

STUDY SESSION AGENDA

CITY COUNCIL CITY OF WHEAT RIDGE, COLORADO

7500 W. 29th Ave.
Wheat Ridge CO

April 15, 2019

6:30 p.m.

Individuals with disabilities are encouraged to participate in all public meetings sponsored by the City of Wheat Ridge. Call Sara Spaulding, Public Information Officer 303-235-2877 at least one week in advance of a meeting if you are interested in participating and need inclusion assistance.

Citizen Comment on Agenda Items

1. Regency Sales Tax TIF Agreement
2. Animal Daycare and Outdoor Runs
3. Anderson Building Programming Budget Amendment
4. Staff Report(s)
5. Elected Officials' Report(s)

ADJOURNMENT



Memorandum

TO: Mayor and City Council

THROUGH: Patrick Goff, City Manager

FROM: Steve Art, Renewal Wheat Ridge Executive Director

DATE: April 15, 2019

SUBJECT: Regency Cooperation Agreement

ITEM:

On March 19, 2019, Renewal Wheat Ridge (RWR) entered into a Tax Increment Financing Agreement (the Agreement) with Regency Centers, the owners of the Applewood Shopping Center, for redevelopment of the vacant Walmart building at the southeast corner of 38th Avenue and Youngfield Street. The Agreement utilizes property and sales tax increment to finance public improvements associated with the redevelopment project. A request is being made of City Council to adopt a resolution approving a Cooperation Agreement between the City and RWR to share up to a maximum of \$2,000,874 in sales tax increment generated from the project for a period of 5 years.

PRIOR ACTION:

This is the first briefing to City Council on this project. On March 19, 2019, RWR adopted a resolution approving a Redevelopment Agreement with Regency Centers.

FINANCIAL IMPACT:

If approved, the City will share one (1.0) cent of its three and one-half (3½) cent sales tax generated from this project in an amount not-to-exceed \$2,000,874. At stabilization, redevelopment of the Walmart site is estimated to generate just under \$1.0 million per year in City sales tax, increasing to roughly \$2.0 million per year in 2040 for a total of just over \$31 million over the next 21 years.

BACKGROUND:

When Walmart ceased operations in July 2017, Regency, began plans to re-tenant the building. In early 2018, Regency entered into letters of intent with Hobby Lobby, Sierra Trading Post, HomeGoods and Ulta to backfill the vacant Walmart space. To attract these quality, national retail tenants, significant improvements to the 35-year old structure and site would be necessary.

The new uses would require dividing the space into five separate spaces for four retail tenants

and a yet to be determined 17,000 sq. ft. space. The redevelopment also includes a complete reface of the building façade, reconstruction of the parking lot for more efficient use, creation of a new retail pad at the corner of 38th and Youngfield, and streetscape improvements along Youngfield and 38th. The City is also utilizing a portion of its 1% Xcel funding to underground all the utilities from 32nd and Youngfield to the terminus of the old Walmart building on 38th Avenue.

In total, Regency will invest approximately \$20 million into this redevelopment project. Over \$5.4 million of this investment has been determined to be eligible public improvements including general site improvements, Youngfield streetscape and signalized intersection improvements, façade upgrades, wet utilities, 38th Avenue ROW improvements, demolition of blighted buildings and environmental remediation of asbestos. Regency has requested that RWR assist in paying these eligible public improvements through a property tax TIF Agreement in the amount of \$6.1 million and sales tax TIF Agreement in the amount \$2.0 million.

In order for RWR to consider the use of TIF, the project is required to demonstrate a need for public assistance. RWR hired Economic and Planning Systems (EPS) to conduct an analysis of the project and the need for the use of TIF for this project. For a project of this type, a typical developer's return on cost is somewhere between 6-8%. If this redevelopment project received no public assistance through the TIF, it would generate a return of 5.13%, which equates to a financial gap of \$4,878,360 in present value (real value). In order for this project to achieve a 6.75% return, a subsidy totaling \$8.1 million dollars in nominal dollars or \$4,878,360 in present value dollars is required for the developer to meet a 6.75% return.

In addition to the Redevelopment Agreement between RWR and Regency, a Cooperation Agreement between RWR and the City is necessary to cause the City to deposit the pledged sales tax increment revenues into a special fund of RWR to reimburse Regence for eligible public improvements associated with the redevelopment project.

Regency Centers will provide additional information about the project and EPS will summarize the economic analysis of this project in more detail at the April 15th study session.

ATTACHMENTS:

1. RWR Redevelopment Agreement
2. Draft Agreement
3. EPS Financial Model
4. Regency presentation

WHEAT RIDGE URBAN RENEWAL AUTHORITY
RESOLUTION 06-2019

**TITLE: A RESOLUTION APPROVING THE REDEVELOPMENT AGREEMENT
BETWEEN THE WHEAT RIDGE URBAN RENEWAL AUTHORITY
D/B/A RENEWAL WHEAT RIDGE AND U.S. RETAIL PARTNERS FOR
THE REDEVELOPMENT OF A SHUTTERED WALMART BUILDING
WITHIN THE APPLEWOOD SHOPPING CENTER**

THEREFORE, BE IT RESOLVED by the Wheat Ridge Urban Renewal Authority as follows:

Section 1. The Redevelopment Agreement between the Wheat Ridge Urban Renewal Authority d/b/a Renewal Wheat Ridge (the "Authority") and U.S. Retail Partners for the redevelopment of a shuttered Walmart building within the Applewood Shopping Center hereto as **Exhibit A**, is hereby approved, and the is hereby authorized to execute the Redevelopment Agreement on behalf of the Authority.

ADOPTED the 15th day of March, 2019

WHEAT RIDGE URBAN RENEWAL
AUTHORITY



Tim Rogers, Chairperson

ATTEST:



Steve Art, Executive Director

APPROVED AS TO FORM:



Corey Y. Hoffmann, WRURA Attorney



REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this "**Agreement**") dated as of March 19, 2019, is made by and between WHEAT RIDGE URBAN RENEWAL AUTHORITY d/b/a/ RENEWAL WHEAT RIDGE, an urban renewal authority and a body corporate and politic of the State of Colorado (the "**Authority**"), U.S. RETAIL PARTNERS, LLC, a Delaware limited liability company (the "**Developer**"). The Authority and Developer are sometimes collectively called the "**Parties**," and individually, a "**Party**."

RECITALS

All capitalized terms used, but not defined, in these Recitals, have the meanings ascribed to them in this Agreement. The Recitals are incorporated to this Agreement as though fully set forth in the body of this Agreement.

WHEREAS, the City of Wheat Ridge, Colorado (the "**City**") is a home rule municipality and political subdivision of the State of Colorado organized and existing under a home rule charter pursuant to Article XX of the Constitution of the State of Colorado;

WHEREAS, the City Council of the City (the "**City Council**") established the Authority on October 18, 1981;

WHEREAS, the City Council has adopted the I-70/Kipling Corridors Urban Renewal Plan, as amended (the "**Urban Renewal Plan**" or the "**Plan**");

WHEREAS, the Developer seeks to construct Eligible Improvements (hereinafter defined) within the Applewood Shopping Center (the "**Project**") upon the property more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**Redevelopment Property**");

WHEREAS, the Authority has determined that the redevelopment of the Project in order to remediate blight is consistent with and in furtherance of the purposes of the Authority and the Urban Renewal Plan;

WHEREAS, in order to facilitate the acquisition, construction and installation of the Project, the Authority seeks to reimburse the Developer for the cost of certain eligible Improvements up to a maximum aggregate amount of Eight Million Four Hundred Forty One Thousand, One Hundred and Thirty Eight Dollars (\$8,441,138.00) (as further defined below, the "**Reimbursement Amount**") as set forth in this Agreement through utilization of property tax increment and sales tax increment;

WHEREAS, pursuant to the Colorado Urban Renewal Law , C.R.S. § 31-25-101, *et seq.*, and the Urban Renewal Plan, the Authority may finance undertakings pursuant to the Plan by any method authorized under the Act or any other applicable law, including, without limitation, issuance of notes, bonds and other obligations in an amount sufficient to finance all or part of the Plan; borrowing of funds and creation of indebtedness; advancement of reimbursement agreements; agreements with public or private entities; and loans, advances and grants from any other available sources; and the Plan authorizes the Authority to pay the principal and interest on any such

indebtedness from property and sales tax increments, or any other funds, revenues, assets or properties legally available to the Authority;

WHEREAS, the Urban Renewal Plan, as amended, contemplates that a primary method of financing projects within the urban renewal area will be through the use of property tax increment revenues and sales tax increment revenues; and

WHEREAS, the Parties have agreed to enter into this Agreement for the redevelopment of the Property in accordance with the Urban Renewal Plan and the Act.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties contained in this Agreement, and other valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree to the terms and conditions in this Agreement.

AGREEMENT

1. **DEFINITIONS.** In this Agreement, unless a different meaning clearly appears from the context, capitalized terms mean:

"**Act**" means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes, as amended.

"**Agreement**" means this Redevelopment Agreement, as it may be amended or supplemented in writing. References to Sections or Exhibits are to this Agreement unless otherwise qualified. All exhibits attached to and referenced in this Agreement are hereby incorporated into this Agreement.

"**Authority**" means Wheat Ridge Urban Renewal Authority d/b/a Renewal Wheat Ridge, an urban renewal authority and a body corporate and politic of the State of Colorado which has been duly created, organized, established and authorized by the City to transact business and exercise its powers as an urban renewal authority, all under and pursuant to the Act, and its successors and assigns.

"**Certificate Relating to Reimbursement Amount**" means the certification in substantially the form of Exhibit C, attached hereto relating to the satisfaction of the conditions precedent set forth in Section 3.1 relating to the payment of the Reimbursement Amount.

"**City**" means the City of Wheat Ridge, Colorado, a home rule municipality and political subdivision of the State of Colorado organized and existing under a home rule charter pursuant to Article XX of the Constitution of the State of Colorado.

"**City Requirements**" means, collectively, the Wheat Ridge Zoning and Development Code, Architectural and Site Design Manual, Streetscape Design Manual, International (Building) Codes and Site Drainage Requirements, except as may be amended by mutual written agreement of the City and Developer through land use or building permit approvals or otherwise.

"Commence Construction" means the commencement by Developer or a tenant of Developer of actual physical work on the Project, including without limitation deconstruction, demolition and/or site grading on the Property as required for the Project.

"Default" or "Event of Default" means any of the events described in Section 15; provided, however, that such events will not give rise to any remedy until effect has been given to all grace periods, cure periods and periods of enforced delay provided for in this Agreement.

"Developer" means U.S. RETAIL PARTNERS, LLC, a Delaware limited liability company, and any successors and assigns approved in accordance with this Agreement.

"Developer Advances" means, collectively, amounts advanced or incurred by Developer to pay any Eligible Costs.

"Effective Date" means the date of this Agreement.

"Eligible Costs" means, collectively, the reasonable and customary expenditures for the acquisition, design, construction and installation of the Eligible Improvements, including, without limitation, reasonable and customary soft costs and expenses, as set forth in **Exhibit B** attached hereto, as it may be amended hereunder. Eligible Costs also includes all reasonable and customary costs and expenses related to the engineering and design work for the Eligible Improvements. The maximum amount of Eligible Costs to be paid or reimbursed pursuant to this Agreement shall be the Reimbursement Amount as defined in this Agreement.

"Eligible Improvements" means the improvements set forth on **Exhibit B** attached hereto, as amended in accordance with this Agreement.

"Executive Director" means the Executive Director of the Authority.

"Exhibits" The following Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement:

Exhibit A: Legal Description of the Property

Exhibit B: Eligible Improvements

Exhibit C: Certificate Relating to Reimbursement Amount

"Party" or "Parties" means one or both of the parties to this Agreement.

"Pledged Property Tax Increment Revenue" means one hundred percent (100%) of the annual ad valorem property tax revenue received by the Authority from the Jefferson County Treasurer in excess of the amount produced by the levy of those taxing bodies that levy property taxes against the Property Tax Base Amount in the TIF Area in accordance with the Act and the regulations of the Property Tax Administrator of the State of Colorado, but not including, any offsets collected by the Jefferson County Treasurer for return of overpayments or any reserve funds retained by the Authority for such purposes in accordance with C.R.S. §§ 31-25-107(9)(a)(III) and (b). Provided however, Pledged Property Tax Revenue shall not include fifty percent (50%) of

the TIF Revenue generated from the mill levy of the West Metro Fire Protection District (the "District"), which is shared back with the District.

"Pledged Sales Tax Increment Revenues" means, for each year that this Agreement remains in effect, one third (1/3) or one percent (1%) of the three percent (3%) sales tax rate of that portion of the Sales Tax revenue received by the City, and remitted to the Authority in accordance with the Act and the Plan, equal to the product of the Sales Tax rate of [three percent (3.00%)] times the amount of the taxable transactions subject to the Sales Tax in the TIF Area, less the Sales Tax Base Amount.

