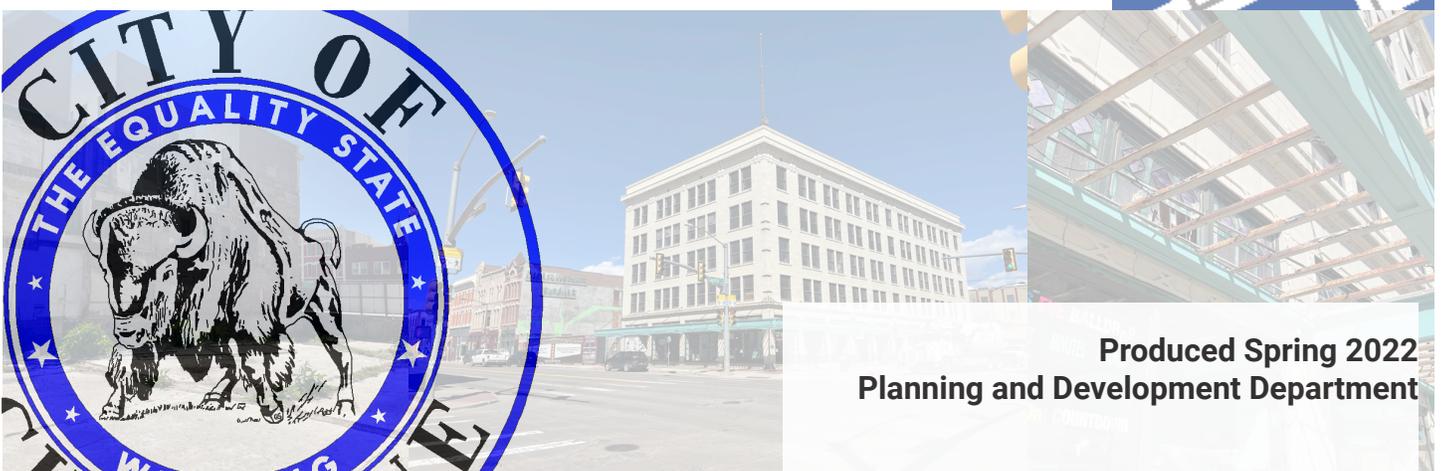


The Hynds and the Hole Urban Renewal Plan

City of Cheyenne

Urban Renewal Plan and Project



Produced Spring 2022
Planning and Development Department

Table of Contents

Introduction	1
Urban Renewal Boundaries	2
Conditions Survey	3
Authorized Urban Renewal Activities	5
Tax Increment Financing	5
Plan Financing	7
Conformance with Comprehensive Plan	8
Conformance with 15-9-110	9
Plan Term and Amendment Procedures	10

Introduction

The City of Cheyenne adopted Ordinance No. 4381 and Resolution No. 6156 on June 28, 2021 authorizing the creation and use of powers for the Urban Renewal Authority. This action fulfilled the requirements in Wyo. Stat. § 15-9-106, § 15-9-107, § 15-9-133, and § 15-9-134 as the Governing Body adopted a resolution declaring one or more slum or blighted areas in the community and that the redevelopment of such areas are necessary for the health, safety, morals or welfare of the community; and the Governing Body delegated the authorities of Urban Renewal to the Cheyenne Urban Renewal Authority. By completing the previous actions and pursuant to Wyo. Stat. § 15-9-106, the City of Cheyenne has completed the prerequisites to exercise the authority conferred by the Wyoming Urban Renewal Code.

This plan serves to establish the Hynds and the Hole Urban Renewal Plan and Project for the City of Cheyenne. The Hynds building was built in 1916, is on the National Register of Historic Places, and serves as one of the most prominent buildings adjacent to the Cheyenne Depot Plaza. The Hole refers to the property directly adjacent to the Hynds Building. The Hole was once a prominent building in the community, but burned down in 2004, leaving the current vacant parcel in place. The Hynds and Hole Urban Renewal Plan will overview the urban renewal boundaries of the project area, the conditions of blight identified in the project area, all authorized urban renewal activities, the project financing, the terms of the plan, the conformance of the urban renewal project with adopted City of Cheyenne plans, the conformance of the project with Wyo. Stat. § 15-9-110, and the procedures to amend the plan. The Hynds and Hole Urban Renewal Plan will be referred to the Urban Renewal Authority and City Planning Commission for recommendations. The plan and recommendations will be introduced before the Governing Body for final

consideration through Resolution. The creation of the plan and adoption thereof serves to enable and fulfill Wyo. Stat. § 15-9-107 through § 15-9-111, § 15-9-113, § 15-9-115 through § 15-9-116, and § 15-9-119 through § 15-9-132.

