

Arvada City Council Workshop, July 14, 2014

Notes taken by Susan Shirley

☐ The first three segments relate to attracting new businesses and helping the ones already here. The third portion was to bring councilmembers up to speed on the status of updates to the Comprehensive Plan.

☐ All councilmembers were in attendance: Mayor Marc Williams, Mayor Pro Tem Mark McGoff, and Councilmembers Don Allard, Bob Dyer, Bob Fifer, Jerry Marks, and John Marriott.

☐ Public attendance was 24 at 6:00 and 20 at 7:00.

☐ Arvada Economic Development Authority (AEDA) Consultant Katy Press of KP Consulting presented information about the current state of retail. She said that the recession transformed the industry to a greater degree than had ever happened before in that space of time. An example of something that changed dramatically is the perspective on the need for expansion and growth. Pre-recession, retailers had to add square footage at all times in order to be looked upon favorably by Wall Street; not growing would be equated with not being viable. Not so, in 2014; and that's not the only change. Press maintains there was not a single retail concept that wasn't impacted by the downturn. We now have a permanently changed customer base, which Press refers to as "born-again consumers," who spend less, research more, and are more finely tuned for seeking bargains.

☐ Those bargains include the sales tax savings realized on online purchases, one thing Press credits for the growth of online retail. There's also a growing tendency for consumers to research items online, but purchase at a brick and mortar store.

☐ Press says that Arvada weathered the storm better than many places, in part because we had a well established retail base going into the recession. Press spoke in favor of Conn's moving into the Arvada Marketplace, but says if they had come into this market five or six years ago she doesn't know if they would have been successful.

☐ AEDA has retained Press to help with efforts to assist local shopping centers in attracting businesses and consumers. There are currently four shopping centers being targeted, which is not without challenges for AEDA. Some centers are owned by out-of-state partners, others don't wish to make changes, etc. The four properties and Press's comments are as follows:

☐ Arvada Marketplace ("challenging") There are two owners, one active and one not. It is an important sales tax generator, but needs improved operating capacity.

☐ 64th and Indiana, where the Neighborhood Market is. This is owned by a local individual. AEDA has come up with ideas to help them continue to move forward and they are starting to make a slow comeback.

☐ 64th and McIntyre, King Soopers Center: part owned by a Cincinnati firm. AEDA continuing to push for more "cohesiveness."

☐

80th and Wadsworth, Target/Hobby Lobby: just changed hands, reaching the point it needs "dramatic intervention" for a more modern appearance. AEDA will approach the owners as to how they might like to partner with them.

Both of the locations on 64th Press thinks can be impacted this year; the other two AEDA may need to work with over several years. Next year a couple of more centers will be added as targets.

In response to questioning by Councilmember Don Allard as to why those four particular centers were chosen, Press said that in the case of the 80th and Wadsworth center, the "change in ownership opened the door to get more aggressive with them."

Next was Paul Heller speaking about AEDA's Sustainable Funding Concept Proposal. AEDA is a nonprofit which has a formal agreement with the City to provide business and commercial development services to new and existing businesses. AEDA has been funded in a rather haphazard fashion for most of the past twenty-odd years, and this proposal seeks to bring a more structured form of funding into play. If agreed upon by Council at some later date, a lump sum would be paid to AEDA, followed by additional amounts at year-end in subsequent years. Funding could be adjusted based on various factors such as how much was needed vs. how much was available.

AEDA manages a number of loans and grants. Some are for startups, some for increasing signage or visual appeal of existing businesses, or helping businesses to be able to hire more employees than they could without help. An example of visual appeal is the former D&G Hardware building, now Super Tees Screen Printing and Embroidery. The owners planned to redo one side of the building, but with a small business grant from AEDA they were able to update the entire exterior of the building. An example of helping a business to hire more people is the Arvada Beer Company. They would have opened with three employees and three beers, but with the \$50,000 additional funding through AEDA's Opportunity Fund, they were able to open with eight employees and a broader selection of beers.

Others helped through the Opportunity Fund are Tokyo Joe's at 88th and Wadsworth, and a Dollar Tree scheduled to go into the former KStar Studio on 64th near Simms Street.

Councilmember Bob Dyer said that only twice has the city funded AEDA; once in 1992 for \$600,000, of which in fifteen years \$350,000 was spent, and again in 2009 for \$1.6 million. He said the timing of the 2009 funding was very good and much needed by local businesses.

