

Louisville Revitalization Commission

**Monday, March 11, 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 February 11, 2019 Meeting Minutes
- V. Public Comments on Items Not on the Agenda (Limit to 3 Minutes)
- VI. Welcome to New LRC Commissioner
- VII. Reports of Commission
- VIII. Business Matters of Commission
 - a. RESOLUTION: A Resolution approving the Property Tax Increment Rebate Agreement with 712 Main LLC and 722 Main LLC
 - i. Staff Presentation
 - ii. Public Comments (Please limit to three minutes each)
 - iii. Commissioner Questions and Comments
 - iv. Action
 - b. Outline for TIF 101 Discussion in April
- IX. Items for Next Regular Meeting April 8, 2019, 7:30 am Library Meeting Room
 - a. Discuss Delo Lofts East / West application
 - b. Review Budget and consider addition of line item for bond sinking fund/bond retirement.
 - c. Urban Renewal document refresher discussion
 - d. Develop list of items to discuss with City Council (after the TIF 101 discussion)
- X. Commissioners' Comments
- XI. Adjourn

City of Louisville

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Louisville Revitalization Commission

Minutes

**Monday, February 11, 2019
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
Mayor Pro Tem Jeff Lipton
Bob Tofte

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

Others Present: John Leary, Bill Cordell, Jim Tienken, Steve Erickson,
Dave Sinkey, Eric Hartronft

Approval of Agenda
Approved as presented

Approval of January 14, 2019 Minutes:
Approved as presented

Public Comments on Items Not on the Agenda
None

Welcome to Jeff Lipton

Reports of Commission
None

Business Matters of Commission

- **Resolution 19-01: A Resolution approving the Property Tax Increment**

Staff presentation

Economic Development Director Aaron DeJong gave a presentation on the Terraces on Main Project. The PUD is subject to approval by Council. It is a 22,000 sf office and retail building proposed to be built at 712-722 Main. First floor retail, first and second floor office space, third story rooftop area, 18 parking stalls.

Estimated construction cost is \$6.6m

Planned to go before Council on March 5th (NOTE: After this meeting the date was moved to March 19, 2019). This project is the first application seeking financial direct assistance for redevelopment.

The staff analysis concluded the project will remove blight factors, has a positive effect on property values, and advances the goals the Urban Renewal Area. The project shows the assistance is needed to achieve a reasonable financial return. The LRC directed staff to prepare and agreement for LRC review.

Main Terms of the TIF Rebate Agreement

- Developer will need CO from City
- Once project is complete the LRC will begin making annual TIF rebate payments to developer equal to 90% of the increased taxes paid on property, less other defined LRC financial obligations
- Total payment of \$1,110,000
- Rebate Agreement terminates on February 18, 2023 if the project is not completed.

Staff recommends approval by LRC of Resolution 19-01 for Terraces on Main TIF Rebate Agreement.

Public Comments

None

Commissioner Questions and Comments

Gorsevski asked about parking. Original plan was to do split level parking providing 35 spaces. Current parking is 18 spaces

Tofte – if property is sold within 10 years, rebate can be assigned? Yes

Fisher – first direct financial assistance request? Yes.

First TIF request was Safeway, mostly for stormwater, sidewalk, and parking lot improvements.

Fisher – we can make whole this commitment early? No penalty for early repayment.

Schedule for construction? No schedule, per Dave. Project is marginal from a financial perspective. Over next couple of years, need to flesh out rental rates. 7% return is difficult to attract investors.

Action

Commissioner Dalton moved to approve the Resolution. Commissioner Gorsevski seconded.

Discussion

Mayor Pro Tem Lipton said he will abstain on vote stating here has not been any foundational work by Council. Council will have policy questions. Policy issues could be: have not been presented with TIF sharing issue before. If you approve this one, will you approve others as use-by-right? What is the high community benefit? Use-by-right, does it provide significant community benefit?

Mayor Pro Tem Lipton said the LRC has to deal with this in their role as will Council. Council needs to think of other project that may pursue this assistance.

Commissioner Dalton said City Council will have to deal with the parking issue. There are policy issues City Council will have to address. He said Council may say they have not been properly prepared. LRC sends items to council to think about.

Commissioner Tofte said he is comfortable tying monies to be given for specific items rather than money given for direct financial assistance.

DeJong said the assistance will go towards the construction of the building, parking improvement fee, public walkway, underground electrical.

John Leary said he does not understand the parking. This project will create a 40 space deficit. DeJong said this building needs to provide 23 spaces, in accordance with the Downtown Design Guidelines and Overlay.

Building and Planning Safety Director Rob Zuccaro said less parking is required downtown; it is less desirable to have parking on a lot by lot basis. There is a

different ratio for parking if this was built in a different area of the city. He said we are not here to discuss parking policy. That is a Council discussion.

Dave Sinkey of Boulder Creek Builders said they are two plus years and \$100k into this PUD process. He asked Mayor Pro Tem Lipton why he thinks this is a use by right? He said that as a business person in the community, his company would benefit from better guidance from Council, using this project as a test case.

Commissioner Dalton encouraged everyone to vote affirmatively to get this in front of Council.

Chair Fisher called for a vote:

Gorsevski – yes

Dalton – yes

Fisher – yes

Tofte – no

Lipton - abstain

The resolution approved by a 3-1 vote. (NOTE: after the meeting the Urban Renewal Plan states a redevelopment agreement must be approved by a majority of the entire LRC, not just those in attendance. The item will need to be reconsidered).

This item is planned to go after PUD go on March 5th. (NOTE: After the meeting, the date was changed to March 19, 2019)

- **Review of City Council Parking Discussion held on January 22, 2019**

On January 22nd Commissioner Dalton and Andy Johnson gave a presentation related to a conceptual parking structure to City Council.

