

**MINUTES  
RENEWAL WHEAT RIDGE  
May 2, 2017**

**1. GENERAL**

**1.1 Call the Meeting to Order**

The meeting of Renewal Wheat Ridge was called to order by Chair Rogers at 6:00 p.m. in the Council Chambers of the Municipal Building, 7500 West 29<sup>th</sup> Avenue, Wheat Ridge, Colorado.

**1.2 Roll Call of Members**

Board Members Present: James Bahrenburg  
Tim Rogers  
Walt Pettit  
Kristi Davis  
Kelly Brooks  
Shane Nicolson

Board Members Absent:  
Jessie Hill

Also Attending: Corey Hoffmann – Legal Counsel  
Steve Art – Executive Director  
Joyce Jay - Mayor  
Gary Fetzler – Circle K  
Tim Morzel – EPS  
Will Damrath – Regency Centers

**1.0 Approval of Minutes**

It was moved by Bahrenberg and seconded by Nicolson to approve the minutes of April 18, 2017. The motion carried unanimously.

**1.4 Public Forum:**

None

**2.0 Presentations**

**2.2** A presentation was made regarding a potential TIF request for the construction of a Hacienda Colorado restaurant. Steve Art made a brief presentation regarding the potential development of the restaurant in the Applewood Shopping Center on the site of the closed Wells Fargo Drive-thru. Art then introduced Will Damrath of Regency Centers and Tim Morzel of EPS. Damrath spoke the development and the centers history of Regency Centers. Damrath reported that shopping centers are changing in their tenant mixes. He spoke about Hacienda

Colorado and their business model. This location is a hole-in-the-market for Hacienda. Damrath showed pictures of recent Hacienda stores. He spoke of benefits to the city. It's locally owned, a unique concept, employs 80 FTE's, new tax creation, improves site, will draw higher end retail. Damrath provided models of competing restaurants. Damrath spoke about the challenges to development. High costs to demolition and development are the key reasons a TIF is sought. Davis spoke that RWR normally does full redevelopment projects and not one single tenant as part of a larger center. Damrath hopes this will lead to more redevelopment of the center. Goff said we have the same questions, but with uncertainty in the retail market and the future of Walmart, this is probably the best we can do. Rogers asked about parking. Damrath reported they look at parking in different ways. In this project they looked at the sector the restaurant will occupy. He believes the amount of parking ratio is 7 spaces per 1,000 sq. ft.; adequate for this user. Rogers is concerned that a 9,500 sq. ft. restaurant will just add to a troubled parking lot. Damrath did the math and he says there is adequate parking. Rogers still does not understand how a .6 acre site for a restaurant can provide adequate parking. Morzel presented the fiscal analysis that was done by EPS. EPS is a full service economic impact firm in the Denver region. EPS did an analysis on the proposed restaurant. Hacienda projects about \$5,000,000 in annual sales. He provided a background on the purpose of the URA Plan. Morzel presented a list of eligible costs for public improvements in the amount of \$1.6M. Morzel provided the 'if-not-for proposition and financial metrics of the project. EPS used a Return on Cost (ROI) for the proposed restaurant. The ROI for this project is 6.45%. They reviewed the project for assistance versus the non participation for the project. In order for this project to move forward, assistance of just over \$1.01M is needed. This would be 100% of property tax, 50% of sales tax and a \$100,000 contribution from the Authority for about 8-9 years. He provided numbers on the additional revenues the URA would receive after the project is funded. Hoffmann asked about the sales tax split. It is a total combined amount between sales and property tax. Goff thinks these numbers are conservative and the project will probably be paid off sooner. Goff provided a City prospective. He said he realized this is a large dollar amount for a single user. Goff feels this is a catalyst project for the center and the City. This center is our #1 sales tax producer and we need to invest in this center. He wants this to be a draw to the center and the City. Goff spoke about the undergrounding of the utilities and the City will apply for the 1% fund to undergrounding to the main entrance of the center. Joyce Jay is excited because it's across the street from Clear Creek development. She asked about the 'concept' type restaurant. Damrath said the restaurant has a higher price point. Brooks wanted to know how this site in the center was selected. Who drives the process? Damrath said it's a little of both. Hacienda had some 'musts' and this is the area that Regency had to offer. Rogers wanted to have us provide some fiscal numbers and comparisons of this project versus the other projects we have participated into. Morzel said this was a stand alone project and will generate its own revenues. Jay asked if the development will lead to better parking. Damrath said it will make parking better by opening access points. Hoffmann said that staff is just seeking consensus to move forward with the development of the deal. Rogers wants to see some parking ratios and the comparisons.

**2.3 Revenue Resources Guide-** The Board reviewed and made comments on the Revenue Resources Guide for 38<sup>th</sup> Avenue. The following comments were made and changes to the guide will be done via consensus of the board. Nicolson had no comments on the guide. Davis wondered about the availability of the Wheat Ridge Business District funds. Is a sign program a public improvement? Hoffmann said it is an allowable cost. Davis asked about the loan

program. Art stated that it is not a priority, but the RWR board asked that it remain a part of the plan. Pettit said that WRBD has a 50% program wherein the project has to invest 50% capital in the project. Hoffmann said the RWR funds need to be a catalyst of other projects. Art suggested hiring a firm to provide renderings of desired projects. Hoffmann said there is a risk in doing this. Davis asked about the ADA issue in WR. That WR is behind in compliance. Can we invest in that? Hoffmann said that is a tactical approach and how does this benefit the plan area. Art to check into ADA projects along the corridor.

### **3.0 Action Items**

**Resolutions 10-2017 - Circle K Reimbursement Agreement** – Art provided the Board background on the redevelopment project and the request for \$29,583 in financial participation to the project. Art explained that Circle K had not budgeted for these improvements, they were requested by the City. Art introduced Gary Fritzler of Circle K. Circle K is proposing to redevelop the site at the NW corner of 38<sup>th</sup> and Kipling. Art reminded the Board they had received a presentation from Fritzler at their April 18, 2017 meeting. Art informed the Board that the Reimbursement Agreement has been reviewed and approved by Circle K. Davis asked about the agreement with the dentist. Goff reported that he has spoken with the dentist and the dentist is on board and just needs to review the document. Rogers asked about project size and the extension of the sidewalk. The sidewalk on Kipling will be done and the sidewalk in front of the dentist is under consideration . Cost of project is estimated at \$6,000,000.

It was motioned by Pettit and seconded by Nicolson to adopt Resolution 10-2017 a reimbursement agreement with Circle K. Motioned passed 6-0.

**WSP-17-04 and WS-17-01 (Hance Ranch)** – Art gave a presentation on the development of the townhomes at the Transit Oriented Development (TOD) site and the request by the developer for approval of the construction of the townhomes. Art asked the board to make a finding of non-conflict with the I70/Kipling Corridors Urban Renewal Plan.

It was motioned by Bahrenberg and seconded by Davis to make a recommendation to the Community Development Department that case WSP-17-4 AND WS-17-01 do not conflict with the I70/Kipling Corridor Urban Renewal Plan. Passed 6-0.

### **4.0 Other Items**

Art and Rogers updated the board on the search for the PR firm. Rogers said that we have a thorough process and have included Nicolson in the conversation. We have spoke to three firms and narrowed that down to two firms, and then down to one recommended firm. The recommendation is to contract with The 27<sup>th</sup> Letter as the consultant. Invite them to a future meeting.

The meeting was adjourned at 7:58 pm.



**Tim Rogers, Chair**



**Steve Art, Executive Director**