

# EVRAZ RAIL

## Urban Renewal Plan



August 8, 2019

**PUEBL**   
URBAN RENEWAL  
AUTHORITY

## **1. INTRODUCTION**

In the legislative declaration in Section 31-25-202 of the Act (as defined below), the Colorado General Assembly finds and declares that there exist in Colorado municipalities areas that constitute a serious and growing menace to public health and welfare and that the conditions that exist in such areas is a matter of public policy and statewide concern. The Area included in this Urban Renewal Plan is a proverbial “white elephant” that the Act was designed to address. The property contains a multitude of hazardous environmental conditions, deteriorated and abandoned buildings and other obsolete facilities. The Survey Area is a wasteland that constitutes an economic and social wasteland.

The purpose of this Plan is to eliminate the extensive conditions of blight that exist in the Survey Area, provide for a new and important industrial employment center, and implement those provisions of the Comprehensive Plan that apply to the Urban Renewal Area. The provisions of this Plan are intended to help provide vital services to the Area, attract and leverage private investment, utilize contaminated underdeveloped land, save existing and create new high paying jobs, and leverage public investment and funding mechanisms to provide necessary public infrastructure to serve the Area.

This Urban Renewal Plan has been prepared for consideration by the City Council of the City pursuant to the provisions of the Act. The administration of the Project and the implementation of the Plan shall be the responsibility of the Authority.

## **2. DEFINITIONS**

The terms used in this Urban Renewal Plan shall have the following meanings.

“Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, of the Colorado Revised Statutes.

“Area” or “Urban Renewal Area” means the area of the City included within the boundaries of this Urban Renewal Plan as depicted in Exhibit A and described in Exhibit B.

“Authority” means the Pueblo Urban Renewal Authority, a body corporate and politic of the state of Colorado.

“City” means the City of Pueblo, Colorado, a home rule city of the state of Colorado.

“Comprehensive Plan” means the Pueblo Comprehensive Plan adopted in 2002 including all amendments.

“Duration” means the full twenty-year period that the Tax Increment Financing provisions of the Act are in effect.

“Industrial Employment Center”, as defined within Pueblo’s Comprehensive Plan, means a strategically located employment center positioned near rail and highways.

“Plan” or “Urban Renewal Plan” means this urban renewal plan as it may be amended in the future.

“Project” or “Urban Renewal Project” means all of the activities and undertakings described in Section 103(10) of the Act as required for the complete development of the Urban Renewal Area, including, without limitation financing and construction of all public and private improvements and payment of all financing obligations included in the definition of Bonds.

“Tax Increment Financing” or “TIF” means tax allocation financing described in Section 31-25-107(9) of the Act, as in effect on the date this Plan is approved by the City Council of the City. Tax Increment Financing shall be required for the full twenty-five-year period (the Duration) necessary to carry out all necessary activities and undertakings to complete the Urban Renewal Project.

### **3. URBAN RENEWAL AREA BOUNDARIES**

The location and boundaries of the Urban Renewal Area within the City are shown in Exhibit A. The Urban Renewal Area contains approximately 59.16 acres and is described in Exhibit B.

### **4. SUMMARY OF STATUTORY CRITERIA**

The Authority utilized staff, including a professional planner and an attorney experienced in urban renewal requirements, to survey and document whether conditions that constitute a “blighted area”, as defined in the Act, exist in the Area. The result of the survey is included in a document entitled “EVRAZ Area Conditions Survey” (the Conditions Survey) dated October 10, 2018, consisting of 16 pages, related exhibits, a description of existing conditions, and numerous photographs. The Conditions Survey is incorporated herein in its entirety by this reference. In addition, a Supplemental Conditions Survey consisting of 12 pages, related exhibits and photographs. The Supplemental Conditions Survey is incorporated herein in its entirety by this reference.