"Pledged Revenues" means the total aggregate principal amount of the Reimbursement Amount as defined in this Agreement.

"Pledged Tax Increment Revenues" means, collectively, the Pledged Property Tax Increment Revenues and the Pledged Sales Tax Increment Revenues.

"Project" means the redevelopment of the Property by performing the Eligible Improvements.

"Project Account" means the account of the Special Fund created in Section 5.2 into which the Authority shall deposit the Pledged Tax Increment Revenues.

"Property" means the real property described in Exhibit A attached hereto.

"Property Tax Base Amount" means the amount certified by the Jefferson County Assessor as the valuation for assessment of all taxable property within the TIF Area in accordance with Section 31-25-107(9)(a)(I) of the Act. The Property Tax Base Amount and increment value shall be calculated and adjusted from time to time by the Jefferson County Assessor in accordance with C.R.S. § 31-25-107(9) and the rules and regulations of the Property Tax Administrator of the State of Colorado.

"Property Tax Increment Termination Date" shall be December 31, 2040, or payment of the Reimbursement Amount in full, whichever first occurs.

"Reimbursement Amount" means a maximum amount equal to Eight Million Four Hundred Forty One Thousand, One Hundred and Thirty Eight Dollars (\$8,441,138.00), which is the maximum amount that will be paid to the Developer to reimburse the Developer for Eligible Costs in accordance with the terms and provisions hereof. No interest shall accrue on the Reimbursement Amount.

"Sales Tax" means the municipal sales tax of the City on sales of goods and services that are subject to municipal sales taxes pursuant to the Wheat Ridge City Code.

"Sales Tax Base Amount" means the total collection of Sales Taxes levied at the rate of [three percent (3.00%)] within the TIF Area for the applicable twelve-month period in accordance with Section 31-25-107(9)(a)(I) of the Act.

"Sales Tax Increment Termination Date" shall be five years from the date Sales Tax is first collected on the Property.

"**Special Fund**" means the special fund of the Authority defined in C.R.S. § 31-25-107(9)(a)(II).

"**TIF Area**" means that part of the urban renewal area described in the Urban Renewal Plan within which the tax increment provisions of C.R.S. § 31-25-107(9) apply. The TIF Area is the same as the Property.

"**Urban Renewal Plan**" or "**Plan**" means the I-70/Kipling Corridors Urban Renewal Plan, approved by the City Council, as amended, and as may hereinafter be amended from time to time.

2. FINANCING AND CONSTRUCTION OF PROJECT.

2.1 Construction of Project. As set forth in Section 4, if Developer proceeds with the Project, then Developer shall be responsible for acquiring, constructing and installing the Eligible Improvements, and shall be responsible for compliance in all respects with the City Requirements.

2.2 Financing the Eligible Improvements. Developer shall be responsible for initially financing the costs and expenses in connection with the acquisition, construction and installation of the Eligible Improvements, including, without limitation, all design costs, engineering costs and other soft costs incurred in connection therewith.

3. CONDITIONS PRECEDENT TO PAYMENT OF REIMBURSEMENT AMOUNT.

3.1 Conditions Precedent. Unless waived in writing by the Executive Director, the following conditions precedent shall be satisfied prior to Developer receiving reimbursement for Eligible Costs pursuant to the terms and provisions of this Agreement:

(a) Substantially all of the Eligible Improvements (except for the Youngfield Road streetscape improvements, which work does not have to be completed before Developer begins receiving reimbursement for Eligible Costs) are completed.

(b) No Events of Default by Developer shall have occurred and be continuing under this Agreement.

4. DEVELOPER.

4.1 Acquisition, Construction and Installation of Project. This Agreement shall not obligate the Developer to proceed with the Project. If Developer proceeds with the Project, Developer shall be responsible for the financing, design, acquisition, construction and installation of the Eligible Improvements, subject to the provisions in this Agreement regarding reimbursement of Eligible Costs in accordance herewith. The design and construction of the Project shall comply in all material respects with all applicable codes and regulations of entities having jurisdiction, including the City Requirements. Notwithstanding any provisions to the contrary contained herein, the Developer shall be entitled to reimbursement for Eligible Costs incurred in connection with an Eligible Improvement only if such Eligible Improvement complies with City Requirements.

If Developer proceeds with the Project, Developer will pay or cause to be paid all required fees and costs, including those imposed by the City, in connection with the design, construction, applicable warranty requirements, and use of the Project.

The Parties agree that if the Developer has not Commenced Construction of the Project by June 1, 2019, that this shall not constitute an Event of Default hereunder, but that the Authority shall have the right to terminate this Agreement as set forth in Section 17 prior to the date Developer has Commenced Construction.

4.2 Eligible Improvements. The list of Eligible Improvements set forth in **Exhibit B**, attached hereto may be amended at the written request of Developer with the written consent of the Executive Director, unless such consent is not required pursuant to the terms of **Exhibit B**.

4.3 Access to Property. Subject to the terms and restrictions of any leases and/or other documents encumbering the Property, Developer will permit representatives of the City and the Authority access to the Property and the Project at reasonable times during regular business hours and with prior notice as necessary for the purpose of carrying out or determining compliance with this Agreement, the Urban Renewal Plan, the City Requirements or any City code or ordinance, including, without limitation, inspection of any work being conducted. The City and the Authority shall not interfere with the operation or use of the Property in connection with any such access.

4.4 Appeal of Property Taxes. Developer shall provide written notice to the Authority of any requested reduction by Developer in any portion of the Property's real property tax assessed valuation or abatement of any portion of the Property's real property taxes.

4.5 Notification of Sale of Property. Developer shall provide written notice to the Authority of the sale of all or any portion of the Property by Developer during the term of this Agreement.

5. THE AUTHORITY.

5.1 Payment of Reimbursement Amount. Upon compliance with the conditions precedent set forth in Section 3.1 relating to the payment of the Reimbursement Amount, or the Executive Director's waiver of any such conditions precedent, the Authority agrees that it shall reimburse Developer for Eligible Costs incurred in connection with the acquisition, construction and installation of Eligible Improvements in an amount equal to the Reimbursement Amount, but solely from the Pledged Revenues received by the Authority as described in Section 6 below. The Authority will have thirty (30) days after the Developer has submitted the Certificate Relating to Reimbursement Amount to confirm whether or not such Certificate complies with the terms and provisions of this Agreement and whether the conditions precedent set forth in Section 3.1 have been satisfied or waived by the Executive Director. If the Authority does not provide written approval or disapproval within such thirty (30) day period, the Certificate shall be deemed approved by the Authority. If the Authority notifies Developer in writing within such thirty (30) day period that the Authority disputes that the conditions precedent set forth in Section 3.1 have been satisfied or waived, or that there is not sufficient documentation relating to all or any portion of the Eligible Costs that have been incurred by the Developer, and sets forth a detailed explanation why the conditions precedent have not been satisfied, waived or sufficiently documented, such portion of the Reimbursement Amount that is in dispute shall not become due and payable until

Developer and Authority have resolved the dispute. The Parties agree to cooperate in good faith to resolve any dispute relating to the satisfaction of the conditions precedent set forth in Section 3.1 within thirty (30) days after either Party's written request therefor.

5.2 Special Fund; Project Account. The Authority agrees to establish the Special Fund in accordance with the provisions of the Act and to establish the Project Account as a separate trust account within the Special Fund. The Authority agrees to deposit the Pledged Tax Increment Revenues into the Project Account of the Special Fund upon receipt of the same. All Pledged Tax Increment Revenues on deposit in the Project Account of the Special Fund are hereby pledged to the payment of the Reimbursement Amount as set forth herein.

5.3 No Election Required. The Parties acknowledge that according to the decision of the Colorado Court of Appeals in *Olson v. City of Golden*, 53 P.3d 747 (2002), an urban renewal authority is not a local government and therefore is not subject to the provisions of Article X, Section 20 of the Colorado Constitution. Accordingly, the Authority may enter into this Agreement with Developer, and agree to remit the Pledged Revenues to Developer to reimburse Developer for Eligible Costs in accordance with the provisions of this Agreement without electoral authorization, and such obligations are not subject to annual appropriation.

5.4 No Impairment. The Authority will not enter into any agreement or transaction that impairs the rights of the Parties, including without limitation, the right to receive and apply the Pledged Revenue in accordance with the terms and provisions of this Agreement.

6. PAYMENT OR REIMBURSEMENT OF ELIGIBLE COSTS. Upon compliance with the conditions precedent set forth in Section 3.1, Developer shall be reimbursed annually by the Authority for Eligible Costs, but solely from Pledged Revenues deposited into the Special Fund as defined herein, in an amount not to exceed the Reimbursement Amount as follows:

6.1 Pledged Property Tax Increment Revenue. The Authority shall reimburse one hundred percent (100%) of the Pledged Property Tax Increment Revenue to Developer received by the Authority from the Jefferson County Treasurer as defined herein until the total amount of Pledged Revenues paid to Developer equals the Reimbursement Amount.

6.2 Pledged Sales Tax Increment Revenues. The Authority shall reimburse one percent (1%) of the three percent (3%) sales tax rate of that portion of the Sales Tax revenue received by the City, and remitted to the Authority in accordance with the Act and the Plan until the Sales Tax Increment Termination Date for a period of five (5) years. After the Sales Tax Increment Termination Date, the City shall no longer be obligated to pay the Sales Tax Increment into the Special Fund of the Authority.

7. INSURANCE. On or prior to the Commencement of Construction, Developer will provide the City and the Authority with certificates of insurance showing that Developer is carrying, or causing prime contractors to carry, the following insurance: General Liability, with a general aggregate of Two Million Dollars (\$2,000,000); fire damage of One Hundred Thousand Dollars (\$100,000); medical expense of Five Thousand Dollars (\$5,000); products/completed operations aggregate of Two Million Dollars (\$2,000,000); personal and advertising injury of One Million Dollars (\$1,000,000) with each occurrence up to One Million Dollars (\$1,000,000), with deductible of Twenty-five Hundred Dollars (\$2,500) per claim. Excess liability shall be

covered in an amount equal to Ten Million Dollars (\$10,000,000) per occurrence/ Ten Million Dollars (\$10,000,000) aggregate.

8. INDEMNIFICATION. From Commencement of Construction of the Project through Completion of Construction of the Project, and for any action arising during that time period, Developer agrees to indemnify, defend and hold harmless the City and the Authority, its officers, agents and employees, from and against all liability, claims, demands, and expenses, including fines imposed by any applicable state or federal regulatory agency, court costs and attorney fees, on account of any injury, loss, or damage to the extent arising out of any of the work to be performed by Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer under this Agreement, but only to the extent such injury, loss, or damage is caused by the negligent act or omission, error, professional error, mistake, accident, or other fault of Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer, but excluding any injuries, losses or damages which are due to the gross negligence, breach of contract or willful misconduct of the Authority.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Representations and Warranties by the Authority. The Authority represents and warrants as follows:

(a) The Authority is a body corporate and politic of the State of Colorado, duly organized under the Act, and has the power to enter into and has taken all actions to date required to authorize this Agreement and to carry out its obligations.

(b) The Authority knows of no litigation, proceeding, initiative, referendum, investigation or threat of any of the same contesting the powers of the Authority or its officials with respect to this Agreement that has not been disclosed in writing to Developer.

(c) The execution and delivery of this Agreement and the documents required and the consummation of the transactions contemplated by this Agreement will not (i) conflict with or contravene any law, order, rule or regulation applicable to the Authority or to its governing documents, (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which the Authority is a party or by which it may be bound or affected, or (iii) permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Authority.

(d) The Pledged Revenues are not subject to any other or prior pledge or encumbrance, and the Authority will not pledge or encumber the Pledged Revenues prior to full payment of the Reimbursement Amount without the prior written consent of Developer.

(e) This Agreement constitutes a valid and binding obligation of the Authority, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

9.2 Representations and Warranties by Developer. Developer represents and warrants as follows:

(a) Developer is a Delaware limited liability company in good standing and authorized to do business in the State of Colorado and has the power and the authority to enter into and perform in a timely manner its obligations under this Agreement.

(b) The execution and delivery of this Agreement has been duly and validly authorized by all necessary action on its part to make this Agreement valid and binding upon Developer.

(c) The execution and delivery of this Agreement will not (i) conflict with or contravene any law, order, rule or regulation applicable to Developer or to Developer's governing documents, (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which Developer is a party or by which it may be bound or affected, or (iii) permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of Developer.

(d) Developer knows of no litigation, proceeding, initiative, referendum, or investigation or threat or any of the same contesting the powers of Developer or any of its principals or officials with respect to this Agreement that has not been disclosed in writing to the Authority.

(e) This Agreement constitutes a valid and binding obligation of Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

10. TERM. The term of this Agreement is the period commencing on the Effective Date and terminating on the date that the Reimbursement Amount is paid in full by the Authority from the Pledged Revenues as defined in this Agreement; or December 31, 2040, whichever first occurs, provided, that the following provisions shall continue beyond the term of this Agreement: (A) any rights and remedies that a Party has for an Event of Default hereunder; (B) any rights that a Party has to inspect books and records as set forth herein for a period of four (4) years following termination of this Agreement; and (C) the indemnification provisions set forth in Section 8.

