

**STUDY SESSION NOTES**  
**CITY OF WHEAT RIDGE, COLORADO**  
City Council Chambers 7500 W. 29<sup>th</sup> Avenue

**April 20, 2015**

Mayor Jay called the Study Session to order at 6:30 p.m.

Council members present: Bud Starker, Zachary Urban, Tim Fitzgerald, Kristi Davis, Genevieve Wooden, Jerry DiTullio.

Absent: George Pond, Tracy Langworthy

Also present: Deputy City Clerk, Kelly Stevens; Treasurer, Larry Schulz; City Manager, Patrick Goff; Administrative Services Director, Heather Geyer, Public Works Director, Scott Brink; Community Development Director, Ken Johnstone; Project Supervisor Mark Westberg, other staff, guests and interested citizens

**PUBLIC COMMENT ON AGENDA ITEMS**

Mayor Jay asked Council whether Public Comment should be after each item instead of at the beginning of the meeting. Council member DiTullio was concerned that public comment had been eliminated from the Study Session. It was not eliminated; it was just omitted from the Agenda sheet. The purpose of changing Public Comment to be after each Agenda item would be to make sure the members of the public have the full information on the topic about which they are speaking.

Council member DiTullio stated it was his understanding of the Council rules that public comment be at the beginning of the meeting and it should be at the beginning at least for this meeting so that people that choose to speak and leave may do so. Maybe the change could be made for other meetings in the future, but it should be announced ahead of time.

Council member Urban commented that the Public Comment should continue to be first on the Agenda for the Study Session since the members of the public may not want to stay for the entire session.

The consensus of Council was to keep Public Comment at the beginning of Study Sessions.

**Mariann Storck**, 4120 Balsam Street, Wheat Ridge stated she finds it very difficult to understand why her City Council wants to turn her city into West Colfax regarding the Wheat Ridge Corners development. Wheat Ridge is on the cusp of new and exciting times. We are now the in demand community for those who cannot afford the Highlands or Highlanders looking for bigger yards and homes. Instead of being the dreary follower of those who have gone before, Wheat Ridge should embody the change we want to see. Quadrant's proposed development will not bring in any new



dollars and it will not be exciting and vibrant. Our neighbors in surrounding communities will not travel to 38<sup>th</sup> and Wadsworth to spend money because they can drive to their local Wal-Marts and chains much more easily instead of driving to Wheat Ridge for the same old stuff. The right thing to do is not give this developer or any developer a TIF worth millions of dollars for no hum. The right thing is to wait. What is another year or two? Our demographics are changing. Let's let something truly exciting come to Wheat Ridge and the corner of 38<sup>th</sup> and Wadsworth. It seems to her that whenever discussion contradicts the proposed development on 38<sup>th</sup> and Wadsworth, Council pushes their mute buttons so they don't have to hear the opposition. However on the other hand, City government can hold up street changes and make exceptions because two people have voiced opposing desires, referring to the back-in parking issue on 38<sup>th</sup> Avenue. It's a very curious situation and one that certainly not does not engender any loyalty on her part toward members of Council and its appointees.

**Tom Lundy** 3500 Allison Street, Wheat Ridge addressed the Council to say that currently in the state and around the country, the tide is turning against excessive use of TIF and urban renewal funds in general as seen in the press recently and in particular the recent Littleton ballot initiative more or less eliminating TIFs altogether and make TIF applicable only in the case where it has been approved by the electorate – has filed initiative petition with CC to change way TIFs are handled. He read the text of the proposed initiative:

*City of Wheat Ridge Initiative*

*Any action by an agency, agent, authority, commission, committee, city council, department, employee, or official of the City of Wheat Ridge, approving or changing a sales or property tax increment financing (TIF), revenue sharing, or cost sharing arrangement pursuant to Part 1 of the Colorado Urban Renewal Law, must be ratified by the Wheat Ridge City Council via a vote on a formal agenda item, at a regularly scheduled business meeting that is advertised as a public hearing.*

*If the value of said sales or property tax increment financing (TIF), revenue sharing, or cost sharing exceeds \$2.5 million, the City Council action of approval must be ratified by the registered electors of the City of Wheat Ridge at a special or regular election.*

*The base amount for voter approval of any sales or property tax increment financing (TIF) will be any financing exceeding \$2.5 million. To account for inflation and/or increased construction costs, every third year after March 1, 2015, the base amount will be increased by 5%.*

*This ordinance will take effect and apply to all actions undertaken by an agency, agent, authority, commission, committee, city council, department, employee, or official of the City of Wheat Ridge subsequent to March 1, 2015 and thereafter.*

Mr. Lundy expects to begin collecting the 2,108 required signatures for the petition very soon.

