

Centerra South



Loveland Urban
Renewal Authority
April 10, 2023

The Story
**Centerra and
Loveland History**

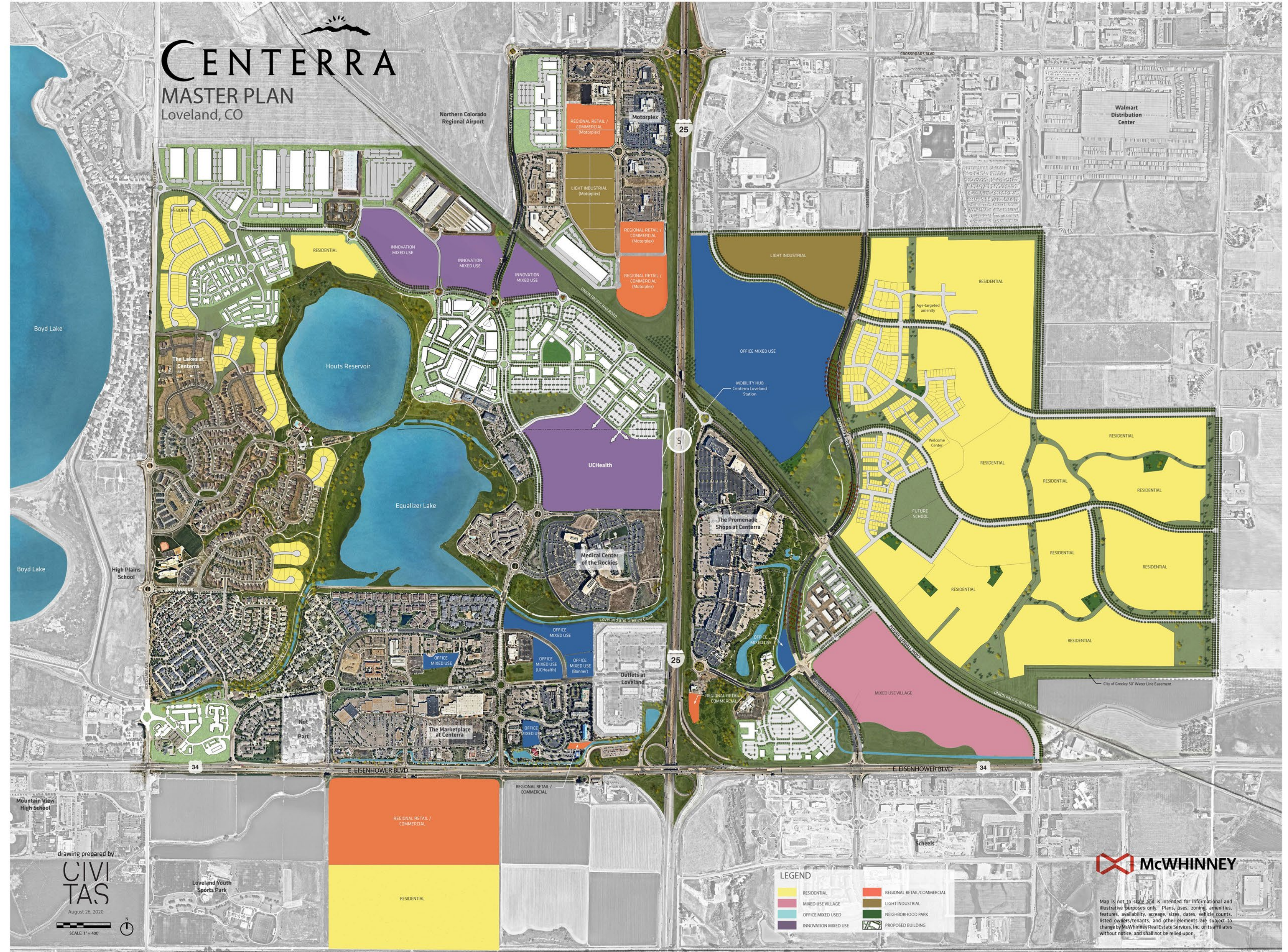
- McWhinney family presence in Loveland for five generations
- Chad and Troy start assembling Centerra land in 1990s
- City, County, School District and others partner to create the MFA in 2004



The Story

What Centerra has meant to Loveland

- Job creation
- Tourism
- Public improvements
- Arts & culture
- Property and sales tax
- Community partnerships
- Attainable & Affordable Housing



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More than
8,500

People Work in Centerra

155+

Businesses

5,000+

People Live in Centerra

Created more than
\$1 Billion

in actual property value

(source, Larimer County Assessor)



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Net fiscal benefit
to City of
Loveland is
\$3.7M annually
from existing development
within Centerra

Loveland receives \$3.7M annually net benefit AFTER covering cost of service, even with sharing 1.25% of sales taxes generated within Centerra

Surveys show 2/3 Centerra shoppers are from outside Loveland – this is a regional destination, bringing in sales tax from outside the City

Source: DPFG study from Centerra Metro Districts

Centerra North

Nearly \$200 million in infrastructure benefitting not only the property but *the region*