Councilmember John Marriott asked how much money is currently outstanding in the form of loans; the answer came out to about \$240,000. None of the loans have defaulted.

Councilmember Bob Fifer said he'd like a copy of the presentation and remarked that some of the numbers would need more lengthy review. In particular, it was difficult to determine what happened to the money once it went out in the form of a loan from one of the several programs operated by AEDA; the money went out in that form, but repayments go to the "unallocated cash balance." Fifer said "I think we need to solidify--this moving around of funds makes me nervous."

Heller replied, "The concept is, are you comfortable with the board of directors of AEDA" knowing what they're doing and making good decisions.

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Fifer responded, "As the overseer of taxpayer money, I absolutely have to make that decision."

Mayor Williams commented that funding AEDA now makes good sense because the next time the economy tanks the money will be there right when we need it most. City Manager Mark Deven said this request is a work in progress and he mainly wanted to see if Council was comfortable with the concept before putting too much work into it.

Fifer said, "I just want to be clear, I need to understand, to feel confident so that when people ask me why I was comfortable with giving \$1.5 million to AEDA I have an answer. I think it is a great program, as long as there are measurable results."

Dyer pointed out that there are both a City Council member (Dyer) and the City Manager voting on the AEDA board, so it does not operate in a vacuum.

Next, Forward Jeffco gave its annual report. Forward Jeffco, a nonprofit which is 60% privately funded, has these goals: to attract businesses, to help existing businesses expand, to stimulate entrepreneurial ventures, workforce development, and to influence public policy in a way that supports what businesses need.

A current project is a land inventory to see what land is available for new businesses. There is also an Innovators Workshop which is a monthly meet-up for entrepreneurs, and the Jeffco Innovation Faire, a planned two-day event at Warren Tech.

Forward Jeffco has as its goal the addition of 7,500 jobs over the next five years. Mayor Williams said that he's very glad Golden rejoined after having been absent for several years due to disagreement over the Jefferson Parkway.

The final segment was about the Comprehensive Plan update. Kevin Nichols said that there were 77 participants in the open houses, and close to 150 individual comments by mail and email. He said the public hearing draft will be published July 18, and August 1 will be the deadline for comments. August 19 will be a public hearing at the planning commission, with a second hearing September 2 if needed. October 6 will be the public hearing before City Council.

Councilmember Dyer asked about the map showing planned improvements to Simms between 64th and 80th. Dyer wondered with so many houses there how it would be possible to widen the road much. Nichols said it will not be four-lane but can be three-lane in some places.

Councilmember Allard wondered about traffic on 80th with the large number of houses being built at Leyden Rock. He was told that long range plans for 80th is for it to become a four-lane arterial roadway.

There were concerns about Ralston Road improvements. Mayor Marc Williams wanted it made perfectly clear that "overlay is not being proposed along Ralston Road." This was fairly emphatic on his part. So, no proposed overlay along Ralston Road.

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Nichols said the area around 66th and Indiana will remain "employment focused." The majority of people commenting favor that and very few support medium to high density in that area. However, at 72nd and Indiana, despite the majority of residents opposing medium density there, staff says that "medium density could be compatible with appropriate design" and that is the change being recommended for there. So, south of 72nd will be medium density zoning, but north of 72nd remains low density.

□ Many residents are concerned about Arvada retaining its areas of rural character. Nichols says staff has no plans to make any changes in the policies regarding that, and "definitely want to conserve some of the land" in cases where farmers want to sell.

□ Staff is recommending merging the categories of Large Format Commercial with regular Commercial Zoning. This would mean that, if there were an undesirable large format retailer, any area which was zoned for commercial would be open season for that retailer; there would be no automatic safety net allowing city government to deny space to that retailer on the grounds of zoning.

□ Staff is recommending deleting the word "mountain" from a provision to preserve "mountain views" in recognition that there are other views worth preserving in non-westerly directions.

□ Also recommended is a change in wording for mixed use that it "may" include commercial users, rather than "must" include those users.

□ There was discussion about the transit system plan to allow more east-west transit options, suggested by Councilmember Bob McGoff, and also the Pedestrian Plan, to clarify what the sidewalks need to be like in various areas.

□ With no further questioning by councilmembers, the meeting was adjourned at 8:35.