Many members of the public attended and voiced that they felt a parking structure would be too character changing for downtown and not necessary. Council agreed and told the LRC to stop working on a parking structure.

Commissioner Gorsevski said the meeting was instructive. Everyone was critical. We are looking backward, not forward. We need to think more broadly. How big is the problem? Is it just in the summer? Is it just Friday night? People brought up self-driving cars though Gorsevski thinks that is a ways away. People are interested in green solutions. Solutions other than people driving and parking cars.

Commissioner Dalton said if Council wants to move on parking issue which they now believe is not an issue, they need to decide how to move. Council needs to rely on staff and themselves to decide what they want to do about parking, if anything. He does not see any consensus from Council on any one or two things related to parking.

Commissioner Fisher asked if we have a signal at Short St will that relieve parking? DeJong does not think so. City Manager Balsler said the signal is a partnership with CDOT, Boulder County, City. And part of a much larger project.

Mayor Pro Tem Lipton said the LRC did exactly what Council asked you to do. Council needed to know that for future planning. The intent was never to approve a structure; the LRC provided the information Council asked for. He said there is less urgency and parking is less perceived as an issue. It is not perfect but not the urgency we had 5 years ago. He said the status quo won't remain status quo if we build out downtown to its potential and that the renderings energized emotions.

- **Future discussion meetings with City Council**

No more parking discussions – how might we allocate funds?

Mayor Pro Tem Lipton said there has been little collaboration between LRC and Council. His goal is to enhance collaboration so the LRC is not running into brick wall. He would like to develop common vision; do foundation work to make conversations productive and do a better job that Council has understanding of urban renewal.

Chair Fisher said City Attorney Kelly will give the LRC an Urban Renewal refresher in April.

There are 8 or 10 applicants for LRC – maybe move refresher to April? There was discussion about inviting all of City Council to the meeting where Ms. Kelly gives the Urban Renewal refresher to the LRC.

March meeting Staff will provide an outline for the refresher.

Mayor Pro Tem Lipton plans to attend LRC and provide regular reports to Council.

Commissioner Dalton said there are a lot of process items over the next few months unless we generate discussion about what projects/infrastructure issues LRC attention and money, we ought to begin looking at them. City Manager Balsler said there are old lists of infrastructure and staff and the LRC can also look at how other municipalities are using their TIF.

Discussion Items for Monday, March 11, 2019

Review Budget and consider addition of line item for bond sinking fund/bond retirement

(Postponed till April but provide outline) Urban Renewal document refresher

List of items to discuss with Council

Invite Council to April meeting for URA refresher

Commissioners Comments:

Commissioner Gorsevski asked for a Sam's Club update. DeJong said Council wanted McCaslin study update. He said Council was presented with 3 options, redevelopment of parcel by parcel. Council asked staff to move forward with GDP for private development community to see. DeJong will forward last Tuesday packet. Mayor Pro Tem Lipton asked LRC to look at option 2.

Jim Tienken asked what is planned for modifying the restrictive covenants. DeJong said the City will be working with property owners to adjust them.

Adjourn:

The meeting adjourned at 8:31 am.

SUBJECT: RESOLUTION APPROVING A REBATE AGREEMENT FOR TERRACES ON MAIN PROJECT AT 712-722 MAIN STREET

DATE: MARCH 11, 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 22,020 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.

This resolution, if approved, approves the attached TIF Rebate Agreement with 712 Main LLC and 722 Main LLC. The agreement must also be approved by the Louisville City Council in accordance with the Amended and Restated Cooperation Agreement last approved on November 17, 2015.

This resolution is coming back the LRC for consideration as redevelopment rebate agreements must be approved by a majority of the LRC board, not just a majority of those in attendance. At the February meeting, the vote was 3-1 in favor. Four votes are needed.

BACKGROUND:

Boulder Creek Neighborhoods has submitted plans to the City to redevelop 712-722 Main Street into a 2-3 story, 22,020 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.

SUBJECT: RESOLUTION APPROVING 712-722 MAIN STREET AGREEMENT

DATE: MARCH 11, 2019

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The LRC reviewed the application at their January 2019 meeting and directed staff to prepare a TIF Rebate Agreement with the Developer for the project. Staff and the applicant have finalized the attached agreement for LRC and City Council consideration.

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.

Several Colorado municipalities have provided direct assistance to private developments. Through conversations with colleagues running other authorities or doing research on websites, the following is a list of such projects spurred by TIF assistance directly:

- [Colorado National Bank](#) in Denver – Restoration and redevelopment of the historic building into a luxury hotel. \$10,000,000 TIF reimbursement assistance to the project.
- [2460 Welton](#) development in Denver – redevelopment of a vacant lot into a residential and retail mixed use building. \$1,350,000 in developer reimbursement through property tax TIF.
- [Marriott](#) in Colorado Springs - \$15,000,000 TIF bond to construct a parking structure for a new Marriott property.
- Cannon Mine Café and The Post in Lafayette – tenant improvement assistance through existing TIF revenues
- [Hilton Garden Inn](#) in Arvada - \$3,200,000 in land contribution and lodging tax revenues
- [Arvada Ridge Marketplace](#) – \$6,670,000 Sales and Property Tax Pledge to encourage the redevelopment

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

LOUISVILLE REVITALIZATION COMMISSION

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 determination of blight for the Highway 42 Urban Renewal Plan is for the entire defined district. It is not a determination for each and every parcel within the UR Area. Therefore, all of the properties within the UR Area are determined to have blighting factors present.

The Conditions Survey in 2006, which was used to determine whether blighting factors exist in the UR Area, 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.