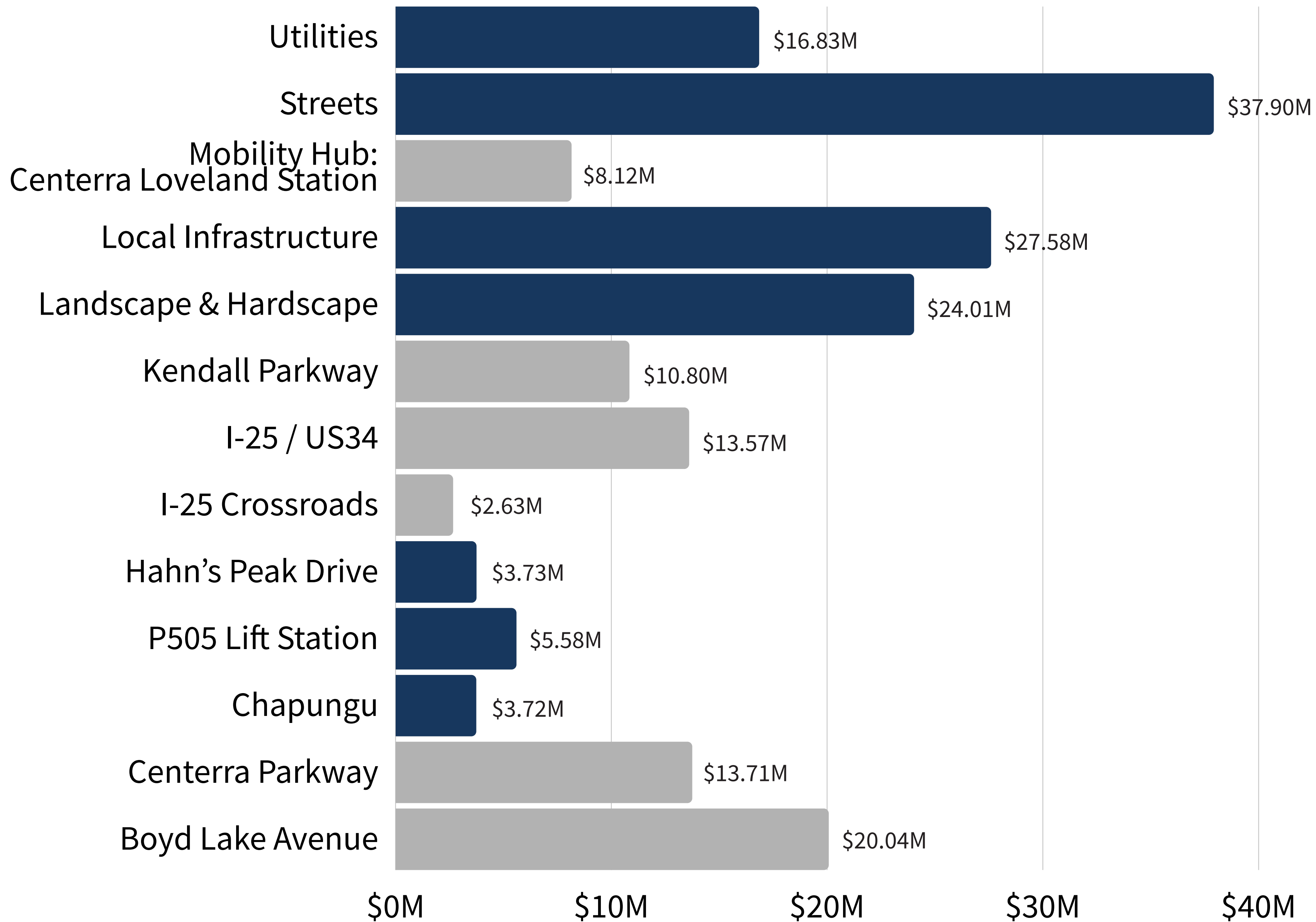


-
- I-25/US 34 interchange
 - I-25 Crossroads
 - Mobility Hub: Centerra Loveland Station
 - Chapungu Sculpture Park
 - Boyd Lake Avenue improvements



Centerra North

Capital Infrastructure Completed



Total Infrastructure Constructed:
\$188.23 Million
(in Millions)

