisition and development costs, financing costs, operating costs, net operating income and the operating income shown as a percentage of the project cost, the amount of equity and likely sources, key market assumptions relative to the development (i.e. rate of rent increases, vacancy rates, etc.), return on equity for the developer, with and without public investment by the Authority. The analysis must show developer’s return with and without the proposed tax increment financing from the Authority. The authority can exercise the right to have all numbers and projections verified by a 3rd party entity at developer’s expense.

*A preliminary Proforma is attached.* [*CityGate Summary Proforma - 4 19 21 FINAL*](https://www.dropbox.com/s/gsfyxi438p5rlw7/CityGate%20%20Summary%20Proformas%204%2019%2021%20FINAL.pdf?dl=0)

**Additional Required Information**

1. Preliminary calculation of incremental sales taxes and property taxes that will be generated by the project. Any proposed revenue generated from a special district mill levy to be used to construct improvements.

*See attached Executive Summary done by Summit Economics in March 2019.* *[Summit Economics - Revenue from CityGate Development - 2019 Analysis.pdf](https://www.dropbox.com/s/pz0kuz26e68xxfo/Revenue%20from%20City%20Gate%20Development%5B1%5D.pdf?dl=0)*

1. Letters of interest or intent from potential tenants - to indicate tenants’ interest in negotiating a tenant lease and or property sale commitments should the Authority execute a Redevelopment Agreement with the Developer.

*The majority of tenants in the City Gate Development will sign apartment leases. Apartment occupancy rates in Colorado Springs continue to be robust, particularly in the downtown core. This is evidenced by the short duration of the lease-up process that the two most recently completed apartment projects experienced.*

*Commercial interest in Downtown COS has been high in spite of the Pandemic. In the newly released “State of Downtown” report, commercial leasing transactions were up in 2020, with 13 new leases signed in 2020 compared to 10 in 2019 (storefront commercial space). Entering 2020, there are over 25 storefront commercial businesses already announced to open Downtown, the most the organization has seen in any year of tracking this information.*

1. Market feasibility reports for the proposed project. *Consultant will provide.*

**Site Control**

The proposal must identify a specific site or sites for the project. *See attached map above in #1.* The extent and nature of the Project Developer’s ownership or occupancy of the site(s) must be stated. If applicant is requesting acquisition assistance; they must provide evidence, satisfactory to the Authority, of good faith negotiations to acquire property or interests therein.

**City Council Support**

The Project Developer shall attempt to provide a letter of support for the development from the proposed project area’s City Council representative. *See attached.* [*R Skorman letter of support - 4 1 21*](https://www.dropbox.com/s/fevnnxsz2jbmbqw/CityGate%20Letter%20of%20Support%20Richard%20Skorman%204%201%2021.pdf?dl=0)

**Fees and Expenses**

In addition to the costs to prepare the Conditions Study and the Urban Renewal Plan, the redeveloper will be required to pay for any studies (traffic, engineering, market analysis, etc.), consultants or legal fees associated with the Authority’s review process. If the proposal is selected by the Authority, the Project Developer may be required to submit the following fees:

1. A predevelopment fee that will be used by the Authority to pay the fees and expenses of the Authority in the review of the proposal, the urban renewal plan submittal process and the preparation of the redevelopment agreement.
2. An administrative Fee that the redeveloper will be assessed on an annual basis to be established in the redevelopment agreement, beginning the month the Authority’s Board of Commissioners approves the redevelopment agreement and continuing through the completion of the project. The fee may be considered an expenditure that is eligible for reimbursement through the tax increment revenues.
3. Possible participation fees.

**Additional Expenses**

The redeveloper will be required to pay all fees and expenses associated with the following: financial advisors, project management consultants and legal advisors retained by the Authority to implement its responsibilities as detailed in the redevelopment agreement.

**Financial Participation by the Authority**

Should the project involve the sale of bonds by the Authority in order to obtain the upfront funds necessary to construct the improvements, the Authority will require a onetime fee of 1-1/2% of the total bond amount which will be paid from the bond proceeds immediately upon sale of the bonds. This fee is to compensate the Authority for the additional administrative, accounting and payment processing expenses associated with the bond payment and reporting requirements.

**Redevelopment Agreement**

The Authority will enter into a Redevelopment Agreement with the Project Developer selected for project. Redevelopment Agreements may include, without limitation, provisions regarding the following: description of redevelopment and public improvements; project financing; tax increment collection and disbursement, plan review procedure; construction; representations and warranties; restrictions on assignment and transfer; termination; indemnity requirements and other customary and appropriate provisions.