The Hynds and Hole redevelopment is proposed to include either commercial, residential, and office uses; or any mix of uses proposed by the development community. It is anticipated that the Hole will be developed with a parking structure likely containing active uses on the ground floor. While the exact redevelopment is yet to be determined, the City of Cheyenne will utilize its Urban Renewal powers to aid the redevelopment with the remediation of environmental contaminants, and upgrades to necessary public improvements. The City plans to use tax increment financing (TIF), enabled by WT Stat. § 15-9-120, to aid in the completion of these objectives. The use of these Urban Renewal powers and adoption of the plan will permit the redevelopment of the Hynds and the Hole site through a robust public/private partnership and permit the utilization of Urban Renewal tools.

Urban Renewal Boundaries

The Hynds and the Hole Urban Renewal Plan and Project encompasses the entirety of the Hynds and Hole properties and the adjacent rights-of-way along Lincolnway and Capitol Avenue. The map of the Urban Renewal Area can be found below.

The legal description for the project area includes:

- Lot 8, Block 390, Original City;
- Lot 1, Block 1, Cheyenne Leads Lincolnway; and
- All public rights-of-way adjacent to the lots and blocks referenced herein.

Figure 1: The Hynds and the Hole Study Area



Conditions Survey

To identify blight areas and slum areas in the Hynds and the Hole Urban Renewal Plan and Project Area, staff created a survey with the nine (9) conditions of blight identified in the definitions section of the Wyoming Urban Renewal Code. Staff did not utilize the conditions of slum areas as they were similar to those of blight. Staff extrapolated nine (9) distinct characteristics of blight as defined in Wyo. Stat. § 15-9-103(iii). The nine (9) conditions with one option of "Other" include:

- Deteriorated or deteriorating structures
- Predominance of defective or inadequate street layout
- Faulty lot layout in relation to size, accessibility or usefulness
- Unsanitary or unsafe conditions
- Deterioration of site or other improvements
- Diversity of ownership, tax or other special assessments
- Delinquency exceeding the fair value of the land
- Defective or unusual conditions of title
- The existence of conditions which endanger life or property by fire and other causes
- Other

The "other" option pertained to the section of the definition that stated, "*or any combination of those factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.*" (Wyo. Stat. § 15-9-103(iii)). After listing the conditions, the survey had the option for staff to use a checkbox for each condition that existed and to provide a description of indicators that were used to conclude that the condition was present. The end of the survey allowed staff to provide notes for anything of importance. Unlike other neighboring states, notably Colorado, the Wyoming Urban Renewal Code does not establish a threshold for the number of blight conditions

that must be found to qualify an area for Urban Renewal. Based on this, if any one of the nine (9) conditions are identified on the site it is sufficient to determine the area as blighted.

The Hynds and the Hole study area is shown in Figure 2 on the following page. The study area contains Lot 1, Block 1 of Cheyenne Leads Lincolnway Subdivision (the Hole) and Lot 8, Block 390 of the Original City Subdivision (the Hynds). The study area included three (3) of the nine (9) conditions of blight identified in the survey..

1. Deteriorated or Deteriorating Structures

The Hynds and Hole exhibit both a deteriorated and deteriorating structure (Figure 2). The building where the Hole is burned down in 2004 and the foundation that is still present shows evidence of deterioration. The Hynds building shows evidence of deterioration with rust and other loose and collapsing building materials. The photo on the following page shows clear evidence of the west wall of the Hynds building deteriorating.

2. Unsanitary or Unsafe Conditions

The presence of the Hole represents an unsafe condition. Although the Hole is fenced off, if individuals are to enter over the fence or through the alley there is the possibility of injury. Furthermore, the presence of the Hole calls into question the structural integrity of the Hynds Building.

