

CHEROKEE URBAN REDEVELOPMENT PLAN

An Urban Renewal Plan for the Cherokee Urban Redevelopment Area

DENVER URBAN RENEWAL AUTHORITY

Dated as of _____ 2003

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I. PREFACE AND DEFINITIONS

A. Preface

This urban renewal plan, referenced herein as the Urban Redevelopment Plan, has been prepared by the Denver Urban Renewal Authority (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”). This Urban Redevelopment Plan describes the framework for certain public undertakings constituting urban renewal projects and other authorized undertakings under the Act in the Cherokee Urban Redevelopment Area described in Exhibit A hereto and depicted on the map attached as Exhibit B hereto (“Cherokee Urban Redevelopment Area”). Blueprint Denver identifies the area of the formerly occupied by the Gates Rubber Company, including the Cherokee Urban Redevelopment Area, as an Area of Change and states:

The Purpose of Areas of Change is to channel growth to where it will be beneficial and can best improve access to jobs, housing and services with fewer and shorter auto trips. Areas of Change are parts of the City where general agreement exists that development or redevelopment is beneficial.

Except as otherwise provided herein or as may be provided in any Cooperation Agreement (defined below), the administration of the Projects and the implementation and enforcement of this Urban Redevelopment Plan, including, without limitation, the preparation and execution of any implementing documents, shall be performed by the Authority in accordance with the Act and this Urban Redevelopment Plan.

As set forth in Section V hereof relating to Project Financing, the Authority will not engage in any financing activities with respect to the Projects (defined below) until a general development plan for the Cherokee Urban Redevelopment Area (the “General

Development Plan”) has been reviewed and approved in accordance with Section 59-314 of the City's Revised Municipal Code [Section 59-430.12 (1950 Code, as amended)] and all zoning ordinances applicable to the Cherokee Urban Redevelopment Area. Following such approval the Authority’s use of City owned or controlled funds for the Projects within the Cherokee Urban Redevelopment Plan shall be subject to approval of such use as required by the City’s Home Rule Charter, Revised Municipal Code and other normal City procedures applicable to projects that are not part of urban renewal or redevelopment plans.

Tax increment financing as authorized by the provisions of Section 31-25-107(9) of the Act shall not be utilized to finance the Projects, in whole or in part, until City Council adopts an amendment to this Urban Redevelopment Plan authorizing the same. It is currently contemplated that this Urban Redevelopment Plan will not be amended to include tax increment financing until strategies are developed to finance the construction and implementation of infrastructure for the Cherokee Urban Redevelopment Area. Such strategies may be incorporated into the General Development Plan, separate development agreements between the City and developers of Projects, metropolitan or other special districts authorized by Colorado law and approved by City Council, Cooperation Agreements with the Authority, the City’s capital improvement program or other appropriate agreements. In connection with such amendment, and in accordance with the Act, School District No. 1 in the City and County of Denver shall be permitted to participate in an advisory capacity with respect to the inclusion of tax increment financing in this Urban Redevelopment Plan.

Finally, the entirety of the former Gates Rubber Company site for which redevelopment is contemplated includes property situated on the east side of Broadway, south of I-25 which currently is not included within the boundaries of the Cherokee Urban Redevelopment Area. It is currently contemplated that not later than City Council's consideration of an amendment to include tax increment financing in this Cherokee Urban Redevelopment Plan, the City and the Authority, in their discretion, may determine to amend this Cherokee Urban Redevelopment Plan to include all or a portion of the former Gates Rubber Company site, or to adopt a separate urban redevelopment plan for all or a portion of that property.

B. Background of the Urban Redevelopment Plan

The Cherokee Urban Redevelopment Area is comprised of approximately 80.135 acres and is situated at the southwest corner of the intersection of Interstate 25 and South Broadway, approximately three and one-half miles south of Downtown Denver. The Cherokee Urban Redevelopment Area consists of the portion of the property on the west side of Broadway previously occupied by the Gates Rubber Company.

