

Louisville Revitalization Commission

**Monday, January 14, 2019
Louisville Public Library
Library Conference Room
951 Spruce Street (Northwest entrance)
7:30 AM**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of December 10, 2018 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. Open Government Packet
 - b. Posting Notices of Public Meetings
 - c. Election of Officers / Vacant Commissioner position
 - d. Parking Structure presentation discussion
 - e. Terraces on Main TIF Application for Assistance
- VIII. Items for Next Regular Meeting February 11, 2019, 7:30 am Library Meeting Room
 - a. Review Budget and consider addition of line item for bond sinking fund/bond retirement.
- IX. Commissioners' Comments
- X. Adjourn

City of Louisville

Louisville Revitalization Commission

Minutes

**Monday, December 10, 2018
Louisville Public Library
Library Conference Room
951 Spruce Street (NW entrance)**

Call to Order – Chair Steve Fisher called the meeting to order at 7:30 am in the Louisville City Library at 951 Spruce Street, Louisville, CO.

Commissioners Present: Chair Steve Fisher
Hank Dalton
Alex Gorsevski
Rob Lathrop
Michael Menaker
Bob Tofte

Staff Present: Heather Balsler, City Manager
Aaron DeJong, Economic Development Director
Kathleen Kelly, Attorney to the City of Louisville
Dawn Burgess, Executive Assistant to the City Manager

Not Present: Mayor Muckle

Others Present: John Leary

Approval of Agenda

Approved as presented

Approval of November 11, 2018 Minutes:

Approved as presented

Public Comments on Items Not on the Agenda

None

Reports of Commission

None

Business Matters of Commission

- **Final Assessment Figures from County**

There was a 3.2% increase, up slightly from what was projected. Revenue will be up to about \$1.66m. This does not necessitate a budget amendment.

- **Parking Structure Concept Design Discussion**

The parking structure discussion was postponed from November 27th to January 22nd

There were a flurry of emails to council; mostly not in support of the parking structure.

Commissioner Dalton thinks it would be good to take a look at what requirements are and what the LRC thinks requirements are. Then bring these back at the next meeting. Parking studies have been done; let's revisit the results of those. What did it show the deficit is? What does added parking solve? Are we still getting complaints from residents? We need to review past information. He asked Aaron to provide relevant sales tax information from past years that we can look at.

Commissioners agreed to do a run through of the presentation at the January 14th meeting for presentation to Council on Jan 22nd

Commissioner Dalton asked that DeJong send parking study information and sales tax information to LRC members.

Commissioner Menaker distributed a rendering of a green wall as an option to add to the parking structure discussion. He wondered if the LRC should ask architect Andy Johnson for drawing of green wall. LRC members said the drawing is not persuasive.

Chair Fisher said Council members asked him why we need a parking structure. Commissioner Dalton said parking studies have shown need. We need to revisit that as memories can be short.

Commissioner Menaker said a parking structure creates catalytic infrastructure to help LRC mission. It will allow for a larger daytime population of office workers. Currently there is a lack of available parking. That way business owners can go to lenders and show where cars will be parked. Commissioner Dalton said catalytic infrastructure is in the LRC Urban Renewal Plan.

Commissioner Lathrop said years back when we started talking about parking difficulties, we came to the conclusion that we needed factual information. We did that. We need to separate that from being promoters. Just present the

facts. We have given Council something to work with. When enough businesses are closed, perhaps people will connect the dots.

Commissioner Menaker said we need to do a better job of telling our story. We are starting to see letters from property owners – the comment process has just begun.

Commissioner Menaker said we were restricted to only consider that location; we were prohibited from looking at other locations.

Commissioner Gorsevski said he was surprised how negatives were 20-1. Expected more people from old town to chime in. Is it the parking structure or the renderings? Is design the issue?

Commissioner Dalton said this is just the initiation of the discussion.

Commissioner Tofte said getting history will be basis of kick off of discussion. Lot of comments seemed to be initial reaction. Added parking does not begin to fill the need.

Commissioner Dalton said our direction seemed to come from Council approving our budget. This is just part of the process. We will present and give rationale.

City Manager Balser said to come with a draft to Jan 14th meeting and tweak it.

Commissioner Menaker asked how many buildings have been built since January 1955? Not all these buildings are historic.

Commissioner Dalton said Commissioners should send him an email with suggestions. Commissioner Lathrop said to preserve studies and data as it will surface again in 5 years if not moved forward now.

Discussion Items for Monday, January 14, 2019 Regular Meeting

Application for assistance for Terraces on Main. Application will be brought forth at next meeting.

Discussion of budget; addition of line item for bond sinking fund/bond retirement.

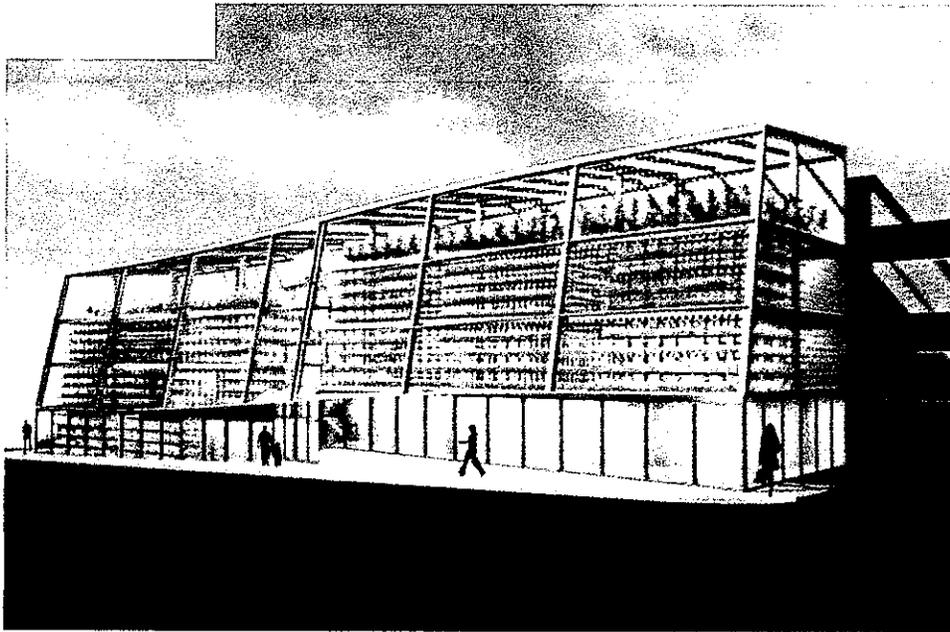
Run-through of January 22nd presentation to Council

Commissioners Comments:

Commissioner Menaker noted this may be his last meeting. He said it has been a joy serving and thanked everyone.

Adjourn:

The meeting adjourned at 9:00 am.



1/20

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City of Louisville Open Government & Ethics Pamphlet 2019

City Clerk's Office
749 Main Street
Louisville CO 80027

www.LouisvilleCO.gov
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Participation in Government

The City of Louisville encourages citizen involvement and participation in its public policy process. There are many opportunities for citizens to be informed about and participate in City activities and decisions. All meetings of City Council, as well as meetings of appointed Boards and Commissions, are open to the public and include an opportunity for public comments on items not on the agenda. No action or substantive discussion on an item may take place unless that item has been specifically listed as an agenda item for a regular or special meeting. Some opportunities for you to participate include:

Reading and inquiring about City Council activities and agenda items, and attending and speaking on topics of interest at public meetings

City Council Meetings:

- Regular meetings are generally held on the first and third Tuesdays of each month at 7:00 PM in the City Council Chambers, located on the second floor of City Hall, 749 Main Street;
- Study sessions are generally held on the second and fourth Tuesdays of each month at 7:00 PM in the Library Meeting Room, located on the first floor of the Library, 951 Spruce Street;
- Regular meetings are broadcast live on Comcast Cable Channel 8 and copies of the meeting broadcasts are available on DVD in the City Manager's Office beginning the morning following the meeting;
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Meeting agendas for all City Council meetings, other than special meetings, are posted a minimum of 72 hours prior to the meeting at the following locations:

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- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- City website at www.LouisvilleCO.gov

Meeting packets with all agenda-related materials are available 72 hours prior to each meeting and may be found at these locations:

- Louisville Public Library Reference Area, 951 Spruce Street,
- City Clerk's Office, City Hall, 749 Main Street,
- City website at www.LouisvilleCO.gov

You may receive eNotifications of City Council news as well as meeting agendas and summaries of City Council actions. Visit the City's website (www.LouisvilleCO.gov) and look for the eNotification link to register.

After they are approved by the City Council, meeting minutes of all regular and special meetings are available in the City Clerk's office and on the City's website (www.LouisvilleCO.gov).

Information about City activities and projects, as well as City Council decisions, is included in the *Community Update* newsletter, mailed to all City residents and businesses. Information is also often included in the monthly utility bills mailed to City residents.

Communicating Directly with the Mayor and City Council Members

Contact information for the Mayor and City Council members is available at www.LouisvilleCO.gov, as well as at City Hall, the Louisville Public Library, and the Recreation/Senior Center. You may email the Mayor and City Council as a group at CityCouncil@LouisvilleCO.gov.

Mayor's Town Meetings and City Council Ward Meetings are scheduled periodically. These are informal meetings at which all residents, points of view, and issues are welcome. These meetings are advertised at City facilities and on the City's website (www.LouisvilleCO.gov).

Mayor or City Council Elections

City Council members are elected from three Wards within the City and serve staggered four-year terms. There are two Council representatives from each ward. The mayor is elected at-large and serves a four-year term. City Council elections are held in November of odd-numbered years. For information about City elections, including running for City Council, please contact the City Clerk's Office, first floor City Hall, 749 Main Street, or call 303.335.4571.

Serving as an Appointed Member on a City Board or Commission

The City Council makes Board and Commission appointments annually. Some of the City's Boards and Commissions are advisory, others have some decision-making powers. The City Council refers questions and issues to these appointed officials for input and advice. (Please note the Youth Advisory Board has a separate appointment process.) The City's Boards and Commissions are:

- Board of Adjustment
- Building Code Board of Appeals
- Cultural Council
- Historic Preservation Commission
- Historical Commission
- Housing Authority
- Library Board of Trustees
- Local Licensing Authority

- Open Space Advisory Board
- Parks & Public Landscaping Advisory Board
- Planning Commission
- Recreation Advisory Board
- Revitalization Commission
- Sustainability Advisory Board
- Youth Advisory Board

Information about boards, as well as meeting agendas and schedules for each board, is available on the City's web-site (www.LouisvilleCO.gov).

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- City Clerk's Office, City Hall, 749 Main Street
- City web site at www.LouisvilleCO.gov

Planning Commission

The Planning Commission evaluates land use proposals against zoning laws and holds public hearings as outlined in City codes. Following a public hearing, the Commission recommends, through a resolution, that the City Council accept or reject a proposal.

- Regular Planning Commission meetings are held at 6:30 PM on the second Thursday of each month. Overflow meetings are scheduled for 6:30 PM on the 4th Thursday of the month as needed, and occasionally Study Sessions are held.
- Regular meetings are broadcast live on Comcast Channel 8 and archived for viewing on the City's web-site (www.LouisvilleCO.gov).

Open Government Training

All City Council members and members of a permanent Board or Commission are required to participate in at least one City-sponsored open government-related seminar, workshop, or other training program at least once every two years.

Open Meetings

The City follows the Colorado Open Meetings Law ("Sunshine Law") as well as additional open meet-

ings requirements found in the City's Home Rule Charter. These rules and practices apply to the City Council and appointed Boards and Commissions (referred to as a "public body" for ease of reference). Important open meetings rules and practices include the following:

Regular Meetings

All meetings of three or more members of a public body (or a quorum, whichever is fewer) are open to the public.

All meetings of public bodies must be held in public buildings and public facilities accessible to all members of the public.

All meetings must be preceded by proper notice. Agendas and agenda-related materials are posted at least 72 hours in advance of the meeting at the following locations:

- City Hall, 749 Main Street
- Police Department/Municipal Court, 992 West Via Appia
- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- On the City web site at www.LouisvilleCO.gov

Study Sessions

Study sessions are also open to the public. However, study sessions have a limited purpose:

- Study sessions are to obtain information and discuss matters in a less formal atmosphere;
- No preliminary or final decision or action may be made or taken at any study session; further, full debate and deliberation of a matter is to be reserved for formal meetings; If a person believes in good faith that a study session is proceeding contrary to these limitations, he or she may submit a written objection. The presiding officer will then review the objection and determine how the study session should proceed.
- Like formal meetings, a written summary of each study session is prepared and is available on the City's website.

Executive Sessions

The City Charter also sets out specific procedures and limitations on the use of executive sessions. These rules, found in Article 5 of the Charter, are intended to further the City policy that the activities of City government be conducted in public to the greatest extent feasible, in order to assure public participation and enhance public accountability. The City's rules regarding executive sessions include the following:

Timing and Procedures

The City Council and City Boards and Commissions may hold an executive session only at a regular or special meeting.

No formal action of any type, and no informal or "straw" vote, may occur at any executive session. Rather, formal

actions, such as the adoption of a proposed policy, position, rule or other action, may only occur in open session.

Prior to holding an executive session, there must be a public announcement of the request and the legal authority for convening in closed session. There must be a detailed and specific statement as to the topics to be discussed and the reasons for requesting the session.

The request must be approved by a supermajority (two-thirds of the full Council, Board, or Commission). Prior to voting on the request, the clerk reads a statement of the rules pertaining to executive sessions. Once in executive session, the limitations on the session must be discussed and the propriety of the session confirmed. If there are objections and/or concerns over the propriety of the session, those are to be resolved in open session.

Once the session is over, an announcement is made of any procedures that will follow from the session.

Executive sessions are recorded, with access to those tapes limited as provided by state law. Those state laws allow a judge to review the propriety of a session if in a court filing it is shown that there is a reasonable belief that the executive session went beyond its permitted scope. Executive session records are not available outside of a court proceeding.

Authorized Topics

For City Council, an executive session may be held only for discussion of the following topics:

- Matters where the information being discussed is required to be kept confidential by federal or state law;
- Certain personnel matters relating to employees directly appointed by the Council, and other personnel matters only upon request of the City Manager or Mayor for informational purposes only;
- Consideration of water rights and real property acquisitions and dispositions, but only as to appraisals and other value estimates and strategy for the acquisition or disposition; and
- Consultation with an attorney representing the City with respect to pending litigation. This includes cases that are actually filed as well as situations where the person requesting the executive session believes in good faith that a lawsuit may result, and allows for discussion of settlement strategies.

The City's Boards and Commissions may only hold an executive session for consultation with its attorney regarding pending litigation.

Ethics

Ethics are the foundation of good government. Louisville has adopted its own Code of Ethics, which is found in the City Charter and which applies to elected officials, public body members, and employees. The Louisville Code of Ethics applies in addition to any higher standards

in state law. Louisville's position on ethics is perhaps best summarized in the following statement taken from the City Charter:

Those entrusted with positions in the City government must commit to adhering to the letter and spirit of the Code of Ethics. Only when the people are confident that those in positions of public responsibility are committed to high levels of ethical and moral conduct, will they have faith that their government is acting for the good of the public. This faith in the motives of officers, public body members, and employees is critical for a harmonious and trusting relationship between the City government and the people it serves.

The City's Code of Ethics (Sections 5-6 through 5-17 of the Charter) is summarized in the following paragraphs. While the focus is to provide a general overview of the rules, it is important to note that all persons subject to the Code of Ethics must strive to follow both the letter and the spirit of the Code, so as to avoid not only actual violations, but public perceptions of violations. Indeed, perceptions of violations can have the same negative impact on public trust as actual violations.

Conflicts of Interest

One of the most common ethical rules visited in the local government arena is the "conflict of interest rule." While some technical aspects of the rule are discussed below, the general rule under the Code of Ethics is that if a Council, Board, or Commission member has an "interest" that will be affected by his or her "official action," then there is a conflict of interest and the member must:

- Disclose the conflict, on the record and with particularity;
- Not participate in the discussion;
- Leave the room; and
- Not attempt to influence others.

An "interest" is a pecuniary, property, or commercial benefit, or any other benefit the primary significance of which is economic gain or the avoidance of economic loss. However, an "interest" does not include any matter conferring similar benefits on all property or persons similarly situated. (Therefore, a City Council member is not prohibited from voting on a sales tax increase or decrease if the member's only interest is that he or she, like other residents, will be subject to the higher or lower tax.) Additionally, an "interest" does not include a stock interest of less than one percent of the company's outstanding shares.