3. The Existence of Conditions which Endanger Life or Property by Fire and Other Causes

The Hole was created by a fire that destroyed the building in 2004. The site has remained vacant ever since and represents a blighted area in the community.

Figure 2: The Hynds and the Hole Conditions of Blight

— Study Area Boundaries

1. Deteriorated or Deteriorating Structures

2. Unsanitary or Unsafe Conditions



3. The Existence of Conditions which Endanger Life or Property by Fire and other causes

Authorized Urban Renewal Activities

The conditions identified in the plan and project area yield that the property is in need of rehabilitation and that such redevelopment is in the best interest of the public health, safety, morals and welfare of the community. The City of Cheyenne will use the Urban Renewal powers authorized in Wyo. Stat. § 15-9-113 to:

- Improve streets; including curb, gutter, and sidewalks;
- relocate utilities as necessary;
- restore and improve historic structures that have fallen into disrepair; and
- facilitate economic development and site beautification.

Upon passage of the Resolution adopting the Hynds and Hole Urban Renewal Plan and Project area, all authorized Urban Renewal activities will be eligible for tax increment financing (TIF) assistance.

Tax Increment Financing Wyo. Stat. § 15-9-120

Pursuant to Wyo. Stat. § 15-9-120, the Hynds and the Hole Urban Renewal Plan authorizes the use of tax increment financing for the Urban Renewal Project Area as identified in the Urban Renewal Boundaries. Upon passage of the Resolution for this Urban Renewal Plan taxes levied upon taxable property in Lot 8, Block 390, Original City and Lot 1, Block 1, Cheyenne Leads Lincolnway shall be divided as follows:

- a. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the urban renewal project as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized prior to the effective date of the urban renewal project shall be allocated to and, when collected, paid into the funds of the respective taxing agencies

as taxes by or for those taxing agencies on all other property are paid; and

- b. That portion of the levied taxes each year in excess of the amount specified in paragraph (a) of this section shall be allocated to and, when collected, paid into a special fund of the City of Cheyenne to pay the principal and interest on loaned money advanced to, or any indebtedness (whether funded, refunded, assessed, or otherwise) incurred by the City or the Urban Renewal Authority, unless the total assessed valuation of the taxable property for Lot 8, Block 390, Original City and Lot 1, Block 1, Cheyenne Leads Lincolnway exceeds the total assessed value of the taxable property in the project as shown by the last equalized assessment roll referred to in paragraph (a) of this section, all of the taxes levied and collected upon the taxable property in the urban renewal project shall be paid into the funds of the respective taxing agencies. When any loans, advances and indebtedness, if any, and interest have been paid in full, all monies thereafter received from taxes upon the taxable property in the urban renewal project shall be paid into the funds of the various taxing agencies as taxes on all other property are paid.