The Gates Rubber Company was founded in 1911 by Charles Gates, Sr. around the idea that metal automobile tires could have a replaceable rubber band around them to extend their mileage. Over the next 90 years, the Company grew to manufacture a large variety of automobile belts, hoses and other products. It became a multinational corporation and one of the nation's largest rubber product manufacturers. Initially, the site housed corporate offices, research and engineering laboratories. As the business grew, the property evolved into a mixed-use campus containing industrial, administrative, recreational and retail properties. At its peak, Gates employed over 10,000 people at its

South Broadway location. Over time, Gates began to shift its manufacturing functions abroad and activity at the south Broadway campus declined significantly. All major manufacturing activities ceased in 1991 and the facilities have been mostly dormant since that time.

There are currently over 2.3 million square feet of industrial and warehouse buildings on the property, many of which will need to be demolished in order to complete remediation of existing environmental contamination prior to redevelopment.

C. Definitions

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

1. The term “Cooperation Agreement” means any agreement between the Authority and the City and County of Denver (the “City”) 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 undertakings deemed necessary or appropriate by the Authority under this Urban Redevelopment Plan. Any such Cooperation Agreement may include, without limitation, agreements respecting the planning or undertaking of this Urban Redevelopment Plan and one or more Projects, as well as programs, 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 and private improvements within the Urban Redevelopment Area.

2. The term “Projects” means the redevelopment of the Cherokee Urban Redevelopment Area with mixed uses presently contemplated to include 2,500 to 4,000 residential units, 5.5 to 7 million square feet of space, organized in 4 to 12-story buildings of office, retail, entertainment, hotel and similar uses to complement the planned expansion of the light rail station at Broadway and I-25. The term Projects also includes demolition of existing buildings, any necessary environmental remediation and any necessary public and private infrastructure. It is anticipated that the Projects will be completed over a ten to fifteen year timeframe.

3. The term “Redevelopment Agreement” means an agreement between the Authority and private developers respecting the redevelopment or rehabilitation of property within the Urban Redevelopment Area.

II. LEGISLATIVE FINDINGS

The City Council has found by Ordinance that:

A. Blight

Based on the Blight Study dated February 2003 (the “Blight Study”) conducted by URS (such Study having been heretofore filed with the City Council and the City Clerk) and evidence presented at public hearing, there exists “blight” (as defined in the Act) in the Cherokee Urban Redevelopment Area by reason of (i) slum, deteriorated, or deteriorating structures, (ii) predominance of defective or inadequate street layout, (iii) faulty lot layout, (iv) deterioration of site or other improvements, (v) unsanitary or unsafe conditions, and (vi) inadequate public improvements or utilities. Such blight substantially impairs or arrests the sound growth of the municipality.

B. Urban Redevelopment Projects

The Urban Redevelopment Area is appropriate for the Projects, and other authorized undertakings of the Authority pursuant to the Act.

Private investment in and around the proposed Projects will assist in the redevelopment and conversion of the Cherokee Urban Redevelopment Area into a compatible and viable neighborhood.

C. Planning Approval

A general plan for the City, known as the Denver Comprehensive Plan 2000 (“Plan 2000”) has been prepared and adopted by City Council. This Urban Redevelopment Plan has been submitted to the Planning Board of the City for review and recommendations as to its conformity with the Plan 2000, and the Planning Board has submitted its written recommendations with respect to this Urban Redevelopment Plan to the City Council.

D. Conformance with Comprehensive Plan; Objectives Relating to Appropriate Land Uses

The Cherokee Urban Redevelopment Area consists of a former industrial site located in a key area of the City.

Situated just a few miles from the Downtown Denver, the Cherokee Urban Redevelopment Area is consistent with the desire for transit-oriented and infill development for a number of reasons. Broadway, Interstate 25 and Santa Fe Drive all converge in the area, as do a variety of transportation modes. The proposed redevelopment will maximize transit opportunities, concentrating a mix of housing, retail, entertainment and commercial development at one of the few large sites remaining so

near the center of the City. In the future, residents will be able to live, shop and socialize in the Cherokee Urban Redevelopment Area while having nearby transit access to Downtown Denver and other portions of the metropolitan area. Besides helping protect the environment by reducing automobile usage, the redevelopment would conserve land and help prevent sprawl.

The redevelopment also would transform an environmentally contaminated “brownfields” site that is unattractive and unsuitable for other uses as it currently exists. Environmental contamination will be remediated so that offices, housing and retail can be built on the site.