The Code of Ethics extends the concept of prohibited interest to persons or entities with whom the member is associated. In particular, an interest of the following persons and entities is also an interest of the member: relatives (including persons related by blood or marriage to certain

degrees, and others); a business in which the member is an officer, director, employee, partner, principal, member, or owner; and a business in which member owns more than one percent of outstanding shares.

The concept of an interest in a business applies to profit and nonprofit corporations, and applies in situations in which the official action would affect a business competitor. Additionally, an interest is deemed to continue for one year after the interest has ceased. Finally, “official action” for purposes of the conflict of interest rule, includes not only legislative actions, but also administrative actions and “quasi-judicial” proceedings where the entity is acting like a judge in applying rules to the specific rights of individuals (such as a variance request or liquor license). Thus, the conflict rules apply essentially to all types of actions a member may take.

Contracts

In addition to its purchasing policies and other rules intended to secure contracts that are in the best interest of the City, the Code of Ethics prohibits various actions regarding contracts. For example, no public body member who has decision-making authority or influence over a City contract can have an interest in the contract, unless the member has complied with the disclosure and recusal rules. Further, members are not to appear before the City on behalf of other entities that hold a City contract, nor are they to solicit or accept employment from a contracting entity if it is related to the member’s action on a contract with that entity.

Gifts and Nepotism

The Code of Ethics, as well as state law, regulates the receipt of gifts. City officials and employees may not solicit or accept a present or future gift, favor, discount, service or other thing of value from a party to a City contract, or from a person seeking to influence an official action. There is an exception for the “occasional nonpecuniary gift” of \$15 or less, but this exception does not apply if the gift, no matter how small, may be associated with the official’s or employee’s official action, whether concerning a contract or some other matter. The gift ban also extends to independent contractors who may exercise official actions on behalf of the City.

The Code of Ethics also prohibits common forms of nepotism. For example, no officer, public body member, or employee shall be responsible for employment matters concerning a relative. Nor can he or she influence compensation paid to a relative, and a relative of a current officer, public body member or employee cannot be hired unless certain personnel rules are followed.

Other Ethics Rules of Interest

Like state law, Louisville’s Code of Ethics prohibits the use of non-public information for personal or private gain. It also prohibits acts of advantage or favoritism and, in that regard, prohibits special considerations, use of employee time for personal or private reasons, and use of City vehicles or equipment, except in same manner as available to any other person (or in manner that will substantially benefit City). The City also has a “revolving door” rule that prohibits elected officials from becoming City employees either during their time in office or for two years after leaving office. These and other rules of conduct are found in Section 5-9 of the Code of Ethics.

Disclosure, Enforcement, and Advisory Opinions

The Code of Ethics requires that those holding or running for City Council file a financial disclosure statement with the City Clerk. The statement must include, among other information, the person’s employer and occupation, sources of income, and a list of business and property holdings.

The Code of Ethics provides fair and certain procedures for its enforcement. Complaints of violations may be filed with the City prosecutor; the complaint must be a detailed written and verified statement. If the complaint is against an elected or appointed official, it is forwarded to an independent judge who appoints a special, independent prosecutor for purposes of investigation and appropriate action. If against an employee, the City prosecutor will investigate the complaint and take appropriate action. In all cases, the person who is subject to the complaint is given the opportunity to provide information concerning the complaint.

Finally, the Code allows persons who are subject to the Code to request an advisory opinion if they are uncertain as to applicability of the Code to a particular situation, or as to the definition of terms used in the Code. Such requests are handled by an advisory judge, selected from a panel of independent, disinterested judges who have agreed to provide their services. This device allows persons who are subject to the Code to resolve uncertainty before acting, so that a proper course of conduct may be identified. Any person who requests and acts in accordance with an advisory opinion issued by an advisory judge is not subject to City penalty, unless material facts were omitted or misstated in the request. Advisory opinions are posted for public inspection; the advisory judge may order a delay in posting if the judge determines the delay is in the City’s best interest.

Citizens are encouraged to contact the City Manager’s Office with any questions about the City’s Code of Ethics. A copy of the Code is available at the City’s website (www.LouisvilleCO.gov) and also from the Offices of the City Manager and City Clerk.

Other Laws on Citizen Participation in Government

Preceding sections of this pamphlet describe Louisville's own practices intended to further citizen participation in government. Those practices are generally intended to further dissemination of information and participation in the governing process. Some other laws of interest regarding citizen participation include:

Initiative and Referendum

The right to petition for municipal legislation is reserved to the citizens by the Colorado Constitution and the City Charter. An initiative is a petition for legislation brought directly by the citizens; a referendum is a petition brought by the citizens to refer to the voters a piece of legislation that has been approved by the City Council. In addition to these two petitioning procedures, the City Council may refer matters directly to the voters in the absence of any petition. Initiative and referendum petitions must concern municipal legislation—as opposed to administrative or other non-legislative matters. By law the City Clerk is the official responsible for many of the activities related to a petition process, such as approval of the petition forms, review of the signed petitions, and consideration of protests and other matters. There are minimum signature requirements for petitions to be moved to the ballot; in Louisville, an initiative petition must be signed by at least five percent of the total number of registered electors. A referendum petition must be signed by at least two and one-half percent of the registered electors.

Public Hearings

In addition to the opportunity afforded at each regular City Council meeting to comment on items not on the agenda, most City Council actions provide opportunity for public comment through a public hearing process. For example, the City Charter provides that a public hearing shall be held on every ordinance before its adoption. This includes opportunities for public comment prior to initial City Council discussion of the ordinance, as well as after Council's initial discussion but before action. Many actions of the City are required to be taken by ordinance, and thus this device allows for citizen public hearing comments on matters ranging from zoning ordinances to ordinances establishing offenses that are subject to enforcement through the municipal court.

Additionally, federal, state, and/or local law requires a public hearing on a number of matters irrespective of whether an ordinance is involved. For example, a public hearing is held on the City budget, the City Comprehensive Plan and similar plans, and a variety of site-specific or person-specific activities, such as annexations of land into the city, rezonings, special use permits, variances, and new

liquor licenses. Anyone may provide comments during these hearings.

Public Records

Access to public records is an important aspect of citizen participation in government. Louisville follows the Colorado Open Records Act (CORA) and the additional public records provisions in the City Charter. In particular, the Charter promotes the liberal construction of public records law, so as to promote the prompt disclosure of City records to citizens at no cost or no greater cost than the actual costs to the City.

The City Clerk is the custodian of the City's public records, except for financial, personnel, and police records which are handled, respectively, by the Finance, Human Resources, and Police Departments. The City maintains a public policy on access to public records, which include a records request form, a statement of fees, and other guidelines. No fee is charged for the inspection of records. No fee is charged for locating or making records available for copying, except in cases of voluminous requests or dated records, or when the time spent in locating records exceeds two hours. No fees are charged for the first 25 copies requested or for electronic records.

Many records, particularly those related to agenda items for City Council and current Board and Commission meetings, are available directly on the City's website (www.LouisvilleCO.gov). In addition to posting agenda-related material, the City maintains communication files for the City Council and Planning Commission. These are available for public inspection at the City Clerk's Office, 749 Main Street.

CORA lists the categories of public records that are not generally open to public inspection. These include, for example, certain personnel records and information, financial and other information about users of city facilities, privileged information, medical records, letters of reference, and other items listed in detail in CORA. When public records are not made available, the custodian will specifically advise the requestor of the reason.

Citizens are encouraged to review the City's website (www.LouisvilleCo.gov) for information, and to contact the City with any questions regarding City records.

Public Involvement Policy

Public participation is an essential element of the City's representative form of government. To promote effective public participation City officials, advisory board members, staff and participants should all observe the following guiding principles, roles and responsibilities:

Guiding Principles for Public Involvement

Inclusive not Exclusive - Everyone's participation is

welcome. Anyone with a known interest in the issue will be identified, invited and encouraged to be involved early in the process.

Voluntary Participation - The process will seek the support of those participants willing to invest the time necessary to make it work.

Purpose Driven - The process will be clearly linked to when and how decisions are made. These links will be communicated to participants.

Time, Financial and Legal Constraints - The process will operate within an appropriate time frame and budget and observe existing legal and regulatory requirements.

Communication - The process and its progress will be communicated to participants and the community at-large using appropriate methods and technologies.

Adaptability - The process will be adaptable so that the level of public involvement is reflective of the magnitude of the issue and the needs of the participants.

Access to Information - The process will provide participants with timely access to all relevant information in an understandable and user-friendly way. Education and training requirements will be considered.

Access to Decision Making - The process will give participants the opportunity to influence decision making.

Respect for Diverse Interests - The process will foster respect for the diverse values, interests and knowledge of those involved.

Accountability - The process will reflect that participants are accountable to both their constituents and to the success of the process.

Evaluation - The success and results of the process will be measured and evaluated.

Roles and Responsibilities - City Council

City Council is ultimately responsible to all the citizens of Louisville and must weigh each of its decisions accordingly. Councilors are responsible to their local constituents under the ward system; however they must carefully consider the concerns expressed by all parties. Council must ultimately meet the needs of the entire community—including current and future generations—and act in the best interests of the City as a whole.

During its review and decision-making process, Council has an obligation to recognize the efforts and activities that have preceded its deliberations. Council should have regard for the public involvement processes that have been completed in support or opposition of projects.

Roles and Responsibilities - City Staff and Advisory Boards

The City should be designed and run to meet the needs and priorities of its citizens. Staff and advisory boards must ensure that the Guiding Principles direct their work. In addition to the responsibilities established by the Guiding

Principles, staff and advisory boards are responsible for:

- ensuring that decisions and recommendations reflect the needs and desires of the community as a whole;
- pursuing public involvement with a positive spirit because it helps clarify those needs and desires and also adds value to projects;
- fostering long-term relationships based on respect and trust in all public involvement activities;
- encouraging positive working partnerships;
- ensuring that no participant or group is marginalized or ignored;
- drawing out the silent majority, the voiceless and the disempowered; and being familiar with a variety of public involvement techniques and the strengths and weaknesses of various approaches.

All Participants

The public is also accountable for the public involvement process and for the results it produces. All parties (including Council, advisory boards, staff, proponents, opponents and the public) are responsible for:

- working within the process in a cooperative and civil manner;
- focusing on real issues and not on furthering personal agendas;
- balancing personal concerns with the needs of the community as a whole;
- having realistic expectations;
- participating openly, honestly and constructively, offering ideas, suggestions and alternatives;
- listening carefully and actively considering everyone's perspectives;
- identifying their concerns and issues early in the process;
- providing their names and contact information if they want direct feedback;
- remembering that no single voice is more important than all others, and that there are diverse opinions to be considered;
- making every effort to work within the project schedule and if this is not possible, discussing this with the proponent without delay;
- recognizing that process schedules may be constrained by external factors such as limited funding, broader project schedules or legislative requirements;
- accepting some responsibility for keeping themselves aware of current issues, making others aware of project activities and soliciting their involvement and input; and
- considering that the quality of the outcome and how that outcome is achieved are both important.

Updated December 2015

This pamphlet is prepared pursuant to the Home Rule Charter of the City of Louisville.

This is a compilation of Articles 4 and 5 of the Charter of the City of Louisville and is available at all times in the City Clerk's Office, 749 Main Street, Louisville, Colorado, and on the City's web site at www.LouisvilleCO.gov.

This pamphlet is also provided to every member of a public body (board or commission) at that body's first meeting each year.



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Meeting agendas for all City Council meetings, other than special meetings, are posted a minimum of 72 hours prior to the meeting at the following locations:

- City Hall, 749 Main Street
- Police Department/Municipal Court, 992 West Via Appia
- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- City website at www.LouisvilleCO.gov

Meeting packets with all agenda-related materials are available 72 hours prior to each meeting and may be found at these locations:

- Louisville Public Library Reference Area, 951 Spruce Street,
- City Clerk's Office, City Hall, 749 Main Street,
- City website at www.LouisvilleCO.gov

You may receive eNotifications of City Council news as well as meeting agendas and summaries of City Council actions. Visit the City's website (www.LouisvilleCO.gov) and look for the eNotification link to register.

After they are approved by the City Council, meeting minutes of all regular and special meetings are available in the City Clerk's office and on the City's website (www.LouisvilleCO.gov).

Information about City activities and projects, as well as City Council decisions, is included in the *Community Update* newsletter, mailed to all City residents and businesses. Information is also often included in the monthly utility bills mailed to City residents.

Communicating Directly with the Mayor and City Council Members

Contact information for the Mayor and City Council members is available at www.LouisvilleCO.gov, as well as at City Hall, the Louisville Public Library, and the Recreation/Senior Center. You may email the Mayor and City Council as a group at CityCouncil@LouisvilleCO.gov.

Mayor's Town Meetings and City Council Ward Meetings are scheduled periodically. These are informal meetings at which all residents, points of view, and issues are welcome. These meetings are advertised at City facilities and on the City's website (www.LouisvilleCO.gov).

Mayor or City Council Elections

City Council members are elected from three Wards within the City and serve staggered four-year terms. There are two Council representatives from each ward. The mayor is elected at-large and serves a four-year term. City Council elections are held in November of odd-numbered years. For information about City elections, including running for City Council, please contact the City Clerk's Office, first floor City Hall, 749 Main Street, or call 303.335.4571.

Serving as an Appointed Member on a City Board or Commission

The City Council makes Board and Commission appointments annually. Some of the City's Boards and Commissions are advisory, others have some decision-making powers. The City Council refers questions and issues to these appointed officials for input and advice. (Please note the Youth Advisory Board has a separate appointment process.) The City's Boards and Commissions are:

- Board of Adjustment
- Building Code Board of Appeals
- Cultural Council
- Historic Preservation Commission
- Historical Commission
- Housing Authority
- Library Board of Trustees
- Local Licensing Authority

- Open Space Advisory Board
- Parks & Public Landscaping Advisory Board
- Planning Commission
- Recreation Advisory Board
- Revitalization Commission
- Sustainability Advisory Board
- Youth Advisory Board

Information about boards, as well as meeting agendas and schedules for each board, is available on the City’s web-site (www.LouisvilleCO.gov).

Agendas for all Board and Commission meetings are posted a minimum of 72 hours prior to each meeting and are posted at these locations:

- City Hall, 749 Main Street
- Police Department/Municipal Court, 992 West Via Appia
- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- City web site at www.LouisvilleCO.gov

Copies of complete meeting packets containing all agenda-related materials are available at least 72 hours prior to each meeting and may be found at the following locations:

- Louisville Public Library Reference Area, 951 Spruce Street,
- City Clerk’s Office, City Hall, 749 Main Street
- City web site at www.LouisvilleCO.gov

Planning Commission

The Planning Commission evaluates land use proposals against zoning laws and holds public hearings as outlined in City codes. Following a public hearing, the Commission recommends, through a resolution, that the City Council accept or reject a proposal.

- Regular Planning Commission meetings are held at 6:30 PM on the second Thursday of each month. Overflow meetings are scheduled for 6:30 PM on the 4th Thursday of the month as needed, and occasionally Study Sessions are held.
- Regular meetings are broadcast live on Comcast Channel 8 and archived for viewing on the City’s web-site (www.LouisvilleCO.gov).

Open Government Training

All City Council members and members of a permanent Board or Commission are required to participate in at least one City-sponsored open government-related seminar, workshop, or other training program at least once every two years.

Open Meetings

The City follows the Colorado Open Meetings Law (“Sunshine Law”) as well as additional open meet-

ings requirements found in the City’s Home Rule Charter. These rules and practices apply to the City Council and appointed Boards and Commissions (referred to as a “public body” for ease of reference). Important open meetings rules and practices include the following:

Regular Meetings

All meetings of three or more members of a public body (or a quorum, whichever is fewer) are open to the public.

All meetings of public bodies must be held in public buildings and public facilities accessible to all members of the public.

All meetings must be preceded by proper notice. Agendas and agenda-related materials are posted at least 72 hours in advance of the meeting at the following locations:

- City Hall, 749 Main Street
- Police Department/Municipal Court, 992 West Via Appia
- Recreation/Senior Center, 900 West Via Appia
- Louisville Public Library, 951 Spruce Street
- On the City web site at www.LouisvilleCO.gov

Study Sessions

Study sessions are also open to the public. However, study sessions have a limited purpose:

- Study sessions are to obtain information and discuss matters in a less formal atmosphere;
- No preliminary or final decision or action may be made or taken at any study session; further, full debate and deliberation of a matter is to be reserved for formal meetings; If a person believes in good faith that a study session is proceeding contrary to these limitations, he or she may submit a written objection. The presiding officer will then review the objection and determine how the study session should proceed.
- Like formal meetings, a written summary of each study session is prepared and is available on the City’s website.

