

Louisville Revitalization Commission

Agenda

**Monday, December 12, 2016
Louisville Public Library
1st Floor Conference Room
951 Spruce Street (Northwest entrance)
7:30 AM**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of November 14, 2016 Meeting Minutes
- V. Public Comments on Items Not on the Agenda (Limit to 3 Minutes)
- VI. Reports of Commission
- VII. Business Matters of Commission
 - a. Resolution 16-02: Approving the 2017 LRC Budget
 - i. Staff Presentation
 - ii. Open Public Hearing
 - iii. Close Public Hearing
 - iv. Commission Discussion
 - v. Action on Resolution
 - b. Updated 2017 Fee Schedule for Light Kelly, P.C.
 - c. Land Exchange with 608 Studios, LLC
 - d. Downtown Parking at Grain Elevator – Erik Hartronft / Randy Caranci
 - e. Executive Session
Real Property Acquisition and Disposition
(Louisville Charter, Section 5-2(c) – Authorized Topics – Consideration of real property acquisitions and dispositions, only as to appraisals and other value estimates and strategy, and C.R.S. 24-6-402(4)(a) and LRC Bylaws)

Staff is Requesting the LRC Convene an Executive Session for the Purpose of Consideration of Potential Real Property Acquisition and Disposition Concerning Property in Louisville

City of Louisville

City Manager's Office 749 Main Street Louisville CO 80027
303.335.4533 (phone) 303.335.4550 (fax) www.LouisvilleCO.gov

Pending Litigation

(Louisville Charter, Section 5-2(d) – Authorized Topics – Consultation with an attorney representing the City with respect to pending litigation, and C.R.S. 24-6-402(4)(b) and LRC Bylaws)

Staff and Legal Counsel are Requesting the City Council Convene an Executive Session for the Purpose of Consultation with Respect to Pending Litigation

- i. Requests for Executive Session
- ii. Staff Statement
- iii. Attorney Statement of Authority
- iv. LRC Action on Motions for Executive Session
- v. LRC Convenes Executive Session
- vi. LRC Reconvene in Open Meeting
- f. Report – Discussion/Direction/Action – Real Property Acquisition and Disposition and Pending Litigation
- g. Adjourn to Regular Meeting
- VIII. Items for Next Meeting January 9, 2017, 7:30am Library Meeting Room
 - a. South Street Gateway design
- IX. Commissioners' Comments
- X. Adjourn

Revitalization Commission

Minutes

**Monday, November 14, 2016
Louisville Public Library
1st Floor Conference Room
951 Spruce Street (Northwest entrance)
7:30 AM – 9:00 AM**

Call to Order – Chair Karl Becker called the meeting to order at 7:30 am in the Louisville Public Library at 951 Spruce Street, Louisville, CO.

Commissioners Present: Chair Karl Becker
Steve Fisher
Alex Gorsevski
Bob Muckle, Mayor
Bob Tofte
Michael Menaker

Staff Present: Malcolm Fleming, City Manager
Aaron DeJong, Economic Development Director

Others: Randy Caranci, Justin McClure, Mike Kranzdorf

Approval of Agenda
Approved

Approval of October 10, 2016 Minutes:
Approved

Public Comments on Items Not on the Agenda
None

Reports of Commission

Commissioner Fisher would like a walking tour of the underpass
Chair Becker said Halloween is soon upon us. Please drive safely and watch for kids.

Business Matters of Commission

DELO Tour

City of Louisville

City Manager's Office 749 Main Street Louisville CO 80027
303.335.4533 (phone) 303.335.4550 (fax) www.LouisvilleCO.gov

The LRC held a guided tour by Justin McClure, the developer of the DELO project. The tour began at the Library, walked north to the South Street Gateway, through the Gateway and up the Cannon Street Right of Way.