Another benefit of the redevelopment would be a reconnection of the site with the existing surrounding neighborhoods. Offices generally would be built on the northwest corner of the site and near the expanded transit station to maximize visibility from the highway, while residential units would be located to the south of the site to help create an appropriate transition to the surrounding neighborhoods. Upgrades would be made to streets, intersections, streetscapes, sewer and water, all of which would benefit nearby neighborhoods and the public in general. A proposed vehicular, pedestrian and bicycle bridge over the Platte River will facilitate auto access to the site and pedestrian access to Vanderbilt Park and the Platte River Greenway.

The redevelopment also would help achieve the goal of increasing housing stock by creating 2,500 to 4,000 residential units.

Finally, the redevelopment would create new jobs, both temporary jobs during the construction phase and permanent jobs once it is complete.

Goals and objectives of the Plan 2000 applicable to the Projects are set forth

below:

- a. Encourage redevelopment of vacant, underutilized and environmentally compromised land known as brownfields. (1-A, Page 37)
- b. Conserve land by: Promoting infill development within Denver at sites where services and infrastructure are already in place. (2-F, Page 39)
- c. Conserve land by: Designing mixed-use communities and reducing sprawl, so that residents can live, work and play within their own neighborhoods. (2-F, Page 39)
- d. Conserve land by: Creating more density at transit nodes. (2-F, Page 39) Promote the development of sustainable communities and centers of activity where shopping, jobs, recreation and schools are accessible by multiple forms of transportation, providing opportunities for people to live where they work. (4-A, Page 41)
- e. Promote convenient public transit for the community, including buses, light rail and other alternatives to single-occupancy vehicles. (4-D, Page 41)
- f. Encourage development of housing that meets the increasingly diverse needs of Denver's present and future residents. . . (1-H, Page 58)
- g. Encourage quality infill development that is consistent with the character of the surrounding neighborhood; that offers opportunities for increased density and more amenities; and that broadens the variety of compatible uses. (3-B, Page 60)
- h. Encourage mixed-use, transit-oriented development that makes effective use of existing transportation infrastructure, supports transit stations, increases transit patronage, reduces impact on the environment and encourages vibrant urban centers and neighborhoods. (4-A, Page 60)
- i. Promote transit-oriented development as an urban design framework for urban centers and development areas. Development at transit stations should provide both higher ridership to the transit system and viability and walkability in the area. (3-B, Page 77)

- j. Determine the potential for transit-oriented development at public transit stations, and encourage such opportunities whenever possible. (5-D, Page 79)
- k. Invest in public infrastructure and amenities strategically to promote community identity and attract development. (1-E, Page 98)
- l. Identify areas in which increased density and new uses are desirable and can be accommodated. (3-A, Page 99)
- m. Explore opportunities for housing in all proposed development and redevelopment projects, including commercial and retail projects. (2-F, Page 114)
- n. Ensure that plans for new development areas include traditional urban neighborhoods well-designed, well-built homes affordable to middle-income households and close to work, shopping and services. (4-C, Page 117)
- o. Identify and capitalize on opportunities to develop housing along transit lines. (6-E, Page 118)
- p. Continue to strengthen and, where necessary, revitalize Denver's commercial corridors, such as East and West Colfax, Broadway, Colorado Boulevard, East Evans and South Federal. (4-B, Page 135)
- q. Use public-private partnerships to facilitate development and redevelopment projects that advance the City's goals and objectives. When appropriate, take advantage of the Denver Urban Renewal Authority's powers and experience. (4-C, Page 136)

E. Public Hearing

The City Council has held a public hearing on this Urban Redevelopment 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 Cherokee Urban Redevelopment Area covered by this Urban Redevelopment Plan, and outlining the general scope of the Projects to be

considered for implementation by the Authority pursuant to this Urban Redevelopment Plan.

Additionally, reasonable efforts have been undertaken by the Authority to provide written notice of the public hearing to all property owners, residents and owners of business concerns in the Cherokee Urban Redevelopment Area at their last known address of record at least thirty days prior to such hearing. The written notice contained the same information as the published notice.

F. Other Findings

1. The Cherokee Urban Redevelopment 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 owners and tenants, if any, of the property located in the Cherokee Urban Redevelopment Area.

