

Arvada Urban Renewal Authority (AURA) Board Meeting, November 05, 2014

Notes taken by Nancy Young

Headlines: Solana Olde Town to receive \$7.2 million in Tax-Increment Funding Stone Leaf Pottery to Acquire the former McDonalds property - 9978 Ralston Road Commissioner/Mayor Williams actively opposing reform of Colorado urban renewal law

Commissioners present were Jacobsen, Cline, Parker, Piz Wilson, and Williams. Commissioner Bolin was expected to attend - she arrived about 15 minutes after the meeting began; Commissioner Delaria was excused. [NOTE: she arrived about 30 minutes late]. Two citizens were present for the entire public portion of the meeting.

There were no public comments during the opening 3-minute session. The minutes of the October 1, 2014, Board meeting were approved as presented.

Three items regarding the AURA budget, all public hearings, were approved. There were no public comments. Those items were: 1) approval of the 2015 Budget; 2) appropriating funds for the 2015 Budget; and 3) Approval of amendments to the 2014 Budget.

The 2015 Appropriation of \$9,148,472 includes the following summary items by urban renewal area (URA):

General Fund: \$1,687,222 Ralston Fields: \$1,755,000 (Target shopping center, Arvada Plaza, Arvada Square) Jefferson Center: \$4,085,750 (Plains End Power Plant) Northwest Arvada: \$1,555,500 (Candelas & the remaining land from the original Jefferson Center URA, totaling 2032 acres) Olde Town Arvada: \$ 70,000

Solana Olde Town Station Development Agreement. The agreement was approved. The key provisions include tax increment financing (TIF) totaling \$7,200,000 maximum through December 2034, and a requirement that ground be broken by December 2015. The developer is negotiating with the landowners: one owner is near an agreement, while the other landowner appears to be less cooperative. The development will include 352 garden rental apartments. Ms. Phair lauded the developer, stating that "these guys are top notch".

Regarding this development, the Board packet included a table of projected TIF revenues that appeared to be confusing to some Commissioners. The packet is available to the public at <http://arvadaurbanrenewal.org/about-arvada-urban-renewal-authority-aura/meeting-information> - click on the 11-05-2014 meeting packet.

AURA staff noted that Exhibit F, the apparent source of concern, was intended as a "sample" of the allocation of the property tax increment that might occur in the event that property taxes were less than are currently anticipated. There are now three projects receiving (or soon to receive) tax-increment financing (TIF) in the Olde Town Arvada area: Park Place Olde Town (PPOT - Project A in the exhibits); Solana Olde Town (Solana - Project B), and Trammell-Crow (Project C). If an economic downturn should happen, and if property tax revenues are below expectations, then AURA will need to allocate among these three projects. This exhibit is an attempt to illustrate how that allocation might happen.

Former McDonalds, 9978 Ralston Road. [NOTE: this was the first McDonalds in Arvada]. AURA acquired the abandoned property, just under 1 acre, in 2005 for \$185,000. The structure was razed due to significant deterioration. Attempts to sell the property since then have received little interest. Access is limited, with “right-in, right-out” on both Kipling and Ralston Road.

Stone Leaf Pottery, an Arvada business, would like to acquire the property for \$100,000. The company is currently located in Arvada at 7891 Nolan Street in an industrial area. Stone Leaf specializes in a specific type of clay, thus drawing customers from surrounding states and the nation. Because Stone Leaf is a “destination”, the awkward access is not a concern.

The company proposes building a two story structure on the property, with the kiln and a gift shop on the first floor, and a classroom and four apartments on the second floor. It is envisioned that one of the apartments would be used for overnight stays by customers from adjoining states, while the other three apartments would be rented. The proposal would need rezoning to accomodate the rental apartments.

The sale would be contingent upon City approval of the plans, and the SBA loan. One Commissioner noted that the SBA might take issue with a sale at less than the AURA paid for the property. The Commissioner noted that perhaps the sale could be stated at \$160,000, with a \$60,000 “give-back” for improvements. The discussion then addressed “creative” government accounting and its usefulness.