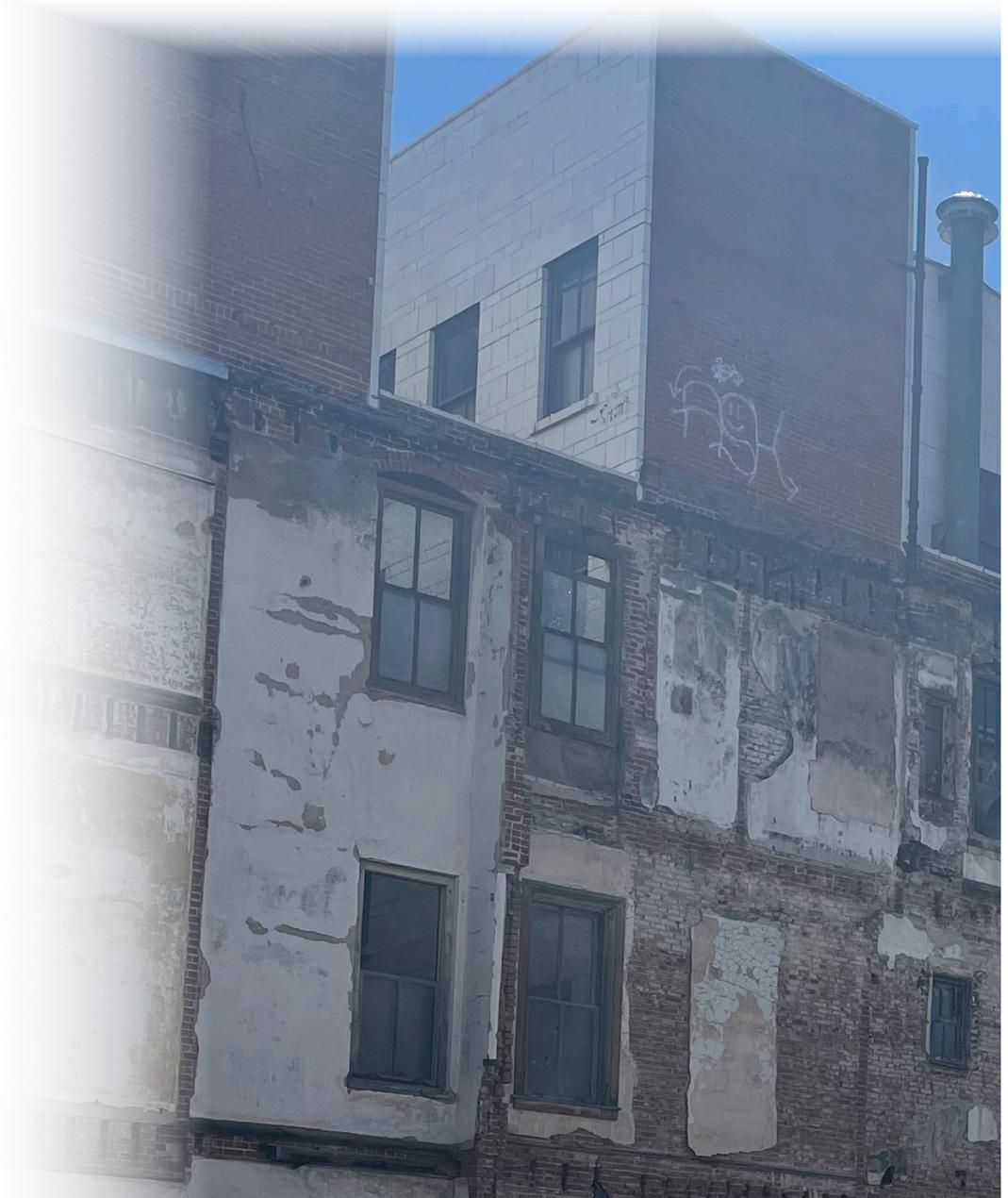
The tax increment will be used to fulfill the purposes of Wyo. Stat. § 15-9-121, which reads:

In any urban renewal plan or in proceedings for the advance of monies or making of loans or the incurring of any indebtedness by the municipality or agency to finance or refinance in whole or in part the urban renewal project, the portion of the taxes specified in W.S. 15-9-120(a)(ii) may be irrevocably pledged for the payment of the principal of and interest on those loans or advances or that indebtedness.

Again, the tax increment financing will be used to aide in the completion of the Urban Renewal activities specified in this plan; which include;

- Improve streets; including curb, gutter, and sidewalks;
- relocate utilities as necessary;
- restore and improve historic structures that have fallen into disrepair; and
- facilitate economic development and site beautification.

The City will utilize the TIF to pay principal and interest on loans the City or a designated developer receives for the purposes of carrying out the activities specified in this plan.



Plan Financing

The Hynds and the Hole properties have a base tax production of \$13,326.69 as of the 2021 tax assessment. To determine the estimated tax production, staff compared the taxes produced per square foot to three nearby properties; 222 W. 16th Street (Crown Bar and Crooked Cup), 216 W Lincolnway (Wyoming Home Building), and 106 E. Lincolnway (the Grier Building). These buildings were chosen as they contain a variety of improvement levels and are located in the vicinity of the Urban Renewal Plan and Project Area. Utilization of the three comparable properties allows staff to develop a range at which the Hynds and the Hole will be able to develop property taxes. The model assumes that, once redeveloped, the Hynds and the Hole will produce the same rate of property taxes per square foot to the three subject properties. The use of the nearby Historic properties is important as they maintain a mix of uses, do not represent how new build properties are taxed, and are a similar age to the Hynds Building. The three properties differ on the uses they contain (residential, office, or commercial) which allows staff to anticipate taxes for the range of uses that may occur in the Hynds.

