

Pueblo: Parking's the Ticket

Build it and they will come: New Markets-financed parking garage proves to be the ticket for attracting business to downtown Pueblo.

Main Street Parking Garage Pueblo, CO



The Community

The city of Pueblo, the county seat of Pueblo County, is in southeastern Colorado, at the confluence of the Arkansas River and Fountain Creek. Located 103 miles south of Denver, Pueblo was once and the state's second largest city and a thriving steel town. As the national steel industry lost its footing in the 1960s and 1970s, so too did the area's economy. When the city's major steel mill closed its doors in 1985, the area's unemployment rate soared to over 20% and the town's reputation as a dying post-industrial city was cemented.

A Problem, and an Opportunity

In the mid 2000s, the city was presented with an opportunity: AT&T was considering Pueblo for the location of a new call center that would be developed on the riverwalk. The center would employ hundreds of people in two shifts but the lack of parking presented a serious impediment to the project. If sufficient parking could not be provided, the call center would not be located in Pueblo. It was clear that progress on the city's redevelopment as well as this new economic opportunity depended on solving the parking problem, and the city proposed the new Pueblo Main Street Parking facility. The next problem was identifying and securing the sufficient funding.

Located within the downtown Amended Urban Renewal Area, the Pueblo Main Street Parking Garage was a key factor in the area's Urban Renewal Plan, created to address extensive blight, underutilization, and obsolescence within the area. At the center of this strategy was Pueblo Municipal Complex Project, which included not just the parking garage, but also a new municipal court, police station, planning and public works facility and regional building facility.

Minding the (\$3.2 million) Gap

The Urban Renewal Authority (URA) would develop the \$11.9 million garage, but could only provide \$8.7 million for its construction, leaving a \$3.2 million financing gap. Having worked with the National Development Council (NDC) for many years, the URA turned to NDC for help, and NDC saw the New Markets Tax Credit as the ideal tool to cover the gap. Through HEDC New Markets, NDC provided \$3.2 million of equity from investor US Bank CDC.

Impact on the Community

The resulting project has had the intended impact on the downtown economy by both addressing immediate parking needs and helping facilitate the City's long term redevelopment goals. The project created fifty (50) construction jobs and now provides 300 parking spaces to AT&T, 250 for municipal use, 150 to incentivize developers, and 100 metered spaces for public use on formerly vacant land.

Because of the new parking capacity, AT&T built its call center on the Riverwalk, creating 625 new jobs downtown. These jobs not only bolster the *downtown Pueblo* economy; these are *new* jobs, the result of organic growth at AT&T, rather than the relocation of existing jobs, thus contributing to both regional and national job growth.



In addition to luring AT&T, Downtown Pueblo has seen the development of an additional 103,000 square feet of new space in five buildings on the Riverwalk – development that would not have been possible without the expanded parking. A large local restaurant opened on the Riverwalk, and two additional mixed use buildings with ground level retail that will encourage foot traffic are under construction. Nearing completion is a residential development that will help the city reach its goal of making Downtown a 24-hour community. In the planning stage is development of an additional mixed-use building on a currently vacant parcel. These projects are putting once vacant land back on the tax rolls and helping the city meet its economic development goals, but would have been impossible without the parking space provided by this NMTC project.

Redefining Downtown Pueblo

Beyond the immediate development on the Riverwalk, the garage is allowing Pueblo to reconfigure its municipal buildings to better meet its development goals. The garage will provide municipal and police parking spaces that will allow the 67 year old police department and other municipal buildings to move from prime downtown sites to previously blighted or vacant downtown property. Once this transition is complete, the city will recruit restaurant and entertainment businesses to occupy the space and further its redevelopment efforts. These efforts are also aided by downtown community events that community leaders say are better attended because of the increased availability of parking.

Summing Up

The Main Street Garage has become a community resource that has facilitated substantial downtown redevelopment, the reconfiguration of municipal buildings, the optimum utilization of high value land and a better attendance at community events. These impacts are essential in helping the city meet its development goals but the project would not have been feasible without New Markets Tax Credits.

For a good look at the Historic Arkansas Riverwalk of Pueblo, visit <http://www.puebloharp.com/>.

Main Street Parking Garage, Pueblo, CO

Community Benefits:

Created 738 parking spaces, the presence of which:

- Allowed Pueblo to lure an AT&T call center (625 *new* jobs)
- Allowed Pueblo to reconfigure its municipal buildings to better meet its development goals
- Made possible development of an additional 103,000 square feet of new space in five buildings on the Riverwalk:
 - the opening of a large local restaurant
 - the construction of two additional mixed use buildings with ground level retail
 - the development of a residential development that will help the city reach its goal of making Downtown a 24-hour community
 - the planning of an additional mixed-use building on a currently vacant parcel.

Vital Statistics:

Location: Downtown Pueblo, Colorado

Area Type: Minor Metropolitan Area

Distress Criteria: median income less than 60% of AMI

Project Type: “Other” (parking garage)

Total Project Costs: \$11,900,000

Qualified Equity Investment:

NDC / HEDC New Markets: \$10,000,000

Total QEI: \$10,000,000

Sources of Leverage:

Urban Renewal Authority of Pueblo: \$ 6,862,000

Total: \$ 6,862,000

NMTC Investor: US Bank

Size/Square feet: 738 parking spaces (61,600 s.f.)

Construction jobs: 50

FTE jobs created or retained: 0 retained; 725 created; 725 total