Local Improvements
Total \$119.35 Million

Regional Improvements
Total \$68.88 Million



Kendall Parkway



**Mobility Hub:
Centerra Loveland Station**



I-25 Crossroads



**Landscape &
Hardscape**



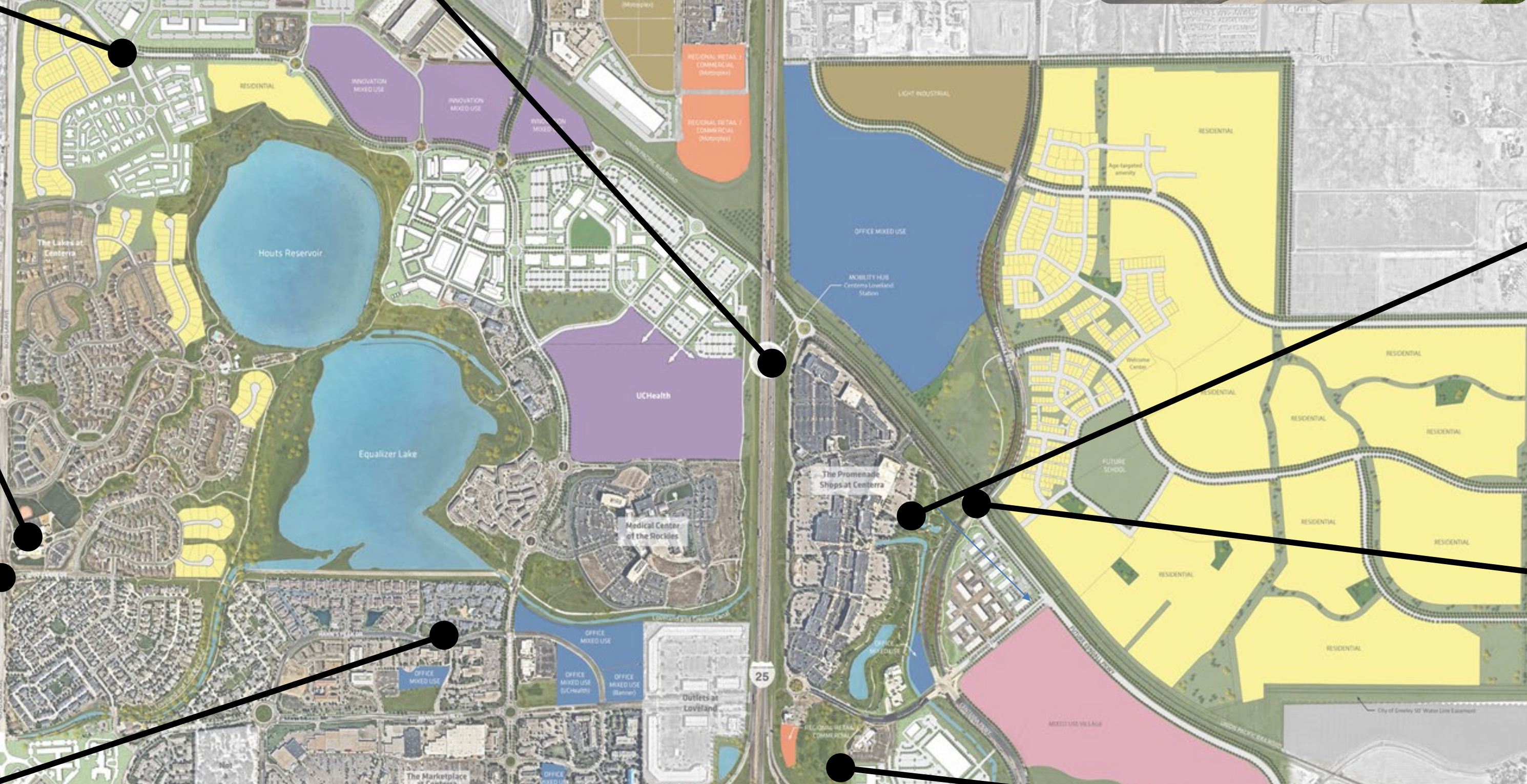
High Plains School



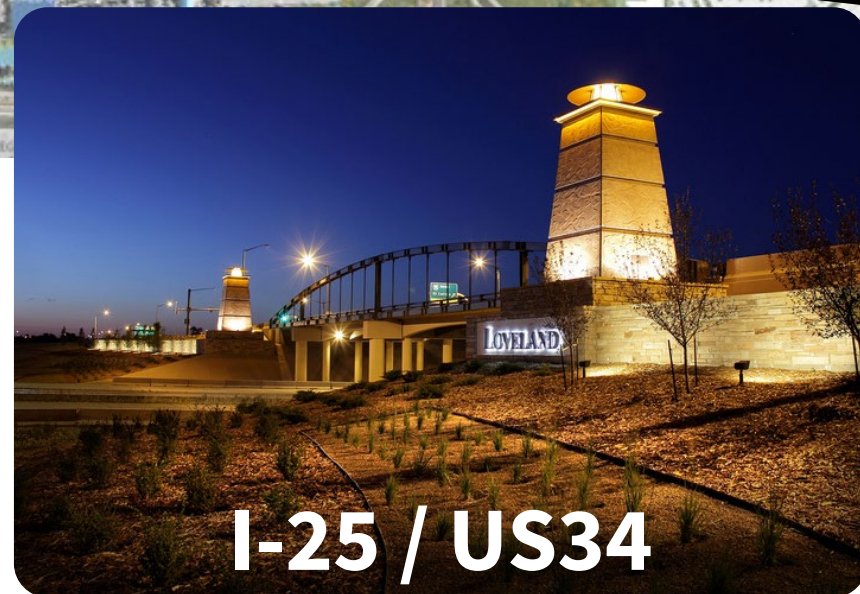
Boyd Lake Avenue



Hahn's Peak Drive



Local Infrastructure



I-25 / US34



P505 Lift Station



**Chapungu Sculpture
Park**

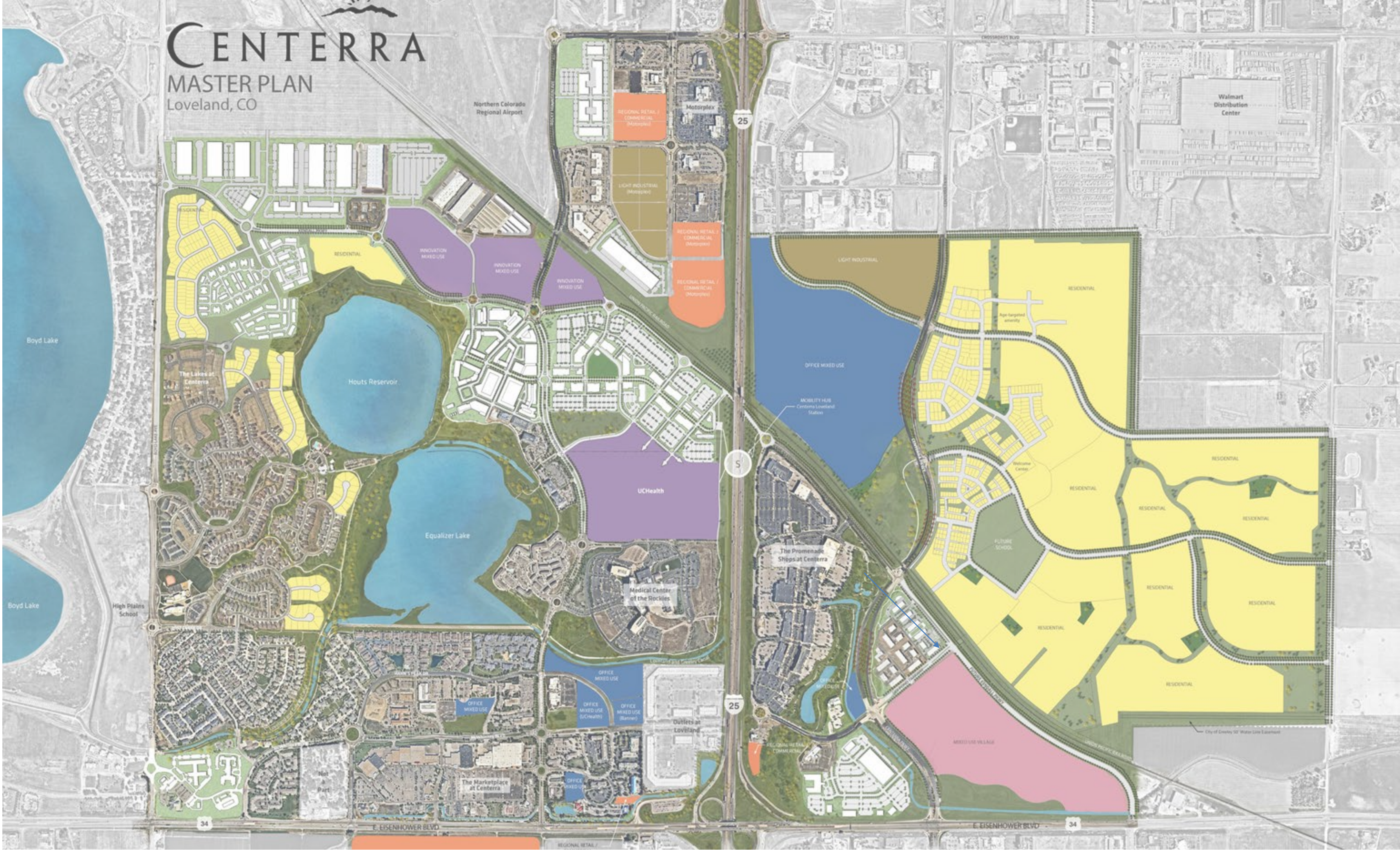


Centerra Parkway




Streets

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An aerial photograph of a residential development. In the foreground, a multi-lane road curves through a landscaped area with green grass and young trees. To the left, a river flows through a wooded area. In the center and right, several multi-story apartment buildings are under construction, with some showing white and grey exterior