Items for Next Meeting November 14, 2016

- South Street Underpass Plans
- LRC Budget
- Parking Discussion
- Exec Session item for 550 McCaslin development

Commissioner Comments:

- None

Adjourn – The meeting adjourned at 8:45 am

SUBJECT: RESOLUTION 16-02: APPROVING THE 2017 PROPOSED LRC BUDGET

DATE: DECEMBER 12, 2016

PRESENTED BY: AARON M. DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

This memo is to highlight components of the recommended budget for the 2017 LRC budget year.

DISCUSSION:

The County has the final assessment increment for the Urban Renewal Area at \$9,413,158 which translates to TIF revenue of \$800,000.

Notable budget line items are as follows:

Support Services

\$34,030 for City Staff and Legal services provided during the year.

South Street Gateway contribution

2017 is the final year of defined contribution towards the South Street Gateway (\$75,000). Future budget year payments will be determined by a percentage of revenue.

Repayment of TIF Revenue to Boulder County

7.15% of TIF revenue received equals \$60,000.

Downtown Parking Analysis (\$80,000)

Funding to perform a feasibility study of locating, financing, constructing and maintaining a downtown parking structure. Have a parking consultant seek community input and analyze locations for such a structure, conceptual drawings, construction estimates, revenue estimates, maintenance costs, ownership structures/partnership feasibility.

An RFP from Washington State is attached as a possible template to consider.

Gateway Base w/Plaque (\$3,000)

Funding to construct an outdoor art base with a commemorative plaque for the South Street Gateway Underpass.

DELO Opening Celebration (\$4,000)

SUBJECT: 2017 LRC BUDGET

DATE: DECEMBER 12, 2016

PAGE 2 OF 2

Funding for an event to celebrate the opening of the South Street Gateway, DELO developments and the new streets within DELO.

TIF Rebate – Loftus /Safeway Development

Second year of payment towards the rebate estimated at \$130,000. Will be confirmed after final assessments are determined for the project.

Payments From Construction Fund (\$2,365,001)

Estimated amount remaining in 2017 to pay out for the Core Project Area infrastructure project.

Bond Maintenance Fees

Fees payable to the Escrow Agent for the Core Project Area funding.

Bond Payment

Estimated payment towards the Core Project Area TIF Bonds according to the formula.

RECOMMENDATION:

Staff is requesting approval of the proposed 2017 LRC budget. If approved, staff will take it to City Council for their consideration and approval.

ATTACHMENTS:

- 1) Resolution Approving 2017 Budget
- 2) Proposed 2017 LRC Budget
- 3) Sample Parking RFP concept

**LOUISVILLE REVITALIZATION COMMISSION
RESOLUTION NO. 16-02**

**A RESOLUTION ADOPTING THE ANNUAL BUDGET AND
APPROPRIATING EXPENDITURES FOR FISCAL YEAR 2017**

WHEREAS, the Louisville Revitalization Commission's proposed annual budget for the fiscal year 2017 has been prepared and submitted to the Board of Commissioners; and

WHEREAS, such proposed budget contains all of the matters required by law; and

WHEREAS, once the LRC approves the budget, the Louisville City Council must also approve the 2017 Budget in accordance with Amended and Restated Cooperation Agreement executed November 17, 2015; and

WHEREAS, a public hearing has been held on the proposed budget following public notice of the same;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LOUISVILLE REVITALIZATION COMMISSION:

Section 1. The Annual Budget for the Louisville Revitalization Commission, for the Fiscal Year beginning January 1, 2017 and ending December 31, 2017, is hereby approved and is adopted once the Louisville City Council approves the Annual Budget. Such 2017 Annual Budget document is attached hereto and made a part hereof.

Section 2. Moneys are hereby appropriated for said fiscal year as provided in said budget document.

ADOPTED this 12th day of December, 2016.