In summary, Staff finds the Project will address blighting factors present in the Highway 42 Urban Renewal Area in the following ways:

- Unusual topography or inadequate public improvements. The new development will have underground utility service, removing this identified contributor to the blight factor. A new sidewalk will be constructed with the project. The project will also provide additional parking spaces and parking fee-in-lieu revenue for additional parking.
- 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. The two parcels are being combined to mitigate the deep lot and facilitates a better designed office and retail building.

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

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 meets the development and design objectives for several reasons:

- It will address the UR Area's 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

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.

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- 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 90% TIF 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.

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.

Redevelopment Agreement

Staff and the Applicant prepared the attached TIF Rebate Agreement upon the direction given by the LRC at their January 2019 meeting. Below is a summary of the main terms of the agreement:

1. Developer will construct and receive a Certificate of Occupancy (CO) from the City for the Project.
2. Once the project is complete, the LRC will begin making annual TIF Rebate payments to Developer equal to 90% of the increased taxes paid on the property less other defined LRC financial obligations (the 2015 Cooperation Agreement, the Tri-Party Agreement, and LRC operating expenses).
3. Total maximum Rebate payments is \$1,110,000. Annual payments will continue until the payment cap is met or the TIF revenue collection period for the Highway 42 Urban Renewal Area expires.
4. The agreement terminates on February 18, 2023 if the project has not be completed.
 - a. This date represents the three year initial term of the PUD plus one year for construction.
5. Assignment of the TIF Rebate Agreement is permitted if the assignment is to;
 - a. Any entity who is an affiliate of the Developer provided such assignment is of the Agreement in its entirety to a single entity;
 - b. A successor in title to 100% of the Developer's ownership interest in the Project; and
 - c. A lender to the Developer provided such assignment is limited to a collateral assignment or pledge of the amounts payable to the Developer

FISCAL IMPACT:

The TIF Rebate Agreement is based upon the increased property tax revenue generated by the redevelopment. It is a commitment to rebate future revenues not currently being received by the LRC. This agreement does not commit existing TIF revenue, so there is not current year fiscal impact. Future year LRC budgets will incorporate this rebate commitment once the redevelopment project is complete.

This agreement does not impact the City's budget as the committed property tax rebate payments are an obligation of the LRC, a separate organization from the City.

RECOMMENDATION:

Staff recommends approving the attached resolution approving the TIF Rebate Agreement with 712 Main LLC and 722 Main LLC to provide financial assistance to the planned redevelopment project. If approved, the agreement will go to the Louisville City Council for their consideration in accordance with the Amended and Restated Cooperation Agreement last approved on November 17, 2015.

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DATE: MARCH 11, 2019

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ATTACHMENTS:

1. Resolution
2. Staff Presentation
3. Property Tax TIF Rebate Agreement with 712 Main LLC and 722 Main LLC
4. Application for Assistance from Boulder Creek Neighborhoods
5. Staff TIF Estimate

**LOUISVILLE REVITALIZATION COMMISSION
RESOLUTION NO. 19- _____**

**A RESOLUTION APPROVING THE PROPERTY TAX INCREMENT REBATE
AGREEMENT WITH 712 MAIN LLC AND 722 MAIN LLC.**

WHEREAS, the Louisville Revitalization Commission (LRC) is charged with addressing issues contributing to blight within the Urban Renewal Area; and

WHEREAS, 712 Main LLC and 722 Main LLC has requested assistance from the LRC in the redevelopment of property at 712 and 722 Main Street, which is located within the Urban Renewal Area; and

WHEREAS, the LRC assistance to redevelop the property will reduce, eliminate and prevent the spread of blight within the Urban Renewal Area and stimulate growth and reinvestment within the Area boundaries; and

WHEREAS, a Property Tax Increment Rebate Agreement, attached hereto, has been developed to outline certain financial terms regarding financial assistance for new public and/or private improvements; and

WHEREAS, a majority of the entire LRC must approve redevelopment or rebate agreements in accordance with the Highway 42 Urban Renewal Plan; and

WHEREAS, the LRC is willing to assist in public and private improvements associated with the redevelopment project.

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

Section 1. The Property Tax Increment Rebate Agreement with 712 Main LLC and 722 Main LLC (the “Agreement”) is hereby approved, subject to approval by the Louisville City Council.

Section 2. The Chair of the Louisville Revitalization Commission is hereby approved to sign the Agreement once approved by the Louisville City Council in accordance with the Amended and Restated Cooperation Agreement between the LRC and City of Louisville dated November 17, 2015.

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**THE RESOLUTION APPROVING THE PROPERTY TAX INCREMENT
REBATE AGREEMENT WITH 712 MAIN LLC AND 722 MAIN LLC IS
ADOPTED** this 11th day of March, 2019.

ATTEST:

Chair

Secretary


City of
Louisville
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**Terraces on Main Project
Assistance Application**

Louisville Revitalization Commission


City of
Louisville
COLORADO • SINCE 1878

Terraces on Main

- **Project Summary**
 - 22,262 square foot office and retail building
 - First floor retail design
 - First and second floor office
 - Third story services for rooftop area
 - 18 parking stalls
 - \$6,600,000 estimated construction costs

Terraces on Main


City of
Louisville
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City of
Louisville
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Terraces on Main

- **First application seeking direct financial assistance for a redevelopment**
 - Provided application,
 - 10 year projection
 - Sources and uses budget