In addition to the projection for the Hynds Building, the model also assumes another 2,940 square feet of commercial or office development, accounting for the front 25% of the Hole being developed for the first floor. This number was used as several proposals have suggested the site will be used as a parking garage with a ground floor active use. However, should the Hole develop fully with no proposed parking, the tax increment generated will be substantially higher than the current projection. The Central Business District in the City of Cheyenne does not have any required parking; therefore it is conceivable that the Hole may develop with no parking. Should the building develop to the entire footprint of the parcel and rise in a similar scale to that of the Hynds, it is possible the tax increment may be double of that projected.

Wyoming Home Building Comparison			
	Projected Taxes	Increment	Total Increment
2022	\$ 14,232.24	\$ 905.55	\$ 1,099,169.04
2023	\$ 32,117.51	\$ 18,790.82	
2024	\$ 50,908.33	\$ 37,581.64	
2025	\$ 51,671.95	\$ 38,345.26	
2026	\$ 52,447.03	\$ 39,120.34	
2027	\$ 53,233.74	\$ 39,907.05	
2028	\$ 54,032.24	\$ 40,705.55	
2029	\$ 54,842.73	\$ 41,516.04	
2030	\$ 55,665.37	\$ 42,338.68	
2031	\$ 56,500.35	\$ 43,173.66	
2032	\$ 57,347.85	\$ 44,021.16	
2033	\$ 58,208.07	\$ 44,881.38	
2034	\$ 59,081.19	\$ 45,754.50	
2035	\$ 59,967.41	\$ 46,640.72	
2036	\$ 60,866.92	\$ 47,540.23	
2037	\$ 61,779.93	\$ 48,453.24	
2038	\$ 62,706.62	\$ 49,379.93	
2039	\$ 63,647.22	\$ 50,320.53	
2040	\$ 64,601.93	\$ 51,275.24	
2041	\$ 65,570.96	\$ 52,244.27	
2042	\$ 66,554.53	\$ 53,227.84	
2043	\$ 67,552.84	\$ 54,226.15	
2044	\$ 68,566.14	\$ 55,239.45	
2045	\$ 69,594.63	\$ 56,267.94	
2046	\$ 70,638.55	\$ 57,311.86	

Figure 3: Example Projection

Based on the three similar subject properties in the vicinity, the tax increment financing projection for the Hynds and the Hole Urban Renewal Plan and Project area is between \$498,000 and \$1,100,000. Again, should the Hole develop to the same scale as the Hynds building, these projections have the ability to significantly increase. The increment generated by the property will be used to achieve the aforementioned authorized Urban Renewal activities. It is important to note that these tax increment projections will be used as a baseline in analyzing projects; however, the more information a potential developer provides, the more City staff will be able to accurately predict the tax increment. TIF applications will be evaluated on a case by case basis and will only be eligible for reimbursement of the tax increment the subject property generates.

Conformance with the Comprehensive Plan

The Hynds and Hole Urban Renewal Plan and Project substantially complies to the City's comprehensive plan, PlanCheyenne. First and foremost, the Urban Renewal Plan helps achieve PlanCheyenne Foundation 5 - Celebrating our Character and Varied Heritages. This foundation states, "As Cheyenne grows, we will celebrate and enhance our character and heritage by focusing on preserving our historic areas and Downtown." The Hynds building serves as one of the most noteworthy buildings in the Downtown District, prominently encapsulating the Depot Plaza with its Historic counterparts. As previously mentioned, the longer the building remains vacant on the upper floors, the more likely the building will be cost prohibitive to restore. The activities authorized under the Urban Renewal Plan will ensure the building remains a significant structure in the downtown for generations to come.