ATTEST:

Chair

Secretary

**City of Louisville, Colorado
Urban Revitalization District Fund
2017 Draft Budget**

Account Description	2016 Revised	2016 Estimated	2017 Budget
Beginning Fund Balance	522,718	173,138	2,296,340
General Property Tax Revenue	562,200	392,900	800,000
Core Area Project Proceeds - City of Louisville	-	-	-
Interest Earnings	2,000	2,000	2,000
Net Increase (Decrease) in Fair Value	-	-	-
Developer Contribution	-	37,500	-
Bond Proceeds	3,750,000	3,750,000	-
Total Revenue	4,314,200	4,182,400	802,000
Professional Services - Investment Fees	200	200	200
Professional Services - Other	-	-	-
Support Services - City of Louisville	33,180	33,180	34,030
Capital Contribution - City of Louisville	65,000	110,000	75,000
Repayment of TIF Revenue to Boulder County	40,200	28,090	60,000
Downtown Parking Analysis	-	-	80,000
Gateway Base w/Plaque	-	-	3,000
DELO Opening Celebration	-	-	4,000
TIF Rebate - Safeway/Loftus Development	91,200	84,965	130,000
Regional Detention Facility	125,000	125,000	-
South Street Reconstuction	200,000	200,000	-
Payments from Construction Fund - DELO Development	3,750,000	1,384,999	2,365,001
Bond Maintenance Fees - Paying Agent	6,500	-	6,500
Interest - Bonds	315,000	55,263	125,000
Principal - Bonds	-	-	-
Bond Issuance Costs	37,500	37,500	-
Total Expenditures	4,663,780	2,059,198	2,882,731
Ending Fund Balance (Budget Basis)	173,138	2,296,340	215,609
Accrued Interest on Bonds (less Bond Payment)	-	240,000	201,567.16
Ending Fund Balance (GAAP Basis)	-	-	14,042.30

Exhibit 2 – Feasibility Study Requirements

The information gathered from the study will be used to help the project partners identify which locations(s) may be appropriate for construction of a new parking garage(s). The City anticipates that the feasibility study will need to address:

Size: Prepare a needs assessment matrix and sizing model based on the number of parking stalls needed by local businesses, Lighthouse Park users, Washington State Ferries, Island County Commuters, Port of South Whidbey, and any others identified through the initial sizing and parking stall turn over analysis. Sound Transit completed a Station Access Study in September 2012, which identifies the parking need for Sounder patrons and is recommended to be used as reference for this analysis. It is anticipated that the selected consultant team would gather this information through a series of interviews or joint meetings with various interest groups.

Location: Using the pre-selected site map as a starting point at least six sites shall be initially selected for consideration then narrowed down to three to be included in the final analysis. On the three selected alternatives, a parking garage footprint shall be drawn to scale on aerial maps to show the impact to adjacent properties. The analysis shall also include a typical floor plan with an estimated number of parking spaces that can be provided per floor based on the parking garage footprint and zoning by location. As part of the location analysis, any and all property encumbrances such as easements, covenants and restrictions shall be identified and included in the site priority and selection process.

Massing Diagrams: Prepare 3D block renderings or other visual aids that replicate the approximate massing of the proposed parking structures at each site that meet current zoning and bulk dimensions including: height, setbacks, bulk, and scale. This is not a design exercise, but a basic site analysis that should address massing, potential ingress/egress, and circulation. Mukilteo Municipal Code 17.20 contains the bulk Downtown Business District bulk regulations and 17.25A contains the design standards for the DB district. Mukilteo Municipal Code Chapter 17B contains the City's Shoreline regulations.

Cost Recovery Analysis & Funding Opportunities: Neither the City nor our partners are in the parking garage business, therefore the selected consultant will need to identify creative strategies to fund and operate the parking garage. This overall funding strategy must be flexible enough so that it can be applied to any of the selected sites. The funding strategy should include a pricing strategy, demand assumptions, over sell assumptions, operating expenses, escalation factors, public/private partnerships, bonding, potential tax revenue, and/or other successful funding strategies known by the consultant to make the parking garage economically feasible. The pricing strategy should consider Sound Transit's current policy of not charging Sounder commuters for parking.

Cost / Benefit Analysis: Based on the information gathered during the site analysis phase of the project, a preliminary cost estimate for each parking garage site shall be prepared. This cost estimate shall be used to determine a cost-benefit factor of building a parking garage at each of

the sites. The final study shall include a ranking of site alternatives based on the combined factors of cost / benefit, number of stalls and zoning compatibility.