Assistance In Other Cities


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- [Colorado National Bank](#) in Denver – Restoration and redevelopment of the historic building into a luxury hotel. \$10,000,000 TIF reimbursement assistance to the project.
- [2460 Welton](#) development in Denver – redevelopment of a vacant lot into a residential and retail mixed use building. \$1,350,000 in developer reimbursement through property tax TIF.
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- [Arvada Ridge Marketplace](#) – \$6,670,000 Sales and Property Tax Pledge to encourage the redevelopment


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Terraces on Main

- **Staff Analysis**
 - Previous used categories:
 - Removing Blight Factors
 - Effect on Property Values
 - Advancement of the Urban Renewal Area
 - Additional analysis
 - Need for Financial Assistance

Terraces on Main



COLORADO • SINCE 1878

- Removing Blight Factors
 - F. Unusual topography or inadequate public improvements
 - Providing underground utility service; noted condition in UR Plan
 - H. Danger to life or property from fire or other causes
 - Fire suppression system in new development; noted condition in UR Plan

Terraces on Main



COLORADO • SINCE 1878

- Removing Blight Factors
 - C. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
 - Mixed-use building can mitigate the deep lot and building profile of the existing properties. Higher and better use of the property with redevelopment.
 - Applicant noted two other blight factors:
 - Deteriorating Structures and Deterioration of Site
 - Staff felt these factors were not met.

Terraces on Main



COLORADO • SINCE 1878

- Effect on Property Values
 - How significant is the increase of property values?
 - 10 year TIF analysis shows \$119,500 in new revenue after construction.
 - Approximately \$5,000,000 in new taxable property value in the UR District

Terraces on Main



COLORADO • SINCE 1878

- Advancement of Urban Renewal Area
 - Purpose of UR Plan:
 - “Reduce, eliminate and prevent the spread of blight ... and to stimulate growth and reinvestment within the Area boundaries, on surrounding blocks and throughout downtown”
 - Terraces redevelopment would be a significant reinvestment for the downtown area
 - Adds additional office and retail space in the area

Terraces on Main



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- Advancement of Urban Renewal Area
 - Several Plan Objectives met as well;
 - It will address three blighting factors, as described above.
 - Enhance the downtown area with additional office and retail space.
 - Property values will be significantly more than the current value
 - The office/retail mixed-use design will add to downtown.
 - Enhance pedestrian circulation through new sidewalks
 - Project will house multiple businesses in downtown.
 - Example of public-private partnerships.
 - Encourage shared parking through the City’s parking program.
 - Meets the downtown design guidelines.

Terraces on Main



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- Need for Financial Assistance
 - Will the project not happen ‘but for’ the assistance?
 - Main Assumptions:
 - NNN 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.
 - 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.

Terraces on Main 

- Need for Financial Assistance
 - Applicant stating they need 90% TIF rebate to further the project
 - Approximately \$110,000 per year
 - Rate of Return
 - Without assistance = .15%
 - With assistance = 7.28%
 - Projects with similar risk profile have a range of 10-15% return

Terraces on Main 

- TIF Rebate Agreement
 - Developer will construct and receive a Certificate of Occupancy (CO) from the City for the Project.
 - Once the project is complete, the LRC will begin making annual TIF Rebate payments to Developer equal to 90% of the increased taxes paid on the property less other defined LRC financial obligations (the 2015 Cooperation Agreement, the Tri-Party Agreement, and LRC operating expenses).

Terraces on Main 

- TIF Rebate Agreement
 - Total maximum Rebate payments is \$1,110,000. Annual payments will continue until the payment cap is met or the TIF revenue collection period for the Highway 42 Urban Renewal Area expires.
 - The agreement terminates on February 18, 2023 if the project has not be completed.
 - This date represents the three year initial term of the PUD plus one year for construction.
 - Assignment of the TIF Rebate Agreement is permitted to similarly owned entities

Terraces on Main 

Staff recommends the LRC approve Resolution approving the TIF Rebate Agreement with 712 Main LLC and 722 Main LLC

- Applicant presentation
- Comments
- LRC Discussion / Direction

PROPERTY TAX INCREMENT REBATE AGREEMENT

This Property Tax Increment Rebate Agreement (this “Rebate Agreement”) is made as of _____, 2019, by and between the LOUISVILLE REVITALIZATION COMMISSION (the “LRC”) and 712 MAIN LLC AND 722 MAIN ST LLC limited liability companies in the State of Colorado (the “Developer”) (The LRC and Developer are collectively the “Parties”).

RECITALS

A. The LRC is a public body corporate and politic authorized to transact business and exercise its powers as an urban renewal authority under and pursuant to the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”).

B. The Developer is the owner of certain real property legally described as follows: Lot 8 and 9, Block 3, Town of Louisville located in the SE ¼ Section 8, R69W of the 6th P.M. City of Louisville (the “Property”).

C. The Developer proposes to redevelop the Property as a mixed-use development to include the construction of one mixed-use building consisting of 22,020 sf of office and retail uses and 5,802 sf parking area (the “Project”), to include associated public and private infrastructure improvements (the “Project Improvements”). A more detailed description of the Project Improvements is attached as Exhibit A.

D. The Project is located within the area (the “Plan Area”) described in the Highway 42 Revitalization Area Urban Renewal Plan (the “Plan”). Completion of the Project and Project Improvements will remove barriers to development and remediate blight and adverse conditions within the Plan Area, and will be carried out in furtherance of the purposes of the Act and Plan.

E. The LRC finds that entering into this Rebate Agreement will promote the redevelopment of an area within the Plan Area and LRC boundaries and will remediate adverse conditions within the Plan Area in a manner consistent with the Plan, and will provide a mechanism for assisting in the financing of Project Improvements that benefit the City of Louisville (the “City”) and its residents.

F. The Plan provides for financing the activities and undertakings of the LRC by means of property tax allocation or tax increment financing (“Property Tax TIF”) in accordance with Section 31-25-107(9) of the Act.