2. In order to eliminate or reduce the blighted conditions currently existing within the Cherokee Urban Redevelopment Area, as well as those blighted conditions which may be reasonably anticipated to develop within the Cherokee Urban Redevelopment Area in the absence of public action, it is the intent of the City Council in adopting this Urban Redevelopment Plan that the Authority exercise all powers authorized under the Act (except condemnation) and which are necessary, convenient or appropriate to accomplish the objectives of the Urban Redevelopment Plan.

3. The powers conferred by the Act are for public uses and purposes for which public money may be expended and the police power exercised, and this Urban

Redevelopment Plan is in the public interest and necessity, such finding being a matter of legislative determination by the City Council.

III. DESCRIPTION OF THE CHEROKEE URBAN REDEVELOPMENT AREA AND OBJECTIVES

A. Boundaries of the Cherokee Urban Redevelopment Area

The boundaries of the Cherokee Urban Redevelopment Area shall be as set forth in Exhibits A and B hereto.

B. Urban Redevelopment Plan Objectives

The general objectives of this Urban Redevelopment Plan are to reduce or eliminate blighted conditions within the Cherokee Urban Redevelopment Area and to stimulate the growth and transit-oriented development of the Cherokee Urban Redevelopment Area. In particular, this Urban Redevelopment Plan is intended to encourage infill development of an arrangement, intensity and mix of uses that promote transit use, walking, and other alternative transportation modes. This Urban Redevelopment Plan also encourages a circulation system and mix of uses that serve the surrounding neighborhood with convenient connections to transit, employment, and services, as well as other destinations.

IV. PROJECT ACTIVITIES

In undertaking the Cherokee Urban Redevelopment Projects pursuant to this Urban Redevelopment Plan, the Authority shall comply, and shall require any developer of Projects under any Redevelopment Agreement to comply with the Charter and all applicable building and zoning regulations and other applicable ordinances of the City. All Redevelopment Agreements entered into in connection with this Urban

Redevelopment Plan shall be subject to all applicable building and zoning regulations and other applicable ordinances of the City.

A. Demolition, Clearance and Site Preparation

The Authority may or may cause others to demolish and clear those buildings, structures and other improvements from property pursuant to this Urban Redevelopment Plan if such buildings, structures and other improvements are not to be rehabilitated in accordance with this Urban Redevelopment Plan.

B. Redevelopment and Rehabilitation Actions

Redevelopment and rehabilitation actions within the Cherokee Urban Redevelopment Area may include such undertakings and activities as are in accordance with this Urban Redevelopment Plan and the Act, including without limitation: (i) the demolition and removal of buildings and improvements; (ii) the installation, construction and reconstruction of public and private improvements; (iii) the taking of such other actions as determined by the Authority as necessary or desirable to eliminate unhealthy, unsanitary or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare, or otherwise remove or prevent the spread of blight or deterioration or to provide land for needed public facilities.

It is anticipated that the redevelopment and rehabilitation of property within the Cherokee Urban Redevelopment Area will be for the purpose of promoting a mix of uses within the Cherokee Urban Redevelopment Area and other undertakings authorized or allowed by this Urban Redevelopment Plan or the Act, and shall, if required in the judgment of the Authority, be undertaken pursuant to the terms of Redevelopment Agreement(s), provided that in the absence of any such Redevelopment Agreement(s),

development, redevelopment, and rehabilitation within the Cherokee Urban Redevelopment Area may be undertaken in accordance with the applicable building and zoning regulations and other applicable ordinances of the City.

C. Public Participation

The Authority shall meet with appropriate registered neighborhood organizations and invite public comments relating to the Projects proposed pursuant to this Urban Redevelopment Plan. Pursuant to policies adopted by the Authority and 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, the Projects' plans and proposals will be made available to the public.

D. Redevelopment Agreements

The Authority is authorized to enter into one or more Redevelopment Agreements with developers, land owners and such other entities as are determined by the Authority to be necessary or desirable to carry out the purposes of this Urban Redevelopment 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 Redevelopment Plan or the Act, and may further provide for such undertakings by the Authority, including financial assistance (subject to the limitations contained herein), as may be necessary for the achievement of the objectives of this Urban Redevelopment Plan or as may otherwise be authorized by the Act.