The Conditions Survey shows that the following factors listed in the Act are present in the Area and that these conditions qualify the Area as a “blighted area” as defined in the Act:

- Slum, deteriorated, or deteriorating structures;
- Predominance of defective or inadequate street layout;
- Unsanitary or unsafe conditions;
- Deterioration of site or other improvements;
- Unusual topography and inadequate public improvements or utilities;
- The existence of conditions that endanger life or property by fire or other causes;

- 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;
- 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.

## 5. DESCRIPTION OF URBAN RENEWAL PROJECT

This Plan will be implemented as part of a comprehensive program to eliminate and prevent blight in the Urban Renewal Area. The Authority, with the cooperation and participation of the City, Pueblo County, and the taxing bodies that levy property taxes in the Area, will work closely with private enterprise to reclaim a severely blighted and contaminated tract of land and restore it to an important and productive location for a new and modern Industrial Employment Center. The principal goals of the plan are to help finance (a) demolition and clearance activities, (b) extensive remediation of hazardous environmental conditions, and (c) public improvements to serve a new and modern Industrial Employment Center. Without limitation, public improvements may include the following: sewer and water lines, water storage facilities, overhead transmission lines, oil or gas lines, storm water detention improvements, specialized utility infrastructure, street, parking, and other general transportation improvements including new rail tracks, and reimbursements to public and private entities for providing such public improvements, demolition and clearance of structures and obsolete site improvements, environmental cleanup and other activities and undertakings necessary to carry out the Urban Renewal Project. Although this Plan does not preclude the acquisition of property by the Authority, there is no plan for the Authority to acquire any property in the Area to implement any of the land uses authorized or permitted by the Plan. The goals of the Plan will be accomplished by affording maximum opportunity for the redevelopment of the Area by private enterprise as required by the Act.

### A. Urban Renewal Plan Goals and the Plan's Relationship to Local and Regional Objectives.

#### 1. Goals of the Plan

This Plan has been adopted to achieve the following goals in the Area:

The Plan's goal is to implement the City's Comprehensive Plan by assisting with the elimination of development barriers in the Area. These barriers are characterized principally by environmental contamination, deteriorated buildings and industrial structures, inadequate street patterns, lack of adequate and convenient access, and lack of adequate public infrastructure. The Authority will cooperate with public and private enterprise to remedy these conditions and to otherwise benefit and facilitate redevelopment of the Area by private enterprise and to stimulate primary job growth for the City.

A principal goal of the Plan is to extend infrastructure and services to facilitate redevelopment of the Area by private enterprise.

The Plan will implement the following provisions of the Comprehensive Plan:

- To provide public improvements for strategically located industrial employment centers located near rail and highways;
  - To target infrastructure development in advance of demand carefully coordinated with other service and facility providers; and
  - To encourage efficient and prudent extensions of infrastructure in a manner that considers both service providers and taxpayers.
2. Implementation of the Plan will eliminate and prevent conditions of blight in the Urban Renewal Area.
  3. Through the maximum possible participation of private enterprise and the cooperative efforts of the public sector, implementation of the Plan will eliminate and prevent economic deterioration in the Urban Renewal Area and the community at large. The Plan will promote creation of value in the Area.
  4. The Plan will extend public facilities and infrastructure; improve access, traffic, public utilities, sewer and water, and storm water detention in the Urban Renewal Area.
  5. The Plan will help attract capital investment by private enterprise, thereby providing employment and strengthening the City's economic base.
  6. The Plan will improve conditions and correct problems in the Area related to vehicular access and circulation, public utilities, drainage, environmental contamination, public safety, sewer connectivity, underutilization of land, and public amenities.

**B. Land Use Regulations and Building Requirements**

The Plan will provide a comprehensive and unified plan to promote and encourage high quality development and redevelopment of the Urban Renewal Area by cooperative efforts of private enterprise and public bodies. Notwithstanding anything in the Plan to the contrary, the development and use of the property within the Urban Renewal Area described in the Plan including, without limitation, land area, land use, design building requirements, timing or procedures applicable to the property, shall be subject to the Pueblo Municipal Code and secondary codes and other applicable standards and regulations of the City ("City Regulations") which shall be controlling with respect thereto.