11. CONFLICTS OF INTEREST. None of the following will have any personal interest, direct or indirect, in this Agreement: a member of the governing body of the Authority or the City, an employee of the Authority or of the City who exercises responsibility concerning the Urban Renewal Plan, or an individual or firm retained by the City or the Authority who has performed consulting services to the Authority or the City in connection with the Urban Renewal Plan or this Agreement. None of the above persons or entities will participate in any decision relating to the Agreement that affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

12. ANTI-DISCRIMINATION. Developer, for itself and its successors and assigns, agrees that in the construction of the Eligible Improvements and in the use and occupancy of the Property and the Eligible Improvements, Developer will not discriminate against any employee or applicant

for employment because of race, color, creed, religion, sex, sexual orientation, disability, marital status, ancestry, or national origin.

13. NOTICES. Any notice required or permitted by this Agreement will be in writing and will be deemed to have been sufficiently given for all purposes if delivered in person, by prepaid overnight express mail or overnight courier service, by certified mail or registered mail, postage prepaid return receipt requested, addressed to the Party to whom such notice is to be given (and such Party's additional persons to copy) at the address(es) set forth on the signature page below or at such other or additional addresses as may be furnished in writing to the other Parties. The Parties may also agree on a different means of providing written notice hereunder, including without limitation, notice via electronic mail.

Notice shall be deemed received: (i) if delivered in person, upon actual receipt (or refusal to accept delivery), (ii) if by prepaid overnight express mail or overnight courier service, on the first business day following sending of the notice, and (iii) if by certified mail or registered mail, postage prepaid return receipt requested, on the earlier of the date of the receipt or the third business day following sending of the notice.

14. DELAYS; FORCE MAJEURE. Subject to the following provisions, time is of the essence. Any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, earthquake, strikes, labor disputes, regulation or order of civil or military authorities, or other causes, similar or dissimilar, which are beyond the control of such Party.

15. EVENTS OF DEFAULT. The following events shall constitute an Event of Default under this Agreement:

(a) Any representation or warranty made by any Party in this Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon the other Party.

(b) So long as the Reimbursement Amount has not been paid in full, the Authority fails to remit the Pledged Revenues on deposit with the Authority to Developer on or prior to February 15 of each year.

(c) Except as otherwise provided in this Agreement, any Party fails in the performance of any other covenant in this Agreement and such default continues for thirty (30) days after written notice specifying such default and requiring the same to be remedied is given by a non-defaulting Party to the defaulting Party. If such default is not of a type which can be cured within such thirty (30) day period and the defaulting Party gives written notice to the non-defaulting Party or Parties within such thirty (30)-day period that it is actively and diligently pursuing such cure, the defaulting Party shall have a reasonable period of time given the nature of the default following the end of such thirty (30)-day period to cure such default, provided that such defaulting Party is at all times within such additional time period actively and diligently pursuing such cure in good faith.

16. REMEDIES. Upon the occurrence and continuation of an Event of Default, the non-defaulting Party's remedies will be limited to the right to enforce the defaulting Party's obligations by an action for injunction, specific performance, or other appropriate equitable remedy or for

mandamus, or by an action to collect and enforce payment of sums owing hereunder, and no other remedy, and no Party will be entitled to or claim damages for an Event of Default by the defaulting Party, including, without limitation, lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions of this Agreement, the prevailing party in such litigation or other proceeding shall receive, as part of its judgment or award, its reasonable attorneys' fees and costs.

17. TERMINATION. This Agreement may be terminated by the Developer at any time prior to the Commencement of Construction of the Project. In the event that Developer has not Commenced Construction of the Project on or prior to June 1, 2019, then the Authority shall each have the option to terminate this Agreement at any time prior to such Commencement of Construction.

In order to terminate this Agreement, a Party shall provide written notice of such termination to the other Party. Such termination shall be effective thirty (30) days after the date of such notice, without any further action by the Parties, unless prior to such time, the Parties are able to negotiate in good faith to reach an agreement to avoid such termination. Upon such termination, this Agreement shall be null and void and of no effect, and no action, claim or demand may be based on any term or provision of this Agreement, except as otherwise expressly set forth herein. In addition, the Parties agree to execute a mutual release or other instruments reasonably required to effectuate and give notice of such termination.

18. PAYMENT OF FEES AND EXPENSES. Each Party agrees to pay for its own fees, costs and expenses incurred by such Party in connection with the execution and delivery of this Agreement and related agreements and documents.

19. NONLIABILITY OF OFFICIALS, AGENTS, MEMBERS, AND EMPLOYEES. Except for willful or wanton actions, no trustee, board member, commissioner, official, employee, consultant, manager, member, shareholder, attorney or agent of any Party, nor any lender to any Party or to the Project, will be personally liable under the Agreement or in the event of any default or for any amount that may become due to any Party.

20. ASSIGNMENT. Except as hereinafter provided, this Agreement shall not be assigned in whole or in part by any Party without the prior written consent of the other Party; provided, however, Developer has the right to assign this Agreement to any party that acquires fee title to the Property without the prior written consent of any other Party.

21. SECTION CAPTIONS. The captions of the Sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

22. ADDITIONAL DOCUMENTS OR ACTION.

22.1 The Parties agree to execute any additional documents or take any additional action, including, without limitation, estoppel documents requested or required by third parties, including, without limitation, lenders, tenants or potential purchasers, that is necessary to carry out this Agreement or is reasonably requested by any Party to confirm or clarify the intent of the provisions of this Agreement and to effectuate the agreements and the intent. Notwithstanding the foregoing, however, no Party shall be obligated to execute any additional document or take any additional action unless such document or action is reasonably acceptable to such Party.

22.2 If all or any portion of this Agreement, or other agreements approved in connection with this Agreement are asserted or determined to be invalid, illegal or are otherwise precluded, the Parties, within the scope of their powers and duties, will cooperate in the joint defense of such documents and, if such defense is unsuccessful, the Parties will use reasonable, diligent good faith efforts to amend, reform or replace such precluded items to assure, to the extent legally permissible, that each Party substantially receives the benefits that it would have received under this Agreement.

22.3 The Executive Director shall have the authority to act on behalf of the Authority under this Agreement.

23. AMENDMENT. This Agreement may be amended only by an instrument in writing signed and delivered by the Parties.

24. WAIVER OF BREACH. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement must be in writing and will not operate or be construed as a waiver of any subsequent breach by any Party.

25. GOVERNING LAW. The laws of the State of Colorado govern this Agreement.

26. BINDING EFFECT. This Agreement will inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors, heirs, and assigns, provided that nothing in this paragraph permits the assignment of this Agreement except as set forth in Section 20.

27. EXECUTION IN COUNTERPARTS. This Agreement may be executed in several counterparts, each of which will be deemed an original and all of which will constitute but one and the same instrument.

28. LIMITED THIRD-PARTY BENEFICIARIES. Except as hereinafter provided, this Agreement is not intended and shall not be deemed to confer any rights on any person or entity not named as a Party to this Agreement; provided, however, that the City shall be deemed to be a third-party beneficiary under this Agreement to the extent that Developer or Authority have agreed to undertake certain actions for the benefit of the City.

29. NO PRESUMPTION. The Parties and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement will be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

30. SEVERABILITY. If any provision of this Agreement as applied to any Party or to any circumstance is adjudged by a court to be void or unenforceable, the same will in no way affect any other provision of this Agreement, the application of any such provision in any other circumstances or the validity, or enforceability of the Agreement as a whole.

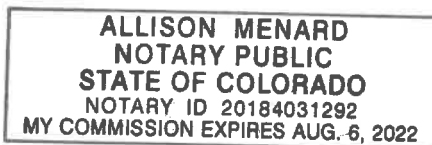
31. DAYS. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S., such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

32. GOOD FAITH OF PARTIES. In the performance of this Agreement or in considering any requested approval, consent, acceptance, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, or extension of time required or requested pursuant to this Agreement.

33. PARTIES NOT PARTNERS. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties will not be deemed to be partners or joint venturers, and no Party is responsible for any debt or liability of any other Party.

34. NO WAIVER OF IMMUNITY. Nothing contained in this Agreement constitutes a waiver of sovereign immunity or governmental immunity by the Authority under applicable state law.

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DEVELOPER

U.S. RETAIL PARTNERS, LLC
a Delaware limited liability company

By: U.S. Retail Partners Holding, LLC,
a Delaware limited liability company,
its sole member

By: GRI-Regency, LLC,
a Delaware limited liability company,
its sole member

By: Regency Centers, L.P.,
a Delaware limited partnership,
its managing member

By: Regency Centers Corporation,
a Florida corporation,
its general partner

By: _____
Name: _____
Title: _____

Notice Address:
c/o Regency Centers Corporation
8480 East Orchard Road, Suite 6900
Greenwood Village, Colorado 80111
Attention: Property Management

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

A PARCEL OF LAND BEING ALL OF LOTS 1-3 & TRACT A, APPLEWOOD VILLAGE SHOPPING CENTER FILING NO. 2, LOT 1, APPLEWOOD VILLAGE SOUTHWEST CORNER TOGETHER WITH UNPLATTED PARCELS SITUATED WITHIN THE NORTHWEST ONE-QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF WHEAT RIDGE, COUNTY OF JEFFERSON, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER QUARTER CORNER OF SAID SECTION 29 AND CONSIDERING THE SOUTH LINE OF SAID NORTHWEST QUARTER TO BEAR S89°29'29"W WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE N64°01'19"W, A DISTANCE OF 358.74 FEET TO THE POINT OF BEGINNING, SAID POINT BEING ON THE WESTERLY RIGHT-OF-WAY LINE OF WRIGHT COURT (A PUBLIC RIGHT-OF-WAY) AND THE SOUTHEAST CORNER OF SAID TRACT A, APPLEWOOD VILLAGE SHOPPING CENTER FILING NO. 2;

THENCE S89°29'29"W ALONG THE SOUTHERLY LINE OF SAID TRACT A, A DISTANCE OF 155.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 3, APPLEWOOD VILLAGE SHOPPING CENTER FILING NO. 2, SAID POINT ALSO BEING THE NORTHWEST CORNER OF LOT 22, APPLEWOOD VILLAGE;

THENCE S00°54'01"E, ALONG THE LINE COMMON TO SAID LOTS 3 AND 22, A DISTANCE OF 113.19 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF WEST 32ND AVENUE (A PUBLIC RIGHT-OF-WAY);

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE THE FOLLOWING FOURTEEN (14) COURSES:

- 1) N82°31'21"W, A DISTANCE OF 83.71 FEET;
- 2) N88°13'59"W, A DISTANCE OF 72.17 FEET;
- 3) N88°14'22"W, A DISTANCE OF 58.35 FEET;
- 4) N01°45'38"E, A DISTANCE OF 7.49 FEET;
- 5) S89°05'15"W, A DISTANCE OF 96.86 FEET;
- 6) S58°00'42"W, A DISTANCE OF 14.67 FEET;
- 7) S89°07'49"W, A DISTANCE OF 12.50 FEET;
- 8) S00°24'32"E, A DISTANCE OF 8.00 FEET;
- 9) S89°07'49"W, A DISTANCE OF 126.48 FEET TO A POINT OF NON-TANGENT CURVATURE;
- 10) ALONG SAID CURVE TO THE RIGHT AN ARC LENGTH OF 8.76 FEET, HAVING A RADIUS OF 9.50 FEET, THROUGH A CENTRAL ANGLE OF 52°48'54", AND WHICH CHORD BEARS N26°35'55"W, A DISTANCE OF 8.45 FEET;
- 11) N00°11'28"W, A DISTANCE OF 2.00 FEET;
- 12) S89°48'32"W, A DISTANCE OF 32.54 FEET;
- 13) S00°54'01"E, A DISTANCE OF 2.64 FEET;
- 14) S89°29'29"W, A DISTANCE OF 246.67 FEET TO A POINT OF TANGENT CURVATURE;

THENCE TRANSITIONING FROM THE SAID NORTH RIGHT-OF-WAY OF WEST 32ND AVENUE TO THE EAST RIGHT-OF-WAY OF YOUNGFIELD STREET ALONG SAID CURVE TO THE RIGHT AN ARC LENGTH OF 58.65 FEET, HAVING A RADIUS OF 37.50 FEET, THROUGH A CENTRAL ANGLE OF 89°36'30", AND WHICH CHORD BEARS N45°42'16"W, A DISTANCE OF 52.85 FEET TO A POINT ON THE SAID EAST RIGHT-OF-WAY OF YOUNGFIELD STREET (A PUBLIC RIGHT-OF-WAY);

THENCE N00°54'01"W, ALONG SAID EAST RIGHT-OF-WAY, A DISTANCE OF 1223.87 FEET TO A POINT ON THE SOUTH LINE OF UNPLATTED LANDS DESCRIBED AT RECEPTION NO. F1790462;