E. Public and Other Improvements and Facilities

The Authority may undertake certain actions that would make the Urban Redevelopment Area more attractive for private investment. The Authority may install, construct, and reconstruct any public or other improvements in the Cherokee Urban Redevelopment Area, which may include, without limitation, streets, sidewalks, alleys, underground utility and service facilities, and streetscape improvements. The Authority may also install, construct and reconstruct other improvements in the Urban Redevelopment Area for the purpose of promoting the objectives of this Urban Redevelopment Plan and the Act.

V. PROJECT FINANCING

A. Prior to Approval of General Development Plan and Zoning Ordinance

Prior to review and approval of the General Development Plan for the Cherokee Urban Redevelopment Area in accordance with Section 59-430.12 of the City's Revised Municipal Code [Section 59-430.12 (1950 Code, as amended)] and all zoning ordinances applicable to the Cherokee Urban Redevelopment Area, the Authority will not engage in any financing activities with respect to Projects or the Urban Redevelopment Area.

B. Following Approval of General Development Plan and Zoning Ordinance

Following such approval of the General Development Plan and zoning ordinance, the Authority will be authorized to finance the Cherokee Urban Redevelopment Projects within the Cherokee Urban Redevelopment Area with appropriations from the City, interest income, loans or grants, or any other available source of revenue. The Authority's use of City owned or controlled funds for the Projects within the Cherokee Urban Redevelopment Area shall be subject to approval of such use as required by the

City's Home Rule Charter, Revised Municipal Code and other normal City procedures applicable to projects that are not contemplated by urban renewal or redevelopment plans.

Except as provided in V. C. below relating to tax increment financing, following such approval of the General Development Plan, the Authority will also be authorized to issue bonds or other obligations contemplated by the Act in an amount sufficient to finance all or any part of the Projects. Additionally, the Authority will be authorized to borrow funds and create indebtedness in any authorized form in carrying out this Urban Redevelopment Plan and undertaking the Projects in the manner contemplated by the Act. The principal of, premium, if any, and interest on such indebtedness may be paid from any funds, revenues, assets or properties legally available to the Authority.

C. Tax Increment Financing

Notwithstanding the provisions of V. A. and B. above, only after adoption by City Council of an amendment to this Urban Redevelopment Plan authorizing the same, may the Projects be financed in whole or in part by the Authority under the tax increment financing provisions of Section 31-25-107(9) of the Act.

VI. LAND USE PLAN

A. Land Use Designation

Land use within the Cherokee Urban Redevelopment Area shall conform to those uses (by right or otherwise) permitted by applicable ordinances and regulations, including zoning regulations for property zoned T-MU-30, of the City.

B. Land Use Objectives

Land use objectives of this Urban Redevelopment Plan are to encourage the development of uses, building densities, open space, pedestrian and vehicular accommodations and other related facilities compatible with the concept of transit-oriented development in connection with the planned expansion of the light rail station at Broadway and I-25 and consistent with any approved General Development Plan for the Cherokee Urban Redevelopment Area.

VII. CHANGES IN THE APPROVED URBAN REDEVELOPMENT PLAN

This Urban Redevelopment 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.

VIII. PROJECT ART

The Authority requires that project art be installed in accordance with the Authority's Project Art Program. This program provides for 1% of the principal amount of financing provided by the Authority to be utilized for project art in a location accessible to the general public.

IX. DESIGN REVIEW

In connection with its undertaking of Projects, the Authority may require participation in a design review process in collaboration with applicable City staff.

X. SEVERABILITY

If any provision of this Urban Redevelopment Plan is held by a court to be illegal, invalid, or unenforceable, the other provisions herein that are severable shall be unaffected. Furthermore, such illegal, invalid or unenforceable provision shall be automatically replaced with a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still be legal, valid and enforceable, and this Urban Redevelopment Plan shall be deemed reformed accordingly.

XI. MINOR VARIATIONS

In specific cases, where a literal enforcement of the provisions contained in this Urban Redevelopment Plan constitutes an unreasonable limitation 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 prior to any such variance.

XII. FIRST SOURCE HIRING PROGRAM

With respect to the Redevelopment Agreement, DURA and the Owner/Developers shall work together with the Mayor's Office of Employment and Training and other such designated agencies to carry out the First Source Hiring Program designed to provide employment opportunities to Denver residents, and which includes, among other things, recruitment, training, and similar activities, for permanent employees of the owners and tenants at the Projects.

