

Resolution 2012-173

HOYT STREET URBAN RENEWAL PLAN

CITY AND COUNTY OF BROOMFIELD

September 25, 2012

HOYT STREET URBAN RENEWAL PLAN
Broomfield, Colorado

I. INTRODUCTION

The Urban Renewal Plan (the “Plan”) for the Hoyt Street Urban Renewal Project (the “Urban Renewal Project”) has been prepared pursuant to the provisions of the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, C.R.S., as amended (the “Urban Renewal Law”). The administration of the Plan, including the preparation and execution of any documents implementing it, shall be the responsibility of Broomfield Urban Renewal Authority (the “Authority”).

The Plan, and any modifications, requires that the land use, design, and building requirements within the Urban Renewal Area are those authorized in the comprehensive plan, ordinances, and regulations of the City and County of Broomfield (the “City”). Any terms used in this Plan that are not defined herein are governed by definitions in the Urban Renewal Law.

It is the intent of this Plan that the objectives will be achieved primarily through cooperation between the public and the private sectors, utilizing the incentives and tools available from all sources, including, without limitation, through the Urban Renewal Law.

II. URBAN RENEWAL AREA LEGAL DESCRIPTION AND BOUNDARIES

The Urban Renewal Area (the “Area”) is legally described as Lots 1 and 2, Turnpike Industrial Park Filing No. 2, City and County of Broomfield, Colorado. The Area contains a total of approximately 20.6 acres of land and approximately 119,408 square feet of buildings. The boundaries of the Area are depicted in Exhibit A.

III. QUALIFYING CONDITIONS

A report entitled “800 Hoyt Street Conditions Survey” dated September 25, 2012 (the “Survey”), has been prepared by City staff and special legal counsel based on the following information:

A. “City and County of Broomfield Microsemi Building - Building Infrastructure Assessment,” prepared by Eaton Energy Solutions, Inc., dated March 29, 2012.

B. “2011 Annual Groundwater Monitoring and Activities Summary Report - Microsemi Consortium Facility 802 Hoyt Street, Broomfield, Colorado 80020,” prepared by USA Environment, L.P., dated January 30, 2012.

C. “Pricing Estimates for Upgrades to Microsemi Building,” prepared by Eaton Energy Solutions, Inc., dated May 7, 2012.

D. On-site assessment of the grounds and exterior of buildings in the Area conducted by City legal staff and special counsel on August 1, 2012.

The Survey identified and documented the following conditions listed in the Urban Renewal Law as existing in the Area:

1. Slum, deteriorating, or deteriorated structures;
2. Predominance of defective or inadequate street layout;
3. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
4. Unsanitary or unsafe conditions;
5. Deterioration of site or other improvements;
6. Unusual topography or inadequate public improvements or utilities;
7. The existence of conditions that endanger life or property by fire or other causes;
8. Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, physical construction, or faulty or inadequate facilities;
9. Environmental contamination of buildings or property;
10. The existence of health, safety or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

The Survey has been filed with the City and County Clerk and is incorporated herein in its entirety.

The above conditions are evidence that the Area qualifies as a blighted area as defined in the Urban Renewal Law.

IV. CONFORMANCE WITH COMPREHENSIVE PLAN

The Plan conforms with the 2005 Comprehensive Plan of the City and County of Broomfield, as amended, (the "Comprehensive Plan"). The Comprehensive Plan is the general or master plan for the physical development of the municipality as described in the Urban Renewal Law and will govern the execution of this Urban Renewal Project by the Authority in a manner consistent with the following goals and objectives.

V. GOALS AND OBJECTIVES OF THE PLAN

The Plan is intended to implement the goals and objectives of the Urban Renewal Law and the Comprehensive Plan, including the following goals and policies of the Comprehensive Plan.

A. It is the policy of the City to realize market opportunities for long-term economic stability and encourage varied employment opportunities.

B. A key focus is to designate areas that provide a variety of employment opportunities including light industrial, high-technology, manufacturing and research. This policy will ensure that infill development and redevelopment contribute to the desired mix of land uses.

C. Encourage building architecture and site design to be adaptable to changing uses over time.

D. Encourage commercial centers that provide opportunity for local businesses in the City.

E. Encourage the development of significant employment centers in locations adjacent to major transportation corridors to minimize the impact of in-migrating workers.

F. Coordinate employment development and redevelopment to take advantage of regional and local transportation corridors.

G. Plan financial investment to ensure long-term viability of existing industrial areas.

H. Encourage and support partnerships with institutions involved in the education/reeducation and training/retraining of the City's youth and workforce.