THENCE ALONG THE COMMON LINE OF SAID LOT 1 AND SAID UNPLATTED LANDS THE FOLLOWING THREE (3) COURSES:

- 1) N89°26'17"E, A DISTANCE OF 144.00 FEET;
- 2) N00°54'01"W, A DISTANCE OF 200.00 FEET;
- 3) S89°26'17"W, A DISTANCE OF 144.00 FEET TO SAID EASTERLY RIGHT-OF-WAY LINE OF YOUNGFIELD STREET;

THENCE N00°54'01"W, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 135.62 FEET TO A CURVE TO THE RIGHT;

THENCE TRANSITIONING FROM THE SAID EAST RIGHT-OF-WAY OF YOUNGFIELD STREET TO THE SOUTH RIGHT-OF-WAY OF WEST 35TH AVENUE (A PUBLIC RIGHT-OF-WAY) ALONG SAID CURVE TO THE RIGHT AN ARC LENGTH OF 240.55 FEET, HAVING A RADIUS OF 178.00 FEET, THROUGH A CENTRAL ANGLE OF 77°25'48", AND WHICH CHORD BEARS N37°48'53"E, A DISTANCE OF 222.66 FEET;

THENCE N76°31'47"E ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 698.77 FEET TO THE NORTHEAST CORNER OF SAID APPLEWOOD VILLAGE SHOPPING CENTER FILING NO. 2 AND THE NORTHWEST CORNER OF RIDGEVIEW ACRES 3RD FILING, FILED IN THE JEFFERSON COUNTY CLERK AND RECORDER'S OFFICE IN BOOK 23, PAGE 14;

THENCE ALONG THE COMMON LINE BETWEEN SAID APPLEWOOD VILLAGE SHOPPING CENTER FILING NO. 2 STARTING ALONG SAID RIDGEVIEW ACRES 3RD FILING AND ENDING AT SAID APPLEWOOD VILLAGE THE FOLLOWING FOUR (4) COURSES:

- 1) S00°46'08"E, A DISTANCE OF 666.27 FEET;
- 2) S89°26'17"W, A DISTANCE OF 0.68 FEET;
- 3) S00°53'19"E, A DISTANCE OF 896.32 FEET;
- 4) S48°30'24"E, A DISTANCE OF 234.05 FEET TO A NON-TANGENT CURVE TO THE LEFT AND THE NORTHERLY RIGHT-OF-WAY OF SAID WRIGHT COURT;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY AND SAID CURVE TO THE LEFT AN ARC LENGTH OF 148.16 FEET, HAVING A RADIUS OF 45.00 FEET, THROUGH A CENTRAL ANGLE OF 188°38'41", AND A CHORD WHICH BEARS S37°10'16"W, A DISTANCE OF 89.74 FEET;

THENCE S00°54'01"E, CONTINUING ALONG SAID WRIGHT COURT, A DISTANCE OF 38.91 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

ELIGIBLE IMPROVEMENTS

Table 3
Eligible Cost Summary
TIF Request Review: Applewood Village - Option 1

Description	Total	% of Total	% of Org. Amount	Total	% of Total
SUMMARY					
38th Avenue ROW Improvements	\$ 609,943	11.4%	100%	\$ 609,943	5.7%
Wet Utilities	\$ 624,952	11.7%	100%	\$ 624,952	5.8%
Environmental Remediation (asbestos abatement)	\$ 100,000	1.9%	100%	\$ 100,000	0.9%
General Site Improvements - To Meet City Dev. Standards	\$ 1,978,670	36.9%	100%	\$ 1,978,670	18.4%
Wal-Mart Building Improvements	\$ -	0.0%	0%	\$ 2,103,255	19.6%
Wal-Mart Building - Multi-Tenant Reconfiguration	\$ -	0.0%	0%	\$ 2,519,910	23.5%
Wal-Mart Building - Façade Upgrade	\$ 574,912	10.7%	50%	\$ 1,149,824	10.7%
Youngfield Streetscape & Signalized Intersection Improvements Budget	\$ 1,172,898	21.9%	100%	\$ 1,172,898	10.9%
Demolition of Blighted Buildings	\$ 295,000	5.5%	100%	\$ 295,000	2.7%
Hacienda Project - Required City ROW Improvements in Excess of TIF Estimate	\$ -	0.0%	0%	\$ 130,000	1.2%
Matress Firm property (not owned by US Retail Partners)	\$ -	0.0%	0%	\$ 58,800	0.5%
Total	\$ 5,358,375	100.0%	50%	\$ 10,743,253	100.0%

Description	Unit	Quantity	Unit Price	Total	% of Total
DETAIL					
38th Avenue ROW Improvements				\$ 609,943	5.7%
West Driveway to Youngfield (corner parcel - not yet designed)				\$ 85,160	
Survey & Layout	LS	1.0	\$ 2,500	\$ 2,500	0.0%
Demolish attached sidewalk	SF	640.0	\$ 4	\$ 2,560	0.0%
Earthwork, erosion control	LS	1.0	\$ 2,500	\$ 2,500	0.0%
New detached 8' sidewalk	SF	1,280.0	\$ 10	\$ 12,800	0.1%
Landscaping & irrigation	SF	1,920.0	\$ 15	\$ 28,800	0.3%
Street lights (supply & install)	EA	4.0	\$ 4,000	\$ 16,000	0.1%
Pedestrian lights (supply & install)	EA	4.0	\$ 5,000	\$ 20,000	0.2%
Service Alley to west entry driveway (on Hobby Lobby plans)				\$ 442,929	
Survey & Layout	LS	1.0	\$ 12,805	\$ 12,805	0.1%
Demolition/Earthwork	LS	1.0	\$ 40,197	\$ 40,197	0.4%
Erosion Control	LS	1.0	\$ 9,785	\$ 9,785	0.1%
Earthwork	LS	1.0	\$ 40,197	\$ 40,197	0.4%
Asphalt Paving	LS	1.0	\$ 25,960	\$ 25,960	0.2%
ROW concrete - curb/gutter/sidewalk	LS	1.0	\$ 77,973	\$ 77,973	0.7%
Striping & Signage	LS	1.0	\$ 9,794	\$ 9,794	0.1%
Landscaping & irrigation	LS	1.0	\$ 114,010	\$ 114,010	1.1%
Electrical distribution, meter & street lights installation	LS	1.0	\$ 73,396	\$ 73,396	0.7%
Street & Pedestrian lights - material only	LS	1.0	\$ 38,812	\$ 38,812	0.4%
Engineering	% of costs	\$528,089	10.0%	\$ 52,809	0.5%
Project Management	% of costs	\$580,898	5.0%	\$ 29,045	0.3%
Wet Utilities				\$ 624,952	5.8%
Water-Consolidated Mutual Water Main Extension to meet fire marshall requirements	LS	1.0	\$ 130,000	\$ 130,000	1.2%
Water-Consolidated Mutual Fire Hydrants	EA	2.0	\$ 8,300	\$ 16,600	0.2%
Stormwater-Collection piping, inlets & water quality structures to comply with city requirements	LS	1.0	\$ 312,225	\$ 312,225	2.9%
Sanitary Sewer-Sewer main extension to comply with tenant leases for direct connection to main	LS	1.0	\$ 93,025	\$ 93,025	0.9%
Engineering (water main)	LS	1.0	\$ 15,000	\$ 15,000	0.1%
Project Management	% of costs	\$566,850	5.0%	\$ 28,343	0.3%
Contingency (water main only)	% of costs	\$595,193	5.0%	\$ 29,760	0.3%
Environmental Remediation (asbestos abatement)				\$ 100,000	0.9%
Asbestos Abatement	LS	1.0	\$ 100,000	\$ 100,000	0.9%

General Site Improvements - To Meet City Dev. Standards					\$ 1,978,670	18.4%
Survey & Layout	LS	1.0	\$ 35,469		\$ 35,469	0.3%
Structural steel/rebar	LS	1.0	\$ 103,527		\$ 103,527	1.0%
Electrical distribution, site lighting installation	LS	1.0	\$ 51,291		\$ 51,291	0.5%
Site demolition and regrading/earthwork	LS	1.0	\$ 242,884		\$ 242,884	2.3%
Erosion Control	LS	1.0	\$ 10,115		\$ 10,115	0.1%
New asphalt paving	LS	1.0	\$ 666,581		\$ 666,581	6.2%
Curb for landscape islands, pedestrian walkways, bldg plazas	LS	1.0	\$ 288,525		\$ 288,525	2.7%
Striping & Signage	LS	1.0	\$ 53,426		\$ 53,426	0.5%
New fence on east property line with residential	LS	1.0	\$ 104,663		\$ 104,663	1.0%
Site furnishings - benches, trash cans for public plazas	LS	1.0	\$ 19,270		\$ 19,270	0.2%
Parking lot landscaping & irrigation	LS	1.0	\$ 116,909		\$ 116,909	1.1%
Misc wet utilities	LS	1.0	\$ 35,816		\$ 35,816	0.3%
Site lighting - material only supplied by On-Site Lighting	LS	1.0	\$ 66,236		\$ 66,236	0.6%
Engineering	% of costs		\$1,794,712	5.0%	\$ 89,736	0.8%
Project Management	% of costs		\$1,884,448	5.0%	\$ 94,222	0.9%
Wal-Mart Building Improvements					\$ 2,103,255	19.6%
Roof bar joists repair and lateral brace frames - plug	LS	1.0	\$ 400,000		\$ 400,000	3.7%
R-30 roof insulation and new roofing	LS	1.0	\$ 1,148,252		\$ 1,148,252	10.7%
New fire protection system for multi-tenant building	LS	1.0	\$ 280,666		\$ 280,666	2.6%
Architecture & Engineering	% of costs		\$1,828,918	10.0%	\$ 182,892	1.7%
Project Management	% of costs		\$1,828,918	5.0%	\$ 91,446	0.9%
Wal-Mart Building - Multi-Tenant Reconfiguration					\$ 2,519,910	23.5%
Multi-tenant electrical system	LS	1.0	\$ 389,324		\$ 389,324	3.6%
Multi-tenant demising walls - Hobby Lobby, HomeGoods	LS	1.0	\$ 398,805		\$ 398,805	3.7%
Sierra Trading entry, demised shell, electrical service	LS	1.0	\$ 738,944		\$ 738,944	6.9%
Uita entry, demised shell, electrical service	LS	1.0	\$ 664,153		\$ 664,153	6.2%
Architecture & Engineering	% of costs		\$2,191,227	10.0%	\$ 219,123	2.0%
Project Management	% of costs		\$2,191,227	5.0%	\$ 109,561	1.0%
Wal-Mart Building - Façade Upgrade					\$ 1,149,824	10.7%
Masonry - new brick and stone	LS	1.0	\$ 525,437		\$ 525,437	4.9%
New stucco	LS	1.0	\$ 355,063		\$ 355,063	3.3%
Architectural wood features - Hobby Lobby & HomeGoods	LS	1.0	\$ 115,018		\$ 115,018	1.1%
Architectural entry features - Sierra Trading & Uita	<i>accounted for in multi-tenant reconfig costs</i>					
Architecture & Engineering	% of costs		\$995,518	10.0%	\$ 99,552	0.9%
Project Management	% of costs		\$1,095,070	5.0%	\$ 54,754	0.5%
Youngfield Streetscape & Signalized Intersection Improvements Budget					\$ 1,172,898	10.9%
Road Section: 3500 Youngfield north to 38th Ave					\$ 120,080	1.1%
Demolish attached sidewalk	SF	820	\$ 4		\$ 3,280	0.0%
Demolish exist cross pan, curb returns	LS	1	\$ -		\$ -	0.0%
Survey & Layout	LS	1	\$ 2,500		\$ 2,500	0.0%
Earthwork, erosion control	LS	1	\$ 10,000		\$ 10,000	0.1%
New concrete cross pan & curb returns	LS	1	\$ 15,000		\$ 15,000	0.1%
New detached 8' sidewalk	SF	1,640	\$ 10		\$ 16,400	0.2%
Landscaping & irrigation	SF	2,460	\$ 15		\$ 36,900	0.3%
Street lights	EA	4	\$ 4,000		\$ 16,000	0.1%
Pedestrian lights	EA	4	\$ 5,000		\$ 20,000	0.2%
Wells Fargo Bank Frontage					\$ 120,260	1.1%
Demolish attached sidewalk	SF	1,040	\$ 4		\$ 4,160	0.0%
Survey & Layout	LS	1	\$ 2,500		\$ 2,500	0.0%
Earthwork, erosion control	LS	1	\$ 10,000		\$ 10,000	0.1%
New detached 8' sidewalk	SF	2,080	\$ 10		\$ 20,800	0.2%
Landscaping & irrigation	SF	3,120	\$ 15		\$ 46,800	0.4%
Street lights	EA	4	\$ 4,000		\$ 16,000	0.1%
Pedestrian lights	EA	4	\$ 5,000		\$ 20,000	0.2%
Youngfield Traffic Signal Realignment					\$ 524,000	4.9%
WE O'Neil estimate	LS	1.0	\$ 205,000		\$ 205,000	1.9%
Remove & replace monument sign - YESCO quote	LS	1.0	\$ 319,000		\$ 319,000	3.0%
3348 Youngfield (Smashburger) north to Traffic Signal					\$ 68,700	0.6%
Demolish attached sidewalk	SF	800.0	\$ 4		\$ 3,200	0.0%
Survey & Layout	LS	1.0	\$ 2,500		\$ 2,500	0.0%
Earthwork, erosion control	LS	1.0	\$ 10,000		\$ 10,000	0.1%
New detached 4' sidewalk	SF	800.0	\$ 10		\$ 8,000	0.1%
Landscaping & irrigation	SF	1,200.0	\$ 15		\$ 18,000	0.2%
Street lights	EA	3.0	\$ 4,000		\$ 12,000	0.1%
Pedestrian lights	EA	3.0	\$ 5,000		\$ 15,000	0.1%
Chili's to Access Drive south of 3348 Youngfield (Smashburger)					\$ 50,000	0.5%
Add median in Youngfield near Chili's	LS	1.0	\$ 50,000		\$ 50,000	0.5%
Engineering	% of costs		\$883,040	15.0%	\$ 132,456	1.2%
Project Management	% of costs		\$1,015,496	5.0%	\$ 50,775	0.5%
Contingency	% of costs		\$1,066,271	10.0%	\$ 106,627	1.0%
Demolition of Blighted Buildings					\$ 295,000	2.7%
3250 Youngfield (Old Chicago)/12625 W. 32nd Ave (gun shop)	UNIT	1.0	\$ 75,000		\$ 75,000	0.7%
12601 W. 32nd Ave	UNIT	1.0	\$ 145,000		\$ 145,000	1.3%
3490 Youngfield (Holly West) - Proposed	UNIT	1.0	\$ 75,000		\$ 75,000	0.7%