XIII. SMALL BUSINESS ENTERPRISE UTILIZATION PROGRAM

DURA will adopt, or require Owner/Developers to adopt, a small business enterprise utilization plan regarding small business enterprise participation for each Redevelopment Agreement and for any other agreement DURA implements in connection with the Projects. DURA agrees to implement and enforce, or cause Owner/Developers to implement and enforce, such small business enterprise utilization plans and to review and, if necessary, update such plans from time to time.

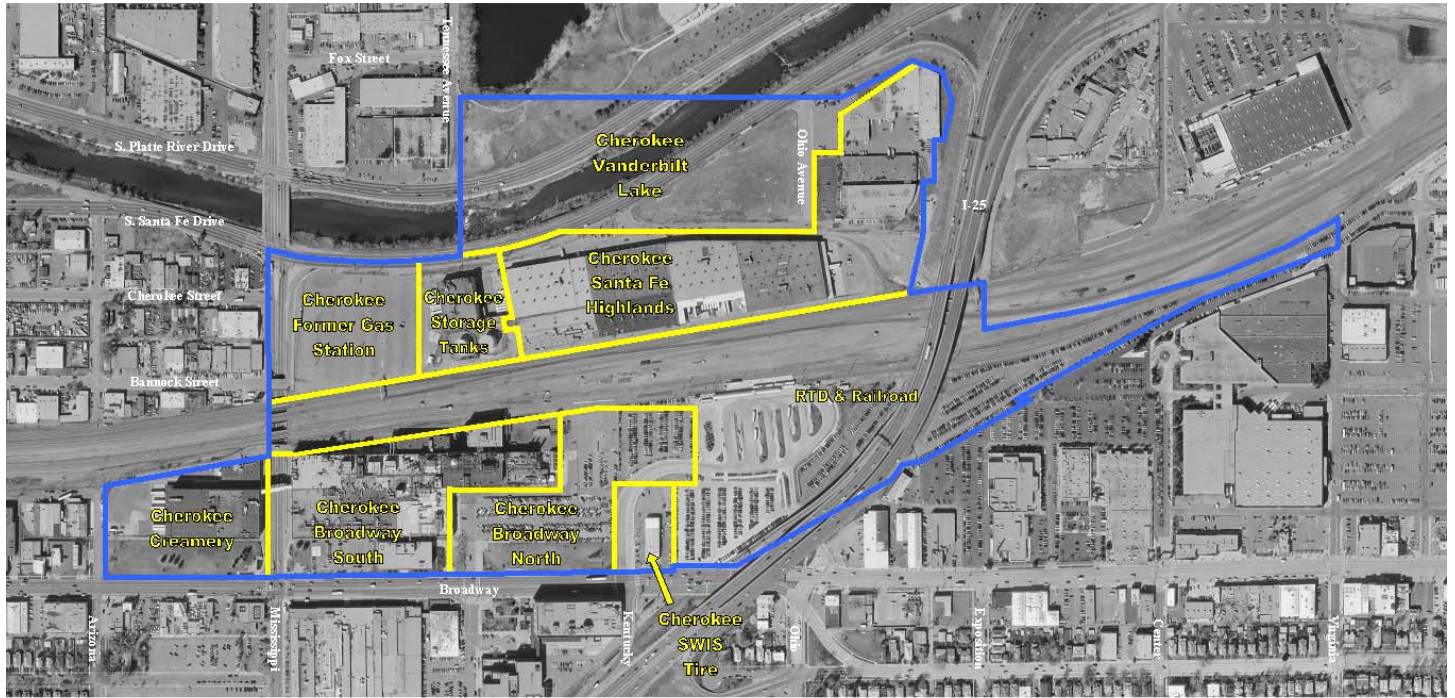
EXHIBIT A

Cherokee Urban Redevelopment Area

Containing 3,490,681 Square Feet or 80.135 Acres, more or less.

The Cherokee Urban Redevelopment Area shall also include all dedicated public rights-of-way within 1,000 feet of the Area described above.

Exhibit B Cherokee Urban Redevelopment Boundary



MAP KEY

- Study Area Boundary
- Sub-Area Boundary

URS