G. The LRC previously entered into that certain Amended and Restated Cooperation Agreement dated November 17, 2015 (the “2015 Cooperation Agreement”), which provides that the LRC shall repay to the City Costs and Expenses incurred by the

City for the provision of Operating Funds and Support Services for the LRC, as further defined and set forth in the 2015 Cooperation Agreement.

H. The LRC also previously entered into that certain Tri-Party Agreement with the County of Boulder dated December 5, 2006 (the "Tri-Party Agreement") which provides that commencing on January 1, 2015, there shall be paid to the County certain County TIF Revenues, as further defined and set forth in the Tri-Party Agreement.

I. The LRC also previously executed that certain Term Sheet for the Core Area Infrastructure Project dated May 13, 2013 (the "Core Area Term Sheet"), which provides for the potential future issuance of LRC bonds payable from Property Tax TIF revenues from the Highway 42 Core Project Area as further defined and set forth in the Core Area Term Sheet.

J. The LRC intends that LRC financing assistance for the construction of the Project Improvements be limited to certain Property Tax TIF revenue received by the LRC from the Property (and no other properties in the Plan Area) and available to the LRC after payment of any amounts required to be paid pursuant to the 2015 Cooperation Agreement, the Tri-Party Agreement, and amounts the LRC may reasonably require for ongoing operating, administrative, consulting and other costs (the "LRC Operating Expenses"), and subordinate to bonds issued pursuant to the Core Area Term Sheet, all in accordance with the terms and conditions set forth herein.

K. The LRC is authorized to enter into this Rebate Agreement pursuant to the Act, including without limitation C.R.S. Section 31-25-105(1)(b), which authorizes an urban renewal authority to enter into agreements to carry out the purposes of the Act.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the following terms and conditions, the Parties agree as follows:

1. Construction of Project. In conjunction with the development of the Project, Developer will finance, design and construct the Project and Project Improvements with its own funds.

2. LRC Financial Assistance. Commencing with the first full fiscal year following issuance of a certificate of occupancy for the Project and ending on the first to occur of (i) payment to Developer of \$1,110,000.00 of Pledged Revenue Payments or (ii) expiration of the Property Tax TIF provision of the Plan ("Pledged Revenue Term"), and in accordance with Section 31-25-107(9)(a)(II) of the Act, the LRC shall deposit within a special fund (the "Special Fund") all property tax revenues received by the LRC as a result of the property tax mill levies imposed upon the valuation of the Property, limited to

amounts generated from new valuation resulting from completion of the Project Improvements (by obtaining a Certificate of Occupancy for the new building) above the January 1, 2018 assessed valuation of the Property (\$320,030 for Parcel 157508423009 plus \$167,226 for Parcel 157508423005, for a total assessed valuation of \$487,256), and except for such amounts as the LRC may reasonably require for payment of obligations under the 2015 Cooperation Agreement, the Tri-Party Agreement, and payment of LRC Operating Expenses (which shall be limited to the Property's pro-rata share of such expenses) (the "Pledged Revenues"). This Rebate Agreement is limited solely to Pledged Revenues from the Property and includes no revenues generated from any other properties in the Plan Area. An illustrative example of the method for calculations is attached as Exhibit B. The Special Fund may be a new or existing fund and the Pledged Revenues may be comingled with other funds, all as shall be determined by the City Finance Director.

a. The Pledged Revenue shall be used to reimburse Developer for costs associated with the Project Improvements as shown in Exhibit A, and paid according to the payment schedule set forth below (the "Pledged Revenue Payments"). The Pledged Revenue available for reimbursement of costs associated with Project Improvements shall be transferred from the Special Fund to Developer within sixty (60) days after receipt of such funds by the LRC.

b. Notwithstanding any provisions of this Rebate Agreement to the contrary, the Parties agree:

- (i) The Pledged Revenue Payments shall be limited to no more than ninety percent (90%) of all Pledged Revenue generated from the Property.
- (ii) The total of all Pledged Revenue Payments made according to this Rebate Agreement is limited to \$1,110,000 or whatever lesser amount is generated from the Property during the Pledged Revenue Term prior to the time that the Property Tax TIF provision of the Plan expires.
- (iii) If, in any year, no Property Tax TIF revenue is generated by the Property and received by the LRC, no rebate payments under this Rebate Agreement shall be due to the Developer for that year.
- (iv) If, in any year, the LRC receives no Property Tax TIF revenues because there is for the Plan Area no increment value in excess of the base value for the Plan Area, no rebate payments under this Rebate Agreement shall be due to the Developer for that year.

- (v) If, in any year, the LRC receives Property Tax TIF revenues but the amount received is less than the amount necessary to pay all obligations that are on parity with this Rebate Agreement, then the rebate payments made to the Developer under this Rebate Agreement for such year shall be on a pro-rata basis.
- (vi) The LRC may prepay at any time without penalty any amounts payable under this Rebate Agreement, and may make payment with any source of funds available to the LRC.
- (vii) The LRC may use for any lawful purpose amounts not required for payments under this Rebate Agreement.

c. The Parties shall each keep, or cause to be kept, proper and current books and accounts in which complete and accurate entries shall be made for costs associated with the Project and amounts paid out from the Special Fund.