**6. PROJECT ACTIVITIES**

The following provisions shall apply to the Area. In accordance with the Act, the Authority may undertake these activities directly or, to the extent authorized by applicable law, contract with third parties to do so.

A. Land Acquisition

The Authority does not intend to undertake land acquisition in the Urban Renewal Area. However, in order to carry out this Plan, the Authority may exercise any and all of its rights and powers under the Act and any other applicable law, ordinance or regulation. The Authority may acquire any interest in property by any manner available; provided, however, acquisition of property by eminent domain is not authorized.

B. Relocation

The Authority does not intend to cause displacement of any parties within the Area. However, if acquisition of property displaces any individual, family, or business concern, the Authority may assist such party in finding another location, and may, but is not obligated to, make relocation payments to eligible residents and businesses in such amounts and under such terms and conditions as it may determine and as may be required by law.

C. Demolition, Clearance and Site Preparation

The Authority does not intend to acquire any real property in the Area. The Authority intends to demolish and clear buildings, structures, and other improvements from the Area. The Authority intends to participate in the remediation of environmental contamination in the Area and prepare the site for redevelopment. The Authority may also reimburse others to undertake any or all of such activities. The Authority intends to provide or finance rough and finished site grading and other site preparation services as part of a comprehensive redevelopment program.

D. Property Management

The Authority does not intend to acquire or manage any property in the Area. If the occasion for such services is required, the Authority shall comply with all applicable requirements of the Act.

E. Land Disposition, Redevelopment and Rehabilitation

If the Authority acquires any property, it shall dispose of such property for private use by means of a reasonable competitive bidding procedure it establishes in accordance with the Act and pursuant to redevelopment agreements between the Authority and such purchasers. Any property owned by the Authority may be dedicated, sold or otherwise conveyed for public use in accordance with the Act.

The Authority may also enter into owner participation agreements with property owners in the Area for the development, redevelopment or rehabilitation of their property. Such agreements will provide for such participation and assistance as the Authority may elect to provide to such owners.

The Authority may develop, construct, maintain, and operate buildings and facilities devoted to uses and purposes as the Authority deems to be in the public interest and authorized by the Act.

All such redevelopment, owner participation and other agreements shall contain, at a minimum, provisions requiring:

1. Compliance with the Plan and City Regulations;
2. Covenants to begin and complete development, construction or rehabilitation of both public and private improvements within a period of time deemed to be reasonable by the Authority;
3. The financial commitments of each party (but nothing herein shall obligate the Authority to make any such financial commitment to any party or transaction).

F. Public Improvements

The Authority will cooperate with private enterprise, the City and other public bodies to provide the infrastructure necessary to service the Industrial Employment Center within the Plan Area. The Authority is authorized to cooperate with all such parties to finance, assist in the design, installation, construction, and reconstruction of public improvements and other infrastructure in the Area and to enter into agreements to provide public improvements and equipment necessary and incidental to the provision of infrastructure improvements and public services to serve the needs of the Area.

G. Cooperation Agreements

For the purposes of planning and carrying out this Plan in the Area, the Authority may enter into one or more cooperation agreements with the City or other public bodies. Without limitation, such agreements may include project financing and implementation; design, location, installation, and construction of public improvements, provision for municipal services, and any other matters required to carry out this Project. It is recognized that cooperation with the City and other public and private bodies may be required to coordinate such issues as the design, construction, maintenance, operation, timing of public and private improvements, and the provision of municipal services within and outside of the Area to properly and efficiently carry out the goals and objectives of this Plan.

H. Other Project Undertakings and Activities

Other Project undertakings and activities deemed necessary by the Authority to carry out the Plan in the Area may be undertaken and performed by the Authority or pursuant to agreements with other parties, including private enterprise and public bodies in accordance with the authorization of the Act and any and all applicable laws.

## 7. PROJECT FINANCING

The Authority is authorized to finance activities and undertakings under this Plan by any method authorized by the Act or any other applicable law, including without limitation, Tax Increment Financing, appropriations, loans or advances from the City; federal loans and grants; state loans and grants; interest income; pay as you go arrangements; annual appropriation agreements; agreements with public and private parties or entities; sale of securities; loans, advances and grants from any other available source.

