



# PURA POST

## Monthly Newsletter



### From the Executive Director

#### RAMPING UP FOR RTA

As PURA prepares for its lead role on the City of Pueblo's Regional Tourism Act (RTA) project, efforts are underway to streamline real estate-related operations and functions of our redevelopment agency.

PURA has established a list of qualified engineers and appraisers to assist in what is already a backlog of subdivision design and real estate valuation work. A great deal of the work to be done is centered around the RTA project and the future of Pueblo's downtown, so having these professionals on hand will expedite the procurement process on a series of small-scale resubdivision projects necessary to move the project forward. But the benefits of maintaining lists of qualified professionals does not end there. Establishing "qualified professionals lists" will make PURA a more efficient player in real estate transactions overall, since requests for proposals (RFPs) can be conducted and decided upon more quickly using price for performance (i.e. 'bang for the buck') as the primary criterion.

What this means for redevelopment within our project areas like Lake Minnequa, Pueblo's North side, as well as the historic East Side, is that PURA can now assist with site preparation and predevelopment activities on developable parcels within our project areas. Completing significant predevelopment work makes these sites much more attractive to private sector developers and fulfills PURA's statutory role of facilitating private sector investment in our blighted project areas.

As a quasi-governmental entity, PURA is committed to the concept of efficiency in government. Initiatives such as the RTA project and redevelopment activity in general call for an efficient organization able to move quickly in concert with our private sector partners. As stewards of the public trust, PURA will continue to explore new methods of streamlining operations and providing Puebloans with the biggest redevelopment bang for their bucks!

Yours, **John R. Batey, AICP-PURA Executive Director**

## From the Board Chairman



### **EXCITING NEWS!**

The planning for the Regional Tourism Act (RTA) application is now in full swing. Pueblo was awarded one of two grants given out by the state of Colorado. A contract is expected to be signed within the next 3 months to allow the project to move forward. Our RTA

project is designed to bring new visitors into the state. The Heritage of Heroes/Professional Bull riders University is a project that will be developed on the Historic Arkansas Riverwalk.

Design professionals from Matrix Design and HGF Architects will hold a design charrette the week of July the 9<sup>th</sup>. This schematic design planning will be the framework on which the project will be built. Cost estimates for the various phases will be used in the contract with the state office of Economic Development. Everyone is especially excited of the possibilities that the project will hold for the future of downtown Pueblo.

Development efforts continue on other HARP parcels. PURA issued a Request for Proposals on HARP lot 6. The board has chosen local developer Gary Anzuni as the developer of choice and is entering into a development and disposition agreement to build a mixed use office and retail building. Restaurants and retail are the vision for the Riverwalk level with office above. Renderings show a brick structure with highlighted accents and metal roofing to match the red roofs within the Harp district.

PURA's North Pueblo Project Area has a significant project in the planning stages. In partnership with the city the Authority seeks to build the Dillion flyover. This new bridge will span over I-25 and will allow the extension of Dillion Drive to the west. This signature

bridge will mark the northern entry into the city. Resplendent with stone and wrought iron it will be a wonderful gateway into Pueblo. Landscaping and lighting will highlight the design features of tiered stone walls and sloping grassy areas dotted with natural drought tolerant plantings. Construction is slated for the spring on 2013. Financing is provided by federal and state sources, backfilled by TIF revenues of PURA.



PURA is proud to work in partnership with the city and state to develop new and exciting projects within Pueblo. Each project area of PURA has a different challenge to overcome. That is why it is important to maintain a close working relationship with every branch of government to provide incentives for private developers to build those projects which enhance everyday life here in our city.

**Gary Trujillo, PURA Board Chairman**

## Pueblo East Side Update

PURA is exploring the opportunities of historic tax credit programs for commercial structures along East 4<sup>th</sup> Street. The authority is busy researching State and Federal programs to determine if the programs would benefit individual property owners and entice prospective buyers into the region to rehabilitate structures and start new businesses.