I. Encourage the retention and the attraction of entrepreneurial firms, including nonprofits, through an array of financial and regulatory incentives and strategies that provide flexibility and access to capital and facilities.

J. Ensure an adequate supply of appropriately zoned land for a diversified mix of manufacturing, services and business support services.

K. Encourage private investment through continued public investment in facilities, infrastructure and services, such as parks, roadways and improved police patrols. Focus policies and programs to direct capital funds and improvements into targeted residential and commercial areas.

L. Encourage reinvestment and redevelopment of older residential neighborhoods that respects and maintains the physical character of those areas.

M. Actively recruit appropriate users, new, and/or existing, to locate in and revitalize older or underutilized commercial centers.

N. Buildings and systems that can no longer provide the necessary services should be replaced at the most cost effective time to do so.

O. Leverage activities, investments and resources from outside the community to support asset-based, locally defined development.

P. Use sustainable development standards, policies and practices for new development and redevelopment that will protect and enhance land and soil resources, ecosystems and biodiversity.

Q. The Plan includes the following specific Plan objectives.

1. Eliminate conditions of blight in the Area that are injurious to the well being of the entire community, constitute economic and social liabilities and adversely affect the sound growth of the City.

2. Promote redevelopment, rehabilitation, and reinvestment in the Area by private enterprise.

3. Continue the on-going programs supervised by the Colorado Department of Public Health and Environment to remediate contaminated groundwater and soil contamination in the Area.

4. Explore financing mechanisms authorized by law to assist with and promote the redevelopment of the Area.

5. Improve public infrastructure, utilities and amenities within the Area.

6. Create new employment opportunities.

7. Expand, increase and improve commercial and industrial opportunities, the City's economy, and the property and sales tax bases.

8. Create opportunities for new and innovative enterprises to begin and expand operations in the Area.

VI. LAND USE REGULATIONS AND BUILDING REQUIREMENTS

All development and redevelopment in the Area will be governed by the Comprehensive Plan and all applicable land use laws, rules, regulations, and policies of the City, including the Broomfield Municipal Code (the "BMC"). The Authority may adopt Design Guidelines and Standards that will apply to property included in the Area. In the absence of any special requirements governing site-specific projects, standard City codes, regulations, and policies will

apply. The Plan shall be automatically updated to reflect any revisions made to the City's Comprehensive Plan.

VII. PROJECT ACTIVITIES

The Authority is authorized to use any and all powers available to it under the Colorado Urban Renewal Law and other applicable laws in order to carry out the activities and undertakings it determines are necessary for the successful execution of this Plan, including, without limitation, those listed below.

A. Property Acquisition

If the Authority determines it is necessary to acquire any real property to implement this Plan, the Authority may do so by any means available by law, provided, however, the City Council must approve acquisition of any property by eminent domain prior to the Authority's exercise of the power of eminent domain, and the City and the Authority shall be required to comply with all other applicable legal requirements prior to exercise of eminent domain by the Authority. The Authority may acquire property for the following reasons: to eliminate or prevent conditions of blight; to carry out one or more objectives of the Plan; assemble property for redevelopment by private enterprise; for needed public improvements; and for any other lawful purpose authorized by the Urban Renewal Law or any other applicable law.

B. Redevelopment or Rehabilitation Agreements

The Authority may enter into agreements with property owners or developers in the Area for the development, redevelopment or rehabilitation of their property. These agreements may provide for participation and assistance that the Authority may choose to provide to such owners or developers, but nothing herein shall obligate the Authority or the City to provide or otherwise commit any financial resources to such development, redevelopment, or rehabilitation. Such agreements of this nature shall contain, at a minimum, provisions requiring:

1. Compliance with the Plan, the BMC and, if applicable, any Design Guidelines and Standards adopted by the Authority.
2. Covenants to begin and complete development, construction, or rehabilitation of both public and private improvements within a period of time as may be required by the Authority.
3. Evidence of the financial and legal ability of any owner or developer to accomplish the redevelopment or rehabilitation described in the agreement.

C. Property Management

During such time as acquired property is owned by the Authority, such property shall be under the management and control of the Authority and may be rented or leased pending its disposition for redevelopment.

D. Relocation Assistance and Payments

The buildings in the Area are vacant. Therefore, it is not expected that the implementation of this Plan will require the displacement of any person, family, or business. However, if acquisition of property displaces any person, family, or business, the Authority may assist such party in finding another location, and may, but is not obligated to (except to the extent required by law in the event the use of eminent domain is authorized by the City Council and causes such displacement), make relocation payments and provide relocation benefits required by the Urban Renewal Law to eligible residents and businesses in such amounts and under such terms and conditions as required by law.