3. Entire Agreement. This instrument shall constitute the entire agreement between the LRC and Developer and supersedes any prior agreements between the Parties and their agents or representatives, all of which are merged into and revoked by this Rebate Agreement with respect to its subject matter. Contact information is as follows:

If to Developer:

712 Main St LLC and 722 Main St LLC
Attn: David Sinkey
712 Main Street
Louisville, CO 80027
Phone: (303) 544-5857
dsinkey@livebouldercreek.com

If to LRC:

Louisville Revitalization Commission
Attn: Economic Development
749 Main Street
Louisville, CO 80027
303.335.4531
aarond@louisvilleco.gov

4. Termination. This Rebate Agreement shall terminate and become void and of no force or effect upon the LRC if, by February 18, 2023, Developer has not completed the Project Improvements (as evidenced by a successful final inspections for the Project Improvements); or should fail to comply with any City code after proper notice and reasonable opportunity to cure the same. This Rebate Agreement shall automatically

terminate upon expiration or termination of the Property Tax TIF provision of the Plan, and upon such expiration or termination, the Parties' obligations hereunder shall terminate, whether or not any Pledged Revenues have been paid to Developer.

5. Subordination. The LRC's obligations pursuant to this Rebate Agreement are subordinate to the LRC's obligations for the repayment of any current bonded indebtedness, to the extent such obligations are in effect as of the date of this Rebate Agreement, and to the LRC's obligations for the repayment of any bonds issued pursuant to the Core Area Term Sheet and, further, are contingent upon the existence of a surplus of Property Tax TIF revenues in excess of the Property Tax TIF revenues necessary to meet such existing or future bonded indebtedness. The LRC shall meet its obligations under this Rebate Agreement only after the LRC has satisfied all other obligations with respect to the use of Property Tax TIF revenues for such existing or future bond repayment purposes. For the purposes of this Rebate Agreement, the terms "bonded indebtedness," "bonds," and similar terms describing the possible forms of indebtedness include all forms of indebtedness incurred by the LRC, including, but not limited to, general obligation bonds, revenue bonds, revenue anticipation notes, tax increment notes, tax increment bonds, and all other forms of contractual indebtedness of whatsoever nature that is in any way secured or collateralized by Property Tax TIF revenues of the LRC as of the date of this Rebate Agreement, including, the 2015 Cooperation Agreement, the Tri-Party Agreement, and such terms also include any bonds issued pursuant to the Core Area Term Sheet and payment of the Property's pro-rata share of LRC Operating Expenses, to all of which this Rebate Agreement is expressly subordinate. The LRC further shall have the right to issue other bonds that are on parity with or are junior to this Rebate Agreement.

6. Governing Law: Venue. This Rebate Agreement shall be governed and construed in accordance with the laws of the State of Colorado. In the event of a dispute concerning any provision of this Rebate Agreement, the Parties agree that prior to commencing any litigation, they shall first engage in good faith the services of a mutually acceptable, qualified, and experience mediator, or panel of mediators for the purpose of resolving such dispute. In the event such dispute is not fully resolved by mediation or otherwise within 60 days a request for mediation by either Party, then either Party may commence legal proceedings regarding the dispute. The venue for any lawsuit concerning this Rebate Agreement shall be in the District Court for Boulder County, Colorado.

7. Legal Challenge; Escrow. The LRC shall have no obligation to make any payment hereunder during the pendency of any legal challenge to this Rebate Agreement. The Parties covenant that neither will initiate any legal challenge to the validity or enforceability of this Rebate Agreement, and the Parties will cooperate in defending the validity or enforceability of this Rebate Agreement against any challenge by any third Party. Any funds appropriated for payment under this Rebate Agreement shall be escrowed in a separate LRC account in the event there is a legal challenge to

this Rebate Agreement. In the event performance of any material term of this Rebate Agreement is rendered impossible as the result of any legal challenge, the LRC at its option may terminate this Rebate Agreement, in which case the Parties' obligations hereunder shall terminate; provided, however, that the LRC shall pay to Developer any Pledged Revenues accrued and appropriated for payment under this Rebate Agreement prior to such termination, to the extent permitted by law and any applicable court order.

8. Assignment. This Rebate Agreement is personal to Developer and Developer may not assign any of the obligations, benefits or provisions of the Rebate Agreement in whole or in any part without the expressed written authorization of the LRC, which consent shall not be unreasonably withheld; provided, that an assignment shall be permitted (i) to any entity who is an affiliate of the Developer provided such assignment is of the Agreement in its entirety to a single entity; (ii) to a successor in title to 100% of the Developer's ownership interest in the Project; and (iii) to a lender to the Developer provided such assignment is limited to a collateral assignment or pledge of the amounts payable to the Developer hereunder. Any purported assignment, transfer, pledge, or encumbrance made without such prior written authorization shall be void.

9. No Joint Venture. Nothing in this Rebate Agreement is intended or shall be construed to create a joint venture between the LRC and Developer and the LRC shall never be liable or responsible for any debt or obligation of Developer.

NEXT PAGE IS THE SIGNATURE PAGE

This Rebate Agreement is enacted this _____ day of _____, 20__.

712 MAIN ST LLC

A Colorado Limited Liability Company

By: _____
David Sinkey

ATTEST:

Print Name

**LOUISVILLE
COMMISSION**

REVITALIZATION

Steve Fisher
Chair

ATTEST:

Alex Gorsevski, Secretary

722 MAIN ST LLC

A Colorado Limited Liability Company

By: _____
David Sinkey

ATTEST:

Print Name

EXHIBIT A

Description of Project Improvements

New Structure

- Construction of a new 3-level office and retail building of 22,262 square feet and 5,802 square feet parking area for 18 parking stalls.

Estimated Cost: \$5,500,000

Parking Improvement Fee

Parking improvement fee for 5 stalls not provided on-site but needed to achieve the Project's parking requirements

Estimated Cost: \$91,305

Public Walks

- New walkway along Main Street

Estimated Cost: \$30,000

Electrical

- New underground electrical service infrastructure

Estimated Cost: \$75,000

Total Project Improvements Cost: \$5,696,305

Exhibit B

Calculations to determine TIF Rebate for a Budget Year

Amounts described are for illustrative purposes only and are not amounts for the property subject to this agreement.