Any and all financing methods legally available to the City, the Authority, any private developer, redeveloper or owner may be used to finance in whole or in part any and all costs, including without limitation, the cost of public improvements described or anticipated in the Plan or in any manner related or incidental to the development of the Urban Renewal Area. Such methods may be combined to finance all or any part of activities and undertakings throughout the Urban Renewal Area. Any financing method authorized by the Plan or by any applicable law, including without limitation, the Act, may be used to pay the principal of and interest on and to establish reserves for indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Authority, the City, or other public or private entity to finance activities and undertakings authorized by the Act and this Plan in whole or in part.

The Authority is authorized to issue notes, bonds or any other financing instruments or documents in amounts sufficient to finance all or part of the Urban Renewal Plan. The Authority is authorized to borrow funds and to create indebtedness in carrying out this Plan. The principal, interest, and any premiums due on or in connection with such indebtedness may be paid from any funds available to the Authority.

The Project may, pursuant to a cooperation agreement between the Authority and the City, be financed by the Authority under the property tax allocation financing provisions of the Act, commonly referred to as Tax Increment Financing, which shall be in effect for the Duration allowed by the Act, as follows:

### 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 (the "Base Amount") 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 for the Duration 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.

Unless and until the total valuation for assessment of the taxable property in the Urban Renewal Area exceeds the base valuation for assessment of the taxable property in the Urban Renewal 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, above, is hereby irrevocably pledged by the Authority for the Duration to 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 Urban Renewal Project. 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 and to otherwise comply with the requirements and authorizations of the Act.