Operations: While the City and our partners will be working together to identify the size and best location for the parking garage, it is anticipated that the City would be responsible for the long term operations and management of the facility. The feasibility plan needs to include a comparison analysis of the pro's and con's of operating and maintaining the facility with City resources or by out sourcing to a private company. This analysis should address long term labor costs including staffing, enforcement, and property / facility maintenance.

Comparison Matrix: A matrix shall be prepared that compares the constructability factors of each site which includes: minimum number of parking spaces, private property impacts, adjacent land uses, level of permitting difficulty, potential access points, cost factors, and some type of ranking or prioritization scale.

Recommendation: A conclusion and recommendations on next steps to move the project forward should be included in the final report including but not limited to: identifying level of effort needed to successfully implement a parking garage program and estimated costs for design, permitting, environmental, land acquisition and construction phases. Include as an element to the report, an all-inclusive cost per stall estimate for the garage alternatives.

MEMORANDUM

TO: Board of Commissioners
Louisville Revitalization Commission
Malcolm Fleming, City Manager
City of Louisville

FROM: Samuel J. Light 

DATE: December 8, 2016

SUBJECT: Fees for LRC Legal Services

Based upon the firm's general review of its fees, services, and costs, we find it necessary to increase our rates for legal services to the LRC effective January 1, 2017. We last increased our fees for LRC services on January 1, 2013. While cost-effective service is a primary goal of our firm, we must also consider the ongoing increase in our own costs of doing business.

Attached is a copy of the LRC's current Appendix A - Fee Schedule, which shows in blackline our proposed 2017 rates. Our proposal would effect a \$25/hour increase in partner rates and \$15/hour increase in associate rates, and would make our rates for the LRC work match our rates for City work, effective 2017. (The LRC's current rates are \$10/hour less than the City's current rates because we did not make an LRC adjustment in 2015). We will commit to these rates for two years.

In addition to the proposed changes to our fee schedule, we propose updating our contract for services so it is a current, complete document that reflects the firm's current name. A complete copy of the proposed updated contract is enclosed. It includes no substantive changes other than updating names, dates and rates. If this proposal meets with your approval, we will forward to the City Manager two executed originals for LRC signature.

We will continue to work with the LRC to identify and implement methods for managing legal services and fees. We appreciate the opportunity to serve the LRC and thank you for your consideration of this proposal.

If you have any questions or concerns, or care to discuss this matter, please contact me.

APPENDIX A -- FEE SCHEDULE (EFFECTIVE JANUARY 1, 2017 ~~2013~~)

Professional Services

- (1) Law clerk/paralegal services: \$90.00 per hour
- (1) Attorney time for partners shall be ~~\$195.00~~ ~~\$170.00~~ per hour and for associates of the firm shall be ~~\$165.00~~ ~~\$150.00~~ per hour. Fees for any other attorneys providing services through Light, Kelly & Dawes, P.C. shall not exceed ~~\$165.00~~ ~~\$150.00~~ per hour, and the Commission shall be notified of the specific fees through its monthly billing statement.

Expenses

- (1) Copying: \$.15 per page
- (2) FAX: No charge
- (3) Travel: Current IRS per mile
(no charge for travel to and from Louisville)
- (4) Long distance telephone calls: at cost
- (5) Delivery: at cost

AGREED AND ACCEPTED:

LIGHT, KELLY & ~~DAWES~~, P.C.