finishes. Construction equipment like excavators and trucks are visible on the dirt lots. The background shows a dense residential neighborhood with smaller houses and a clear blue sky.

Adjacent developments have benefitted from the infrastructure improvements completed as part of Centerra.

Benefits to School District

2009

\$1 Million for the expansion of Mountain View High School



2015 to 2016

\$16.4 Million for the construction of High Plains School



2022 to 2023

\$15.5 Million for the expansion of High Plains School

Total Improvements to Date

**\$32.9
Million**

Why Centerra South?

We want to continue our
commitment, investing in
Loveland and Centerra for
generations to come



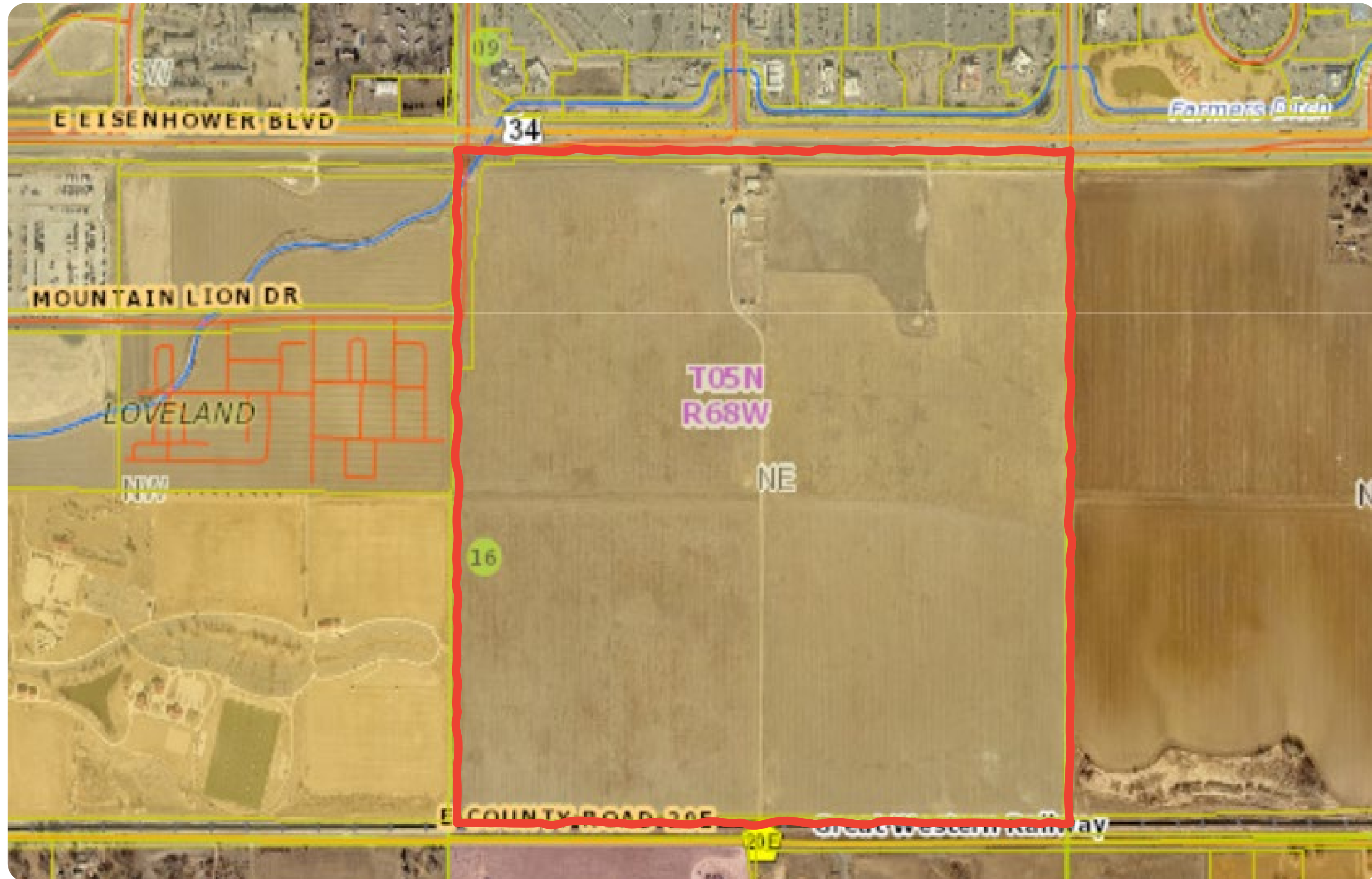
The same tools that helped make Centerra
great and create value for the City,
County, School District and
area residents are needed to take the
development to the next level