Executive Sessions

The City Charter also sets out specific procedures and limitations on the use of executive sessions. These rules, found in Article 5 of the Charter, are intended to further the City policy that the activities of City government be conducted in public to the greatest extent feasible, in order to assure public participation and enhance public accountability. The City’s rules regarding executive sessions include the following:

Timing and Procedures

The City Council and City Boards and Commissions may hold an executive session only at a regular or special meeting.

No formal action of any type, and no informal or “straw” vote, may occur at any executive session. Rather, formal

actions, such as the adoption of a proposed policy, position, rule or other action, may only occur in open session.

Prior to holding an executive session, there must be a public announcement of the request and the legal authority for convening in closed session. There must be a detailed and specific statement as to the topics to be discussed and the reasons for requesting the session.

The request must be approved by a supermajority (two-thirds of the full Council, Board, or Commission). Prior to voting on the request, the clerk reads a statement of the rules pertaining to executive sessions. Once in executive session, the limitations on the session must be discussed and the propriety of the session confirmed. If there are objections and/or concerns over the propriety of the session, those are to be resolved in open session.

Once the session is over, an announcement is made of any procedures that will follow from the session.

Executive sessions are recorded, with access to those tapes limited as provided by state law. Those state laws allow a judge to review the propriety of a session if in a court filing it is shown that there is a reasonable belief that the executive session went beyond its permitted scope. Executive session records are not available outside of a court proceeding.

Authorized Topics

For City Council, an executive session may be held only for discussion of the following topics:

- Matters where the information being discussed is required to be kept confidential by federal or state law;
- Certain personnel matters relating to employees directly appointed by the Council, and other personnel matters only upon request of the City Manager or Mayor for informational purposes only;
- Consideration of water rights and real property acquisitions and dispositions, but only as to appraisals and other value estimates and strategy for the acquisition or disposition; and
- Consultation with an attorney representing the City with respect to pending litigation. This includes cases that are actually filed as well as situations where the person requesting the executive session believes in good faith that a lawsuit may result, and allows for discussion of settlement strategies.

The City's Boards and Commissions may only hold an executive session for consultation with its attorney regarding pending litigation.

Ethics

Ethics are the foundation of good government. Louisville has adopted its own Code of Ethics, which is found in the City Charter and which applies to elected officials, public body members, and employees. The Louisville Code of Ethics applies in addition to any higher standards

in state law. Louisville's position on ethics is perhaps best summarized in the following statement taken from the City Charter:

Those entrusted with positions in the City government must commit to adhering to the letter and spirit of the Code of Ethics. Only when the people are confident that those in positions of public responsibility are committed to high levels of ethical and moral conduct, will they have faith that their government is acting for the good of the public. This faith in the motives of officers, public body members, and employees is critical for a harmonious and trusting relationship between the City government and the people it serves.

The City's Code of Ethics (Sections 5-6 through 5-17 of the Charter) is summarized in the following paragraphs. While the focus is to provide a general overview of the rules, it is important to note that all persons subject to the Code of Ethics must strive to follow both the letter and the spirit of the Code, so as to avoid not only actual violations, but public perceptions of violations. Indeed, perceptions of violations can have the same negative impact on public trust as actual violations.

Conflicts of Interest

One of the most common ethical rules visited in the local government arena is the "conflict of interest rule." While some technical aspects of the rule are discussed below, the general rule under the Code of Ethics is that if a Council, Board, or Commission member has an "interest" that will be affected by his or her "official action," then there is a conflict of interest and the member must:

- Disclose the conflict, on the record and with particularity;
- Not participate in the discussion;
- Leave the room; and
- Not attempt to influence others.

An "interest" is a pecuniary, property, or commercial benefit, or any other benefit the primary significance of which is economic gain or the avoidance of economic loss. However, an "interest" does not include any matter conferring similar benefits on all property or persons similarly situated. (Therefore, a City Council member is not prohibited from voting on a sales tax increase or decrease if the member's only interest is that he or she, like other residents, will be subject to the higher or lower tax.) Additionally, an "interest" does not include a stock interest of less than one percent of the company's outstanding shares.

The Code of Ethics extends the concept of prohibited interest to persons or entities with whom the member is associated. In particular, an interest of the following persons and entities is also an interest of the member: relatives (including persons related by blood or marriage to certain

degrees, and others); a business in which the member is an officer, director, employee, partner, principal, member, or owner; and a business in which member owns more than one percent of outstanding shares.

The concept of an interest in a business applies to profit and nonprofit corporations, and applies in situations in which the official action would affect a business competitor. Additionally, an interest is deemed to continue for one year after the interest has ceased. Finally, “official action” for purposes of the conflict of interest rule, includes not only legislative actions, but also administrative actions and “quasi-judicial” proceedings where the entity is acting like a judge in applying rules to the specific rights of individuals (such as a variance request or liquor license). Thus, the conflict rules apply essentially to all types of actions a member may take.

Contracts

In addition to its purchasing policies and other rules intended to secure contracts that are in the best interest of the City, the Code of Ethics prohibits various actions regarding contracts. For example, no public body member who has decision-making authority or influence over a City contract can have an interest in the contract, unless the member has complied with the disclosure and recusal rules. Further, members are not to appear before the City on behalf of other entities that hold a City contract, nor are they to solicit or accept employment from a contracting entity if it is related to the member’s action on a contract with that entity.

Gifts and Nepotism

The Code of Ethics, as well as state law, regulates the receipt of gifts. City officials and employees may not solicit or accept a present or future gift, favor, discount, service or other thing of value from a party to a City contract, or from a person seeking to influence an official action. There is an exception for the “occasional nonpecuniary gift” of \$15 or less, but this exception does not apply if the gift, no matter how small, may be associated with the official’s or employee’s official action, whether concerning a contract or some other matter. The gift ban also extends to independent contractors who may exercise official actions on behalf of the City.

The Code of Ethics also prohibits common forms of nepotism. For example, no officer, public body member, or employee shall be responsible for employment matters concerning a relative. Nor can he or she influence compensation paid to a relative, and a relative of a current officer, public body member or employee cannot be hired unless certain personnel rules are followed.

Other Ethics Rules of Interest

Like state law, Louisville’s Code of Ethics prohibits the use of non-public information for personal or private gain. It also prohibits acts of advantage or favoritism and, in that regard, prohibits special considerations, use of employee time for personal or private reasons, and use of City vehicles or equipment, except in same manner as available to any other person (or in manner that will substantially benefit City). The City also has a “revolving door” rule that prohibits elected officials from becoming City employees either during their time in office or for two years after leaving office. These and other rules of conduct are found in Section 5-9 of the Code of Ethics.

Disclosure, Enforcement, and Advisory Opinions

The Code of Ethics requires that those holding or running for City Council file a financial disclosure statement with the City Clerk. The statement must include, among other information, the person’s employer and occupation, sources of income, and a list of business and property holdings.

The Code of Ethics provides fair and certain procedures for its enforcement. Complaints of violations may be filed with the City prosecutor; the complaint must be a detailed written and verified statement. If the complaint is against an elected or appointed official, it is forwarded to an independent judge who appoints a special, independent prosecutor for purposes of investigation and appropriate action. If against an employee, the City prosecutor will investigate the complaint and take appropriate action. In all cases, the person who is subject to the complaint is given the opportunity to provide information concerning the complaint.

Finally, the Code allows persons who are subject to the Code to request an advisory opinion if they are uncertain as to applicability of the Code to a particular situation, or as to the definition of terms used in the Code. Such requests are handled by an advisory judge, selected from a panel of independent, disinterested judges who have agreed to provide their services. This device allows persons who are subject to the Code to resolve uncertainty before acting, so that a proper course of conduct may be identified. Any person who requests and acts in accordance with an advisory opinion issued by an advisory judge is not subject to City penalty, unless material facts were omitted or misstated in the request. Advisory opinions are posted for public inspection; the advisory judge may order a delay in posting if the judge determines the delay is in the City’s best interest.

Citizens are encouraged to contact the City Manager’s Office with any questions about the City’s Code of Ethics. A copy of the Code is available at the City’s website (www.LouisvilleCO.gov) and also from the Offices of the City Manager and City Clerk.

Other Laws on Citizen Participation in Government

Preceding sections of this pamphlet describe Louisville's own practices intended to further citizen participation in government. Those practices are generally intended to further dissemination of information and participation in the governing process. Some other laws of interest regarding citizen participation include:

Initiative and Referendum

The right to petition for municipal legislation is reserved to the citizens by the Colorado Constitution and the City Charter. An initiative is a petition for legislation brought directly by the citizens; a referendum is a petition brought by the citizens to refer to the voters a piece of legislation that has been approved by the City Council. In addition to these two petitioning procedures, the City Council may refer matters directly to the voters in the absence of any petition. Initiative and referendum petitions must concern municipal legislation—as opposed to administrative or other non-legislative matters. By law the City Clerk is the official responsible for many of the activities related to a petition process, such as approval of the petition forms, review of the signed petitions, and consideration of protests and other matters. There are minimum signature requirements for petitions to be moved to the ballot; in Louisville, an initiative petition must be signed by at least five percent of the total number of registered electors. A referendum petition must be signed by at least two and one-half percent of the registered electors.

Public Hearings

In addition to the opportunity afforded at each regular City Council meeting to comment on items not on the agenda, most City Council actions provide opportunity for public comment through a public hearing process. For example, the City Charter provides that a public hearing shall be held on every ordinance before its adoption. This includes opportunities for public comment prior to initial City Council discussion of the ordinance, as well as after Council's initial discussion but before action. Many actions of the City are required to be taken by ordinance, and thus this device allows for citizen public hearing comments on matters ranging from zoning ordinances to ordinances establishing offenses that are subject to enforcement through the municipal court.

Additionally, federal, state, and/or local law requires a public hearing on a number of matters irrespective of whether an ordinance is involved. For example, a public hearing is held on the City budget, the City Comprehensive Plan and similar plans, and a variety of site-specific or person-specific activities, such as annexations of land into the city, rezonings, special use permits, variances, and new

liquor licenses. Anyone may provide comments during these hearings.

Public Records

Access to public records is an important aspect of citizen participation in government. Louisville follows the Colorado Open Records Act (CORA) and the additional public records provisions in the City Charter. In particular, the Charter promotes the liberal construction of public records law, so as to promote the prompt disclosure of City records to citizens at no cost or no greater cost than the actual costs to the City.

The City Clerk is the custodian of the City's public records, except for financial, personnel, and police records which are handled, respectively, by the Finance, Human Resources, and Police Departments. The City maintains a public policy on access to public records, which include a records request form, a statement of fees, and other guidelines. No fee is charged for the inspection of records. No fee is charged for locating or making records available for copying, except in cases of voluminous requests or dated records, or when the time spent in locating records exceeds two hours. No fees are charged for the first 25 copies requested or for electronic records.

Many records, particularly those related to agenda items for City Council and current Board and Commission meetings, are available directly on the City's website (www.LouisvilleCO.gov). In addition to posting agenda-related material, the City maintains communication files for the City Council and Planning Commission. These are available for public inspection at the City Clerk's Office, 749 Main Street.

CORA lists the categories of public records that are not generally open to public inspection. These include, for example, certain personnel records and information, financial and other information about users of city facilities, privileged information, medical records, letters of reference, and other items listed in detail in CORA. When public records are not made available, the custodian will specifically advise the requestor of the reason.

Citizens are encouraged to review the City's website (www.LouisvilleCo.gov) for information, and to contact the City with any questions regarding City records.

Public Involvement Policy

Public participation is an essential element of the City's representative form of government. To promote effective public participation City officials, advisory board members, staff and participants should all observe the following guiding principles, roles and responsibilities:

Guiding Principles for Public Involvement

Inclusive not Exclusive - Everyone's participation is

welcome. Anyone with a known interest in the issue will be identified, invited and encouraged to be involved early in the process.

Voluntary Participation - The process will seek the support of those participants willing to invest the time necessary to make it work.

Purpose Driven - The process will be clearly linked to when and how decisions are made. These links will be communicated to participants.

Time, Financial and Legal Constraints - The process will operate within an appropriate time frame and budget and observe existing legal and regulatory requirements.

Communication - The process and its progress will be communicated to participants and the community at-large using appropriate methods and technologies.

Adaptability - The process will be adaptable so that the level of public involvement is reflective of the magnitude of the issue and the needs of the participants.

Access to Information - The process will provide participants with timely access to all relevant information in an understandable and user-friendly way. Education and training requirements will be considered.

Access to Decision Making - The process will give participants the opportunity to influence decision making.

Respect for Diverse Interests - The process will foster respect for the diverse values, interests and knowledge of those involved.

Accountability - The process will reflect that participants are accountable to both their constituents and to the success of the process.

Evaluation - The success and results of the process will be measured and evaluated.

Roles and Responsibilities - City Council

City Council is ultimately responsible to all the citizens of Louisville and must weigh each of its decisions accordingly. Councilors are responsible to their local constituents under the ward system; however they must carefully consider the concerns expressed by all parties. Council must ultimately meet the needs of the entire community—including current and future generations—and act in the best interests of the City as a whole.

During its review and decision-making process, Council has an obligation to recognize the efforts and activities that have preceded its deliberations. Council should have regard for the public involvement processes that have been completed in support or opposition of projects.

Roles and Responsibilities - City Staff and Advisory Boards

The City should be designed and run to meet the needs and priorities of its citizens. Staff and advisory boards must ensure that the Guiding Principles direct their work. In addition to the responsibilities established by the Guiding

Principles, staff and advisory boards are responsible for:

- ensuring that decisions and recommendations reflect the needs and desires of the community as a whole;
- pursuing public involvement with a positive spirit because it helps clarify those needs and desires and also adds value to projects;
- fostering long-term relationships based on respect and trust in all public involvement activities;
- encouraging positive working partnerships;
- ensuring that no participant or group is marginalized or ignored;
- drawing out the silent majority, the voiceless and the disempowered; and being familiar with a variety of public involvement techniques and the strengths and weaknesses of various approaches.

All Participants

The public is also accountable for the public involvement process and for the results it produces. All parties (including Council, advisory boards, staff, proponents, opponents and the public) are responsible for:

- working within the process in a cooperative and civil manner;
- focusing on real issues and not on furthering personal agendas;
- balancing personal concerns with the needs of the community as a whole;
- having realistic expectations;
- participating openly, honestly and constructively, offering ideas, suggestions and alternatives;
- listening carefully and actively considering everyone's perspectives;
- identifying their concerns and issues early in the process;
- providing their names and contact information if they want direct feedback;
- remembering that no single voice is more important than all others, and that there are diverse opinions to be considered;
- making every effort to work within the project schedule and if this is not possible, discussing this with the proponent without delay;
- recognizing that process schedules may be constrained by external factors such as limited funding, broader project schedules or legislative requirements;
- accepting some responsibility for keeping themselves aware of current issues, making others aware of project activities and soliciting their involvement and input; and
- considering that the quality of the outcome and how that outcome is achieved are both important.

Updated December 2015

This pamphlet is prepared pursuant to the Home Rule Charter of the City of Louisville.

This is a compilation of Articles 4 and 5 of the Charter of the City of Louisville and is available at all times in the City Clerk's Office, 749 Main Street, Louisville, Colorado, and on the City's web site at www.LouisvilleCO.gov.

This pamphlet is also provided to every member of a public body (board or commission) at that body's first meeting each year.

SUBJECT: POSTING NOTICES OF PUBLIC MEETINGS

DATE: JANUARY 14, 2019

PRESENTED BY: AARON M. DEJONG

SUMMARY:

At the first meeting of 2019 the LRC is required to identify the locations for Posting Notices of Public Meetings (better known as meeting agendas). The following are the locations identified as the official posting locations for the LRC agendas;

- City Hall
- Recreation Center
- Library
- Police Department/Court Building
- City web site (www.LouisvilleCO.gov)

RECOMMENDATION:

Staff recommends approving a motion to adopt the above locations as the official posting locations for LRC agendas.

**SUBJECT: DISCUSSION OF JANUARY 22, 2019 PARKING STRUCTURE
PRESENTATION TO CITY COUNCIL**

DATE: JANUARY 14, 2019

PRESENTED BY: AARON M. DEJONG

SUMMARY:

At the December 2018 meeting the LRC requested a discussion of the parking structure presentation to City Council on January 22, 2019. Staff has included the November 27, 2018 staff communication as background. Commissioner Dalton plans to go through his remarks at the meeting and then the LRC run through the previous slides by Desman and DAJ to show the design work to date.

ATTACHMENTS:

1. November 27, 2018 Staff communication
2. Desman and DAJ slide presentation

**SUBJECT: DISCUSSION/DIRECTION – DOWNTOWN PARKING
STRUCTURE CONCEPTUAL DESIGN**

DATE: NOVEMBER 27, 2018

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

Representatives from Desman Associates and DAJ Design will be at the meeting to present the Louisville Revitalization Commission's (LRC) work to date on achieving a conceptual design for a downtown parking structure in the 600 block of Front and Main Streets.