**Elizabeth Grant** 3881 Estes – wants to address philosophy where people make decisions that go against what other people want. The voters just want to be listened to. She feels the voters don't want the "cheezy-looking" development proposed for 38<sup>th</sup> and Wadsworth. Council members have been asked to not vote for the development, but they will go with the majority. The City Charter says to preserve the uniqueness of the community. They don't want "cookie cutter."



**JoAnn Fisher** 7645 W. 47<sup>th</sup> Avenue – She was at the meeting a month ago, where citizens spoke against the proposed development. She would like Council to please wait and not approve more development right now.

## **APPROVAL OF AGENDA**

### **1. Staff Report(s)**

#### **a. Dog Licensing Fee Increase**

Administrative Services Director Heather Geyer presented a draft resolution to Council to change the dog licensing fee to a flat \$20 fee for both neutered and unneutered dogs. Currently, the fee is two-pronged (\$15 for neutered, \$30 for unneutered). The Jefferson County commissioners will hold a hearing to weigh the benefits of a flat fee to increase revenue. Dog licensing fees have not been changed since 2007 and costs have increased. Jefferson County citizens are pleased with the services Foothills Animal Shelter provides.

Council member Davis stated she would agree with increase. Foothills hasn't had an increase in a long time, and a flat fee will make things simpler and decrease paperwork.

Consensus of Council was to approve the fee increase.

#### **b. Senior's Resource Center Bonding Request**

City Manager Patrick Goff explained that the Senior's Resource Center needs financing for expansion. Tonight they specifically need approval for the city to act as a conduit for them to acquire bank-approved financing. They need around \$850,000 and the city is simply a conduit for them to get tax-exempt financing. Wheat Ridge will have no responsibility for repayment of the loan.

John Zabawa, CEO of Seniors' Resource Center (SRC) explained the process for this loan. The SRC is a 501(c)(3) nonprofit agency whose primary operations are in Wheat Ridge and consist of adult daycare and respite facilities, senior transportation and home care, and other services for seniors. The SRC is undergoing a renovation to improve their Wheat Ridge Facility and need financing for this. They would like to obtain "bank-qualified" tax-exempt financing for the loan. According to IRS regulations, in order to obtain this financing, the SRC must team up with a local government that does not plan to issue more than \$10 million of tax exempt obligations this year. The City of Wheat Ridge does not plan to issue more than that for 2015.

If the City of Wheat Ridge decides to help the Senior's Resource Center and participate in this transaction, it would not take on any responsibility for repayment of the loan.

Repayment of the loan is the responsibility of the SRC. The City would simply act as a conduit for payments from the SRC to First Bank.

Matthew Gray, from Butler/Snow explained that this is a collaborative process between the City of Wheat Ridge, First Bank, and the SRC. The loan will be from First Bank to SRC – according to the IRS, they must have a governmental entity to sponsor this type of loan. There is no responsibility for the City to repay the loan. It is secured by the SRC. If Council agrees to move forward with this plan, there will have to be formal meeting and public hearing later in the process. The \$10 million cap for tax exempt financing resets every year.

Councilmembers DiTullio, Starker, and Davis all stated they support moving forward with the plan. The SRC is a valuable organization and the renovation of the old Columbia Heights School is great.

Consensus of Council is to move forward with the plan.

## **2. Wadsworth PEL – Final Alternatives, implementation plan**

Public Works Director, Scott Brink introduced Jason Longsdorf from Parsons Brinckerhoff to give the presentation. Mr. Longsdorf stated it had been a great year working on the project. The Power Point presentation Council will see is a draft of the presentation that will be presented at the public meeting on Wednesday.