Complementary to furthering Foundation 5, the Urban Renewal Plan and Project also reinforces several Principles and Policies in PlanCheyenne. Notably, it achieves the following:

- *Policy 1.4.A: Infill Opportunities* - The Plan fulfills this policy as it provides redevelopment opportunities in the existing Hynds Building while offering the potential to fill in the Hole.
- *Policy 1.4.B: Locations for Future Revitalization* - PlanCheyenne outlines the stretch from I-25 to Downtown on Lincolnway as an area for revitalization. The Hynds and Hole are located in Downtown along this corridor, so their redevelopment will aide in accomplishing this policy.
- *Policy 1.4.C: Downtown Revitalization and Mix of Uses* - The prominent location of the Hynds Downtown and the redevelopment thereof is exactly what this policy seeks to achieve.
- *Policy 1.4.D: Infill and Revitalization Incentives* - Tax Increment Financing can serve as an infill and redevelopment incentive. And, lastly
- *Policy 1.5.A: Building Reuse* - The Urban Renewal Plan and Project will enable the building to be reused in the near future.

The policies above show that the Urban Renewal Plan addresses Principle 1.4. These policies and Principle represent an instance in which the Urban Renewal Plan is in conformance with the comprehensive plan. PlanCheyenne contains several more policies and principles in which the Urban Renewal Plan and Project conform to. Through revitalization, building reuse, infill development, and Historic Preservation, this Urban Renewal Plan furthers the intent and objectives of PlanCheyenne.

Conformance with Wyo. Stat. §15-9-110

In order for an Urban Renewal Plan and Project to be approved the Governing Body must find that the plan meets the review criteria found in Wyo. Stat. § 15-9-110(a) and (b). Due to the fact that the Hynds and the Hole Urban Renewal Plan does not consist of the acquisition of open space to be acquired by the municipality, the plan will not address the findings of Wyo. Stat. § 15-9-110(b). Pursuant to Wyo. Stat. § 15-9-110(a), the plan achieves the following requirements:

(i) A feasible method exists for the relocation of families who will be displaced from the urban renewal area in decent, safe and sanitary dwelling accommodations within their means and without undue hardship to those families;

The plan and project area boundaries do not encompass any residential properties; therefore, there is no need to designate a method for relocation of families displaced from the urban renewal area.

(ii) The urban renewal plan conforms to the general plan of the municipality as a whole;

PlanCheyenne is the Comprehensive Plan for the City of Cheyenne. As discussed in the previous section, the Hynds and the Hole Renewal Plan conforms to PlanCheyenne.

(iii) The urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety and welfare of children residing in the general vicinity of the site covered by the plan;

The Hynds and the Hole Project area contains a limited scope with the inclusion of only two lots. However, the location of the Cheyenne Depot Plaza adjacent to the site can fulfill the recreational needs of those who may reside at the subject properties, should they develop with residential

uses. In addition to this, the Downtown Development Authority currently has plans to fill the Hole with a recreational type use in the form of a pocket park, thus serving to further conform to this provision in State Statutes.

(iv) The urban renewal plan affords maximum opportunity, consistent with the municipality's needs, for the rehabilitation or redevelopment of the urban renewal area by private enterprise.

The Hynds and the Hole Urban Renewal Plan affords the maximum opportunity for redevelopment by private enterprise. As mentioned previously, the property remains stagnant and unlikely to redevelop in the near future. In the absence of redevelopment, the building will continue to deteriorate. The acquisition of the Hynds coupled with the potential for tax increment financing reimbursement, will facilitate the transfer of the Hynds to a new developer; thus catalyzing downtown development and preserving an iconic community amenity.

Plan Term

The Term of the Hynds and the Hole Urban Renewal Plan is 25 years from the approval of the Resolution by the Governing Body. The Plan shall be effective pursuant to Wyo. Stat. § 15-9-111(b). If the Governing Body deems that all projects have been accomplished and all debts incurred to finance those projects and all expenses of the Authority have been repaid, the Governing Body may declare this Plan fully implemented and the total tax collections derived from this Plan Area shall be paid into the funds of the appropriate taxing entity.

Amendment Procedures

This plan shall be amended pursuant to Wyo. Stat. § 15-9-111(a). All modifications to this Plan will be referred from the Urban Renewal Authority Board to the City of Cheyenne Governing Body and shall be approved by Resolution.