The LRC is seeking City Council input into the design process prior to taking the parking structure options to a public open house for resident and business input.

BACKGROUND:

Downtown parking demand has increased significantly since 2008 due to the greater economic activity of retail, restaurant, and commercial uses. City staff and Council last researched downtown parking in 2013-14 to address parking challenges. The City Council approved the Parking Action Plan on August 19, 2014, with further study before implementing new programs and enforcement.

Several actions have occurred after the 2014 Parking Action Plan. They include:

- Constructing 28 new spaces on City property at the corner of Front and Elm Streets by expanding the parking lot adjacent to Lucky Pie and Sweet Cow
- Acquiring 0.638 acres in the DELO redevelopment from Tebo Properties and contracting to construct approximately 68 parking spaces on that property as part of the DELO development. This new lot is available this summer.
- Executing a lease with Koko Plaza to make the 50 off-street spaces in that location available for public parking after 5:00PM. Because the tenants in the building have changed significantly since June 2015, the building's tenants are using the parking lot after 5pm more frequently. This has reduced the parking availability for the public, thus the parking lease will not be extended past June 2016.
- Acquiring from the Blue Parrot their excess parking lot on the south side of that property, making an additional 25 spaces available for public parking.
- Establishing a new Parking Improvement Fee rate to better reflect the cost of creating new downtown parking.
- Approving a Land Exchange with 608 Studios to expand the City's parking lot in the 600 block of Main Street. [The land exchange is contingent upon 608 Studios](#)

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(Voltage) moving forward with constructing their approved building along Main Street.

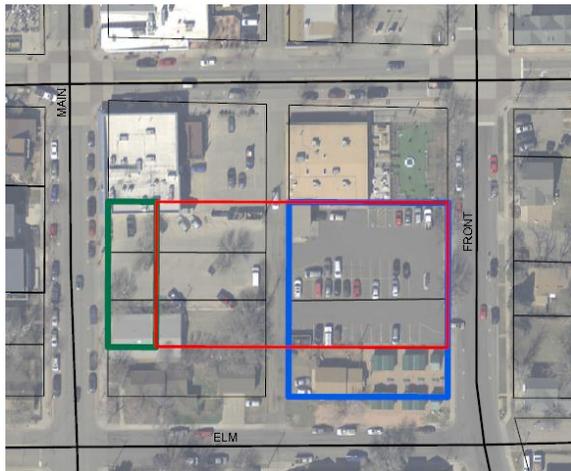
To advance discussions about adding parking supply in downtown, the LRC allocated funds in their 2018 budget to conduct a conceptual design for a parking structure located within the 600 block of Main and Front streets. City Council discussed an initial version of an expanded study on July 5, 2017. The RFP was finalized at the LRC's February 12, 2018 meeting.

The LRC engaged Desman Inc, and DAJ Design to conduct the parking structure conceptual design. The contract was approved at the LRC meeting on June 20, 2018 and at the City Council meeting on July 3, 2018.

DISCUSSION:

Since the contract has been approved in July, 2018, the LRC, Desman, and DAJ Design have been hard at work analyzing the site and developing structure designs to achieve an efficient, thoughtful concept that fits as best as possible within the downtown Louisville context.

Desman kicked off the project by meeting with the LRC and City Staff (Planning, Public Works, and Engineering) in separate meetings to learn about the site, goals, and challenges each group sees with the project. The parking structure may have two different footprints within the 600 block of Main and Front Streets, the first being an east/west orientation crossing the alley, and the second being a north/south orientation within the current Front Street parking lot directly to the south of the Lucky Pie property.



The above map highlights the two footprints for the parking structure. The red boundary represents the east-west orientation and the blue boundary represents the north/south

SUBJECT: DOWNTOWN PARKING STRUCTURE DISCUSSION

DATE: NOVEMBER 27, 2018

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orientation. The green boundary is the Voltage property assuming a future land exchange with the City.

Topics the LRC discussed with the consultants during their kickoff meeting included;

- Target number of spaces
- Building height
- Setbacks/buffers
- Parking efficiency
- Adaptive reuse
- Flat-floor parking
- Level facades on the street sides
- Natural Light and open sight lines, shadow analysis
- Future Paid Parking considerations
- Parking guidance system
- EV charging stations
- Pedestrian connection from Main to Front
- Thru-connection at the alley (alley open/closed)
- Future development on Elm Street
- Future development site on Elm versus more parking

The consultants then identified several design considerations for the entire area and pros/cons for each orientation. Below is a summary of the consideration and pros/cons.

Entire site Considerations:

- 95 parking spots are currently on the site between the City's Front Street and Main Street parking lots.
- Alley access. The alley is used for utilities, trash/recycling, and deliveries for the adjacent properties.
- The land exchange with Voltage is needed to achieve the east/west structure footprint.
- Have a pedestrian connection between Main and Front Streets.

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East/West Pros:

- Most efficient layout for parking
- Achieves a low overall height
- Footprint can be easily "fronted" or wrapped with commercial buildings
- Creates a good pedestrian connection to Main and Front Streets for parking structure users

East/West Cons:

- Will block the alley
- May require utility relocation or creative handling of underground utilities that reside in the alley

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- The Voltage land exchange agreement is required to achieve the structure footprint

North/South Pros:

- Does not impact the alley
- Underground utilities can remain in the alley
- Voltage Land Exchange is not required
- Can achieve a Main Street and Front Street pedestrian connection

North/South Cons:

- Less efficient parking layout
- Requires greater height to the structure to achieve additional parking
- Structure must be closer to Elm Street.

After analyzing the sites, the consultants prepared 5 initial concepts for LRC review at their August 31, 2018 meeting. These options can be viewed on the City's website at the following address:

<http://www.louisvilleco.gov/business/economic-development/parking-structure-rfp>

The LRC felt the more traditional parking structure designs (Options 1 and 3) were worthy of additional analysis. The LRC found these options most desirable from a parking efficiency/cost and height perspective.

Desman and DAJ refined these options for the LRC meeting on October 8, 2018 with façade treatments and more analysis on circulation, access, and construction considerations. LRC members had concerns regarding the overall height of the building and the location of the north stair tower on the North/South option (named Scheme 2), so the LRC requested revisions to this option by creating a Scheme 3 which moved the north stair to the west side of the structure and added additional underground parking to lower the building's overall height.

Three schemes will be presented to City Council at the November 27, 2018 meeting for input. The three options are:

Scheme 1 – East/West traditional structure design

Scheme 2 – North/South traditional structure design with north stair tower on the east.

Scheme 3 – North/South traditional structure design with north stair tower on the west and more underground parking

A summary of each Scheme's metrics are below.

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SCHEME 1		SCHEME 2		SCHEME 3	
Orientation:	East-West	Orientation:	North-South	Orientation:	North-South
Number of Levels:	4 (1 level below grade)	Number of Levels:	5 (1 level below grade)	Number of Levels:	4.5 (1.5 levels below grade)
Top floor height:	23'-6"	Top floor height:	33'-4"	Top floor height:	28'-2"
Total spaces:	407 (includes 29 Surface)	Total spaces:	292	Total spaces:	280
Net gain:	312	Net gain:	224	Net gain:	212
Construction cost:	\$11,080,000	Construction cost:	\$8,813,000	Construction cost:	\$10,160,000
Cost per space:	\$29,312	Cost per space:	\$30,182	Cost per space:	\$36,286
Parking efficiency:	320 sf/space	Parking efficiency:	334 sf/space	Parking efficiency:	342 sf/space

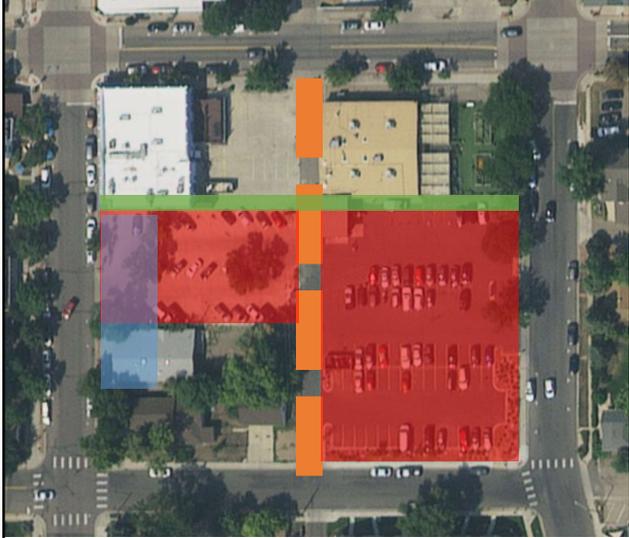
Representatives from Desman Inc. and DAJ Design will be in attendance to give a presentation on the work to date and discuss the three design schemes.

RECOMMENDATION:

The LRC and staff are seeking City Council input into the current parking structure designs. The LRC intends to hold a public open house for residents and businesses to provide additional input in December or January.

ATTACHMENTS:

- 1) Parking Structure Presentation



DESIGN CONSIDERATIONS

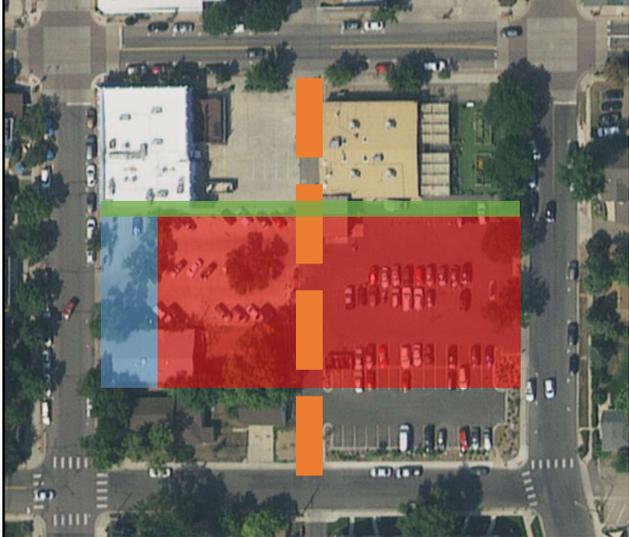
EXISTING PARKING - 95 SPACES

ALLEY ACCESS

- UTILITY RELOCATION
- TRASH/RECYCLING SERVICE
- BUSINESS DELIVERY

VOLTAGE P.U.D. & LAND SWAP

CONNECTION BTWN MAIN & FRONT



EAST-WEST LAYOUT

PROS

- EFFICIENT LAYOUT
- LOW OVERALL HEIGHT
- EASILY "FRONTED"
- MAIN-FRONT CONNECTION

CONS

- BLOCKED ALLEY
- UTILITY RELOCATION
- LAND SWAP REQUIRED





NORTH-SOUTH LAYOUT

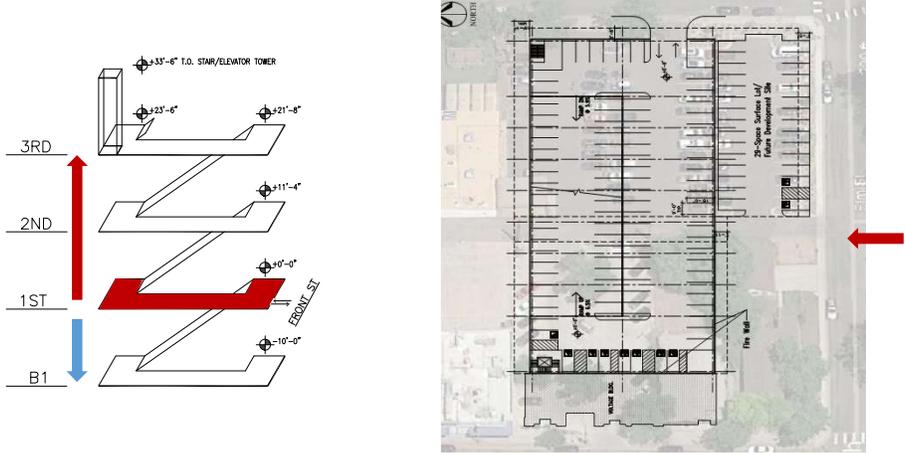
PROS

- OPEN ALLEY
- UTILITIES REMAIN
- LAND SWAP NOT REQUIRED
- MAIN-FRONT CONNECTION

CONS

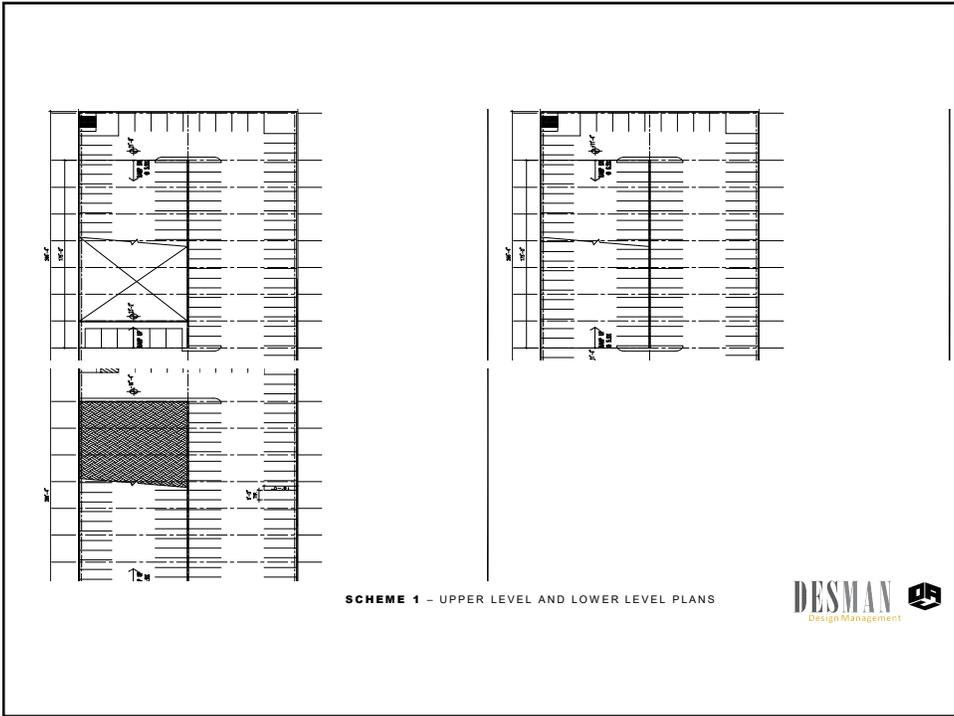
- LESS EFFICIENT LAYOUT
- TALLER BUILDING
- SMALLER ELM ST. SETBACK

DESMAN
Design Management



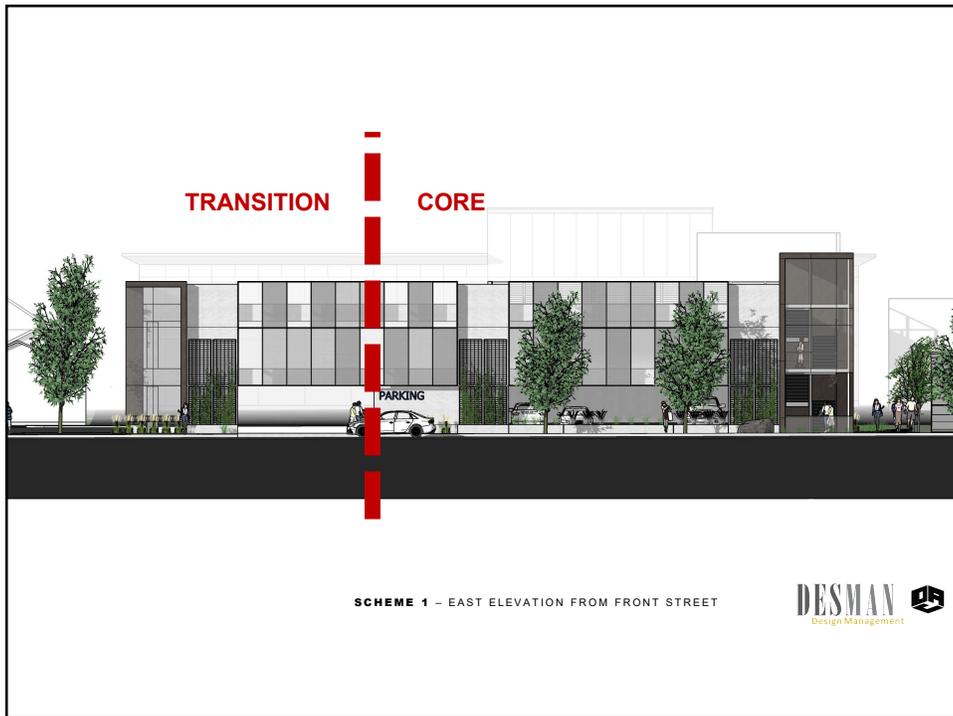
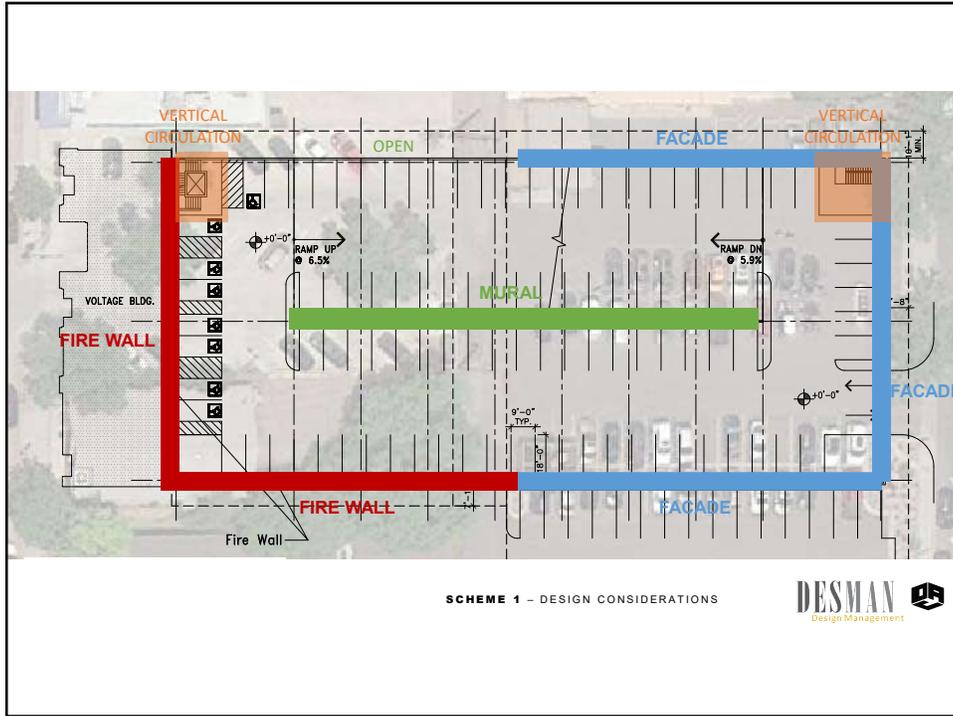
SCHEME 1 – GROUND LEVEL PLAN

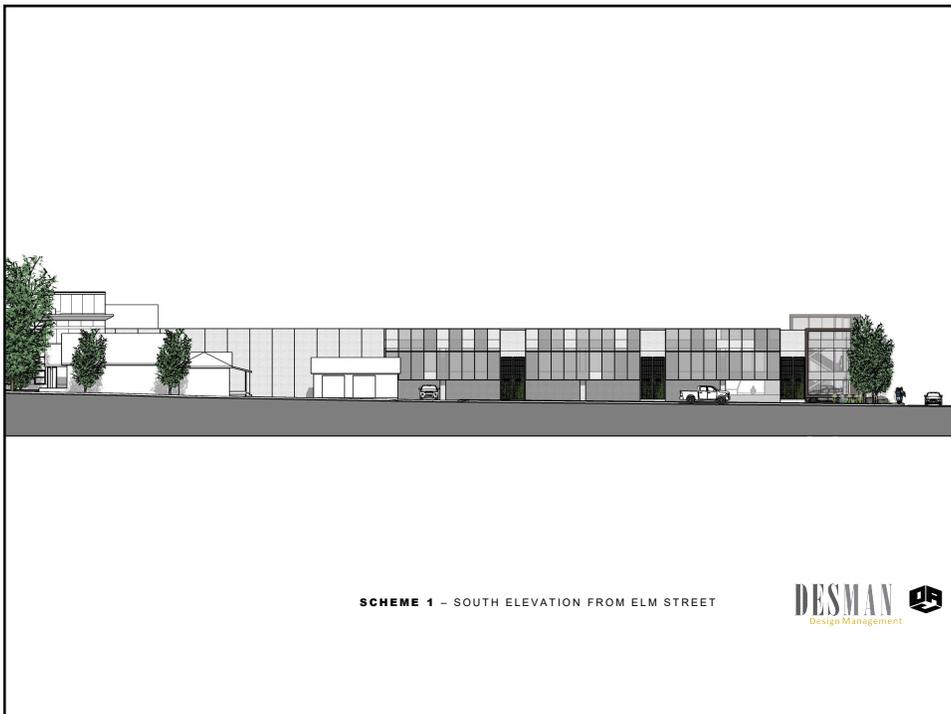
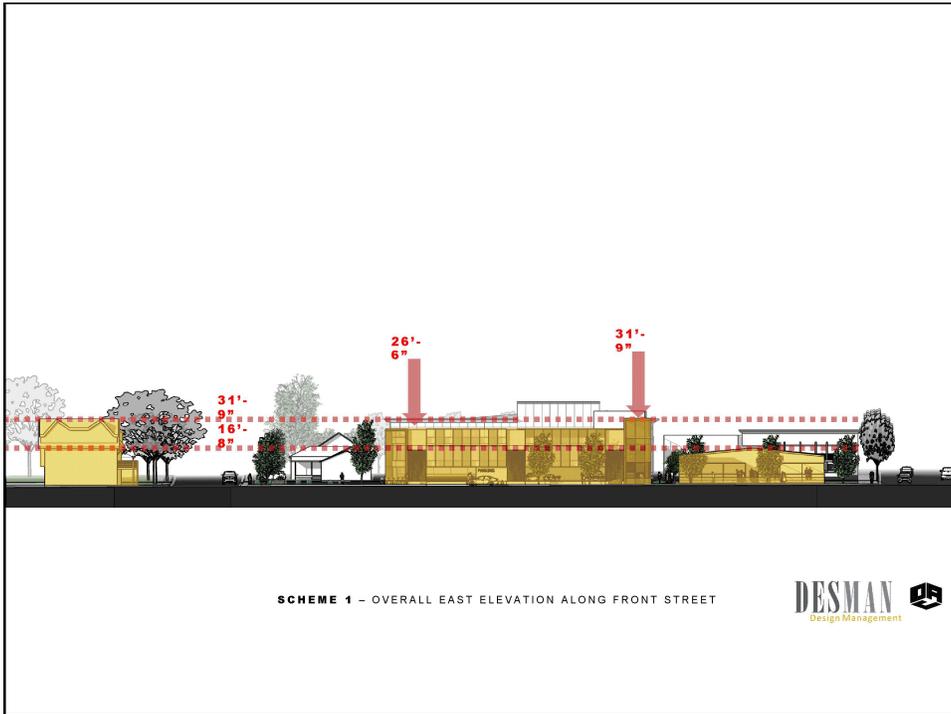
DESMAN
Design Management



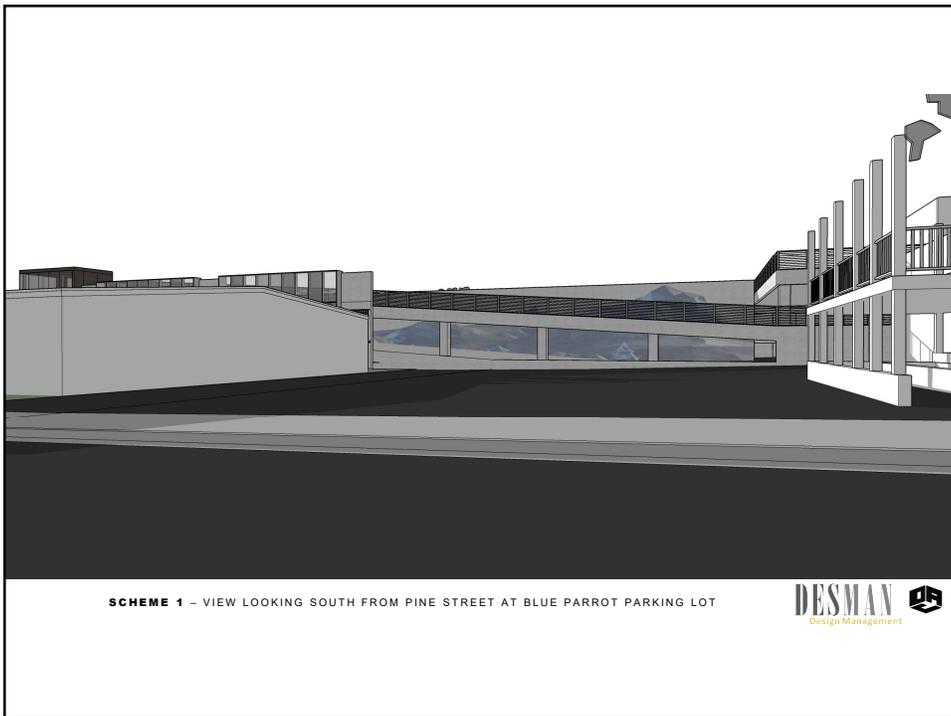
Orientation:	East-West
Number of Levels:	4 (1 level below grade)
Top floor height:	23'-6"
Total spaces:	407 (includes 29 Surface)
Net gain:	312
Construction cost:	\$11,080,000
Cost per space:	\$29,312
Parking efficiency:	320 sf/space

SCHEME 1 – DESIGN SUMMARY

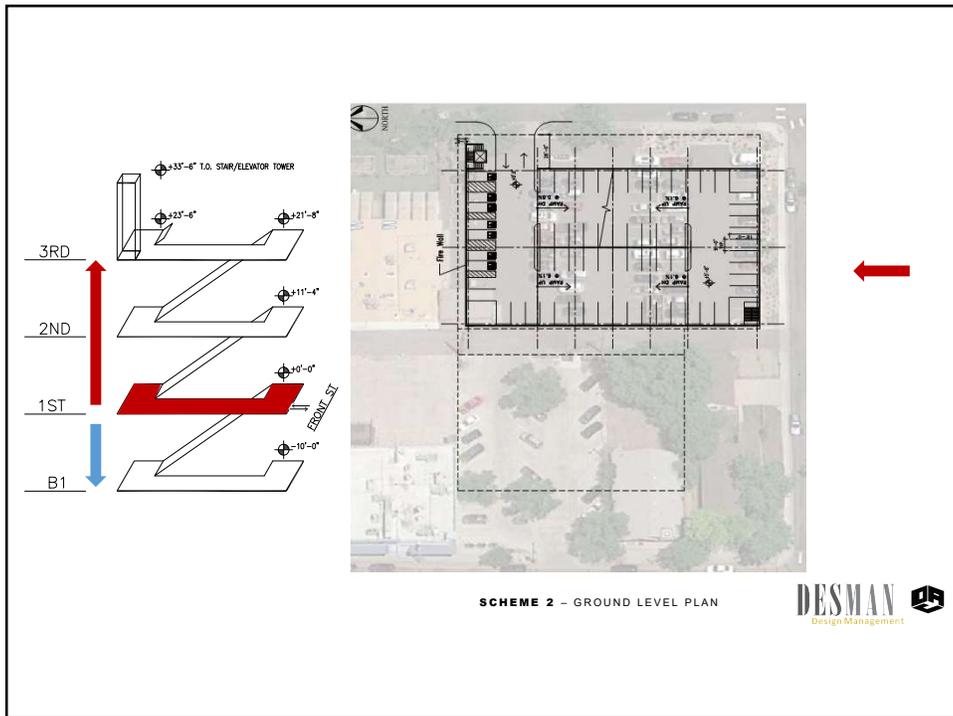


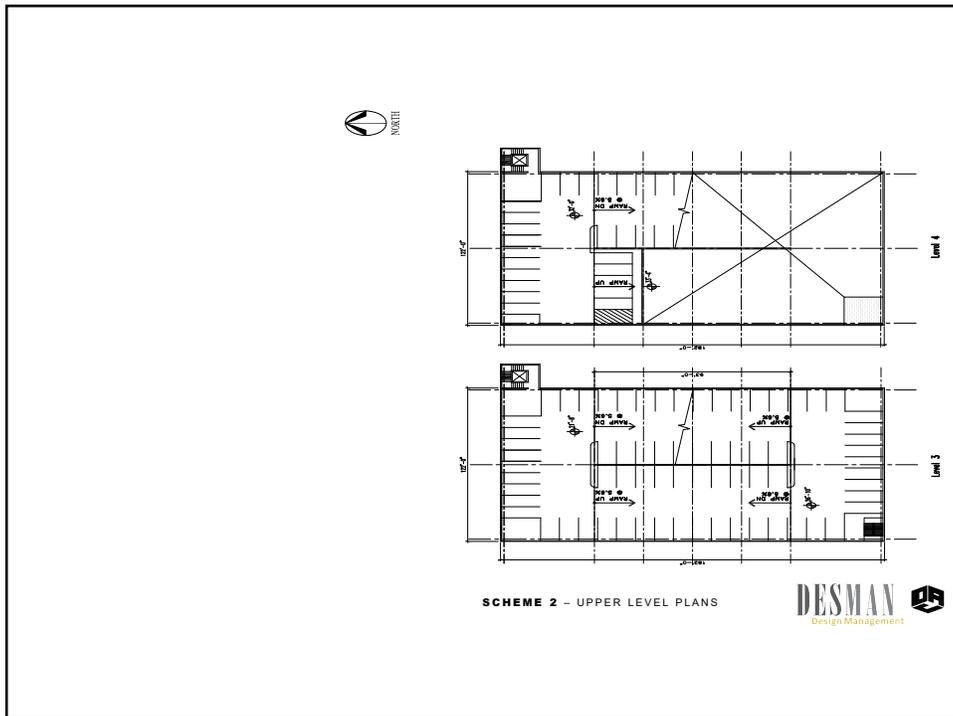
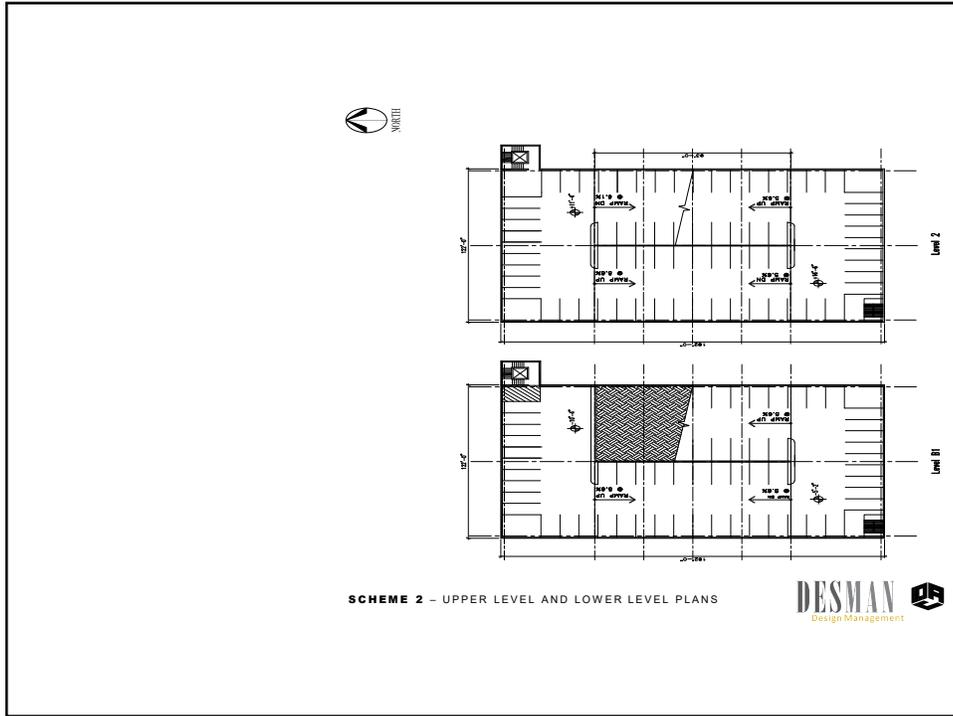