34<sup>th</sup> Avenue to I-70 is the area in question. This has been expanded some from the original area. The purpose is regional and local mobility. They began in the middle of last year and looked at all aspects of the area. When they last came to Council, they were looking at 3 alternatives. Now it has been narrowed down to one plan. They chose the middle concept – 3 lanes each direction with a median in middle, and bike lanes, etc. The presentation will walk the public through all the features of the plan. There are many new additions and clarifications to plan and it will add/incorporate gateway elements, like art or urban design.

Project Supervisor Mark Westberg narrated the Power Point. It will be posted on The City website for more public information.

Some information about the proposed project:

- Most of the funding needed (about \$40 million) will come from DRCOG
- The City buy-in will be approximately \$6 million, and there are other revenue streams to help with this. The City buy in ensures we can control how the project looks through What Ridge.
- The proposed design provides improved regional and local travel and will create a “sense of place” so people will know they are in Wheat Ridge.
- The design compliments the City Center vision and 38<sup>th</sup> Avenue Main Street features.



- 10' sidewalks & tree lawns
- Revised bus stop locations
- 6 through lanes (3 Northbound and 3 southbound)
- Double left turns in all directions of 44<sup>th</sup> Avenue
- Double left turns onto Wadsworth from 38<sup>th</sup> Avenue
- Raised medians
- Raised buffer for bike lanes
- Crosswalk & bike crossing treatments
- Revised traffic signal locations
- Additional walls north of 48<sup>th</sup> Avenue
- Pedestrian light and tree spacing
- Revised driveways and access
- Bus pull-outs at 44<sup>th</sup> Avenue

The tentative schedule is: April 22<sup>nd</sup> final public meeting; July 2015 - City Council adoption; 2016 - Environmental clearance; 2017 - final design; 2018 – Right of Way acquisition; 2019/2020 - Construction

Councilmember Davis asked the cost of the project and are the costs figured in today's dollars, or are they adjusted for inflation?

Mr. Westberg stated the city match will be around \$6million – there is an \$8-9 million funding gap, but most of funds will come from DRCOG. Our buy in assures Wheat Ridge controls how it looks. A preliminary fund has already been set up. The projections are based on current dollars. City staff hopes to find other funds to contribute to the project and decrease city funding.

Councilmember Davis asked about properties on 47<sup>th</sup> Avenue. A member of the public asked her why the proposed construction goes so far west on 47<sup>th</sup>. Can it hurt property values? Mr. Westberg stated the lines can be redrawn if necessary to keep residents in their homes. These drawings are all preliminary.

Councilmember Wooden asked if the road will continue to be 3 lanes on each side as the road approaches I-70. Mr. Westberg stated there would be three lanes going in to Arvada. At one point, the third lane will become the east-bound off ramp. With the new plan, pedestrians will be able to walk to Arvada.

Councilmember Wooden asked if adding three more stoplights will clog traffic more in this already congested area. Mr. Westberg stated that their traffic studies show it will help traffic be more evenly distributed. This plan will also reduce jaywalking by providing more safe crossings for pedestrians. Mr. Brink called this "access consolidation."

Councilmember Starker stated this plan will make driving more pleasant and asked if the speed limit on Wadsworth stay the same? Mr. Westberg stated that CDOT doesn't want to decrease speed limit. Not willing to go below 40 miles per hour

Councilmember Starker read some concerns from Wheat Ridge Active Transportation Advisory Team. They are concerned about providing a dedicated bikeway North of 44<sup>th</sup>. This is currently proposed to be multi-use for both pedestrians and bicycles. There is not sufficient width for both bikes and pedestrians. They suggested two options:

- a. Increase the size of the multi-use trail from 10' to 12' and striping the separation of uses or;
- b. Design the trail so that cycle traffic goes in 1 direction only and clear signage directing cycles and pedestrian traffic

Mr. Westberg stated City Staff has also received the suggestions and they are taking them into consideration.

Councilmember Fitzgerald asked about potential acquisitions – are there any other strip acquisitions? Mr. Westberg stated there were many more planned acquisitions. Much of the budget involves strip acquisitions.