The City of Pueblo, with the support of PURA, has submitted a grant to the Colorado Department of Transportation for a Transportation Enhancement Grant, to provide planning and construction documents for safety and aesthetic improvements along East 4<sup>th</sup> Street. The project spans four blocks beginning at the intersection of Erie and East 4<sup>th</sup> and continuing east to Hudson Avenue. The City intends to apply for additional Federal funding for safety enhancements and additional Transportation Enhancement funds next year for sidewalk replacement and site furnishings.



Recreational projects for the East Side include the ongoing Plaza Verde Master Planning Project and the Great Outdoors Colorado River Initiative in which the City of Pueblo partnered with the cities of Colorado Springs, Fountain, and El Paso County for several projects located adjacent to Fountain Creek and along the Front Range Trail. The partnership was awarded \$2.5 million dollars on June 19<sup>th</sup>, 2012 for the Fountain Creek Watershed Trails and Recreation Projects; \$1.3 million will go directly to the Pueblo skateboard park, trail improvements and Fountain Creek access area.

Don't forget, the East Side Task Force meets every third Friday of the month at the Police Satellite Station, 731 E. 4<sup>th</sup> Street. Everyone is welcome. Please join us to discuss current issues and ideas on how we can continue the positive momentum on the East Side.

## Union Ave. Storefront Restoration

One PURA's greatest strengths is its understanding that Pueblo's downtown is heart of the community; a symbol of a community's economic health, quality of life, and pride. Historic preservation has always been a focus of PURA's downtown initiatives, and this was made evident with a recent grant award, in the amount of \$26,400, for the restoration of a downtown historic property. The grant awarded from Historic Colorado to the State Historical Fund, will fund the exterior restoration and rehabilitation of the Southern Colorado Power Company Horse Barn, now known as the Kushnir Furniture Store, located at 214-216 South Union Avenue.

"PURA's partnership with Hilary Kushnir is an example of how the public sector and private sector can partner for the revitalization of our city." said John Batey, PURA Executive Director. "We're restoring a beautiful building in Pueblo's historic district, while removing an eye sore and setting the stage for increased economic activity in our downtown."

The Steel City/Kushnir Furniture Building occupies the site of former horse stables for the Pueblo Street Railway Company, which helped to provide services for the horse-drawn trolley line down Union Avenue. The trolley was in service for only eleven years, and when service discontinued, the stable building was demolished. The current building was constructed in its place in 1900 for use by a carriage manufacturing company. This remained the building's primary use until 1909, when the front half of the building was converted to a carriage sales area, while the rear of the building continued to support carriage manufacturing activities. In 1918, the Kushnir family acquired the building and again adapted it, this time for use as a retail furniture store. The interior of the building was utterly destroyed by the flood of 1921, and the building was not reopened until 1938, when Max Kushnir and his sons founded Steel City Furniture. The name of the business was changed to Kushnir Furniture in 1939. Since 1938, the building has been owned by the Kushnir family, and in near continuous use as a furniture store. This post-flood era of construction (ca. 1938) defines the period of significance for the building.

Property owner, Hilary Kushnir's intent is to make significant rehabilitation to preserve features of the properties architectural value circa 1915. Removal of paint from the building's limestone and brick exterior, as well as the addition of windows, will reintroduce the Pueblo community to this buildings former glory. "I am excited to receive a grant from the State Historical Fund" said Kushnir, "with this grant, I will be able to bring the facade of my building up to historical standards helping to continue to revitalize Union Avenue as well as improve the historic storefront for our community". Wherever possible, deteriorated historic features will be repaired rather than replaced. However, when impossible due to severe deterioration, non-salvageable building elements will be replaced with new materials reflecting the historic period in which the building was originally built to retain and preserve the historic character of the property. Kushnir intends to lease the space to a local business for office/commercial use.