LOUISVILLE REVITALIZATION
COMMISSION

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

CONTRACT FOR ATTORNEY SERVICES

This Contract between the LOUISVILLE REVITALIZATION COMMISSION, a body corporate and politic ("Commission") and the law firm of LIGHT KELLY, P.C. ("Attorney") is as follows:

WITNESSETH:

WHEREAS, the Commission is in need of an attorney to serve as its general counsel; and

WHEREAS, Samuel J. Light and the other attorneys at Light Kelly, P.C. are duly licensed attorneys in the State of Colorado, and Light Kelly, P.C. is willing and able to serve as general counsel to the Commission;

THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereby agree as follows:

1. Appointment. The Commission hereby appoints the Attorney as general counsel for the Commission and Attorney hereby accepts such appointment. It is understood that the work of the Attorney will be performed by Mr. Light or others in the firm designated by him, but that Mr. Light shall be principally responsible to the Commission for that work.

2. Term. The services to be performed by the Attorney shall begin upon appointment and shall terminate on the Attorney's removal or resignation.

3. Removal or Resignation. Attorney shall serve at the pleasure of the Commission's Board of Commissioners ("Board") and may be removed from the position of general counsel at any time by affirmative vote of a majority of the membership of the Board, the removal to take effect upon written notice to the Attorney. Attorney expressly waives any rights to a charge in writing or an opportunity for a hearing prior to removal.

Attorney may voluntarily resign as general counsel to the Commission by providing at least sixty (60) days' advance written notice to the Board, unless a shorter notice period is agreed to by the Board.

4. Services. The Attorney shall perform all duties of counsel to the Commission as may be required by Constitution, statute, or ordinance, and shall perform other legal services as requested by the Board or by such Commission officers or employees as designated by the Board.

5. Compensation. The Commission agrees to pay the Attorney for all services under this Contract at the rates set forth in the "Appendix A -- Fee Schedule," attached hereto and incorporated herein by this reference. The Attorney agrees to bill the Commission monthly, indicating the services performed, the time expended thereon, and the dates of service. Attorney's expenses for travel to and from Louisville shall not be billed separately to the Commission.

6. Outside Legal Counsel. The Commission may employ, at the Commission's expense, outside the terms of this Contract, other legal counsel determined to be necessary by the Board.

7. Amendment. Any amendment to this Contract shall be in writing and agreed to by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the dates shown.

LIGHT KELLY, P.C.

LOUISVILLE REVITALIZATION
COMMISSION

By: _____
Samuel J. Light, President

By: _____
Chair

Date

Date

ATTEST

By: _____
Secretary

Date

APPENDIX A -- FEE SCHEDULE (EFFECTIVE JANUARY 1, 2017)

Professional Services

- (1) Law clerk/paralegal services: \$90.00 per hour
- (2) Attorney time for partners shall be \$195.00 per hour and for associates of the firm shall be \$165.00 per hour. Fees for any other attorneys providing services through Light, Kelly, P.C. shall not exceed \$165.00 per hour, and the Commission shall be notified of the specific fees through its monthly billing statement.

Expenses

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- (2) FAX: No charge
- (3) Travel: Current IRS per mile
(no charge for travel to and from Louisville)
- (4) Long distance telephone calls: at cost
- (5) Delivery: at cost

AGREED AND ACCEPTED:

LIGHT, KELLY, P.C.

LOUISVILLE REVITALIZATION
COMMISSION

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**Public Services Contract Addendum
Prohibition Against Employing Illegal Aliens**

Prohibition Against Employing Illegal Aliens. Light Kelly, P.C. (the “Contractor”) shall not knowingly employ or contract with an illegal alien to perform work under this contract. The Contractor shall not enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

The Contractor will participate in either the E-verify program or the Department program, as defined in C.R.S. § 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively, in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services. The Contractor is prohibited from using the E-verify program or the Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If the Contractor obtains actual knowledge that a subcontractor performing work under this contract for services knowingly employs or contracts with an illegal alien, the Contractor shall:

- a. Notify the subcontractor and the Commission within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this paragraph the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. § 8-17.5-102(5).

If Contractor violates a provision of this Contract required pursuant to C.R.S. § 8-17.5-102, the Commission may terminate the contract for breach of contract. If the contract is so terminated, the Contractor shall be liable for actual and consequential damages to the Commission.

LIGHT KELLY, P.C.