Hacienda Project - Required City ROW Improvements in Excess of TIF Estimate					\$ 130,000	0.0%
City street lights in excess of Hacienda TIF estimate	EA	3.0	\$ 5,000		\$ 15,000	0.0%
City pedestrian lights	EA	6.0	\$ 5,000		\$ 30,000	0.0%
Relocate entry drive between Chill's and Hacienda	LS	1.0	\$ 50,000		\$ 50,000	0.0%
Rebuild entry drive south of 3348 Youngfield	LS	1.0	\$ 35,000		\$ 35,000	0.0%
Mattress Firm property (not owned by US Retail Partners)					\$ 58,800	0.5%
Demolish attached sidewalk	SF	800.0	\$ 4		\$ 3,200	0.0%
New detached 6' sidewalk	SF	1,200.0	\$ 10		\$ 12,000	0.1%
Landscaping	SF	1,200.0	\$ 8		\$ 9,600	0.1%
Street lights	EA	4.0	\$ 5,000		\$ 20,000	0.2%
Pedestrian lights	EA	4	\$ 3,500		\$ 14,000	0.1%
TOTAL ELIGIBLE COSTS					\$10,743,252	100.0%

Source: Regency Centers, Economic & Planning Systems

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EXHIBIT C

FORM OF CERTIFICATE RELATING TO REIMBURSEMENT AMOUNT

Wheat Ridge Urban Renewal Authority
7500 West 29th Avenue
Wheat Ridge, Colorado 80033
Attention: Executive Director

The undersigned representative of _____ (the "Developer") hereby makes the following certifications in accordance with the terms and provisions of section 3.1 of the Redevelopment Agreement dated as of _____, 2019 (the "Redevelopment Agreement"), between the Wheat Ridge Urban Renewal Authority and Developer. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement.

The following conditions have been satisfied or waived in writing by the Executive Director:

1. Intentionally Deleted.
2. Substantially all of the Eligible Improvements set forth in Section 3.1(a) of the Redevelopment Agreement have been completed.
3. No Events of Default by Developer have occurred and are continuing under the Redevelopment Agreement.

The total amount of Eligible Costs for which reimbursement is requested is \$ _____. Attached to this Certificate is documentation related to the Eligible Costs incurred by the Developer in connection with the financing, acquisition, construction and installation of the Eligible Improvements for which such reimbursement is requested.

The foregoing certification shall constitute the Certificate Relating to Reimbursement Amount under the Redevelopment Agreement.

[Developer],

Date: _____ By: _____
Name:
Title:

Within thirty (30) days of receipt of this Certificate by the Authority, the Authority shall complete the applicable provision below and remit to Developer:

The Authority hereby verifies that: (a) this Certificate Relating to Reimbursement Amount complies with the terms and conditions of the Redevelopment Agreement and that the conditions precedent set forth in Section 3.1 of the Redevelopment Agreement have been satisfied or waived in writing by the Executive Director, and (b) the documentation submitted with this Certificate is sufficient to verify that the Reimbursement Amount requested pursuant to this Certificate has been allocated to the reimbursement of Eligible Costs incurred in connection with Eligible Improvements in accordance with the Redevelopment Agreement.

The Authority hereby notifies Developer that (a) the Authority disputes that the conditions precedent set forth in Section 3.1 of the Redevelopment Agreement have been satisfied or waived, and/or (b) that the documentation submitted with this Certificate is not sufficient to verify that the total Reimbursement Amount requested pursuant to this Certificate is for the reimbursement of Eligible Cost incurred in connection with Eligible Improvements. Set forth below is a detailed explanation of the reasons why the Authority disputes that these conditions precedent have been satisfied or waived or that such documentation is insufficient:

WHEAT RIDGE URBAN RENEWAL AUTHORITY

Date: _____ By: _____

Name:

Title:

**COOPERATION AGREEMENT
BETWEEN THE CITY OF WHEAT RIDGE AND
WHEAT RIDGE URBAN RENEWAL AUTHORITY**

THIS COOPERATION AGREEMENT (this “Agreement”) dated as of _____, 2019, is made and entered into between the CITY OF WHEAT RIDGE, COLORADO (the “City”) and the WHEAT RIDGE URBAN RENEWAL AUTHORITY d/b/a/ RENEWAL WHEAT RIDGE (the “Authority”).

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its home rule charter (the “Charter”); and

WHEREAS, the Authority is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (“C.R.S.”) (the “Urban Renewal Law”); and

WHEREAS, pursuant to Article XIV of the Colorado Constitution, and Title 29, Article 1, Part 2, C.R.S., the City and the Authority are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City Council of the City (the “City Council”) has previously adopted the I-70/Kipling Corridors Urban Renewal Plan, as amended (the “Urban Renewal Plan” or the “Plan”) for the area described therein (the “Urban Renewal Area”); and

WHEREAS, U.S. Retail Partners, LLC, a Delaware limited liability company (the “Developer”), has the desire to redevelop the vacant Walmart retail building consisting of approximately 126,000 square feet within the Applewood Shopping Center, which is in the Urban Renewal Area; and

WHEREAS, the redeveloped property will be divided into five new spaces which will include Ulta, Hobby Lobby, Sierra Trading Post, and HomeGoods; and

WHEREAS, the Developer has submitted a proposal to the City and the Authority to redevelop the Property (the “Project”); and

WHEREAS, the Project is being undertaken to facilitate the elimination and prevention of blighted areas and to promote redevelopment, conservation and rehabilitation of the Urban Renewal Area; and

WHEREAS, pursuant to section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with the Authority in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations, or activities of the Authority, to enter into agreements with the Authority respecting such actions to be taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate

with the Authority in undertaking the Project and carrying out the Plan; and

WHEREAS, the Authority and the Developer expect to enter into a Redevelopment Agreement (the “Redevelopment Agreement”) that sets forth the rights and responsibilities of each party with respect to the financing and construction of the Project; and

WHEREAS, in order to finance certain eligible improvements for the Project, the Redevelopment Agreement provides that, upon compliance with certain conditions precedent, the Authority will provide reimbursement of \$8,143,573 (the “Payment”) with such Payment to be payable from the Pledged Property Tax Increment Revenue and Pledged Sales Tax Increment Revenues as the same are defined in the Redevelopment Agreement to be generated from the redevelopment of the Project; and

WHEREAS, the maximum amount of sales tax pledged will be for a period of five years, ending December 31, 2025 or \$2,000,874, whichever shall occur first; and

WHEREAS, in order to implement the provisions regarding the use of Pledged Sales Tax Increment Revenues generated from the Project, this Cooperation Agreement is necessary to cause the City to deposit such Pledged Sales Tax Increment Revenues into the Special Fund of the Authority to reimburse the Developer for Eligible Costs of the Project as defined in the Redevelopment Agreement; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the City and the Authority agree as follows:

I. COOPERATION.

(a) The City shall continue to make available such employees of the City as may be necessary and appropriate to assist the Authority in carrying out any authorized duty or activity of the Authority pursuant to the Urban Renewal Law, the Plan, or any other lawfully authorized duty or activity of the Authority.

(b) The City agrees to assist the Authority by pursuing all lawful procedures and remedies available to it to collect and transfer to the Authority on a timely basis all Pledged Sales Tax Increment Revenues for deposit into the Project Account of the Special Fund until the total amount of Pledged Revenues as defined in the Redevelopment Agreement paid to Developer equals the Reimbursement Amount, or December 31, 2025, whichever first occurs.

(c) To the extent lawfully possible, the City will take no action that would have the effect of reducing tax collections that constitute Pledged Sales Tax Increment Revenues.

II. GENERAL PROVISIONS.

(a) Separate Entities. Nothing in this Agreement shall be interpreted in any manner as constituting the City or its officials, representatives, consultants, or employees as the agents of the Authority, nor as constituting the Authority or its officials, representatives, consultants, or employees as agents of the City. Each entity shall remain a separate legal entity pursuant to applicable law. Neither party shall be deemed hereby to have assumed the debts, obligations, or liabilities of the other.

(b) Third Parties. Neither the City nor the Authority shall be obligated or liable under the terms of this Agreement to any person or entity not a party hereto, provided, however, that the Lender is a third party beneficiary to the provisions hereof related to the collection and remittance to the Authority of the Pledged Revenues.

(c) Modifications. No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by both parties and incorporated as a written amendment to this Agreement. Memoranda of understanding and correspondence shall not be construed as amendments to the Agreement.

(d) Entire Agreement. This Agreement shall represent the entire agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the parties relating to the subject matter of this Agreement and shall be independent of and have no effect upon any other contracts.

(e) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(f) Assignment. Except for the pledge under the Loan Documents, this Agreement shall not be assigned, in whole or in part, by either party without the written consent of the other.

(g) Waiver. No waiver of a breach of any provision of this Agreement by either party shall constitute a waiver of any other breach or of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies reserved in this Agreement shall be cumulative and additional to any other remedies in law or in equity.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as of _____, 2019

CITY OF WHEAT RIDGE, COLORADO

By: _____
Bud Starker, Mayor

(SEAL)

Attest:

Janelle Shaver, City Clerk

APPROVED AS TO FORM

Gerald Dahl, City Attorney

WHEAT RIDGE URBAN RENEWAL AUTHORITY

ATTEST:

Tim Rogers, Chairperson

Steve Art, Executive Director

The Economics of Land Use



Final Financial Model

TIF Request Review: Applewood Village

Prepared for:

City of Wheat Ridge

Prepared by:

Economic & Planning Systems, Inc.