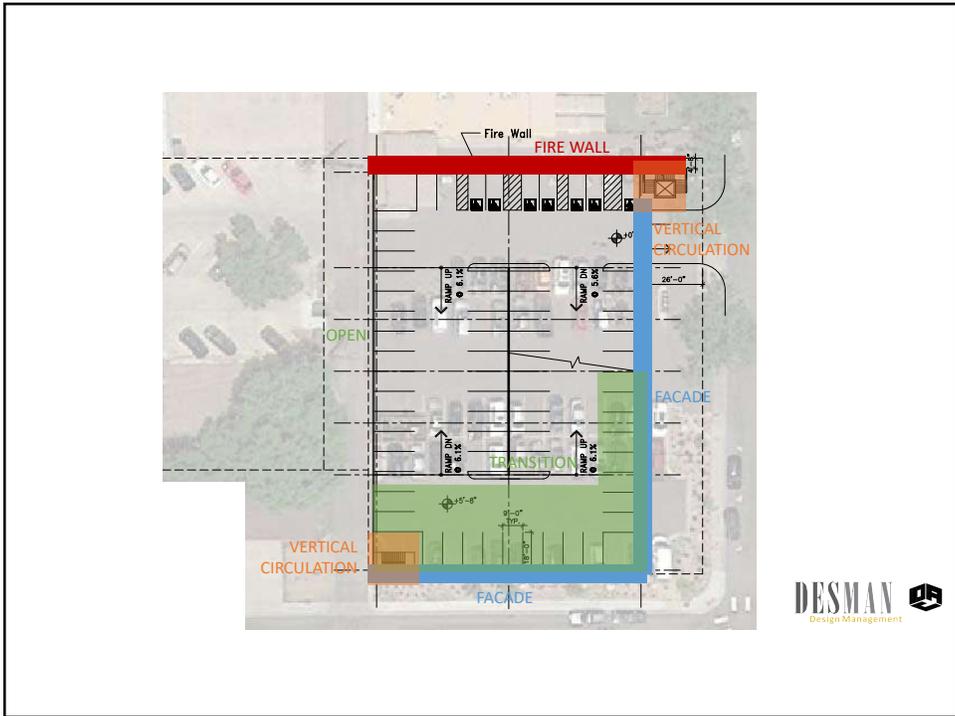


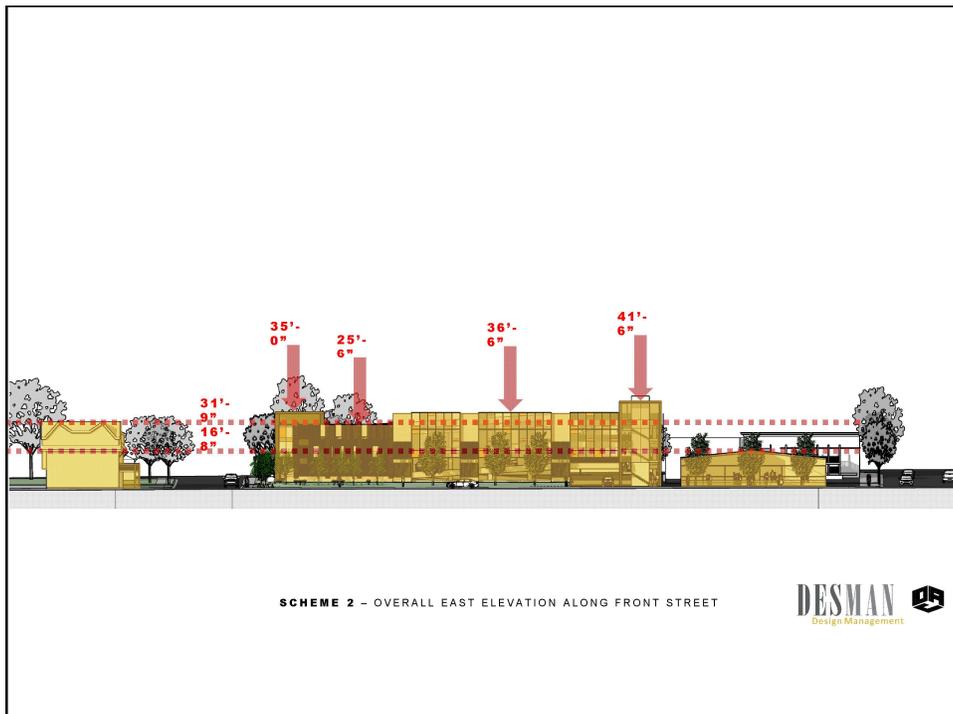




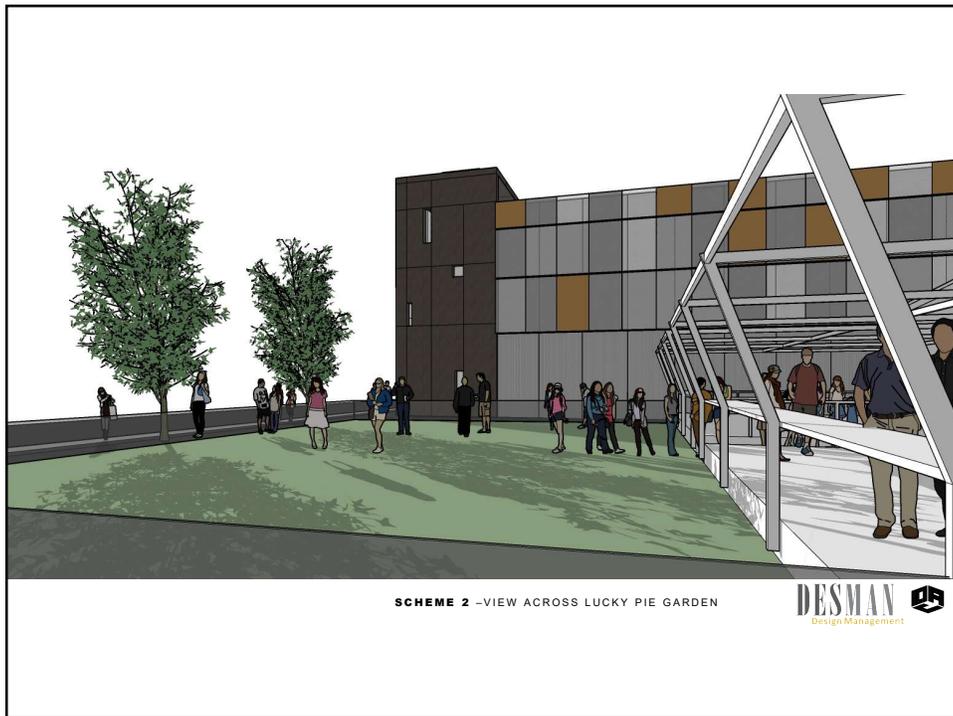
Orientation:	North-South
Number of Levels:	5 (1 level below grade)
Top floor height:	33'-4"
Total spaces:	292
Net gain:	224
Construction cost:	\$8,813,000
Cost per space:	\$30,182
Parking efficiency:	334 sf/space

SCHEME 2 - DESIGN SUMMARY

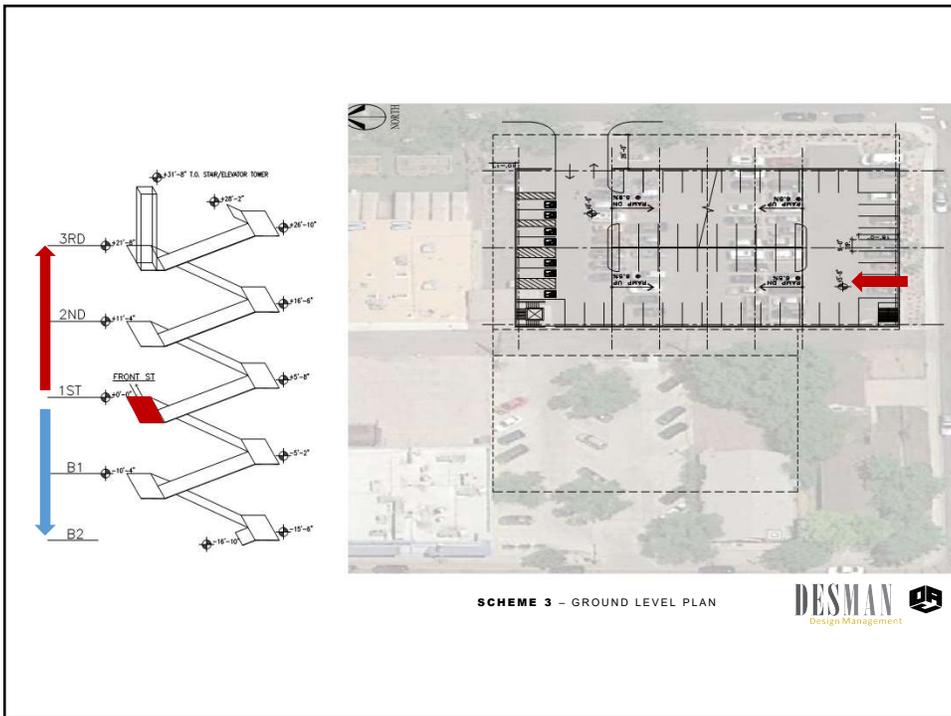


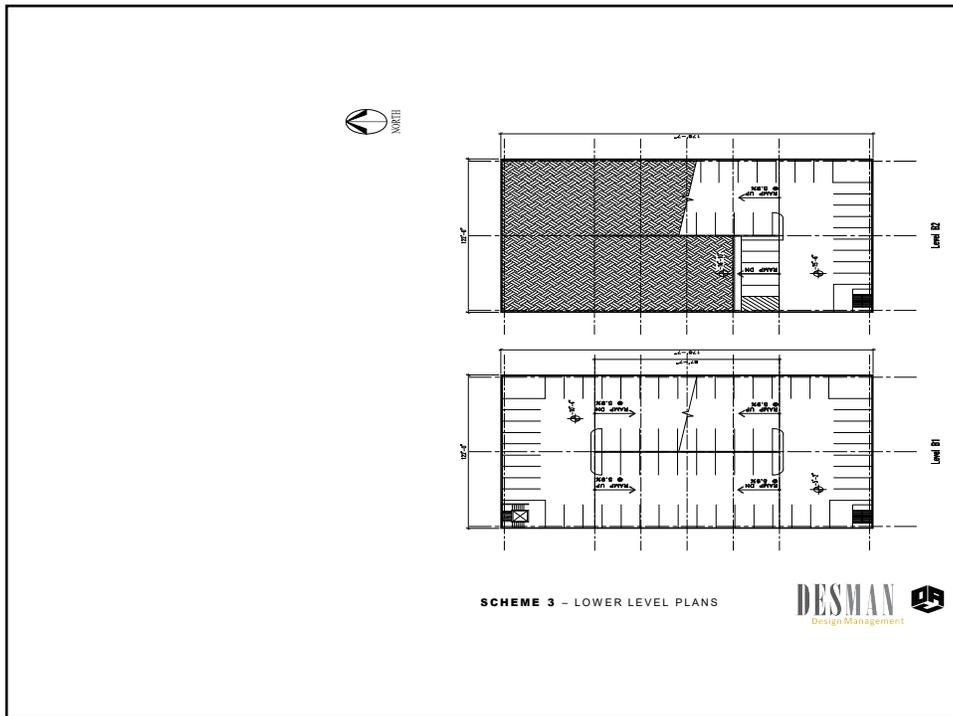
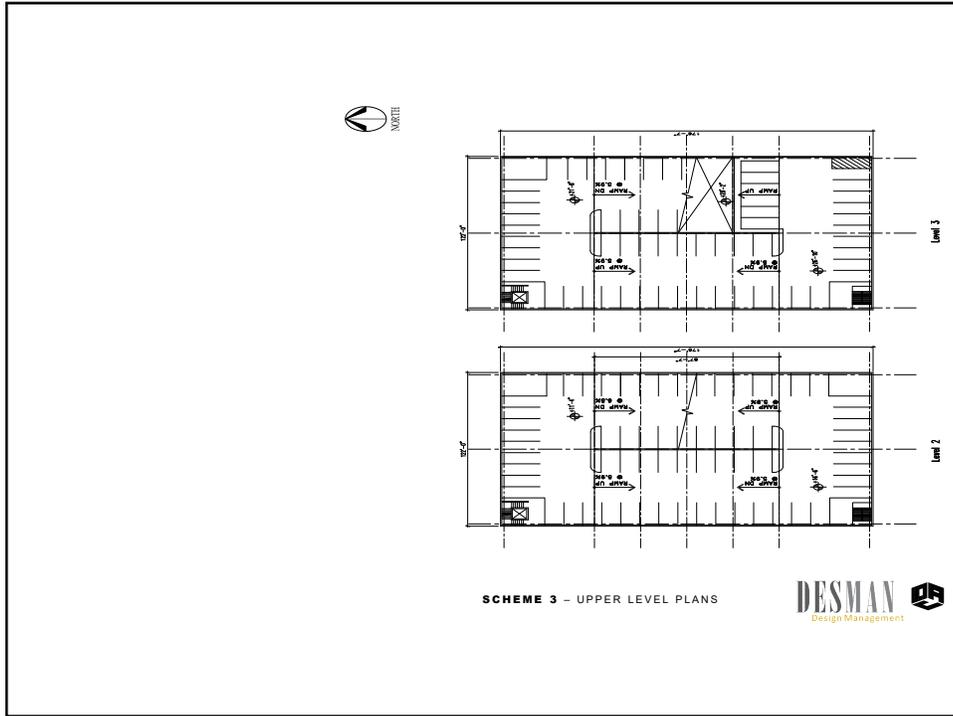






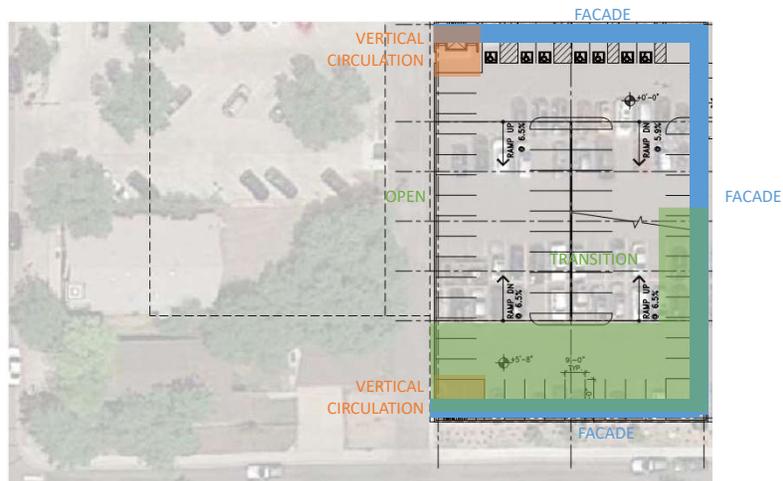


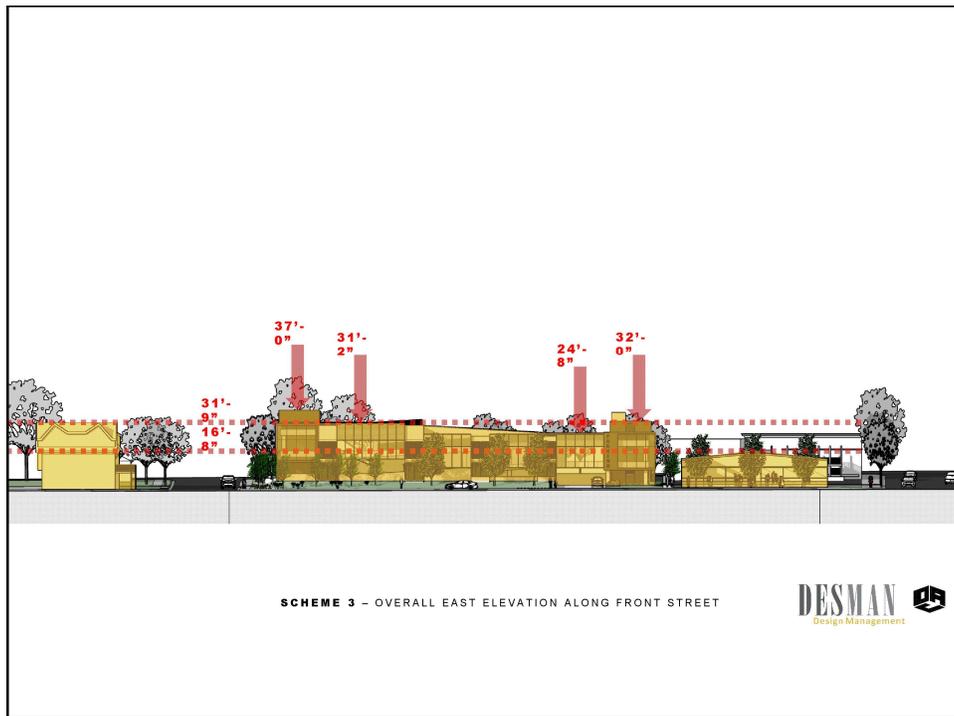




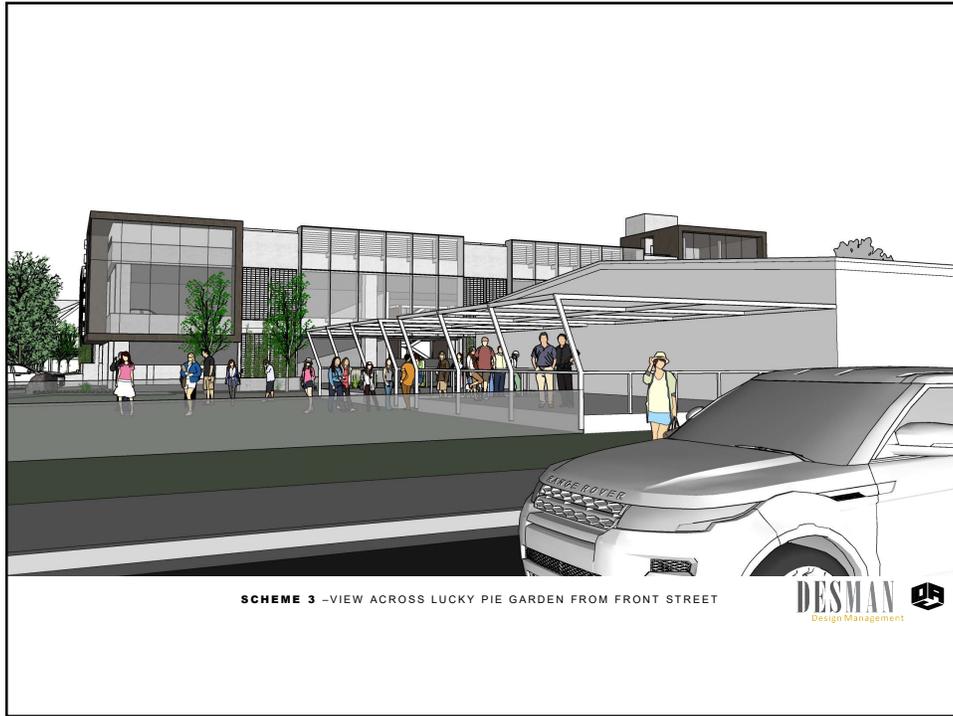
Orientation:	North-South
Number of Levels:	4.5 (1.5 levels below grade)
Top floor height:	28'-2"
Total spaces:	280
Net gain:	212
Construction cost:	\$10,160,000
Cost per space:	\$36,286
Parking efficiency:	342 sf/space