Vision for the
Centerra South Project



Centerra South



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Vision

Centerra South: A Mixed-Use Community

40,000 sf

specialty organic grocer

1,200 units

for-sale residential &
for-rent multifamily units
hospitality

100,000 sf

retail

70,000 sf

office building large enough
for ~350 employees

Central Green

public space

20,000 sf

Children's Museum of
Northern Colorado with
groundfloor retail

Centerra South



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Centerra South



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A Day in the Life **User Experience**

- Wake up and walk dog
- Yoga on the Central Green
- Grab a latte at coffee shop
- Take kids to museum
- Bike to Loveland Sports Park on community trails
- Gather with friends at park
- Shop for groceries and other goods
- Enjoy dinner at chef-inspired restaurant

Density =

- Anti-sprawl
- Greener
- More sustainable
- In line with Loveland's goals





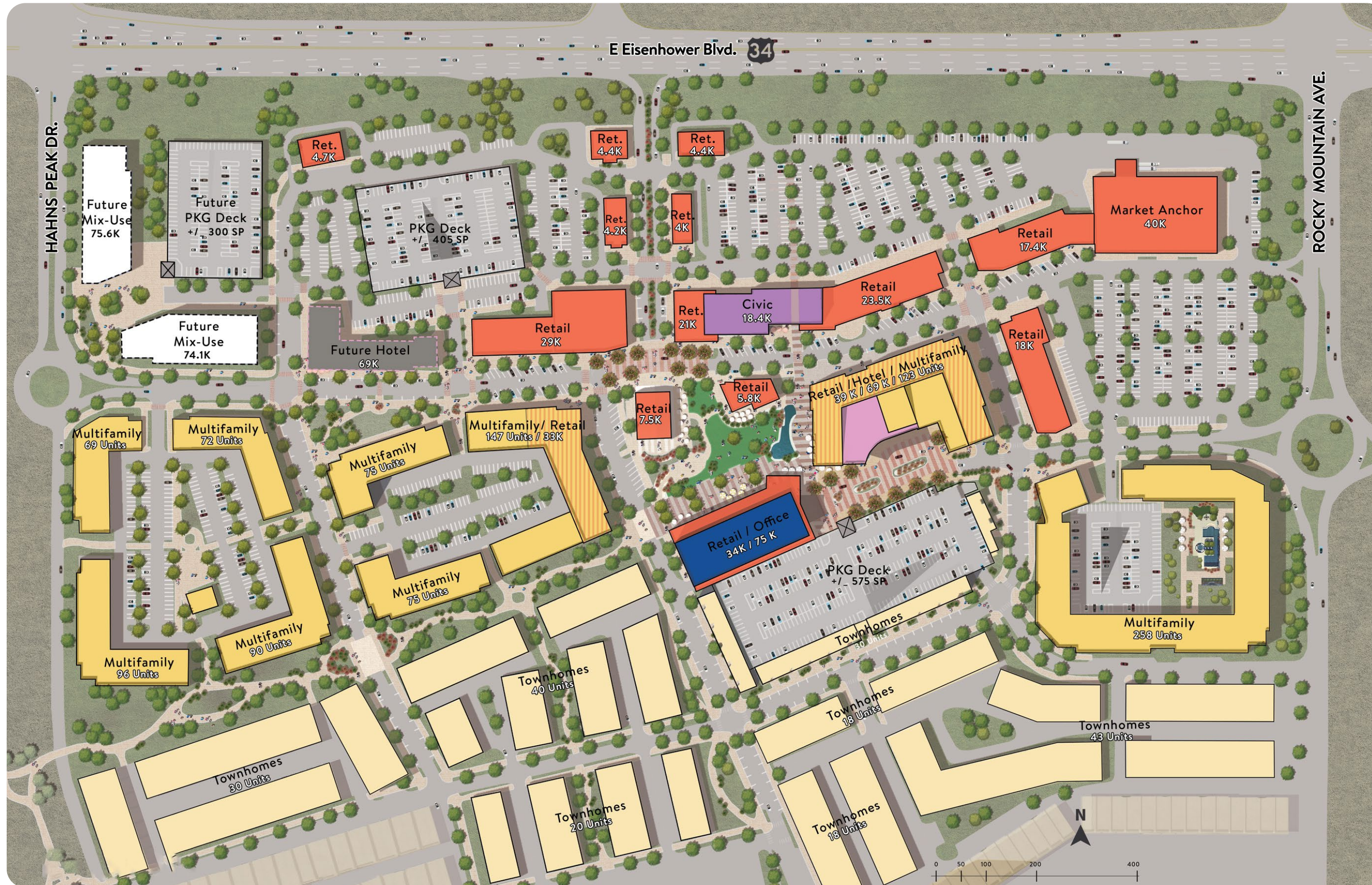
Centerra South
Commitment
to Attainable
Housing