**Designation Process**

The following is the general process that will be utilized in the review of potential projects that are submitted for the Authority’s consideration for urban renewal area designation:

* Initial Staff Review - upon receipt of the proposal, the Authority will conduct a preliminary review of the submitted material. If the proposal contains all of the requested information (see Submittal Requirements), the staff will:
* Perform preliminary due diligence on the developer and submitted financial information and conduct a review meeting(s) with the proponent.
* Determine if further studies are required in connection with the project, such as parking analysis or traffic impact studies, market feasibility studies, etc. If required, the cost associated with conducting the studies will be paid by the Project Developer.
* The Authority Board will schedule a presentation of the project by the Developer at a regular monthly Board meeting to allow public comment and provide an opportunity for Board members to have questions answered in order to determine if the project warrants proceeding with a “Conditions Survey” (Blight Study).
* Complete a Conditions Survey, if approved by the Board, and present the findings during a regularly scheduled Board meeting. The Board may accept the findings of the Conditions Survey and authorize the development of an Urban Renewal Plan.
* Undertake the Urban Renewal Plan, if approved by the Board, and present the draft plan to the Board and the public during a regularly scheduled Board meeting. The Board may accept the Urban Renewal Plan and forward it to the Colorado Springs City Council (after review by the Planning Commission)
* The Authority will request the establishment of an urban renewal/tax increment area for the selected project through the Colorado Springs City Council and enter into a tax sharing agreement with the City of Colorado Springs. Additionally, other taxing entities levying a mill levy in an urban renewal area must meet and negotiate an agreement concerning the types and limits of tax revenues to be allocated. The agreement must address the estimated impacts of the urban renewal plan on county or district services. There may be separate agreements with each taxing entity or a joint agreement with multiple taxing entities.
* The Authority will negotiate and enter into a Redevelopment Agreement with the developer(s) as outlined above (Redevelopment Agreement)

**Evaluation Criteria**

The following criteria will be used to evaluate the development proposals submitted:

* The project has a financial feasibility gap (through the pro forma) that has been reviewed by a 3rd party.
* Conformance with the Authority’s mission statement and development objectives as well as the City of Colorado Springs Comprehensive Plan, other applicable plans for the proposed area and the provision of other public benefits of the project.
* Support of owners of property that will be included if the URA (if applicable).
* Experience of the Developer on similar past projects, property management experience and relationships with major tenants, overall architectural and design quality of prior projects, experience in working with governmental entities, timeliness of completion of previous projects, history of completing projects as originally proposed.
* Demonstration of the Developer’s Financial Capability - ability to provide sufficient equity for proposed project, ability to secure any necessary debt financing and evidence of ability to fund the project until its completion, closing of permanent financing and project stabilization.
* Project Specific Criteria - Overall architectural and design quality of the proposed project, extent of public support and involvement proposed for the project, project marketability and anticipated economic success and viability of the proposed project, proposed development schedule and lease up time frame.
* Site Conditions - The extent to which all or a significant portion of the site appears to meet the conditions of blight set forth in the Urban Renewal Statute.

**Public Art Goal**

The Colorado Springs Urban Renewal Authority recognizes the importance of public art in the success of its redevelopment efforts and, therefore, establishes the following requirements for each urban renewal project. The redeveloper shall provide and install artwork reviewed by the Authority and/or the Art Commission of the Pikes Peak Region when artwork is exhibited on public property (parkland, sidewalk easements, etc.). Artwork is considered to be forms of original creations of visual art, including but not limited to sculpture, mosaics, ceramics, audio, stained glass, fiber art, woodworking and metal work. Artwork may also include unique and artistic landscaping features and ornamental architectural embellishments, not necessarily part of the basic design of a structure or building. Artwork shall be maintained in accordance with adopted project design guidelines in each phase of development. The total amount to be expended by the redeveloper on artwork shall not be less than one percent (1%) of the estimated cost to be incurred in the construction, rehabilitation, renovation, remodeling, or other constructed improvements within the redevelopment area, unless otherwise negotiated with the approval of the Colorado Springs Urban Renewal Authority.

**Closing**

The purpose of this document is to outline the criteria for the submittal of development proposals (s) within the City and County of Colorado Springs. The Authority does not intend to pay or reimburse any cost, expense or fees incurred by any Project Developer in connection with the preparation of the proposal. The Authority reserves the right to reject any and all proposals.