SCHEME 3 - DESIGN SUMMARY

















SCHEME 1		SCHEME 2		SCHEME 3	
Orientation:	East-West	Orientation:	North-South	Orientation:	North-South
Number of Levels:	4 (1 level below grade)	Number of Levels:	5 (1 level below grade)	Number of Levels:	4.5 (1.5 levels below grade)
Top floor height:	23'-6"	Top floor height:	33'-4"	Top floor height:	28'-2"
Total spaces:	407 (includes 29 Surface)	Total spaces:	292	Total spaces:	280
Net gain:	312	Net gain:	224	Net gain:	212
Construction cost:	\$11,080,000	Construction cost:	\$8,813,000	Construction cost:	\$10,160,000
Cost per space:	\$29,312	Cost per space:	\$30,182	Cost per space:	\$36,286
Parking efficiency:	320 sf/space	Parking efficiency:	334 sf/space	Parking efficiency:	342 sf/space

SUMMARY – COMPARISON OF 3 DESIGNS

DESMAN
Design Management

SUBJECT: DISCUSSION/DIRECTION – APPLICATION FOR TIF ASSISTANCE FOR TERRACES ON MAIN PROJECT AT 712-722 MAIN STREET

DATE: JANUARY 14, 2019

PRESENTED BY: AARON M. DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

Terraces on Main Street is an office and retail redevelopment project proposed by Boulder Creek Neighborhoods at 712-722 Main Street in downtown Louisville. The redevelopment consists of a new 26,417 sf office and retail building with 18 parking stalls. Boulder Creek Neighborhoods is requesting a 90% rebate of the expected increase in property taxes generated by the redevelopment.

Staff has reviewed the application and is seeking LRC direction whether to prepare a redevelopment agreement with Boulder Creek Neighborhoods to act upon at a future LRC meeting.

BACKGROUND:

Boulder Creek Neighborhoods has submitted plans to the City to redevelop 712-722 Main Street into a 2-3 story, 26,417 office and retail building with 18 off-street parking stalls. The properties currently have two single-story buildings totaling 7,558 sf which have been converted to office space for Boulder Creek Neighborhoods. The first floor is designed to accommodate retail and service-retail uses.

Boulder Creek submitted plans to the City for a larger project in 2018 that included a larger third story and additional parking along the alley. City Council requested the project be resubmitted with changes. Boulder Creek in response has provided the resubmitted plans currently proceeding through the development process.

The assistance requested is for direct financial assistance to facilitate the redevelopment project as the developer states the project is not financially feasible since the rental rates that can be achieved in the Louisville market today do not support the development costs. The assistance requested is 90% rebate of the increased property taxes resulting from the new value of development above the existing value of the property.

DISCUSSION:

The LRC with previous applications have reviewed projects based on it furthering the following three goals:

- Removing Blight Factors
- Effect on Property Values

- Advancement of the Urban Renewal Area

Since this application is the first to submit for direct financial assistance to private development (previous projects have requested assistance with building infrastructure), staff also analyzed the project's need for financial assistance to construct the project.

This analysis does not go into the detail of the planning related components of the project. Boulder Creek Neighborhoods has resubmitted PUD documents to the City's Planning Department and will be reviewed by the Planning Commission and City Council separately.

The following is staff's analysis of the project and how it does or does not meet the three goals plus the need for public assistance.

Removing Blight Factors

The 2006 Louisville Highway 42 Revitalization Area Conditions survey identified properties that contributed to the blight conditions that were present in the area. Those blight conditions are as follows:

- a. Deteriorating Structures
- b. Faulty Street Layout
- c. Faulty Lots
- d. Unsanitary/unsafe Conditions
- e. Deteriorating Site or other improvements
- f. Unusual Topography or Inadequate Public Improvements
- h. Danger to Life or Property from Fire or Other Causes
- k.5 High Service Requirements or Site Underutilization

The Conditions Survey identified 712-722 Main Street contributing to two of the identified blight factors.

The first is Condition F. Unusual topography or inadequate public improvements. The reason is due to the downtown area being reliant upon overhead power and telecommunications infrastructure. It is considered an impediment to modern development and redevelopment in the current real estate market.

The second blight factor is Condition H. Danger to life or property from fire or other causes. The reason stated is most commercial structures lack sprinkler systems.

Boulder Creek in their application have noted the properties in their estimation meet additional blighting factors which include the following:

- a. Deteriorating Structures

The buildings are becoming functionally obsolescent due to age and type of structure.

c. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness

The proposed lots will allow for additional square footage which will enhance the vibrancy of downtown

e. Deterioration of site or other improvements

The buildings are becoming obsolete.

Staff finds Condition c. faulty lot layout in relation to size, adequacy, accessibility, or usefulness may be present due to the layout of the buildings. The building at 712 Main Street is rather deep at 127 feet and doesn't lend to being fully utilized as a retail property; the intended highest and best use for the property.

Staff does not find the properties meet conditions a. or e. as identified by the Applicant.

In summary, Staff finds the Project will address three blight factors associated with the current development in the following ways:

- Unusual topography or inadequate public improvements. The new development will have underground utility service, removing this identified blight factor.
- Danger to life or property from fire or other causes. The new development will have fire suppression systems required of all new development in Louisville.
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness. A mixed-use building designed for retail and office uses can better mitigate the deep lot and building profile these properties need to better utilize the land.

Effect of Project on Property Values

The project when completed will have significant positive impact on property value. The following are the assumptions for valuing the property after the Terraces on Main project is completed:

	<u>Value per sf</u>	<u>Total Value</u>
Existing development (2017 value)	\$222.30	\$1,680,190
Per sf value of new development (office, retail, and parking)	\$250	\$6,604,250

Attached is a 10-year TIF valuation analysis for the Terraces on Main project. Boulder Creek's TIF 90% rebate request for a 10 year period would equal \$1,109,500 assuming the 90% rebate applies to the increases in property taxes levied on the development less its pro-rata share of the County's 7.15% shareback and City Staff payments.

The total annual TIF generated from this project at full buildout would be \$119,500 in 2022. This is a significant increase in downtown commercial property values and is worthy of due consideration for assistance from the LRC.

Advancement of the Urban Renewal Area

SUBJECT: APPLICATION FOR TIF ASSISTANCE FOR TERRACES ON MAIN PROJECT AT 712-722 MAIN STREET

DATE: JANUARY 14, 2019

PAGE 4 OF 7

The Highway 42 Urban Renewal Plan was approved December 2006. The stated purpose of the Highway 42 Urban Renewal Plan is as follows:

The purpose of the Highway 42 Revitalization Area Urban Renewal Plan is to reduce, eliminate and prevent the spread of blight within the Urban Renewal Area and to stimulate growth and reinvestment within the Area boundaries, on surrounding blocks and throughout downtown. In particular, this Urban Renewal Plan is intended to promote local objectives with respect to appropriate land uses, private investment and public improvements provided that the delineation of such objectives shall not be construed to require that any particular project necessarily promote all such objectives. Specifically, the Plan promotes an environment which allows for a range of uses and product types which can respond to market conditions over time; further the goals and objectives of the Louisville Comprehensive Plan, Highway 42 Framework Plan and any other relevant policy document; and, leverage the community's investment in public improvement projects in the Area.

While the principal goal of the urban renewal effort is, as required by the Act, to afford maximum opportunity, consistent with the sound needs of the City of Louisville (the "City") as a whole to redevelop and rehabilitate the Area by private enterprise, it is not intended to replace the efforts of area business development or marketing organizations.

The rehabilitation and redevelopment of properties within the Urban Renewal Area will be accomplished through the improvement of existing structures and infrastructure, attraction of new investment and reinvestment, and prevention of deterioration of properties in the Area. The effort will involve the Commission and City with participation and cooperation by the private sector.

The Plan's purpose clearly states the desire eliminate blight and to stimulate growth and reinvestment. This project would be a significant reinvestment in downtown of over \$5,500,000 adding new business opportunities. The office and retail mixed-use design meets the evolving market conditions in downtown by increasing amenities and office space.

The Development and Design Objectives within the Highway 42 Urban Renewal Plan area as follows:

The development objectives for the Urban Renewal Area include establishment of a variety of uses that will allow projects to respond to changing market conditions. Proposed land uses within the Urban Renewal Area include commercial, office, residential, commuter, public, and parking. Design objectives for the Urban Renewal Area also promote flexibility, adaptability to a range of

uses and product types and consistency with prevailing market conditions. Other objectives include:

- a) Eliminate and prevent blight*
- b) Improve relationship between this area and surrounding areas (neighborhoods, downtown, open space)*
- c) Increase property values*
- d) Provide uses supportive of and complementary to planned improvements (transit)*
- e) Encourage a mix of uses and/or mixed-use projects*
- f) Promote a variety of products to address multiple income segments*
- g) Provide ease of vehicular and pedestrian circulation and improve connections*
- h) Encourage continued presence of businesses consistent with the plan vision*
- i) Provide a range of financing mechanisms for private property re-investment and investment*
- j) Mitigate impacts from future transportation improvements*
- k) Encourage public-private partnerships to implement the plan*
- l) Adjust parking ratios to reflect future densities*
- m) Encourage shared parking among projects in area*
- n) Develop higher design standards including flexible lighting and signage standards*
- o) Landscape streetscapes to unify uses and plan components*

The proposed project appears to meet the development and design objectives for several reasons:

- It will address three blighting factors, as described above.
- It will enhance the downtown area with additional office and retail space.
- The resulting property values will be significantly more than the current value of the property.
- The office/retail mixed-use design will add to downtown.
- The project will enhance pedestrian circulation through new sidewalks adjacent to the project.
- The project will house multiple businesses in downtown.
- Assisting the development is an example of public-private partnerships.
- The project is expecting to pay the parking improvement fee, which will encourage shared parking through the City's parking program.
- The design meets the downtown design guidelines.

Staff finds the Terraces on Main project meets the intent of the Highway 42 Urban Renewal Plan and advances its goals.

Need for Financial Assistance

SUBJECT: APPLICATION FOR TIF ASSISTANCE FOR TERRACES ON MAIN PROJECT AT 712-722 MAIN STREET

DATE: JANUARY 14, 2019

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As the Applicant is requesting direct financial assistance from the LRC by way of Tax Increment Financing, analysis needs to be conducted to determine whether the development needs the assistance to be successful. In urban renewal terms, this is the “but for” test. The development will not happen “but for” the assistance being provided. The applicant has submitted a 10-year cash flow projection, a sources and uses summary and a summary of development costs to review its need for assistance.

Within the submitted financial documents, several assumptions are being made to model the financial performance of the project. The main assumptions are:

- Triple Net lease rate of \$29 per square foot (psf) for Retail, \$27.50 psf for office, and \$5 psf for basement storage space. Vacancy rate of 5%. Rental rates increase 2% annually.
- Acquisition for new ownership entity of \$1,387,750 representing paying off existing debt. Remaining equity will be rolled into the new ownership entity.
- Total construction cost and related costs of \$5,695,940. This assumes demolition, core and shell, architectural, and tenant finish costs per square foot of \$250.
- Exit in year 10 by way of a property sale based on 95% occupancy in 2028 with a capitalization rate of 7.5%.
- Debt financing with 25 year term, 5% annual interest, payments made monthly.

All of these assumptions appear to be reasonable from a proforma exercise as they are within the range of the downtown Louisville market and pricing expectations.

Attached is a 10-year TIF valuation analysis for the Terraces on Main project. Boulder Creek’s TIF 90% rebate request for a 10 year period would equal \$1,109,500 assuming the 90% rebate applies to the increases in property taxes levied on the development less its pro-rata share of the County’s 7.15% shareback and City Staff payments.

The key component of determining if the project needs the assistance is if the rate of return meets, exceeds, or is below a reasonable range for a project commensurate with its risk profile. In Colorado, commercial real estate development is highly speculative, takes a significant amount of time, expertise, and planning to receive approval for development, and the rental market can swing wildly with the macro economic conditions. Commercial projects tend to move forward when a project proforma identifies a capital rate of return greater than 15% annual return over a long period of time. Projects with a proforma less than that either don’t move forward, have characteristics which allow for returns to be less (i.e. an owner occupied project), or they need assistance to get the profit expectations higher to better reflect the associated risk.

Boulder Creek is modeling a 10 year rate of return on equity of .15% if no TIF assistance, and 7.28% if assistance is provided.

**SUBJECT: APPLICATION FOR TIF ASSISTANCE FOR TERRACES ON MAIN
PROJECT AT 712-722 MAIN STREET**

DATE: JANUARY 14, 2019

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Achieving a proforma capital rate of return on equity of 7.28% with TIF assistance is a low expected return given the risk profile of a Louisville downtown redevelopment project. Without the TIF assistance, the expected rate of return of .15% is too low for a for-profit developer to choose to move forward with the project.

Staff finds the request for TIF assistance to meet the “but for” test in that the project would not move forward without the public assistance.

RECOMMENDATION:

Staff finds the Terraces on Main to satisfy the four goals:

- Removing Blight Factors
- Effect on Property Values
- Advancement of the Urban Renewal Area
- Need for Financial Assistance

Staff recommends the LRC move forward with preparing a redevelopment agreement with Boulder Creek Neighborhoods to assist in the redevelopment of the properties located at 712-722 Main Street.

ATTACHMENTS:

1. Application for Assistance from Boulder Creek Neighborhoods
2. Staff TIF Estimate

Louisville Revitalization Commission

Application for Assistance

Parties interested in assistance from the Louisville Revitalization Commission must provide the following information to be considered.

Project Name: 712-722 Main Street PUD (Terraces on Main Street)

Applicant Name: Boulder Creek Neighborhoods

Main Contact: Rick Woodruff

Address: 712 Main St, Louisville, Co. 80027

Phone: 303-591-5914 Email: rwoodruff@livebouldercreek.com

Project Location: Downtown Louisville

Name, Address & Phone of Property Owner of Project Location (if different than Applicant): _____

N/A

Summary of Project: The redevelopment consists of a two story office/retail redevelopment and a basement. The building is 26,417 sf and includes

an elevator, stairs and 18 parking spaces. The developer will need to pay for 5 additional parking spaces to meet the amount needed per code. The two current

buildings, 712 and 722 Main St., will be demolished and the new building will be developed on the same two lots.

Estimated Total Cost of Project: \$7,100,000

Summary of Request for Assistance: Applicant is requesting a TIF consisting of 90% of the property taxes above the current property

taxes paid.