(Rendering of the completed project)



The Union Avenue Historic District has played an important role in the unfolding of Pueblo's history, and was placed on the National Register of Historic Places in 1983. The District has a total of 87 properties; 70 of which are contributing structures. Information about the early history of Union Avenue is scarce; however, the first reference to the street appears on maps in 1872 as "5th Street", and a revised reference to "Union Avenue" on photographs as early as 1880. The district was established as a commercial center of Pueblo with the

addition of a trolley line in 1882, which connected the north and south sides of Pueblo with a bridge across the river. Union Avenue developed quickly, and by the time the 1904-5 Sanborn Fire Insurance Maps were published, most of the significant buildings that still stand on Union Avenue today were already constructed. The street served as a business center until the great flood of 1921, which inundated the entire Union Avenue area and much of downtown Pueblo. Some of the buildings that were not completely demolished by flood waters were repaired, and as a result, many of the circa 1880 buildings on Union Ave. were "updated" to include the architectural styling's of the 1920s. Following the decline of Pueblo's large manufacturing industry in the 1920s, Union Avenue became dependent upon railroad passenger business, and through the 1930s and 40s, the economy of the district was supported largely by local taverns and a notorious "red light district". The decline of rail passenger business coincided with a crackdown on illegal activities in the 1950s, and ushered in an era of renewed focus on revitalization of the area, aided by the newly established PURA in 1959.

In addition to the Kushnir project, PURA has been active in the rehabilitation of existing historic structures, including \$40,000 in improvements to the facade of 214 -222 North Main Street, in which houses Solar Roast Coffee in downtown Pueblo. Currently, PURA has outstanding commitments for additional facade improvement projects of over \$62,000 in the Union Avenue area, and has budgeted a total of \$200,000 for facade improvement activities throughout the Authority's nine project areas. If you're interested in PURA's Property Improvement Program, please visit: [www.pueblourbanrenewal.org](http://www.pueblourbanrenewal.org) or call 719-542-2577.

## Loan Guarantee Program

PURA is Pueblo's redevelopment agency charged with the elimination of slum and blight in designated project areas within the City of Pueblo. Because commercial lending in areas requiring redevelopment can often be difficult to obtain, PURA has chosen to institute a program aimed at freeing up capital investments in urban renewal project areas by guaranteeing a percentage of a loan issued by a private lender.

The Loan Guarantee Program will reduce investment risks to lending institutions by 'guaranteeing' or providing third-party collateralization of equity loans made to commercial property owners within an urban renewal project area. Terms will be negotiated with each lender, but will be based upon the default terms listed below. PURA will pledge the dollar amount of the guarantee for the initial balloon period of the loan (normally 5 years). Upon request by the lender or borrower, the guarantee may be extended for additional 5 year balloon period(s) at the discretion of the PURA Board of Commissioners.

When the guarantee period expires, the Authority's loan guarantee is released and the pledged funds can then be re-obligated to another redevelopment project.

Only owners of real commercial property located within urban renewal project areas are eligible to make application to PURA for the Loan Guarantee Program. The Loan Guarantee Committee of PURA will underwrite the application and establish the basis for extending the guarantee, the guarantee amount, and the guarantee conditions. The amount of the guarantee shall always be the lowest amount feasible to allow the lender to issue the loan.

Eligible loans will be restricted to equity loans or refinances sought by property owners seeking to improve their real property located within an urban renewal project area. Only property owners may apply.

For all loan guarantees, PURA will only approve the guarantees for the initial 'balloon' period of the loan, normally five years. Prior to the expiration of the guarantee, but not less than four (4) months prior to the expiration date of the guarantee, the lender or borrower may contact PURA and request that the guarantee be extended for another five year balloon period. Extension of the guarantee will be at the sole discretion of the PURA Board of Commissioners and may be subject to budgetary considerations.

Improvements to personal property are not eligible for financing under the Loan Guarantee Program. If personal property is to be purchased under the private lender's loan, a percentage of the private lender's loan

equal or greater than the loan guarantee percentage must be applied to improvements to real property. Personal property is defined under state statute and includes machinery, equipment, and other articles related to the business of a commercial or industrial operation rather than components of fixture systems that are required for the proper operation of the improvements.

The PURA Board of Commissioners reserves the right to modify any of these procedures to meet extenuating or unique circumstances.

For eligible improvements, default terms as well as the full application, please visit the PURA website at [www.pueblourbanrenewal.org](http://www.pueblourbanrenewal.org).