By: _____

Title: _____

Date: _____

SUBJECT: DOWNTOWN PARKING ITEMS

DATE: DECEMBER 12, 2016

PRESENTED BY: AARON M. DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

Two Items:

1) Attached is the City Council Communication regarding a proposed Contract to Exchange Land with 608 Studios. The land exchange would align property for a Main Street oriented retail and commercial building and for the City to create a more efficient parking lot yielding more parking spaces. It would also achieve the City owning land to accommodate an east-west oriented parking structure within the block, should that ever be something City Council desires.

2) Update on City Council action to not increase the downtown parking Fee In-Lieu amount.

DISCUSSION:

608 Main Land Exchange

Please see the attached Council Communication regarding the Contract to Exchange Real Estate for more information.

Downtown Parking Fee In-Lieu

City Council acted to not increase the downtown parking fee in-lieu payment with the other City Fees set by City Resolution at the December 6, 2016 meeting. They asked staff to identify and outline a process to determine an appropriate amount in the near future for their consideration.

**SUBJECT: CONTRACT TO EXCHANGE REAL ESTATE WITH 608
STUDIOS, LLC**

- 1. ORDINANCE NO. ___, SERIES 2016 – AN ORDINANCE
AUTHORIZING THE CONVEYANCE OF A PARCEL OF LAND
OWNED BY THE CITY OF LOUISVILLE IN EXCHANGE FOR
THE CONVEYANCE TO THE CITY OF A PARCEL OF LAND
BY 608 STUDIOS, LLC – 1ST READING – SET PUBLIC
HEARING FOR 12/20/17**
- 2. RESOLUTION NO. ___, SERIES 2016 – A RESOLUTION
APPROVING A CONTRACT TO EXCHANGE REAL ESTATE
BETWEEN THE CITY OF LOUISVILLE AND 608 STUDIOS,
LLC FOR THE EXCHANGE OF PORTIONS OF PROPERTIES
LOCATED AT 608, 612, AND 624 MAIN STREET –
*CONTINUE TO 12/20/16***

DATE: DECEMBER 6, 2016

FROM: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

City staff and 608 Studios, LLC have negotiated a Contract to Exchange Real Estate in the 600 block of Main Street. The land exchange would align property for a Main Street oriented retail and commercial building and for the City to create a more efficient parking lot yielding more parking spaces. It would also achieve the City owning land to accommodate an east-west oriented parking structure within the block, should that ever be something City Council desires. This memorandum summarizes the proposed Contract to Exchange Real Estate and evaluates the pros and cons of such exchange.

BACKGROUND:

Residents, businesses and property owners have all complained that downtown Louisville lacks adequate parking. Downtown parking demand exceeds the existing supply frequently, as shown by the City's 2013 parking study, and parking for downtown businesses and establishments, including City facilities, extends into the surrounding neighborhoods. The City has taken action on several occasions to address the issue and create additional public parking supply. Recent actions include:

- 1) Expanding the public parking lot adjacent to Lucky Pie Pizza adding 28 parking spaces.
- 2) Leasing 45 evening hour spaces at Koko Plaza.
- 3) Purchasing .638 acres in the DELO area to accommodate 68 new parking spaces.

- 4) Purchasing the 25 space parking lot from the Blue Parrot Restaurant located at 612 and 624 Main Street for \$700,000.

Staff continues to research opportunities for additional parking supply in the downtown area through acquisitions, leases, or other mechanisms.

Eric Fowles, the owner of Voltage Advertising and 608 Studios, LLC, acquired 608 Main Street in September 2015 with the intent to redevelop the one city lot property into an office building for his company. The redevelopment would involve expanding office square footage on the property by building a two story structure on the existing foundation and expanding the rear of the structure.

Economic Development staff had conversations with Eric Fowles in October 2015, and again in summer 2016 (after receiving renewed interest from the Blue Parrot to sell their parking lot), about a potential exchange of real estate to accommodate Voltage Advertising's growth and also achieve additional parking supply for downtown.