Additional Items to be submitted as Attachments:

- 1) Detailed description of the Project with supporting visuals (i.e. plans, designs).
- 2) Applicant's experience with similar projects, if applicable.
- 3) Detailed description of the request for assistance from the Urban Renewal Authority.
- 4) Description of the community benefits resulting from the Project, including the blight conditions the project will address (complete Attachment C with description).
- 5) Discussion of how the project improves the project property and neighboring properties.
- 6) Financials for the project. Applicant must provide a 10-year proforma for the project, a Sources and Uses Budget for the entire project, and assumptions for retail sales and assessed value of the Project for residential and commercial uses by year. (not required is requested assistance is only for public infrastructure)
- 7) Timeframe of implementation of the Project
- 8) Discussion of Project risks.

Applicant Signature: _____

Name: _____

Date: _____

*Submitted applications and attachments are public documents and the information provided will be provided to and used by public entities to evaluate and describe the project.

Louisville Revitalization Commission

Blight Conditions Description for Project

Project Name: 712-22 Main Street PUD (Terraces on Main St)

Please provide a short description of how the project addresses the following blight conditions identified in the Urban Renewal Area.

a) Slum, deteriorated, or deteriorating structures;	The current building's are becoming functionally obsolescent due to their age and type of structure
b) Predominance of defective or inadequate street layout;	N/A
c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;	The current lots will allow for additional square footage which will enhance the vibrancy of downtown
d) Unsanitary or unsafe conditions;	N/A
e) Deterioration of site or other improvements;	Building Obsolescence
f) Unusual topography or inadequate public improvements or utilities;	N/A
g) Defective or unusual conditions of title rendering the title nonmarketable;	N/A
h) The existence of conditions that endanger life or property by fire or other causes;	N/A
i) Buildings that are unsafe or unhealthy for persons to live or work	N/A
j) Environmental contamination of buildings or property;	N/A
k.5) The existence of health, safety, or welfare factors requiring high levels of services	N/A

LRC Application attachments

Question #1: Project Description

Project Overview:

The redevelopment of 712-722 Main Street is intended to provide additional office and retail space downtown. The existing one-story buildings, originally constructed in 1968/1960, totaling 7,558 sf, will be replaced by a new 22,020 sf building with a main floor parking garage that will provide 18 total spaces for the project. The intent of the design regarding parking is to provide the majority of required parking on-site, with the ability to convert the parking to commercial space if it is more desirable from the City's point of view, or the owners' perspective in the future. This could be due to future increases in the City's public parking capacity, changing demographics and attitudes towards private vehicles as primary transportation, or other factors. The building is also designed with a 5,560 sf basement which is not currently served by the on-site parking, and currently designated for storage and utility use.

If the basement is converted to be used as commercial space in the future, or if the space currently shown as parking on the main level is converted to commercial space, then the fee in lieu of on-site parking would be provided for the lost spaces, as well as the demand generated by the habitable space.

Architectural Design Concept:

Downtown buildings require particular attention to design and massing to relate to the existing architectural fabric of Downtown and to contribute to the history and vibrancy of Downtown. Louisville's Main Street is characterized by a diverse, eclectic mix of building styles and periods of Louisville's history, including our current time.

The building presents a one and two story facade at the street. Of particular importance to this project is the proximity to the historic building to the south, currently housing the Huckleberry Restaurant, formerly Louisville's bank at the turn of the last century. To respect this one-story historic structure, the southern half of the Main Street facade is designed at one-story, actually lower than the historic parapet. The second level steps up from the one story portion 26 feet back from the Main Street façade to accommodate this transition to the one story historic building.

The building facade at Main Street is envisioned as a composition of three parts: a pair of 2-story storefront facades, patterned after typical western false front buildings in scale and pattern; and a low, one-story retail storefront replacing the mid-century modern building in that location, with similar form and simple detail. The three storefronts divide the 95 feet of facade into modules that were historically used and that are prevalent today in Downtown. The rhythm of the buildings on the east side of the 700 block cycles from one story to two story, with alternating horizontal and vertical emphasis, with paired buildings such as the Singing

Cook/Book Cellar, and the Huckleberry buildings. These varying elements form the context for the new building at 712/722 Main. As the buildings being replaced are mid-century, it is appropriate to take cues from the simple, straight-lined architecture of that era.

The materials for the Main Street façade are wood, metal, and storefront glazing. A natural IPE hardwood siding, or similar wood is proposed for the major elements at pedestrian level, with a combination of black anodized and wood storefront detailing. Natural finish metals such as patina copper and dark mill finish steel provide accents. The northern portion of the second level features a synthetic wood siding due to the fire ratings at the property line. Storefront windows are generous to promote commerce and provide interest at the pedestrian level.

The southern half of the facade retains a significant setback from the property line, similar to the existing condition. This allows for outdoor seating, sheltered by an overhang, extending the season beyond that of the temporary patios. This relief from the street begins with a smaller area of setback at the northern part of the facade, then a minimum of 36" additional sidewalk width is maintained to a maximum of 7.5 feet at the southern end.

The small third story elevator/stair lobby is set back 40 feet from the front of the property to minimize its impact when viewed from Main Street. This is the design standard specified in the Downtown Design Handbook and Framework Plan. The Framework Plan states "In general, no more than 50 percent of the building footprint should be a third story". The lobby and service area on the third level represent approximately 10% of the building footprint.

The building design provides a break between the second level and the small third level lobby, which is set in on all sides, and accentuated with a change in material/color to make the third level subordinate to the rest of the building. The projecting stair tower and balconies help to create interest, along with the varied materials along the alley façade. The second level steps back from the north and south property lines to create an additional break in the massing between the first and second levels, which is a location for a vegetated 'green roof' planter to soften the architecture at the alley. We have proposed that a mural be provided along the north wall, visible from the alley, which will add further interest to the alley façade and streetscape, and help to promote this alley as 'Via Artista' as it has been named.

The color palette has been carefully studied and selections made to enhance the overall design. The wood tones with metal accents along the storefront and second level at Main Street present a natural, warm materiality to enhance the pedestrian experience, and to create a sense of scale at the street level. The colors of the second and third levels progressively lighten towards the upper levels to diminish the scale and impact of the upper stories against the sky.

Waiver Request:

Where a 20' rear setback at the alley is required, and provided for the majority of the building mass, we are requesting to project a stair tower and balconies into the setback to break down the scale and mass of the building, instead of providing a monolithic rear wall at the alley facade.

Construction Process Downtown:

Construction for the project shall require careful coordination with the City and with adjacent businesses and property owners. The contractor selected to do the work shall be required to have experience with zero-lot-line construction in tight urban areas. Hartronft Associates has extensive experience with this type of construction in Boulder, Denver, Louisville and elsewhere. The owners and architect have met with adjacent building owners and discussed the potential impacts, and required coordination with these owners before, and during construction. The Applicants are committed to minimizing the impacts of this construction on their neighbors and Downtown.

Demolition of the existing buildings and foundations will be one of the most disruptive events due to the equipment used, noise generated, and proximity to existing construction. Existing adjacent buildings will be inspected before and after such disruptive operations. Dust mitigation will be required. Staging can be primarily on-site for building demolition process. Foundation excavation and caisson drilling operations will also generate some noise and dust, but less than caused by demolition. Similar measures will be in place. The foundation excavation shall require shoring which is typical for this type of construction. A typical method would involve drilled reinforced concrete piers carrying vertical steel supports that retain the adjacent soil with shoring which is typically incorporated into the foundation system. Care will be taken to avoid impacts to any adjacent foundations.

The alley will be the primary access point for construction traffic, and during times when such activity is heavy, the contractor will employ traffic control personnel with a plan acceptable to the City and reviewed with nearby affected properties. The Main Street sidewalk access will be maintained with pedestrian protection measures as appropriate. Any street, alley, or sidewalk closures for utility work, crane or other equipment staging, paving and sidewalk replacement, etc. shall be coordinated with the City and shall require approval by the City of Louisville. It is anticipated that the owners will obtain nearby off-site staging area for material storage, equipment staging, worker parking, etc. Workers will be instructed to refrain from utilizing downtown public parking.

Question #2: Applicants Experience with similar projects.

- Boulder Creek Neighborhoods (BCN) does is not a commercial builder, but has significant experience in constructing residential, townhomes and commercial properties.
- In addition the CFO for BCN, Rick Woodruff, has over 30 years of commercial development experience along the Northern Front Range of Colorado. This includes 3 years of experience as the Director of Real Estate for King Soopers and 26 years with WW Reynolds Companies which is located in Boulder Colorado.

Question #3: Detailed description of the request for assistance from the URA

- Applicant is requesting the URA/LRC approve a TIF for the property that allows for the developer to capture 90% of the property tax increase over the current taxes being paid. Without this assistance the project is not financially feasible since the rental rates that can be achieved in the Louisville Market today do not support the cost to build the project.

Question #4: Description of the community benefits resulting from the project. Blight assessment is added as an additional attachment

- By replacing the two current old and outdated properties the following benefits should be achieved by the community
 - Viable retail and service-retail space that the current buildings do not provide
 - New architecture that would create a focal point for mid-block downtown Louisville
 - Additional office space to help the surrounding merchants and restaurants during daytime hours

Question #5: How does the project improve the project property and neighboring properties.

- By providing substantially more space than the current property this should help the surrounding merchants viability
- The current buildings on the property are do not allow the property to be used for its highest and best use

Question #6: Financial Analysis

- 10 Year Cash Flow Attached
- Sources and Uses Attached
- Development Costs Attached

Question #7: Timeframe for implementation of the project

- Assuming the project is approved, building plans are approved and the requisite financing has been achieved by June 30, 2019 the following are the time frames anticipated
 - June/July 2019 startup and building demolition
 - August 2019 to July 2020 building construction
 - August 2020 building opening

Question #8: Project risks

- Interest Rate risks during the construction
- Being able to lease the building at the proposed rents
- Cyclical nature of the commercial real estate market
- Finding a permanent loan when the project is complete if the market is in a downturn
- Increasing costs of labor and materials
- Black Swans

Redevelopment of 712/22 Recap

Development Costs

Core and Shell	\$	165	/sf
TI			
1st and 2nd	\$	60	/sf
Basement	\$	15	/sf
712 Loan Balance	\$	980,500	
722 Loan Balance	\$	407,250	
Total Cost for 2 Story	\$	7,083,690	
Total Cost for 3 Story	\$	<u>9,998,037</u>	
Diff	\$	(2,914,347)	

Pro-Forma

Rents

Retail	4,736	\$	29.00	SF same as with 3 story
Basement	5,115	\$	5.00	SF same as with 3 story
2nd Floor	10,686	\$	27.50	SF same as with 3 story
Total	20,537	\$	22.24	

Loan \$5,695,000
Equity \$ 1,703,015

Cash Flow \$ 2,610
ROE 0.15%

Cash Flow w/TIF and no Vac \$ 124,054
ROE 7.3%

TIF Calculation

Current Taxes Paid	\$	42,665
Taxes with New Bldg	\$	165,052
TIF at 90%	\$	110,149

IRR Calculation 9.28%

2 Story Proforma with Traditional Financing
Basement included

Assumptions

Vacancy		5%	
NNN Cost	\$ 11.00 /sf		Class A office
Utilities	\$ - /sf		Tenant responsible for its own utilities
Reserves	\$ 1.00 /sf		
Development Costs	\$ 7,398,015		

Current Rent for 712 & 722 \$ 149,604

PGI	SF	Pure Net	Annual Rent
Retail	4,736	\$ 29.00	\$ 137,344
Basement	5,115	\$ 5.00	\$ 25,575
2nd Floor	10,686	\$ 27.50	\$ 293,872
3rd Floor	-	\$ -	\$ -
	20,537	\$ 22.24	\$ 456,791

Ground Floor SF			
Rentable	4372	100%	4372
Common	1455	25%	364
			4,736

Less Vacancy 5% \$ (22,840)

Common added to 2nd and 3rd			1,091
2nd Floor	9595	1,091	10,686
3rd Floor	0	-	-
	9,595	1091	10,686

Effective Gross Income \$ 433,951

Expenses

NNN's	\$ (11,295)	NNN's on Vacancy
Utilities	\$ -	
Reserves	(20,537)	
Total	\$ (31,833)	

Net Operating Income \$ 402,119

Value	Capped @	6.0%	\$ 6,701,977
		6.5%	\$ 6,186,440
		7.0%	\$ 5,744,551

Proj Rents		
30%	\$ 2,010,593	
50%	\$ 3,093,220	
20%	\$ 1,148,910	
	\$ 6,252,723	304.46 /sf

Financing

LTV	75.0%	\$ 4,689,542
LTC	80.0%	\$ 5,918,412
Loan Amount		\$ 5,695,000

LTV to create a 1.2 DSCR	
\$ 7,398,015	Development Cost
\$ 1,703,015	Equity Need

Interest Rate	5.00%
Term	10
Amortization Period	25
Annual Payments	\$ (399,509)

DSCR 1.01

Equity Needed \$ 1,703,015

Return	
NOI	\$ 402,119
Less:	
Debt Cost	\$ (399,509)
TIF Credit	\$ -

TIF Credit				
Current Taxes	Actual	Assessed	Mill	Amount
	712 \$ 1,103,550	\$ 320,030	87.561	\$ 28,022
	722 \$ 576,640	\$ 167,226	87.561	\$ 14,642
Total	\$ 1,680,190	\$ 487,256		\$ 42,665

Cash Flow before CapX and Taxes \$ 2,610

Taxes on New Building				
The Terraces	\$ 6,500,000	\$ 1,885,000	87.561	\$ 165,052
% TIF Rebated			90%	\$ 110,149

Return on Equity 0.15%

Without Vacancy \$ 13,905 0.82%

Without Vacancy and with TIF \$ 124,054 7.28%

Development Costs

Using \$165/sf Co SF or Unit

2 Story

Cost of 724 Land	3588	\$ - /sf	\$ -
712 and 722 Demo	7,637	\$ 15.00 /sf	\$ 114,555
Parking	11	\$ 12,000 /space	\$ 132,000
Core and Shell Constr	20,538	\$ 165.00 /sf	\$ 3,388,770
Tenant Finish			
Lower Level	5,115	\$ 15.00	\$ 76,725
New	15,422	\$ 60.00	\$ 925,335
A&E	20,538	\$ 10.00 sf	\$ 205,380
Leg/Ent/Etc.	20,538	\$ 2.50 /sf	\$ 51,345
Commissions	15,422	\$ 6.00 /sf	\$ 92,534
Loan Fees and CPI			\$ 203,916
Contingency	20,538	\$ 10.00 /sf	\$ 205,380
Development Fee			\$ 300,000
			\$ 5,695,940
712 Loan Balance			\$ 980,500
722 Loan Balance			\$ 407,250
			<u>\$ 1,387,750</u>
	Other		\$ -
			<u>\$ 1,387,750</u>
Total Capital Need			\$ 7,083,690

Terraces on Main Commerical expansion
TIF Estimate

2017 estimated value	1,680,190	
new value	6,604,250	as of Jan 1, 2021
County Payment %	7.15%	Assumed \$250 psf taxable value
Staff Payment %	3%	
Mill Levy	87.56	
Organic Value Appreciation	3%	
Comm Assessment Rate	29%	
% Available for Rebate	90%	

Valuation Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Tax Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Base Valuation	1,680,190	1,730,596	1,782,514	1,835,989	1,891,069	1,947,801	2,006,235	2,066,422	2,128,414	2,192,267	2,258,035	2,325,776	2,395,549	2,467,416	
New Construction Valuation	1,680,190	1,730,596	1,782,514	1,835,989	6,604,250	6,802,378	7,006,449	7,216,642	7,433,142	7,656,136	7,885,820	8,122,394	8,366,066	8,617,048	
Estimated TIF Revenue	-	-	-	-	119,678.99	123,269.36	126,967.44	130,776.46	134,699.75	138,740.75	142,902.97	147,190.06	151,605.76	156,153.93	
LESS:															
County Payment	-	-	-	-	8,557.05	8,813.76	9,078.17	9,350.52	9,631.03	9,919.96	10,217.56	10,524.09	10,839.81	11,165.01	
Staff Payment	-	-	-	-	3,590.37	3,698.08	3,809.02	3,923.29	4,040.99	4,162.22	4,287.09	4,415.70	4,548.17	4,684.62	
Subtotal	-	-	-	-	107,531.57	110,757.52	114,080.24	117,502.65	121,027.73	124,658.56	128,398.32	132,250.27	136,217.77	140,304.31	
Total Available with Rebate %	-	-	-	-	96,778.41	99,681.76	102,672.22	105,752.38	108,924.96	112,192.70	115,558.49	119,025.24	122,596.00	126,273.88	TOTAL 1,109,456.04