Councilmember DiTullio stated he was concerned with Option A of the suggestions from Wheat Ridge ATAT. This will cost more and people will lose more property. He prefers Option B. Mr. Brink stated that he hasn't reviewed the suggestions closely yet, but agrees with Option B as well.

Mayor Jay asked if design changes will go on after City Council adoption. Mr. Westberg stated they would continue. The final plans will be complete in late July/early August. Mr. Longsdorf stated the PEL process will likely end up with what Council sees in the Power Point. City Council will have the opportunity to fine tune all the way through the process.

Councilmember Starker asked what impact the design will have on available parking. What sort of benefits are there for economic development? Mr. Westberg stated the whole plan will be ripe for economic development. They are trying to minimize "full takes" and will work with existing businesses. This will spur some more economic development. Staff has met with many property owners to accommodate potential loss of parking spaces. They would like the area to be a place where visitors can "park once and be done." They will be able to park and then patronize multiple businesses.

Councilmember Urban stated he was also concerned about the recommendations from Wheat Ridge ATAT. There is plenty of space in the plan already. There isn't much more room north of 44<sup>th</sup>. Staff and CDOT should be cautious about going too far.

Mr. Westberg stated Jason Longsdorf has done great job. The public meeting will be Wednesday at 5:30 with the presentation at 6. If there are a lot of people, they may do a 2<sup>nd</sup> presentation at 7pm.

Councilmember DiTullio departed at 7:35 pm.



### 3. Wheat Ridge Corners Development Review

City Manager Patrick Goff gave a presentation about the proposed Wheat Ridge Corners development. It has been a difficult site for developers. There are numerous property owners, there is some environmental contamination, and part of the site has never been developed. The main points of the plan are:

- Will create a balanced mix of land uses, providing unique places for people to live, work, shop, and play.
- Will support a sustainable local economy
- The high quality design maintains the character and integrity of the adjacent neighborhoods
- Will promote use by pedestrians, bicyclists, and transit users in addition to patrons using automobiles

Currently, there are few economic benefits for the City of Wheat Ridge from this site. The city receives about \$2,500/year in property taxes and no sales taxes. Most of the acreage on this site has never been developed. The city has identified this commercial area as a priority for development and has been actively marketing this site locally and internationally. Today, retailers are more risk averse and desire to be located closer to interstates. The busy Belmar development would probably not have happened in today's market. Shopping centers need "everyday needs anchors" to be successful. Grocers generate more than 2 trips per week and drive traffic to other nearby retailers.

After suggestions from many residents, staff has reached out to many large retail anchors like Kohl's, JC Penney, Trader Joe's, and The Gap, and none of these chains are open to adding any more stores in this area. There have been 4 prior development proposals that have all been rejected or have fallen through for different reasons. In 2013 Renewal Wheat Ridge purchased a foreclosed property on the Northwest corner of the site for \$340,000. There was soil contamination due to a dry cleaner being at that location. Cleanup and subsequent monitoring are currently underway at a cost of \$359,000. Quadrant, the potential developer for the whole site has a Letter of Intent to purchase the property from RWR for \$400,000.

The current development proposal from Quadrant has been drawn up with an eye toward true mixed-use potential. They propose a 40,000 square foot neighborhood grocer, another 40,000 square feet of other retail spread throughout the development (restaurants, coffee shops, outdoor dining, and other retail), 37 townhomes to sell at current market rate, and many public gathering spaces throughout the development. The proposal does not involve any kind of "superstore." The proposed development agreement contains the following components:

- The original TIF request was for \$7.8 million, the City and the Urban Renewal Authority are negotiating this down to \$6.25 million, which will be divided into:
  - 1% sales tax
  - 100% property tax increment from all taxing districts except Wheat Ridge Fire
  - 1% public improvement fee (PIF)
- PIF funds will pay for public improvements only – none of these funds go to the tenants. The public improvements include:



- Streetscape improvements, sidewalks, landscaping, pedestrian lights
- Environmental cleanup and removal of blighted buildings
- Public plaza
- Storm drainage
- Public utilities and traffic signals

The potential economic benefits from the proposed development are wide ranging. The City would see \$1.2 million annually in new sales and property tax revenues - \$950,000 annual sales tax and \$250,000 annual property tax. Much of this revenue would come in even before entire development is finished. The development would create 223 new jobs and \$12 million in new annual personal income. This does not include the income to the construction workers that will build the development.