Centerra South
Sustainability
Measures

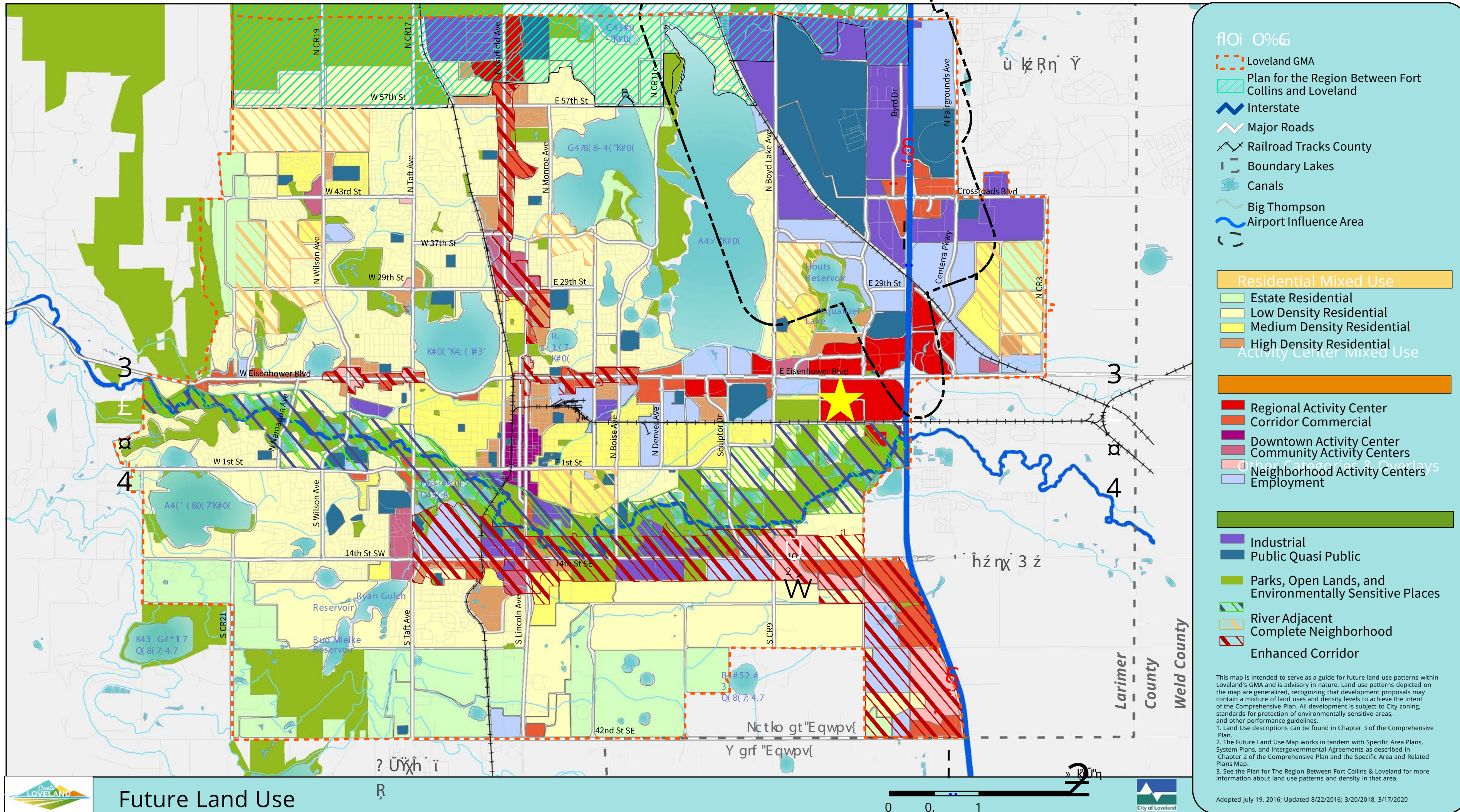




Comprehensive Plan Compliance

- Urban Renewal Plan different than Site Plan
- Draft v. final plan
- Zoned mixed-use since 2010

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- **Regional Activity Center** – includes regional commercial, service and employment uses, and high density housing
- **Comp Plan Goals:**
 - Revitalize Corridors and Gateways
 - Cultivate Vibrant Economic Centers
 - Connected and Accessible Community
 - Complete Neighborhoods
 - Integration of housing in commercial and employment centers

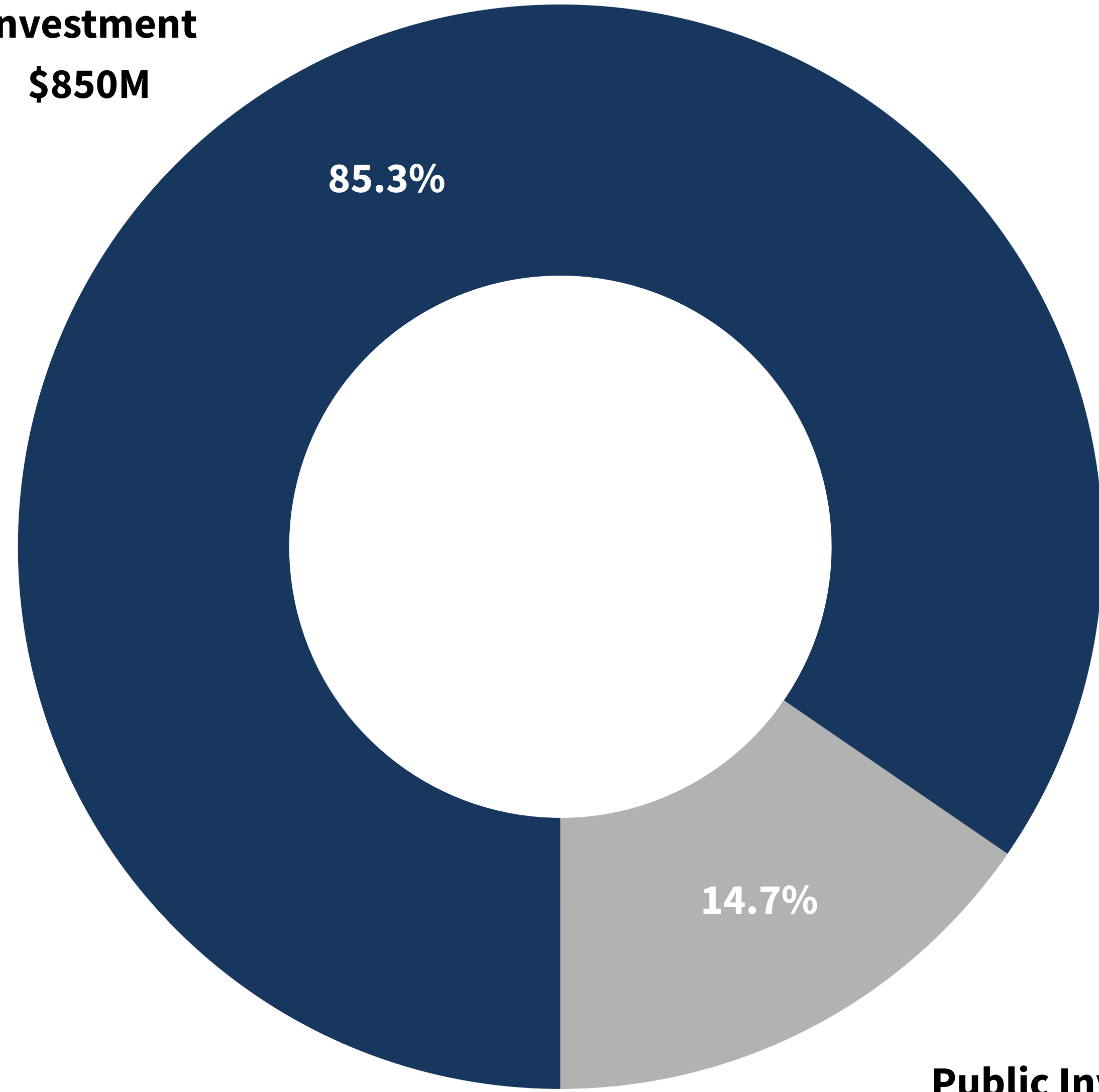
Comp Plan: “The undeveloped land directly around the I-25 / US 34 interchange should integrate a mix of housing options into future development. This area is an opportunity to integrate new denser housing options with commercial space.”