Taxable Value of Parcel for Budget Year (Value as January 1 of the previous Year)	\$200,000.00
Less: Taxable Value of Parcel for Base Year	<u>\$100,000.00</u>
Equals: Taxable Increment	\$100,000.00
Multiplied by Mill Levy (tax per \$1000 of taxable valuation)	85.187
Equals: Property Tax Increment from Property ($\$100,000 * 85.187 / 1000$)	\$8,518.70
Less: Property's portion of Tri-Party Agreement (Assessed Value of Property / Total Assessed Value of Urban Renewal Area * Total Increment collected * Tri-Party Agreement payment percentage) $\$200,000 / \$30,000,000 * \$65,000 * 14.3\%$	\$61.96
Less: Property's portion of 2015 Cooperation Agreement (Taxable Value of Property / Total Value of Urban Renewal Area * 2015 Cooperation Agreement payment for Budget Year) $\$200,000 / \$30,000,000 * \$31,000$	\$206.66
Less: Property's Portion of LRC Operating Expenses (Taxable Value of Property / Total Value of Urban Renewal Area * LRC Operating Expenses payment for Budget Year) $\$200,000 / \$30,000,000 * \$32,000$	<u>\$213.33</u>
Equals: Total Pledged Revenues	\$8,036.75

Annual payment is 90% of Pledged Revenue calculated.

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

**SUBJECT: INTENDED TOPICS FOR TIF 101 DISCUSSION FOR APRIL 2019
LRC MEETING**

DATE: MARCH 11, 2019

PRESENTED BY: AARON M. DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

The Louisville Revitalization Commission (LRC) has requested a “TIF 101” topic for their April meeting. Staff wanted to provide a brief discussion of the intended topics to see if there are other topics Commissioners would like incorporated into the April discussion.

BACKGROUND:

The following is a brief description of the various topics we plan to discuss in April.

Urban Renewal Statute

Urban Renewal Authorities are governed under Colorado Urban Renewal Law (C.R.S. 31-25-101). The statute outlines the formation, powers, plan approval process, financing options, coordination with other governing bodies, and other topics related to Urban Renewal Authorities (which the LRC is the City’s designated Urban Renewal Authority). The overarching purpose of the Urban Renewal law is to remediate and prevent the spread of slum and blighted areas within Colorado municipalities.

Determining Blight

A step in the Urban Renewal Area approval process is the determination whether blighting factors exist in the Area. A conditions survey is conducted to analyze the Area related to each of the 11 blighting factors outlined in the Urban Renewal Statute. Those blighting factors include:

- (a) Slum, deteriorated, or deteriorating structures;
- (b) Predominance of defective or inadequate street layout;
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (d) Unsanitary or unsafe conditions;
- (e) Deterioration of site or other improvements;
- (f) Unusual topography or inadequate public improvements or utilities;
- (g) Defective or unusual conditions of title rendering the title nonmarketable;
- (h) The existence of conditions that endanger life or property by fire or other causes;
- (i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;

- (j) Environmental contamination of buildings or property;
- (k) (Deleted by amendment, L. 2004, p. 1745, § 3, effective June 4, 2004.)
- (k.5)** The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements; or
- (l)** If there is no objection by the property owner or owners and the tenant or tenants of such owner or owners, if any, to the inclusion of such property in an urban renewal area, "blighted area" also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k.5) of this subsection (2), substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare. For purposes of this paragraph (l), the fact that an owner of an interest in such property does not object to the inclusion of such property in the urban renewal area does not mean that the owner has waived any rights of such owner in connection with laws governing condemnation.

Determining whether blight factors exist within such an Urban Renewal Area is a legislative determination made by the City Council of the municipality. Once such determination is made, the blighting factors are determined to exist for all properties within the Urban Renewal Area.

Urban Renewal Plans

Within Louisville, there are two Urban Renewal Areas under the jurisdiction of the LRC. They are the Highway 42 Urban Renewal Area and the 550 S. McCaslin Urban Renewal Area.

The [Highway 42 Revitalization Area](#) was established in 2006 by the City Council by Resolution 37-2006. Nine (9) blight factors were determined present for the Highway 42 area. They are:

- a) Slum, deteriorated, or deteriorating structures;
- b) Predominance of defective or inadequate street layout;
- c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- d) Unsanitary or unsafe conditions;
- e) Deterioration of site or other improvements;
- f) Unusual topography or inadequate public improvements or utilities;
- h) The existence of conditions that endanger life or property by fire or other causes;
- i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- j) Environmental contamination of buildings or property;

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k.5) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical and underutilization of vacancy of sites, buildings, or other improvements.

The [550 S. McCaslin Urban Renewal Area](#) was established in 2015 by the City Council by Resolution 58-2015. Four (4) blight factors were determined present for the 55 S. McCaslin area. They are:

- a) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- b) Deterioration of site or other improvements;
- c) Defective or unusual conditions of title rendering the title nonmarketable;
- d) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements.

Urban Renewal Plans are documents that lay out the qualifying conditions, objectives, implementation, and financing tools for the LRC to implement.