Staff recommends approval because:

- Project will meet or exceed requirements of mixed-use zone district
- Project will remove blight and contamination from the site
- Project will provide 5 blocks of streetscape improvements and new retail as well as diverse housing options
- Project will create new jobs and increased sales and property tax

Councilmember Fitzgerald asked if the TIF is denied, will the development occur anyway. Mr. Goff answered that there would be no development without a TIF. This has taken many years to find a developer willing to make the site something the City will be proud of. It will take numerous years for staff to find another developer. In the meantime, the property owners might sell their properties separately to other entities.

Councilmember Urban asked about the housing on the site. The developer hasn't talked to City Council much about this yet. Initially, housing wasn't presented as an integrated part of the development. How was the housing developer chosen?

Mr. Goff stated the retail developer went to the housing developer. The other project by this housing developer has sold out and they want to create more housing in Wheat Ridge. The housing developer will be keeping 2 units at 38<sup>th</sup> and Depew open as models to show potential buyers. The integrated housing on the site will meet the spirit of mixed-use zoning. The developer will provide a pad-ready site for housing and the housing developer will build 8 units at a time and then add more.

Other questions from Council included:

- Would the neighborhood grocery stay for a long time?
- Will the public improvements be paid for by the developer?
- What storm drainage is in the plan?
- How many acres is the Kipling project? What was the TIF for this project?
- Will Yukon Street go all the way through, or will it end where it does now?
- What type of parking will there be for residential units?
- Will the proposed on site gas station cause a problem with the underground drainage?
- How is this development different from the Littleton example?
- How does PEL study work into this development?



City Manager Goff responded:

- The neighborhood grocery wants to be here for the long term – it is definitely a long-term lease.
- Any necessary public improvements will be paid for by the developer and reimbursed out of PIF funds. No payments will be made until improvements are done. Reimbursement is triggered on amount of public improvements and number of retail units. It is different from Kipling Ridge (Sprouts) Development.
- 10 acres of the site held wetlands – much of the preparation is already done. Developer will create underground vault for drainage on north part of site. The contaminated property complicates things. This environmental cleanup is new it is not the old dry cleaner cleanup.
- The Kipling project is approximately 8 acres – TIF was \$3 million. City gave ~\$10.75 per square foot of assistance to this project. Because the Wadsworth site is larger, the City will only be giving ~\$9 per square foot of assistance for this project.
- Yukon will go through off of 38<sup>th</sup> Avenue and provide access to site and go out to 35<sup>th</sup>.
- The residential units will have both garages and off street parking
- The underground storm water drainage will be in vaults. The storm water will connect with the detention pond through pipes. There is no concern for contamination from gas tanks.
- The Littleton project was built without tenants. The failure was not because of TIF, but because there were no tenants. Part of our agreement with the developer is to have tenants already in place. Incoming revenue will pay for the improvements necessary.
- The city has secured agreements with the developer to build in compliance with PEL and CDOT requirements. The proposed signals along Wadsworth support this location and provide great access to the site.

City Manager Goff stated there have been obstacles in the environmental cleanup. The city hasn't received the final sign off from the Department of Health.

#### **4. Elected Officials Reports**

Councilmember Fitzgerald reminded everyone that Earth Day was coming soon. Councilmember Urban asked if there was any update on 4505 Yarrow Street. Mr. Brink stated the judge gave the property owner 60 days to remedy. This will expire soon and if there is good progress, the judge may extend the time.

City Manager Goff reminded everyone of the Kite Festival & Child Safety Fair this weekend.

**ADJOURNMENT**

The Study Session adjourned at 8:25 p.m.

A handwritten signature in blue ink, appearing to read "Kelly K. Stevens", written over a horizontal line.

Kelly K. Stevens, Deputy City Clerk

APPROVED BY CITY COUNCIL ON *May 11, 2015*

A handwritten signature in blue ink, appearing to read "Bud Starker", written over a horizontal line.

Bud Starker, Mayor Pro Tem