Comp Plan: “Where appropriate, utilize urban renewal policies to organize and incentivize desired redevelopment projects.”

MFA

All Revenue Sources
Public + Private

Private
Investment
\$850M



Public Investment
Request
\$155M

Centerra South
Total Cost

\$1,049,000,000



Overview of Infrastructure Costs at Centerra South

What exactly do we mean by “infrastructure?”

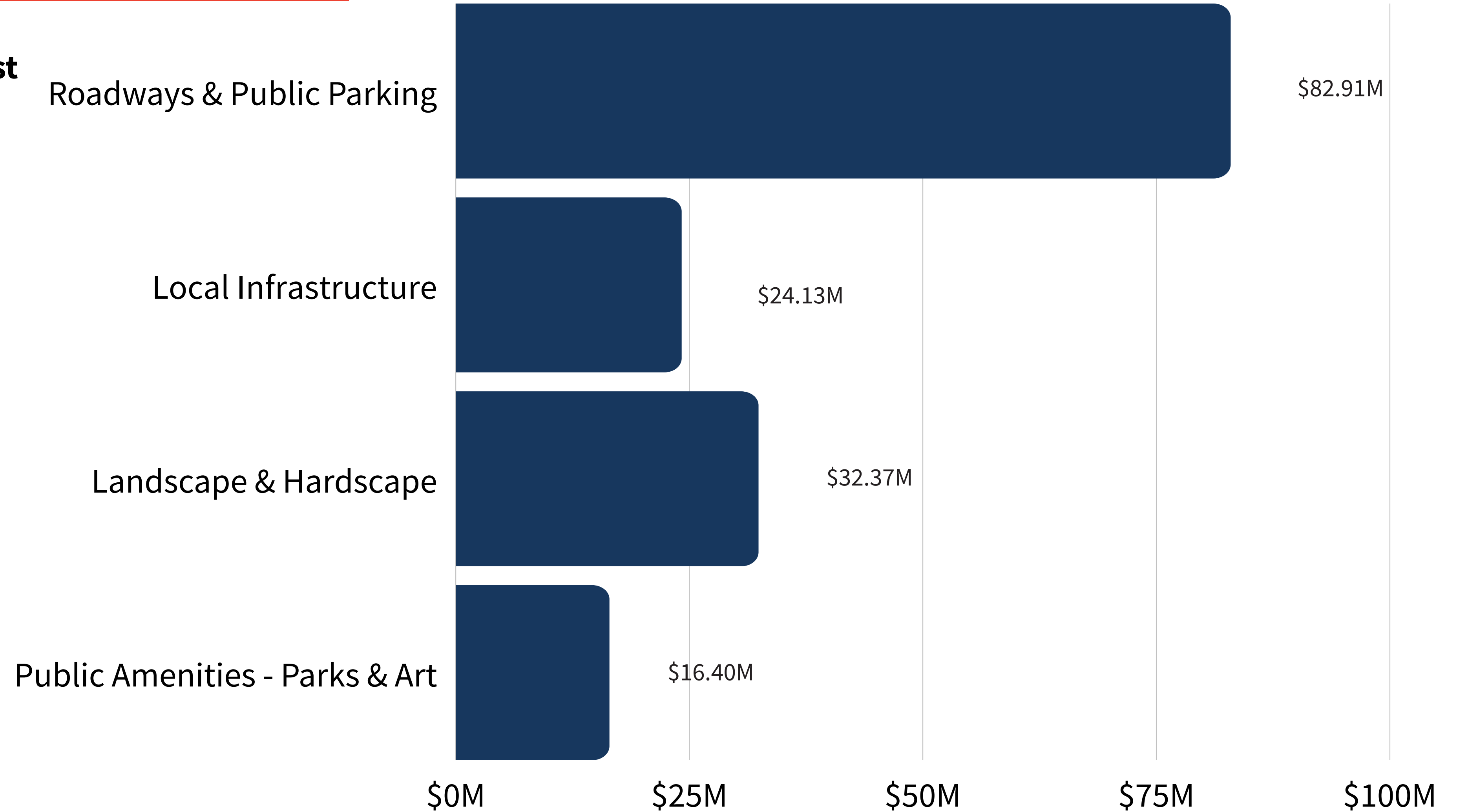
Every single public dollar pays for public improvements only.