City/LRC Cooperation Agreement

When the City approved the initial Urban Renewal Plan for the Highway 42 Area the City also approved a [Cooperation Agreement](#) between the City and the LRC, which Agreement was amended and restated in 2015. Highlights of the Amended and Restated Cooperation Agreement include:

- The City provides administrative and legal support services to the LRC in connection with its operations.
- The LRC's budget must be submitted to the City Council for review and approval prior to LRC adoption each year.
- Any LRC expenditure not included in its annual budget must be reviewed and approved by the City Council.
- Prior to issuing bonds (or any other capital financial obligation or financial obligation extending beyond the end of the current fiscal year) must be approved by resolution adopted by a majority of the City Council finding the City's interests in connection with such bonds or other obligations are adequately protected.
- As provided in the Urban Renewal Plan, the City Council must approve allocation of any municipal sales tax increment.
- Also as provided in the Urban Renewal Plan, the City Council must approve by resolution any redevelopment agreement or other contract with developers or property owners.

Tri-Party Agreement with the City, LRC, and Boulder County

When the Highway 42 Urban Renewal Plan was approved, a [Tri-Party Agreement](#) among the City, LRC, and Boulder County was executed to commit a portion of the TIF revenues back to the County during the life of the TIF collection period (25 years). The original agreement committed to the LRC paying to the County 14.3% of annual TIF revenues starting January 1, 2015, not to exceed \$6,150,000 in total payments to the

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County. There is a renegotiation clause in the agreement that states if the County does not enter into a similar agreement with another Boulder County municipality within the first 7 years of the Plan, the County reimbursement percentage changes to 7.15% of TIF revenues and maximum payment is \$3,075,000.

Property Tax Increment Financing

Tax Increment Financing (TIF) is a unique mechanism that enables an urban renewal authority or board to use the net new tax revenues generated by projects within a designated urban renewal area to help finance future improvements. TIF is new source of tax revenue, not an additional tax, which would not be available but for the increased property value that is largely attributable to the new investment. When a redevelopment project is being planned, the urban renewal authority or board analyzes how much additional property and/or sales taxes may be generated once it is completed. That “tax increment” then can be used by the urban renewal entity either to finance the issuance of bonds or to reimburse developers for a portion of their project costs. In either case, the new tax revenue that is created must be used for improvements that have a public benefit and that support the redevelopment effort by eliminating blight, such as site clearance, streets, utilities, parks, the removal of hazardous materials or conditions, or site acquisition. (Source: Denver Urban Renewal Authority)

Property tax increment financing has been implemented for the Highway 42 Area, but not for the 550 S. McCaslin area.

Sales Tax Increment Financing

Urban Renewal Law also allows for Authorities to collect the increase of sales taxes generated within an Area above the base amount established when the area was established. Similar to property tax increment, sales tax increment funds can go towards projects that meet the requirement of the Urban Renewal Plan.

Sales tax increment financing is not available in either urban renewal area in Louisville.

Condemnation

Another power Authorities may use is the ability to condemn private property if the Authority (and in Louisville, also the City Council) finds it is necessary for the “public good” and usually as a last resort. Most municipalities are extremely reluctant to use their condemnation powers for many reasons, not the least of which is the lengthy acquisition and negotiation process.

LRC Financial Assistance

In 2013, the LRC established an application for assistance for property owners to request the LRC’s help in completing a project. The application envisions two ways in which the LRC can assist a development:

- Infrastructure Projects

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Assistance is generally provided to projects for public infrastructure improvements needed to facilitate the revitalization of property within the Urban Renewal Area. Typical public infrastructure investments may include but are not limited to unifying streetscape elements, improving access and circulation, improving streets and parks, providing for railroad corridor improvements and grade separation, providing for parking, completing utilities. The infrastructure can be either public infrastructure or infrastructure that is privately owned, but needed to enhance the public benefit of the project.

The LRC has completed three major infrastructure investments to date. They include the South Street Pedestrian Gateway, the Delo area public infrastructure, and the Alfalfa's/Centre Court apartments sidewalk and on-site detention project. The LRC utilizes an [Urban Renewal Assistance Application](#) for property owners to request assistance for their project.

- **Direct Financial Assistance**

LRC assistance can also come in the form of direct financial assistance to achieve financial feasibility for the project. If a project requests direct financial assistance, additional information is required of the applicant to determine whether the project needs it. Project seeking direct financial assistance uses the same [application](#) as for public infrastructure, except for the added requirement to provide financial information showing the project will not occur but for the assistance.

Several Colorado municipalities have provided direct assistance to private developments. Through conversations with colleagues running other authorities or doing research on websites, the following is a list of such projects spurred by TIF assistance directly:

- [Colorado National Bank](#) in Denver – Restoration and redevelopment of the historic building into a luxury hotel. \$10,000,000 TIF reimbursement assistance to the project.
- [2460 Welton](#) development in Denver – redevelopment of a vacant lot into a residential and retail mixed use building. \$1,350,000 in developer reimbursement through property tax TIF.
- [Marriott](#) in Colorado Springs - \$15,000,000 TIF bond to construct a parking structure for a new Marriott property.
- Cannon Mine Café and The Post in Lafayette – tenant improvement assistance through existing TIF revenues
- [Hilton Garden Inn](#) in Arvada - \$3,200,000 in land contribution and lodging tax revenues
- [Arvada Ridge Marketplace](#) – \$6,670,000 Sales and Property Tax Pledge to encourage the redevelopment

The decision to approve a TIF agreement for a project is not a part of the Planned Unit Development (PUD) process. The PUD process relates to whether the project meets

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the regulatory requirements (e.g. zoning, design, layout) within the City's codes and ordinances. The discussion of approving financial assistance through Urban Renewal is legislative and independent of the PUD process. An assistance agreement can be considered at any time during the PUD approval process, if the project needs a PUD approval. To date, all approved assistance agreements were considered either concurrent or after a project's development/PUD process.

ATTACHMENTS:

Related documents are linked throughout the memo. Please click on the link in the text to be directed to the particular document.