*Economic & Planning Systems, Inc.
730 17th Street, Suite 630
Denver, CO 80202-3511
303 623 3557 tel
303 623 9049 fax*

*Berkeley
Sacramento
Denver*

www.epsys.com

Date:

April 11, 2019

EPS #183060

Table 1
Project Summary and Key Assumption Sensitivity
TIF Request Review: Applewood Village

Description		Amount	Market Range		Developer					
			Low	High						
KEY ASSUMPTIONS										
Revenue Assumptions										
Commercial Weighted Average		\$9.00 per square foot	\$10.00	\$20.00	\$9.00	Lower Supported by submitted LOIs				
Cost Assumptions										
Land Cost		0.00% % of total cost	8%	12%	0.00%					
Hard Construction Costs		\$123 per GBA	\$100	\$125	\$123	Inside				
Soft Construction Costs		30.95% % of HC	20%	30%	30.95%	Higher				
Total Construction Cost		\$160 per GBA	\$125	\$150	\$160	Higher				
Return Assumptions										
Project Discount Rate		9.00% discount rate	8.50%	10.00%	N/A					
Project Cap Rate (at disposition)		6.00% cap rate	5.50%	6.50%	N/A					
Return on Cost Hurdle Rate		6.75% ROC	6.50%	7.00%	7.00%	Inside				
PROJECT SUMMARY										
PROJECT GAP			TIF ASSUMPTIONS		Property Tax	Sales Tax				
Static Gap Estimate (EPS)			End Year [1]		2040	2025 [2]				
Total Cost			\$20,277,155 total project cost		1,039 of total	33% of total				
Net Operating Income			\$1,039,419 stabilized NOI		5.00%	5.00%				
ROC			5.13% existing ROC (w/out subsidy)							
ROC Hurdle			6.75% target hurdle rate							
Project Gap			-\$4,878,360 static gap estimate		TIF REVENUES	Property Tax				
					Annual Average	\$323,300				
					Nominal Total	\$6,142,699				
					Discounted Total	\$3,248,843				
						\$1,629,517				
Time Series Estimate (EPS)										
Current IRR			5.24% IRR without subsidy							
IRR Hurdle Rate			9.00% target hurdle rate							
Project Gap			-\$5,093,726 time series gap estimate							
Average (static and time series)			-\$4,986,043 avg. of time series and static							
ELIGIBLE COSTS										
			\$5,356,375							
Sensitivity Analysis										
Time Series Estimate: Weighted Average Commercial Rental Rate										
Project Discount Rate										
8.50% 8.75% 9.00% 9.25% 9.50%										
Comm. Avg.	\$7.20	-\$7,720,290	-\$7,953,193	-\$8,180,753	-\$8,403,109	-\$8,620,398				
	\$8.10	-\$6,117,793	-\$6,380,530	-\$6,637,239	-\$6,888,078	-\$7,133,198				
	\$9.00	-\$4,515,295	-\$4,807,867	-\$5,093,726	-\$5,373,047	-\$5,645,999				
	\$9.90	-\$2,912,798	-\$3,235,204	-\$3,550,213	-\$3,858,015	-\$4,158,799				
	\$10.80	-\$1,310,301	-\$1,662,542	-\$2,006,699	-\$2,342,984	-\$2,671,600				
Static Estimate: Weighted Average Commercial Rental Rate										
Project ROC Hurdle										
6.25% 6.50% 6.75% 7.00% 7.25%										
Comm. Avg.	\$7.20	-\$7,286,776	-\$7,786,406	-\$8,249,026	-\$8,678,602	-\$9,078,553				
	\$8.10	-\$5,466,616	-\$6,036,252	-\$6,563,693	-\$7,053,460	-\$7,509,449				
	\$9.00	-\$3,646,456	-\$4,286,098	-\$4,878,360	-\$5,428,317	-\$5,940,346				
	\$9.90	-\$1,826,296	-\$2,535,945	-\$3,193,026	-\$3,803,174	-\$4,371,242				
	\$10.80	-\$6,136	-\$785,791	-\$1,507,693	-\$2,178,031	-\$2,802,139				
Time Series Estimate: Construction Hard Cost										
Project Discount Rate										
8.50% 8.75% 9.00% 9.25% 9.50%										
Cost per sf	\$98	-\$1,418,472	-\$1,711,044	-\$1,996,903	-\$2,276,224	-\$2,549,176				
	\$110	-\$2,966,884	-\$3,259,456	-\$3,545,315	-\$3,824,635	-\$4,097,587				
	\$123	-\$4,515,295	-\$4,807,867	-\$5,093,726	-\$5,373,047	-\$5,645,999				
	\$135	-\$6,063,707	-\$6,356,279	-\$6,642,138	-\$6,921,458	-\$7,194,410				
	\$147	-\$7,612,118	-\$7,904,690	-\$8,190,549	-\$8,469,870	-\$8,742,822				
Static Estimate: Construction Hard Cost										
Project ROC Hurdle										
6.25% 6.50% 6.75% 7.00% 7.25%										
Cost per sf	\$98	-\$549,633	-\$1,189,275	-\$1,781,537	-\$2,331,494	-\$2,843,523				
	\$110	-\$2,098,045	-\$2,737,687	-\$3,329,948	-\$3,879,905	-\$4,391,934				
	\$123	-\$3,646,456	-\$4,286,098	-\$4,878,360	-\$5,428,317	-\$5,940,346				
	\$135	-\$5,194,868	-\$5,834,510	-\$6,426,771	-\$6,976,728	-\$7,488,757				
	\$147	-\$6,743,279	-\$7,382,921	-\$7,975,183	-\$8,525,140	-\$9,037,169				
Sales Tax Sharing Amount (Discounted @ 5.0%)										
% of Total Revenue										
5.00% 10.00% 15.00% 20.00% 25.00% 33.33% 50.00% 75.00% 100.00%										
Term (Years)	2020	\$44,511	\$89,022	\$133,533	\$178,044	\$222,555	\$296,741	\$445,111	\$667,666	\$890,222
	2021	\$92,783	\$185,566	\$278,349	\$371,132	\$463,916	\$618,554	\$927,831	\$1,391,747	\$1,855,662
	2022	\$140,136	\$280,271	\$420,407	\$560,543	\$700,678	\$934,238	\$1,401,357	\$2,102,035	\$2,802,714
	2023	\$186,586	\$373,173	\$559,759	\$746,345	\$932,931	\$1,243,909	\$1,865,863	\$2,798,794	\$3,731,726
	2024	\$232,152	\$464,304	\$696,456	\$928,609	\$1,160,761	\$1,547,681	\$2,321,521	\$3,482,282	\$4,643,043
	2025	\$313,988	\$616,440	\$928,609	\$1,242,597	\$1,560,761	\$1,629,517	\$2,403,357	\$3,564,118	\$4,724,879
	2026	\$357,835	\$715,670	\$1,038,866	\$1,357,876	\$1,676,886	\$1,921,827	\$2,841,823	\$4,221,816	\$5,601,809
	2027	\$400,846	\$719,586	\$1,038,866	\$1,357,876	\$1,676,886	\$2,208,569	\$3,271,936	\$4,866,986	\$6,462,036
	2028	\$443,038	\$804,240	\$1,165,442	\$1,526,644	\$1,887,847	\$2,489,850	\$3,693,857	\$5,499,868	\$7,305,878
	2029	\$484,427	\$887,017	\$1,289,608	\$1,692,198	\$2,094,789	\$2,765,773	\$4,107,741	\$6,120,694	\$8,133,647
	2030	\$525,027	\$968,217	\$1,411,408	\$1,854,599	\$2,297,789	\$3,036,440	\$4,513,742	\$6,729,695	\$8,945,649
	2031	\$564,853	\$1,047,871	\$1,530,888	\$2,013,906	\$2,496,923	\$3,301,952	\$4,912,010	\$7,327,097	\$9,742,184
	2032	\$603,922	\$1,126,007	\$1,648,093	\$2,170,178	\$2,692,264	\$3,562,406	\$5,302,691	\$7,913,119	\$10,523,546
	2033	\$642,246	\$1,202,655	\$1,763,065	\$2,323,474	\$2,883,884	\$3,817,899	\$5,685,931	\$8,487,979	\$11,290,026
	2034	\$679,840	\$1,277,843	\$1,875,847	\$2,473,850	\$3,071,854	\$4,068,526	\$6,061,871	\$9,051,889	\$12,041,906
	2035	\$716,717	\$1,351,599	\$1,986,480	\$2,621,362	\$3,256,243	\$4,314,379	\$6,430,651	\$9,605,058	\$12,779,465

[1] Revenues through end year.

[2] sales tax shareback is capped before end of 2025.

Source: Economic & Planning Systems

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Table 2
Development Program
TIF Request Review: Applewood Village

COMMERCIAL

Description	Gross SF	% of Total	Average Rent NNN	
Hobby Lobby	55,000	44%	\$9.00	CONFIDENTIAL (rate reflects a weighted average rental rate)
HomeGoods	22,000	17%	\$9.00	
Sierra Trading Post	21,000	17%	\$9.00	
Ulta	10,800	9%	\$9.00	
Storage	17,600	14%	\$9.00	
Total	126,400	100%	\$9.00	

Source: Regency Centers; Economic & Planning Systems

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Table 3
Eligible Cost Summary
TIF Request Review: Applewood Village

Description	Total	% of Total	% of Org. Amount	Total	% of Total
SUMMARY					
38th Avenue ROW Improvements	\$ 609,943	11.4%	100%	\$ 609,943	5.7%
Wet Utilities	\$ 624,952	11.7%	100%	\$ 624,952	5.8%
Environmental Remediation (asbestos abatement)	\$ 100,000	1.9%	100%	\$ 100,000	0.9%
General Site Improvements - To Meet City Dev. Standards	\$ 1,978,670	36.9%	100%	\$ 1,978,670	18.4%
Wal-Mart Building - Façade Upgrade	\$ 574,912	10.7%	50%	\$ 1,149,824	10.7%
Youngfield Streetscape & Signalized Intersection Improvements Budget	\$ 1,172,898	21.9%	100%	\$ 1,172,898	10.9%
Demolition of Blighted Buildings	\$ 295,000	5.5%	100%	\$ 295,000	2.7%
Total	\$ 5,356,375	100.0%		\$ 10,743,253	100.0%

Description	Unit	Quantity	Unit Price	Total	% of Total
DETAIL					
38th Avenue ROW Improvements				\$ 609,943	5.7%
West Driveway to Youngfield (corner parcel - not yet designed)				\$ 85,160	
Survey & Layout	LS	1.0	\$ 2,500	\$ 2,500	0.0%
Demolish attached sidewalk	SF	640.0	\$ 4	\$ 2,560	0.0%
Earthwork, erosion control	LS	1.0	\$ 2,500	\$ 2,500	0.0%
New detached 8' sidewalk	SF	1,280.0	\$ 10	\$ 12,800	0.1%
Landscaping & irrigation	SF	1,920.0	\$ 15	\$ 28,800	0.3%
Street lights (supply & install)	EA	4.0	\$ 4,000	\$ 16,000	0.1%
Pedestrian lights (supply & install)	EA	4.0	\$ 5,000	\$ 20,000	0.2%
Service Alley to west entry driveway (on Hobby Lobby plans)				\$ 442,929	
Survey & Layout	LS	1.0	\$ 12,805	\$ 12,805	0.1%
Demolition/Earthwork	LS	1.0	\$ 40,197	\$ 40,197	0.4%
Erosion Control	LS	1.0	\$ 9,785	\$ 9,785	0.1%
Earthwork	LS	1.0	\$ 40,197	\$ 40,197	0.4%
Asphalt Paving	LS	1.0	\$ 25,960	\$ 25,960	0.2%
ROW concrete - curb/gutter/sidewalk	LS	1.0	\$ 77,973	\$ 77,973	0.7%
Striping & Signage	LS	1.0	\$ 9,794	\$ 9,794	0.1%
Landscaping & Irrigation	LS	1.0	\$ 114,010	\$ 114,010	1.1%
Electrical distribution, meter & street lights installation	LS	1.0	\$ 73,396	\$ 73,396	0.7%
Street & Pedestrian lights - material only	LS	1.0	\$ 38,812	\$ 38,812	0.4%
Engineering	% of costs	\$528,089	10.0%	\$ 52,809	0.5%
Project Management	% of costs	\$580,898	5.0%	\$ 29,045	0.3%
Wet Utilities				\$ 624,952	5.8%
Water-Consolidated Mutual Water Main Extension to meet fire marshal requirements	LS	1.0	\$ 130,000	\$ 130,000	1.2%
Water-Consolidated Mutual Fire Hydrants	EA	2.0	\$ 8,300	\$ 16,600	0.2%
Stormwater-Collection piping, inlets & water quality structures to comply with city requirements	LS	1.0	\$ 312,225	\$ 312,225	2.9%
Sanitary Sewer-Sewer main extension to comply with tenant leases for direct connection to main	LS	1.0	\$ 93,025	\$ 93,025	0.9%
Engineering (water main)	LS	1.0	\$ 15,000	\$ 15,000	0.1%
Project Management	% of costs	\$566,850	5.0%	\$ 28,343	0.3%
Contingency (water main only)	% of costs	\$595,193	5.0%	\$ 29,760	0.3%
Environmental Remediation (asbestos abatement)				\$ 100,000	0.9%
Asbestos Abatement	LS	1.0	\$ 100,000	\$ 100,000	0.9%
General Site Improvements - To Meet City Dev. Standards				\$ 1,978,670	18.4%
Survey & Layout	LS	1.0	\$ 35,469	\$ 35,469	0.3%
Structural steel/rebar	LS	1.0	\$ 103,527	\$ 103,527	1.0%
Electrical distribution, site lighting installation	LS	1.0	\$ 51,291	\$ 51,291	0.5%
Site demolition and regrading/earthwork	LS	1.0	\$ 242,884	\$ 242,884	2.3%
Erosion Control	LS	1.0	\$ 10,115	\$ 10,115	0.1%
New asphalt paving	LS	1.0	\$ 666,581	\$ 666,581	6.2%
Curb for landscape islands, pedestrian walkways, bldg plazas	LS	1.0	\$ 288,525	\$ 288,525	2.7%
Striping & Signage	LS	1.0	\$ 53,426	\$ 53,426	0.5%
New fence on east property line with residential	LS	1.0	\$ 104,663	\$ 104,663	1.0%
Site furnishings - benches, trash cans for public plazas	LS	1.0	\$ 19,270	\$ 19,270	0.2%
Parking lot landscaping & irrigation	LS	1.0	\$ 116,909	\$ 116,909	1.1%
Misc wet utilities	LS	1.0	\$ 35,816	\$ 35,816	0.3%
Site lighting - material only supplied by On-Site Lighting	LS	1.0	\$ 66,236	\$ 66,236	0.6%
Engineering	% of costs	\$1,794,712	5.0%	\$ 89,736	0.8%
Project Management	% of costs	\$1,884,448	5.0%	\$ 94,222	0.9%
Wal-Mart Building Improvements				\$ 2,103,255	19.6%
Roof bar joists repair and lateral brace frames - plug	LS	1.0	\$ 400,000	\$ 400,000	3.7%
R-30 roof insulation and new roofing	LS	1.0	\$ 1,148,252	\$ 1,148,252	10.7%
New fire protection system for multi-tenant building	LS	1.0	\$ 280,666	\$ 280,666	2.6%
Architecture & Engineering	% of costs	\$1,828,918	10.0%	\$ 182,892	1.7%
Project Management	% of costs	\$1,828,918	5.0%	\$ 91,446	0.9%
Wal-Mart Building - Multi-Tenant Reconfiguration				\$ 2,519,910	23.5%
Multi-tenant electrical system	LS	1.0	\$ 389,324	\$ 389,324	3.6%
Multi-tenant demising walls - Hobby Lobby, HomeGoods	LS	1.0	\$ 398,805	\$ 398,805	3.7%
Sierra Trading entry, demised shell, electrical service	LS	1.0	\$ 738,944	\$ 738,944	6.9%
Ulta entry, demised shell, electrical service	LS	1.0	\$ 664,153	\$ 664,153	6.2%
Architecture & Engineering	% of costs	\$2,191,227	10.0%	\$ 219,123	2.0%
Project Management	% of costs	\$2,191,227	5.0%	\$ 109,561	1.0%