E. Demolition, Clearance, and Site Preparation

The Authority may demolish and clear, or contract to demolish and clear, buildings, structures, and other improvements from any property it acquires in accordance with this Plan. The Authority may provide rough and finished site grading and other site preparation services as part of a specific redevelopment program.

F. Public Improvements and Facilities

In carrying out this Plan, the Authority may cooperate with other public bodies and with private enterprise to provide public improvements and facilities as may be necessary to serve the needs of the Urban Renewal Area and respond to community needs as set forth in the Comprehensive Plan. The Authority may make provision and provide funding for public improvements both within and outside of the boundaries of the Area as required to implement or facilitate the development or redevelopment of the Area.

G. Property Disposition

If the Authority acquires any real property in the Area, the Authority shall dispose of such property it acquires by any legal means, including establishment of a reasonable competitive bidding procedure as required by the Urban Renewal Law. Such requirements shall include compliance with the Plan and covenants to begin and complete construction of improvements within a time deemed reasonable by the Authority. The Authority shall also determine the financial and legal ability of any private developer to carry out any redevelopment agreement with the Authority.

H. Cooperation Agreements

For the purposes of planning and carrying out this Plan, the Authority may enter into one or more cooperation agreements with the City or other public entities. Without limitation, such agreements may include project financing and implementation; design, location, and construction of public improvements and any other matters required to carry out this Plan, including provision for payment or reserving of funds required to provide for or contribute to area impacts as a result of the proposed redevelopment.

I. Other Plan Undertakings and Activities

Other Plan undertakings and activities deemed necessary by the Authority to carry out the Plan may be undertaken and performed by the Authority or pursuant to agreements with other public or private entities in accordance with the provisions of the Urban Renewal Law and any other applicable law.

VIII. PROJECT FINANCING

The Authority is authorized to finance implementation of the Plan by any method authorized by the Urban Renewal Law or any other applicable law, including tax increment or tax allocation financing authorized by Section 31-25-107(9) of the Urban Renewal Law, which is included in this Plan at this time. The Authority is authorized to borrow funds and to create indebtedness in carrying out this Plan, and to enter into reimbursement agreements to reimburse public or private entities or parties for designing and constructing eligible improvements or providing eligible services in furtherance of the Plan.

The Urban Renewal Project may be financed by the Authority under the tax allocation financing provisions of the Act, which shall be in effect for the first to occur of payment of all bonds, loans, advances, and indebtedness of the Authority, including interest thereon and any premiums due in connection therewith, in connection with this Urban Renewal Project or twenty-five (25) years after the effective date of the adoption of this tax allocation provision, or for such longer period as may be authorized by the Act in the future.

A. Base Amount

That portion of the taxes which are produced by the levy at the rate fixed each year by or for each public body upon the valuation for assessment of taxable property in the Urban Renewal Area last certified prior to the effective date of approval of the Plan or, as to an area later added to the Urban Renewal Area, the effective date of the modification of the Plan shall be paid into the funds of each such public body as are all other taxes collected by or for said public body.

B. Increment Amount

That portion of said property taxes in excess of such base amount shall be allocated to and, when collected, paid into a special fund of the Authority to pay 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 Urban Renewal Project, or to make payments authorized by the Act.

Unless and until the total valuation for assessment of the taxable property in the Area exceeds the base valuation for assessment of the taxable property in the Area, all of the

taxes levied upon taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies.

When such bonds, loans, advances and indebtedness, including interest thereon and any premiums due in connection therewith, have been paid, all taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds of the respective public bodies.

The increment portion of the taxes, as described in this subsection B, may be irrevocably pledged by the Authority for the payment of the principal of, the interest on, and any premiums due in connection with such bonds, loans, advances and indebtedness incurred by the Authority to finance the Project; provided, however, any offsets collected by the City and County Treasurer for return of overpayments or any reserve funds reserved by the Authority for such purposes in accordance with Section 31-25-107(9)(a)(III) and (b) of the Act. The Authority shall set aside and reserve a reasonable amount as determined by the Authority of all incremental property taxes paid to the Authority for payment of expenses associated with administering the Plan.

IX. CHANGES IN APPROVED PLAN

This Plan may be modified pursuant to the provisions of the Urban Renewal Law governing such modifications, including Section 31-25-107, C.R.S.

X. MINOR VARIATIONS

The Authority may in specific cases allow minor variations from the provisions of the Plan if it determines that a literal application of the provisions of the Plan would constitute an unreasonable limitation beyond the intent and purpose of the Plan.

EXHIBIT A