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Public Investment

Project Cost Estimate Summary

Public Investment Request
\$155M

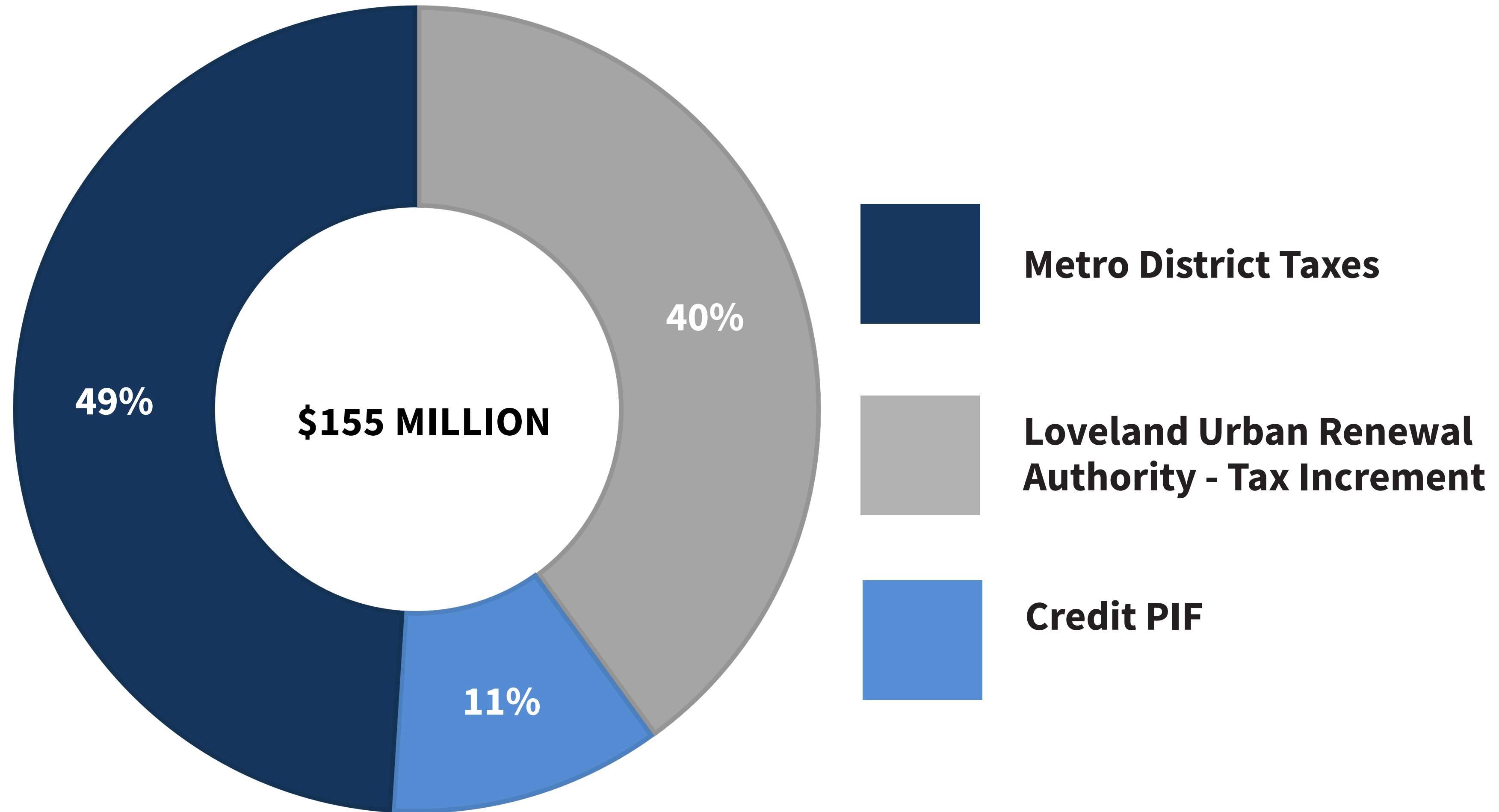


Ongoing Negotiations Revenue Sharing

Residential metro districts will follow City's 17-point plan

Development pays its own way

Citizens won't contribute unless they choose to – consumers can choose to shop and dine Centerra South; homeowners and renters can choose to purchase or rent a home. No one else's taxes will contribute to the public improvements for Centerra South.



Total Revenue Collected

25-Year Total After Revenue Sharing

Only new revenue generated is available for sharing.

If the project doesn't happen, then neither the City, nor the County or school district share any revenue. The MFA only shares a portion of the **net new** revenue created by the private investment in the project.

\$150,000,000

\$100,000,000

\$50,000,000

\$131,150,332

\$77,355,904

\$56,628,818

\$6,505,320

\$3,503,134

\$497,445

100% pass through

Thompson School District

Larimer County

City of Loveland

Thompson Valley Health Services District

Northern Colorado Water Conservation District

Larimer County Pest Control District

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Urban Renewal

Statutory Factors

Urban renewal is an appropriate tool for supporting the proposed project. It has worked well to address blighted conditions and attract private investment, as required by the statute, in Centerra so far.

The Centerra South property was determined to be blighted by the City, following the required statutory process, in 2010. None of the factors then identified have been remediated since then.

C.R.S. 31-25-103(2)

- (a) Deteriorating Structures
- (b) Inadequate Street Layout
- (d) Unsanitary/Unsafe Conditions
- (f) Inadequate Public Improvements or Utilities
- (k.5) Underutilization/Vacancy of Sites, Buildings or Other Improvements

Agricultural Land

31-25-107(9)(1) Urban renewal areas cannot include agricultural land unless

- (E) The agricultural land was included in an approved urban renewal plan prior to June 1, 2010.
- Property has been zoned for mixed use, and designated “Regional Activity Center” for at least 15 years
- City’s vision for this property is development
- Property will be developed – question is when, and what

Facts

- City staff: Extensive due diligence
- City/LURA Consultant: Proposal is fair
- Process is proper
- Growth pays its own way
- All beneficiaries share in the cost of public improvements
- Regional Activity Center consistent with Comprehensive Plan



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Conclusion

City Consultant Analysis demonstrates:

- Project Needs Public Investment
- \$155 Million is minimum required to make development feasible
- Return-on-Investment (ROI) is Fair
- Public funds pay for public infrastructure
- Project requires revenue sharing
- MFA shares only net new revenues = TIF, PIF, and Metro District (property owner tax on self)
- Proposal is fair to taxing partners
- Project is fair to City

Thank You



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