Description	Unit	Quantity	Unit Price	Total	% of Total
Wal-Mart Building - Façade Upgrade				\$ 1,149,824	10.7%
Masonry - new brick and stone	LS	1.0	\$ 525,437	\$ 525,437	4.9%
New stucco	LS	1.0	\$ 355,063	\$ 355,063	3.3%
Architectural wood features - Hobby Lobby & HomeGoods	LS	1.0	\$ 115,018	\$ 115,018	1.1%
Architectural entry features - Sierra Trading & Ulta	<i>accounted for in multi-tenant reconfig costs</i>				
Architecture & Engineering	% of costs	\$995,518	10.0%	\$ 99,552	0.9%
Project Management	% of costs	\$1,095,070	5.0%	\$ 54,754	0.5%
Youngfield Streetscape & Signalized Intersection Improvements Budget				\$ 1,172,898	10.9%
Road Section: 3500 Youngfield north to 38th Ave				\$ 120,080	1.1%
Demolish attached sidewalk	SF	820	\$ 4	\$ 3,280	0.0%
Demolish exist cross pan, curb returns	LS	1	\$ -	\$ -	0.0%
Survey & Layout	LS	1	\$ 2,500	\$ 2,500	0.0%
Earthwork, erosion control	LS	1	\$ 10,000	\$ 10,000	0.1%
New concrete cross pan & curb returns	LS	1	\$ 15,000	\$ 15,000	0.1%
New detached 8' sidewalk	SF	1,640	\$ 10	\$ 16,400	0.2%
Landscaping & irrigation	SF	2,460	\$ 15	\$ 36,900	0.3%
Street lights	EA	4	\$ 4,000	\$ 16,000	0.1%
Pedestrian lights	EA	4	\$ 5,000	\$ 20,000	0.2%
Wells Fargo Bank Frontage				\$ 120,260	1.1%
Demolish attached sidewalk	SF	1,040	\$ 4	\$ 4,160	0.0%
Survey & Layout	LS	1	\$ 2,500	\$ 2,500	0.0%
Earthwork, erosion control	LS	1	\$ 10,000	\$ 10,000	0.1%
New detached 8' sidewalk	SF	2,080	\$ 10	\$ 20,800	0.2%
Landscaping & irrigation	SF	3,120	\$ 15	\$ 46,800	0.4%
Street lights	EA	4	\$ 4,000	\$ 16,000	0.1%
Pedestrian lights	EA	4	\$ 5,000	\$ 20,000	0.2%
Youngfield Traffic Signal Realignment				\$ 524,000	4.9%
WE O'Neil estimate	LS	1.0	\$ 205,000	\$ 205,000	1.9%
Remove & replace monument sign - YESCO quote	LS	1.0	\$ 319,000	\$ 319,000	3.0%
3348 Youngfield (Smashburger) north to Traffic Signal				\$ 68,700	0.6%
Demolish attached sidewalk	SF	800.0	\$ 4	\$ 3,200	0.0%
Survey & Layout	LS	1.0	\$ 2,500	\$ 2,500	0.0%
Earthwork, erosion control	LS	1.0	\$ 10,000	\$ 10,000	0.1%
New detached 4' sidewalk	SF	800.0	\$ 10	\$ 8,000	0.1%
Landscaping & irrigation	SF	1,200.0	\$ 15	\$ 18,000	0.2%
Street lights	EA	3.0	\$ 4,000	\$ 12,000	0.1%
Pedestrian lights	EA	3.0	\$ 5,000	\$ 15,000	0.1%
Chili's to Access Drive south of 3348 Youngfield (Smashburger)				\$ 50,000	0.5%
Add median in Youngfield near Chili's	LS	1.0	\$ 50,000	\$ 50,000	0.5%
Engineering	% of costs	\$883,040	15.0%	\$ 132,456	1.2%
Project Management	% of costs	\$1,015,496	5.0%	\$ 50,775	0.5%
Contingency	% of costs	\$1,066,271	10.0%	\$ 106,627	1.0%
Demolition of Blighted Buildings				\$ 295,000	2.7%
3250 Youngfield (Old Chicago)/12625 W. 32nd Ave (gun shop)	UNIT	1.0	\$ 75,000	\$ 75,000	0.7%
12601 W. 32nd Ave	UNIT	1.0	\$ 145,000	\$ 145,000	1.3%
3490 Youngfield (Holly West) - Proposed	UNIT	1.0	\$ 75,000	\$ 75,000	0.7%
Hacienda Project - Required City ROW Improvements in Excess of TIF Estimate				\$ 130,000	0.0%
City street lights in excess of Hacienda TIF estimate	EA	3.0	\$ 5,000	\$ 15,000	0.0%
City pedestrian lights	EA	6.0	\$ 5,000	\$ 30,000	0.0%
Relocate entry drive between Chili's and Hacienda	LS	1.0	\$ 50,000	\$ 50,000	0.0%
Rebuild entry drive south of 3348 Youngfield	LS	1.0	\$ 35,000	\$ 35,000	0.0%
Mattress Firm property (not owned by US Retail Partners)				\$ 58,800	0.5%
Demolish attached sidewalk	SF	800.0	\$ 4	\$ 3,200	0.0%
New detached 6' sidewalk	SF	1,200.0	\$ 10	\$ 12,000	0.1%
Landscaping	SF	1,200.0	\$ 8	\$ 9,600	0.1%
Street lights	EA	4.0	\$ 5,000	\$ 20,000	0.2%
Pedestrian lights	EA	4	\$ 3,500	\$ 14,000	0.1%
TOTAL ELIGIBLE COSTS				\$ 10,743,252	100.0%

Source: Regency Centers; Economic & Planning Systems

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Table 4
Development Costs
TIF Request Review: Applewood Village

Description	Total	per GBA 126,400	% of Total	% of HC
LAND COSTS				
Land	\$ -	\$ -	0.0%	N/A
Land Costs	\$ -	\$ -	0.0%	N/A
TOTAL LAND COST	\$ -	\$ -	0.0%	N/A
Hard Costs				
General Hard Costs	\$ 15,484,115	\$ 123	76.4%	100.0%
Sitework and Offsite Work	\$ 2,874,139	\$ 23	14.2%	18.6%
Shell Building	\$ 9,170,351	\$ 73	45.2%	59.2%
Tenant Finish	\$ 3,089,625	\$ 24	15.2%	20.0%
Pad Site Improvement	\$ 350,000	N/A	N/A	N/A
TOTAL HARD CONSTRUCTION COSTS	\$ 15,484,115	\$ 123	76.4%	
Soft Costs				
General Soft Costs	\$ 4,793,040	\$ 38	23.6%	31.0%
Soft Cost	\$ 694,712	\$ 5	3.4%	4.5%
Permits, Fees, Taxes and Misc.	\$ 329,288	\$ 3	1.6%	2.1%
Construction Management Fee	\$ 750,000	\$ 6	3.7%	4.8%
Leasing Commissions	\$ 525,000	\$ 4	2.6%	3.4%
Interest Carry	\$ 1,187,162	\$ 9	5.9%	7.7%
Contingency	\$ 1,306,878	\$ 10	6.4%	8.4%
TOTAL SOFT COSTS	\$ 4,793,040	\$ 38	23.6%	31.0%
TOTAL PROJECT COST	\$ 20,277,155	\$ 160	100.0%	N/A

Source: Regency Centers; Economic & Planning Systems

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Table 5
Operating Revenues and Expenditures
TIF Request Review: Applewood Village

Building Area		Area	% of Total	
Net Rentable Area		126,400 sf	100.0%	
Common Area		N/A sf	0.0%	
Total Building Area		126,400 sf	100.0%	

Type	Quantity	Rentable SF	Lease Rate		Total Revenue	% of Total
			per year		Annual	
REVENUE						
Rental Income					\$ 1,137,600	44.9% of PGI
Hobby Lobby	1.00 unit	55,000 sf	\$ 9.00	per sf per year	\$ 495,000	19.5% of PGI
HomeGoods	1.00 unit	22,000 sf	\$ 9.00	per sf per year	\$ 198,000	7.8% of PGI
Sierra Trading Post	1.00 unit	21,000 sf	\$ 9.00	per sf per year	\$ 189,000	7.5% of PGI
Ulta	1.00 unit	10,800 sf	\$ 9.00	per sf per year	\$ 97,200	3.8% of PGI
Storage	1.00 unit	17,600 sf	\$ 9.00	per sf per year	\$ 158,400	6.2% of PGI
Total		126,400	\$ 9.00		\$ 1,137,600	
Other Income					\$ 1,306,976	51.6% of PGI
Common Area Expenses	126,400 sf		\$ 5.69	per sf per year	\$ 719,216	28.4% of PGI
Real Estate Taxes	126,400 sf		\$ 4.17	per sf per year	\$ 527,088	20.8% of PGI
Insurance	126,400 sf		\$ 0.48	per sf per year	\$ 60,672	2.4% of PGI
Land Lease Income					\$ 90,000	3.6% of PGI
Restaurant Pad Site Land Lease Revenue	43,560 sf	pad area	\$ 2.07	per sf per year	\$ 90,000	3.6% of PGI
POTENTIAL GROSS INCOME (PGI)					\$ 2,534,576	100.0% of PGI
Less: Vacancy (excludes land lease revenue)					\$ (171,120.32)	-6.8% of PGI
EFFECTIVE GROSS INCOME (EGI)					\$ 2,363,456	93.2% of PGI
EXPENDITURES						
Operating Expenses					\$ (1,324,037)	56.0% of EGI
Common Area Expenses	126,400 sf	\$ 5.69 per sf per year	100%	% of total	\$ (719,216)	30.4% of EGI
Real Estate Taxes	126,400 sf	\$ 4.17 per sf per year	100%	% of total	\$ (527,088)	22.3% of EGI
Insurance	126,400 sf	\$ 0.48 per sf per year	100%	% of total	\$ (60,672)	2.6% of EGI
3% Unreimbursed Administrative Cost	55,000 sf	3.00% % of NNN - HL	100%	% of total	\$ (17,061)	0.7% of EGI
TOTAL OPERATING EXPENSES					\$ (1,324,037)	56.0% of EGI
NET OPERATING INCOME (NOI)					\$ 1,039,419	44.0% of EGI
PROJECT COST					\$ 20,277,155	
RETURN ON COST (ROC)					5.13%	
HURDLE RATE					6.75%	
GAP: COST					\$4,878,360	
GAP: NOI					\$329,289	
PROJECT VALUE						
ESTIMATED PROJECT VALUE					\$ 17,323,645	
PER NSF					\$ 137.05	
PER GSF					\$ 137.05	

Source: Regency Centers; Economic & Planning Systems

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Table 6
Development Revenues and Expenditures
TIF Request Review: Applewood Village

KEY ASSUMPTIONS

Project Timing	100%	Project Disposition	
Year 0 Cost % of Total	100%	Commercial	Year 10
Year 1 Cost % of Total	0%		
Year 2 Cost % of Total	0%		
Building Open Year	Year 1		
Land Lease Start	Year 2		
Lease Rate / Vacancy	% Leased	Vacancy	
Year 1	15.0%	0.0%	
Year 2	100.0%	7.0%	
Year 3	100.0%	7.0%	
Stabilization: Year 3	100.0%	7.0%	