Development update - AURA Executive Director: - AURA has signed an exclusivity agreement, expiring January 2015, with Buckingham regarding the Arvada Square. - Regarding the current RTD parking lot, AURA is working to move all the buses to the north end of the current parking lot so W. 56th can be widened and Trammell Crow can begin constructing retail structures on W. 56th Avenue. To make this happen, AURA needs to gain control of the bus hub as soon as possible. The issue is that if the Olde Town Arvada Station opens before the parking structure is completed, then Arvada will need to be prepared for up to 200 additional cars seeking parking spaces. It was noted that there will be a groundbreaking ceremony for the Olde Town Station transportation hub on November 13 at 9 am. - Village Commons (the former Brooklyns restaurant now the Vinelyard Church) - AURA has signed an excusivity letter with Renascent, effective through the end of this year, so Renascent can perform their “due diligence” on the property regarding constructing an hotel there.

During the 5-minutes public comment session, John Kiljan asked whether Walmart still intends to build in Arvada, given their recent announcement that they are reducing the number of stores. AURA Executive Director confirmed that Walmart remains committed to Arvada and intends to break ground by mid-2015. Mr. Kiljan also asked about the Chamber of Commerce meeting regarding the construction defects law. It appeared that the Commissioners were not aware of this topic at the upcoming Chamber breakfast meeting.

Commissioner Comments: Tony Cline congratulated the AURA staff for their work. Commissioner Delaria noted that she is a member of the Citizens Capital Improvements Committee and that it is “going well”. She noted that the facilitator is “great”. Commissioner Piz Wilson, a supporter of Hope House, would like to move some of the trees from the steep slope near the Sheridan Station to Hope House. Her inquiries with the city arborist were turned away, since the arborist is unwilling to provide equipment to move the trees from their current location.

Commissioner Williams (also Mayor of Arvada) noted that he is on the Committee to oppose reform of Colorado urban renewal law, sponsored by the Colorado Municipal League. He is also the Jefferson County representative to the Metro Mayors caucus, which apparently has the same purpose. Commissioner Williams also noted the Arvada City Council intends to sponsor a workshop on the Construction defects law regarding owner-occupied dwellings. The City of Lakewood has recently challenged this law with its own rule-making, and it appears that Arvada plans to follow in their footsteps.

Chair Fred Jacobsen then noted that he made some changes to the agenda. He eliminated a presentation by RTD regarding the West Line since the presentation from Lakewood covered most of the items that RTD was expected to address. He also deleted a formal presentation from Stone Leaf Pottery. He felt that their proposal was a “slam-dunk” and did not require a formal presentation. He also noted that “he did not like the Big-O thing” and whatever final decision was made [NOTE: the final decision was made in executive session, and therefore, is not available to the public].

The annual AURA Christmas party will again be held at Mr. Jacobsen’s home on Wednesday, December 17, 2014. Each AURA board member is expected to bring a book that describes that board member in some fashion. There will be a drawing for the books, and prizes will be awarded to the person who most correctly guesses which titles were contributed by which commissioner.

Committee Reports: Commission Alan Parker was honored by AEDA (Arvada Economic Development Association), being awarded the Manley Gray award. It appeared that this award is given out about every three years. Manly Gray was known in some circles as “Mr. Arvada”. He was a dedicated advocate/ambassador of Arvada.

Staff reports: AURA Executive Director noted that the primary “take-away” from the joint City Council-AURA dinner (held October 8, 2014, at Bread Winners) was a history of the Arvada City Council, recommended by council member McGoff. A similar “history of AURA” was also suggested. Commissioner Delaria favored such a history, only if it could be used as a “marketing investment” - whatever the cost.

The AURA Executive Director then noted that the BID (business improvement district) was approved by an overwhelming margin at the previous day’s election. She acknowledged Karen Miller, President of HOTA, and Karen’s efforts in this regard.

The public portion of the meeting was then adjourned at about 6:40 pm, on a motion to enter “executive session” for the sole purpose of reviewing the minutes of the executive session of the prior meeting.