

Pueblo blazing trail on Regional Tourism Act

By Aldo Svaldi *The Denver Post* *The Denver Post*

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PUEBLO — Aurora and Pueblo were the [first cities to win state incentives under the Regional Tourism Act last year](#), but 14 months later, they are in very different places.

Pueblo has signed a contract with the state, is preparing for a bond offering and could break ground on its project next summer.

Aurora, by contrast, had to hit the reset button and find a new development partner, leaving it [vulnerable to a challenge from hoteliers](#) who want the state to revoke its incentive award.

"In Pueblo, there is a cohesive civic and governmental spirit to get things done. They are the test case for putting all these processes in place. They are a trailblazer," said Jeff Kraft, director of business funding and incentives with the Colorado Office of Economic Development and International Trade.

The Regional Tourism Act, passed in 2009, provides local governments with a rebate against future state sales-tax revenues so they can jump-start large-scale projects to draw out-of-state visitors and their spending.

Initially, Pueblo didn't look like much of a front-runner. Aurora submitted a much more detailed application for a 1,500-room conference hotel near Denver International Airport. It also boasted of what at the time seemed like a strong private partner with deep pockets — [Gaylord Entertainment](#).

Economic-development [staff recommended against approving Pueblo's application](#) on grounds that it lacked enough "unique and extraordinary" elements, a requirement under the RTA.

Members of the Colorado Economic Development Commission viewed a Professional Bull Riders University, a key tourist draw in the Pueblo application, as [justification enough for approving incentives](#), which could reach \$43.9 million over the next several decades.

The Professional Bull Riders Inc. moved into a new headquarters along the Historic Arkansas Riverwalk of Pueblo, or HARP, in 2007 but didn't include any space to train riders, judges and other event staff.

"It is fast developing into an international sport," Rod Slyhoff, president and CEO of the Greater Pueblo Chamber, said of the increasing need to train people from around the globe.

The PBR training facility, with a "fan center" highlighting famous riders and bulls, will occupy part of what is now the parking lot behind the Pueblo Convention Center and is expected to draw 30,000 out-of-state visitors a year.

The training facility is part of a larger expansion that will take the convention center from 54,000 to 95,000 square feet and draw 45,000 out-of-state visitors a year.

"We have been unable to attract out-of-state conventions because of the size limits," said Richard Werner, a vice president at the Pueblo Economic Development Corp.

The project's second phase will link the expanded convention center to the nearby riverwalk, adding a boathouse facility and a new Gateway Plaza to host concerts and other community events.

The third phase includes the construction of a parking garage to free up land for an aquatics center and water park expected to draw 60,000 visitors a year.

The city of Pueblo, the HARP Authority and the Pueblo Urban Renewal Authority, per an intergovernmental agreement, are working together on the RTA project.

Pueblo has a long history of the community coming together to fund public projects, said Jim Munch, executive director of the HARP Authority, which oversees the riverwalk.

The RTA award allows for the convention-center expansion and riverwalk improvements to take place much sooner than they might have otherwise, he said, and it also frees up local funds for other projects, including an expansion of the riverwalk beyond Santa Fe Avenue toward Interstate 25.

Rather than wait for the state to get moving on the RTA, Pueblo and its partners went ahead with a \$10 million renovation of Memorial Hall, allowing the city to bring in larger touring acts and shows. They also completed Veterans' Bridge, which will connect to a future area called Heritage Plaza honoring military and other heroes.

Pueblo also didn't seek funding for private developments in its RTA application. Those include a 150-room hotel adjacent to the convention center, the development of parcels freed up by the Gateway Plaza and the conversion of the old police station to other uses.

"Our next project is a craft brewery in what used to be the old police station," said Gary Anzuini, a real estate developer in Pueblo who has built various projects along the riverwalk.

Anzuini said the riverwalk had momentum until the 2008 downturn and that the RTA improvements will help push more traffic into the area and create a more vibrant downtown.

Pueblo does have a few key hurdles to clear. An early one includes acquiring the land and building where Ferguson, a plumbing-supply wholesaler, now resides. Munch said the owner is willing to sell and has provided a price for the land, which will eventually house the aquatic center.

Another challenge will involve persuading public debt markets, shaken by Detroit's municipal bankruptcy, to invest in bonds backed by a new and still-untested revenue source.

"Our financial analyst's view is that they will be viewed in the same light as existing tax-increment-financing bonds," said John Batey, executive director of the Pueblo Urban Renewal Authority.

There will be a design conference for the project in the early fall, and, per an agreement with the state, the bond issue should go out by December, Werner said.

And if all the pieces come together, ground will be broken by summer on a project that Munch said is vital to the one-time steel town's transformation.

"We are very appreciative," Munch said.

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