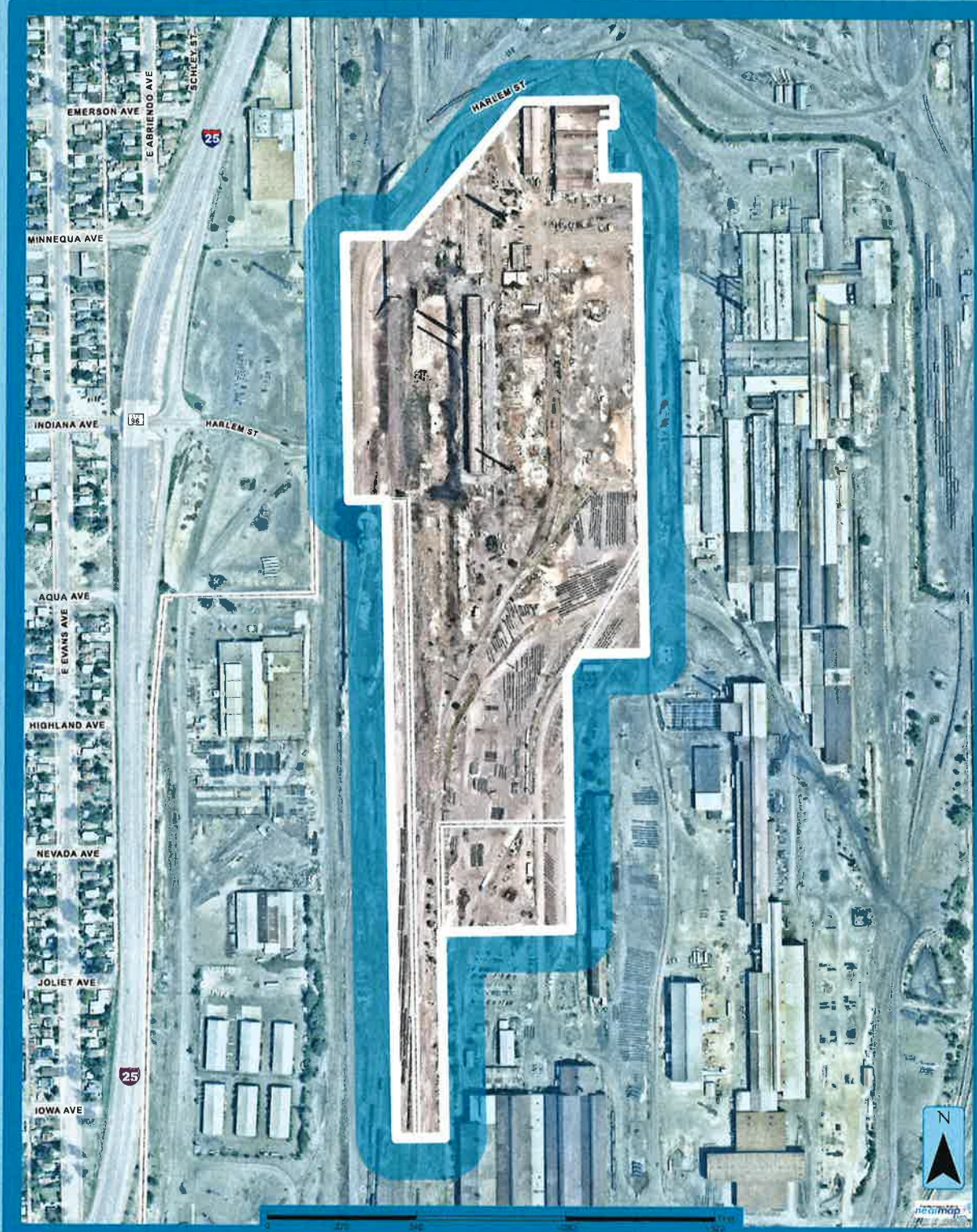
## **8. CHANGES IN APPROVED PLAN**

This Plan may be modified pursuant to the provisions of the Act governing such modifications, and the protections and notices to owners and others required by the Act, including Section 31-25-107, C.R.S.

## **9. MINOR VARIATIONS**

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

# EVRAZ RAIL PROJECT AREA



- Legend
-  Evraz Rail Project Area  
~59 Acres
  -  Existing City Limits



EXHIBIT B  
Legal Description of the Urban Renewal Area

A parcel of land located in a portion of the East one-half (1/2) of Sections 12, and 13, Township 21 South, Range 65 West of the 6th P.M. in the County of Pueblo and State of Colorado, being more particularly described as follows.

Considering the South line of Block 39 in Lake Minnequa Addition as filed for record in the Pueblo County records to bear N. 88°54'21" E. and all bearings contained herein being relative thereto.

Commencing at the Southeast corner of said Block 39; thence N. 88°54'21" E., a distance of 125.00 feet to the east right-of-way line of the Denver and Rio Grande Railroad as presently located; thence N. 01°04'44" W. along said east right-of-way line, a distance of 300.00 feet to the Point of Beginning; thence N. 01°04'44" W. continuing along said east right-of-way line, a distance of 950.00 feet; thence N. 88°54'21" E., a distance of 226.00 feet; thence N. 40°24'00" E., a distance of 636.00 feet; thence N. 88°54'21" E., a distance of 342.00 feet; thence S. 01°05'39" E., a distance of 90.00 feet; thence S. 88°54'21" W., a distance of 44.00 feet; thence S. 01°05'39" E., a distance of 190.00 feet; thence N. 88°54'21" E., a distance of 120.00 feet; thence S. 01°05'39" E., a distance of 1,711.00 feet; thence S. 88°54'21" W., a distance of 239.32 feet; thence S. 29°59'20" W., a distance of 84.44 feet; thence S. 01°05'39" E., a distance of 918.00 feet; thence S. 88°54'21" W., a distance of 471.00 feet; thence S. 01°05'39" E., a distance of 737.71 feet; thence S. 88°54'21" W., a distance of 175.00 feet; thence N. 01°05'39" W., a distance of 2292.65 feet; thence N. 88°54'21" E., a distance of 136.71 feet to the east right-of-way line of the Denver and Rio Grande Railroad as presently located and the Point of Beginning.

Containing 59.16 acres, more or less