The recently acquired Blue Parrot parking lot has an inefficient layout as the middle can only accommodate one row of parking stalls. This is because its width is less than 120 feet, the width needed to accommodate a two-way parking lot with head-in stalls. If additional land could be added to the south, it would create a more efficient surface parking layout yielding an additional 10-15 spaces, plus 2 on-street spaces created by removing the access off Main Street.

In addition to acquiring and/or creating more surface parking, Economic Development staff has been pursuing a location for a future parking structure that meets the following goals; close to the center of downtown; doesn't require significant demolition of existing structures; is away from a street intersection to minimize visual impact; and creates opportunities to cover or hide the structure with other developments. An east-west oriented structure mid-block in this location meets these goals.

Below is an aerial view of this city block under the current ownership:



Below is an aerial of the area depicting the areas where a new retail/commercial building could be built to 'wrap' a potential footprint of a parking structure (270' x 125'). This arrangement assumes a realignment of property holdings.

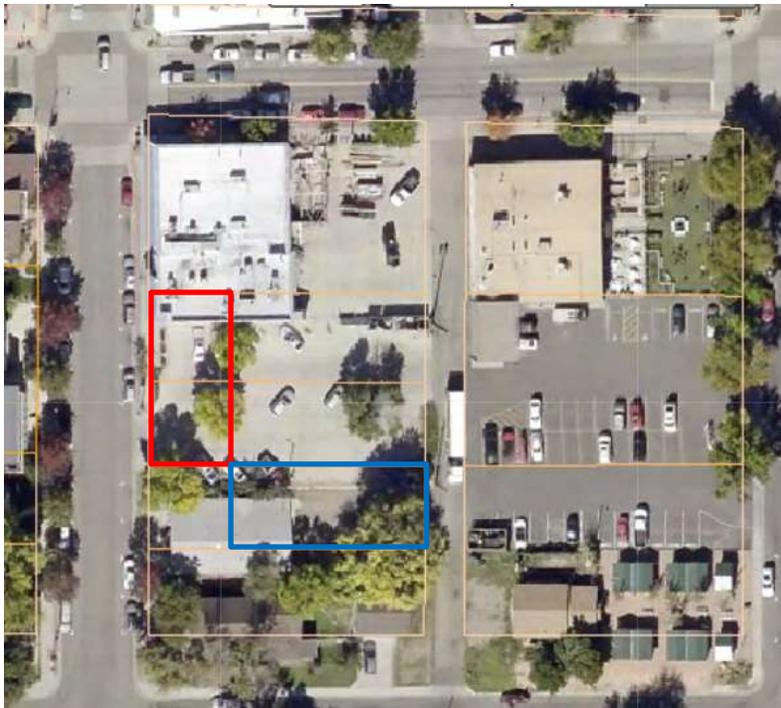


The north, west, and south sides could be redeveloped to further obscure the parking structure from view. The east end of the structure on Front Street would be the vehicular entrance.

Contract to Exchange Real Estate

Based on strategy from City Council in executive session, staff negotiated with 608 Studios the attached Contract to Exchange Real Estate. The main terms are as follows:

- City will transfer the westerly 45 feet of the Blue Parrot parking lot (Lots 9-10 less Blue Parrot building footprint) to Fowles (approximately 4,147 sf, 93.34' x 45' less Blue Parrot building footprint)
- Fowles will transfer the easterly 105 feet of the 608 Main property (Lot 8) to City (approximately 4,900 sf, 105' x 46.67')
- Closing on the land exchange will be conditioned upon Fowles receiving a satisfactory PUD for the property to be owned by Fowles.
- City will credit \$35,000 to Fowles for fees owed to construct the building approved by a PUD. This is to compensate Fowles for the net 753 additional square feet the City obtains from the transfer ($4,900 - 4,147 = 753\text{sf} \times \$46.48\text{ psf} = \$35,000$). Eligible fees would include building permit fees and construction use taxes. The \$35,000 credit equates to a \$46.48 per square foot price for the City to acquire the additional land. This price is less than what the City paid for the Blue Parrot parking lot (\$50 psf) and reflects the negotiated agreement on the difference in value of the higher value land fronting Main Street compared to the lower value land adjacent to the alley.
- Each party will provide the land being exchanged without liens or leases.



Red Box = Land to Fowles from City (~ 4,147 sf). Blue Box = Land to City from Fowles (~ 4,900 sf)

* Aerial image does not match with the County lot lines. Lot lines are further south than depicted.

The image above generally depicts the real estate being exchanged.

To help evaluate the proposal, staff considered the following pros and cons associated with the proposed exchange of real estate.

Pros:

1) **608 Studio's parcel could be developed into a retail and office building.** 608 Studio's current plans for the parcel, if approved, are for a two-story retail and office structure with the first floor being mainly retail uses and the second floor being office uses. New retail and office opportunities would increase the vitality of shopping in downtown Louisville.

2) **608 Studios LLC could redevelop the area in a way that better meets the Downtown Design Guidelines.** The [Design Handbook for Downtown Louisville](#) provides guidelines to help enhance the existing fabric and help ensure a continued sense of place and to provide guidance to property owners concerning design solutions appropriate for downtown Louisville. Adjusting the parcel ownership as described addresses several guidelines, including:

- G4: Develop the street and alley edges of a property to be at pedestrian scale.
- G12: Large areas of off-street parking will not be allowed along Main Street.
- G13: Where appropriate, design a parking area to be accessed from an alley rather than the street.
- G14: Screen a parking lot from view from the street.
- G16: Minimize the visual impacts of a parking structure.
- C1: Develop the ground floor level of all projects to encourage pedestrian activity.
- C2: Maintain the storefront wall at the sidewalk edge.

3) **The City can create a more efficient parking lot and yield additional parking spaces.** The current parking lot has 25 angled parking spaces with two drive aisles having only one row of parking in the middle. Having an additional 46.6 feet to the south creates the opportunity to redevelop the parking lot into head-in parking with two drive aisles and two rows of parking in the middle, yielding an additional 10–15 spaces. Removing the curb cuts along Main Street would yield 2 additional on-street spaces.

4) **The City will own land that could accommodate an efficient east-west oriented parking structure within the block.** A standard parking structure has dimensions of 125 feet by 270 feet. This dimension allows for a ramped parking structure with one side being generally flat and the other ramped for access to multiple parking levels. The property exchange would make it possible to locate such a structure and

also have it be wrapped by future development on the west (by 608 Studios), north, and south sides.



Cons:

- 1) Funds will be needed to expand the parking lot to the South.** The land acquired by the City through the Exchange will be undeveloped and there will be costs associated with extending the paving to yield additional parking spaces.
- 2) No in-depth design or feasibility analysis has been done for building a parking structure.** Staff does not know what financial mechanisms may be appropriate to finance, construct, and maintain a parking structure. A parking structure may not be ultimately desired for downtown.
- 3) City will relinquish ownership of the Main Street portion of the Blue Parrot parking lot.** Redeveloping this portion of Main Street before constructing a parking structure may add some design complications for a future parking structure.

FISCAL IMPACT:

No funds would change hands for the property transfer. The current proposed terms include a \$35,000 fee credit to account for the net increased square footage the City will receive from the exchange. General Fund or Parking Fund monies will likely need to pay for fees being credited.

RECOMMENDATION:

Staff recommends approving the first reading of the associated ordinance, setting a public hearing for December 20th on the second reading of the ordinance, and approving the resolution on the Contract to Exchange Real Estate with 608 Studios, LLC at the December 20, 2016 meeting.

ATTACHMENTS:

- 1) Ordinance
- 2) Resolution
- 3) Contract to Exchange Real Estate

SUBJECT: PARKING AT THE GRAIN ELEVATOR

DATE: DECEMBER 12, 2016

PRESENTED BY: AARON M. DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

Erik Hartronft and Randy Caranci have asked for time to speak about parking opportunities on the Grain Elevator site. No information has been provided to staff. Erik and Randy will be at the meeting to provide additional details.