Description	Factor	Escalation	Total	2019 Year 0	2020 Year 1	2021 Year 2	2022 Year 3	2023 Year 4	2024 Year 5	2025 Year 6	2026 Year 7	2027 Year 8	2028 Year 9	2029 Year 10	2030 Year 11	2031 Year 12	2032 Year 13	2033 Year 14	2034 Year 15
DEVELOPMENT COSTS																			
Construction Cost			-\$20,277,155	-\$20,277,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hard Costs	\$15,484,115	0.0%	-\$15,484,115	-\$15,484,115	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Soft Costs	\$4,793,040	0.0%	-\$4,793,040	-\$4,793,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Commercial Costs			-\$20,277,155	-\$20,277,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING INCOME																			
Effective Gross Income			\$58,764,186	\$0	\$370,607	\$2,412,561	\$2,439,653	\$2,467,287	\$2,495,473	\$2,657,699	\$2,687,024	\$2,716,936	\$2,747,446	\$2,778,566	\$2,934,315	\$2,966,692	\$2,999,717	\$3,033,402	\$3,067,761
Rental Income (esc. every 5 yrs.)	\$1,137,600	2.0%	\$27,569,051	\$0	\$170,640	\$1,137,600	\$1,137,600	\$1,137,600	\$1,137,600	\$1,137,600	\$1,281,122	\$1,281,122	\$1,281,122	\$1,281,122	\$1,281,122	\$1,414,463	\$1,414,463	\$1,414,463	\$1,414,463
Other Income	\$1,306,976	2.0%	\$33,238,992	\$0	\$199,967	\$1,359,778	\$1,386,973	\$1,414,713	\$1,443,007	\$1,471,867	\$1,501,305	\$1,531,331	\$1,561,957	\$1,593,196	\$1,625,060	\$1,657,562	\$1,690,713	\$1,724,527	\$1,759,018
Vacancy Loss			-\$4,230,621	\$0	\$0	-\$174,816	-\$176,720	-\$178,662	-\$180,642	-\$192,709	-\$194,770	-\$196,872	-\$199,016	-\$201,202	-\$212,767	-\$215,042	-\$217,362	-\$219,729	-\$222,144
Land Lease Income	\$90,000	2.0%	\$2,186,763	\$0	\$0	\$90,000	\$91,800	\$93,636	\$95,509	\$97,419	\$99,367	\$101,355	\$103,382	\$105,449	\$107,558	\$109,709	\$111,904	\$114,142	\$116,425
Operating Expenses			\$0	-\$202,578	-\$1,377,528	-\$1,306,723	-\$1,433,180	-\$1,461,844	-\$1,491,081	-\$1,520,902	-\$1,551,320	-\$1,582,347	-\$1,613,994	-\$1,646,274	-\$1,679,199	-\$1,712,783	-\$1,747,039	-\$1,781,979	-\$1,817,979
Operating Expenses	-\$1,324,037	2.0%	-\$33,574,532	\$0	-\$202,578	-\$1,377,528	-\$1,306,723	-\$1,433,180	-\$1,461,844	-\$1,491,081	-\$1,520,902	-\$1,551,320	-\$1,582,347	-\$1,613,994	-\$1,646,274	-\$1,679,199	-\$1,712,783	-\$1,747,039	-\$1,781,979
Net Operating Income			\$25,189,654	\$0	\$168,030	\$1,035,033	\$1,132,930	\$1,034,107	\$1,033,629	\$1,166,619	\$1,166,122	\$1,165,616	\$1,165,099	\$1,164,572	\$1,288,041	\$1,287,493	\$1,286,934	\$1,286,363	\$1,285,782
DISPOSITION REVENUE																			
Gross Revenue			\$21,467,352	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,467,352	\$0	\$0	\$0	\$0	\$0
Commercial Space [1]	6.0% cap rate		\$21,467,352	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,467,352	\$0	\$0	\$0	\$0	\$0
Cost of Sale			-\$322,010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$322,010	\$0	\$0	\$0	\$0	\$0
Commercial Space	1.5%		-\$322,010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$322,010	\$0	\$0	\$0	\$0	\$0
Project Net Sale Revenue			\$21,145,342	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,145,342	\$0	\$0	\$0	\$0	\$0
PROJECT CASH FLOWS																			
Net Project Cash Flows			\$11,099,943	-\$20,277,155	\$168,030	\$1,035,033	\$1,132,930	\$1,034,107	\$1,033,629	\$1,166,619	\$1,166,122	\$1,165,616	\$1,165,099	\$22,309,914	\$0	\$0	\$0	\$0	\$0
Construction Costs			-\$20,277,155	-\$20,277,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Net Operating Income			\$10,231,757	\$0	\$168,030	\$1,035,033	\$1,132,930	\$1,034,107	\$1,033,629	\$1,166,619	\$1,166,122	\$1,165,616	\$1,165,099	\$1,164,572	\$0	\$0	\$0	\$0	\$0
Project Disposition Income			\$21,145,342	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,145,342	\$0	\$0	\$0	\$0	\$0
Net Present Value	9.00%		-\$5,093,726	-\$20,277,155	\$154,156	\$871,167	\$874,830	\$732,587	\$671,788	\$695,617	\$637,909	\$584,983	\$536,444	\$9,423,949	\$0	\$0	\$0	\$0	\$0
Internal Rate of Return			5.24%																

[1] Estimated based on following year's NOI

Source: Regency Centers, Economic & Planning Systems

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Source: Regency Centers; Economic & Planning Systems

Table 8
Mill Levy (2018 payable in 2019)
TIF Request Review: Applewood Village

Description	Mill Levy
COUNTY	23.7390
I-70 KIPLING CORRIDORS 2 UR 20	0.0000
REGIONAL TRANSPORTATION DIST	0.0000
SCHOOL	49.4160
URBAN DRAINAGE&FLOOD C SO PLAT	0.0940
URBAN DRAINAGE&FLOOD CONT DIST	0.7260
WEST METRO FIRE PROTECTION - G	12.9050
WESTRIDGE SAN DIST	8.0680
WHEAT RIDGE	1.8300
Total Mill Levy	96.7780
Effective W Metro Fire Mill Levy	50% of total 6.4525
Total Mill Levy w/ Shareback to W Metro Fire	90.3255

Source: Jefferson County Assessor; Economic & Planning Systems
\\EgnyteDrive\epsys\Shared\Projects\DEN\183060- Wheat Ridge Applewood TIF\Models\[183060-MODEL-/-

REQUEST FOR TAX INCREMENT FINANCING

Applewood Village
Redevelopment



Economic & Planning Systems, Inc.
The Economics of Land Use

ATTACHMENT 4

730 17th Street, Suite 630 ■ Denver, CO 80202
303.623.3557 ■ www.epsys.com

OVERVIEW

APPLEWOOD VILLAGE TIF REQUEST

PURPOSE

- Regency Centers has submitted a request for property tax and sales tax increment to help fund a portion of the redevelopment of Applewood Village.
- The URA approved the request for property tax increment on March 19th, 2019.
- The purpose of this presentation is to provide the Wheat Ridge City Council with an overview of the project and a summary of the request for TIF.

PRESENTATION OVERVIEW

- Project Description
- I-70/Kipling Urban Renewal Plan Overview
- Eligible Cost Summary
- “But for” Analysis
- TIF Revenue Sharing Proposal

EPS

REAL ESTATE ECONOMICS

PUBLIC FINANCE

LAND USE & TRANSPORTATION

ECONOMIC DEVELOPMENT & REVITALIZATION

FISCAL & ECONOMIC IMPACT ANALYSIS

HOUSING POLICY

PUBLIC PRIVATE PARTNERSHIPS (P3)

PARKS & OPEN SPACE ECONOMICS



PROJECT DESCRIPTION

APPLEWOOD VILLAGE REDEVELOPMENT

Location

- 38th Avenue and Youngfield Street
- Northern section of Applewood Village

Redevelopment Program

- Redevelopment of the vacant Walmart
- Program is anticipated to include roughly 126,000 sf of retail space
- Current tenant line-up includes Hobby Lobby, HomeGoods, Sierra Trading Post, and Ulta

Project Value

- Total redevelopment costs are estimated at \$20.3 million



URBAN RENEWAL PLAN

I-70/KIPLING URBAN RENEWAL AREA

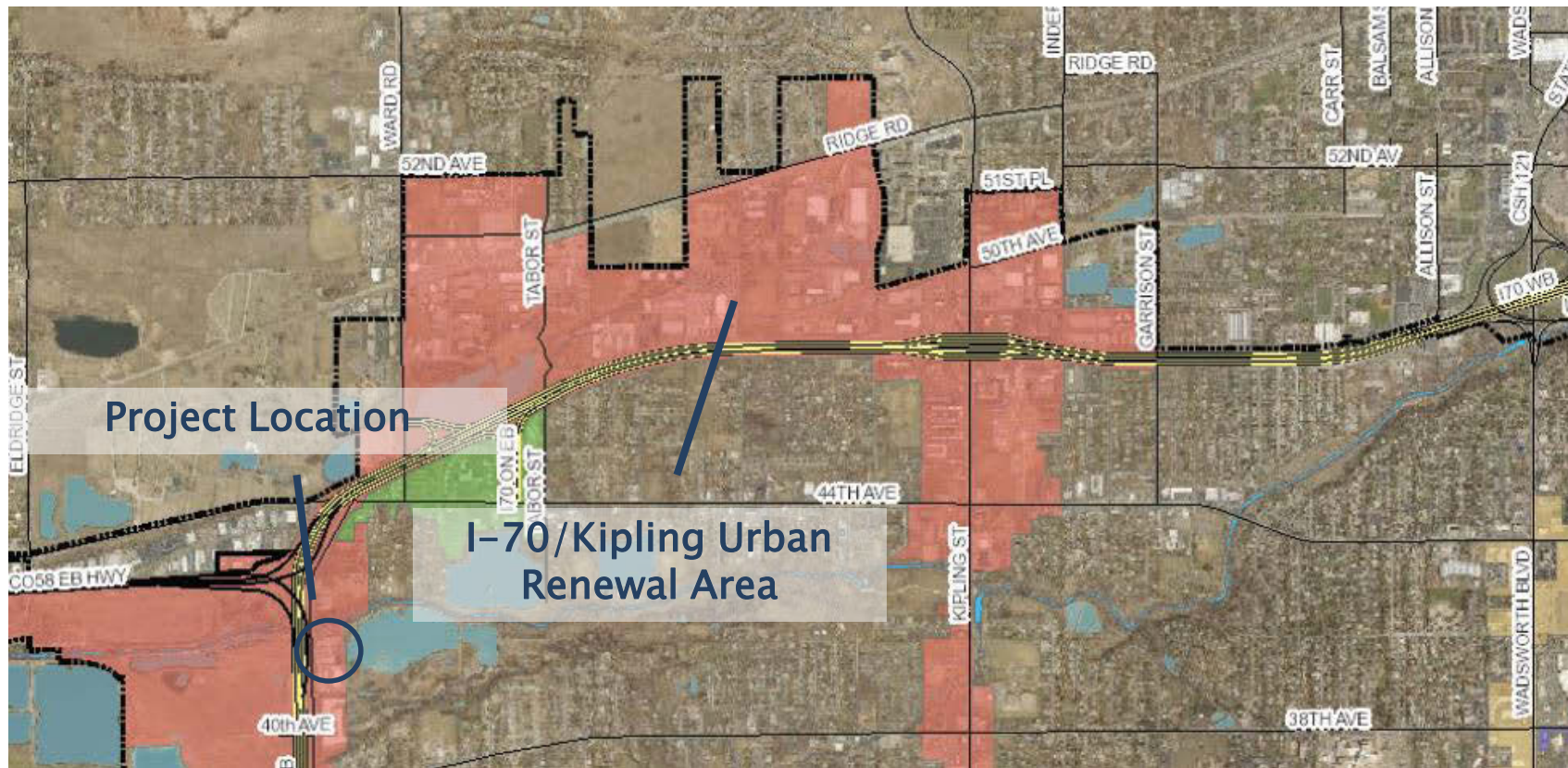
PURPOSE

- To reduce, eliminate and prevent the spread of blight within the Area and to stimulate growth and investment within the Area boundaries.

FINANCING MECHANISMS

- Approved to utilize sales tax and property tax increment for projects located in the plan area.
- It is at the discretion of the Authority to determine the appropriate projects, funding periods, and revenue sharing amounts.
- The City must agree to any proposed sales tax sharing agreements between the URA and a developer
- Approved December, 2015
- 25 Year TIF Clock (exp. 2040)

I-70/KIPLING PLAN AREA AND PROJECT AREA



PROJECT EVALUATION CRITERIA

APPLEWOOD VILLAGE REDEVELOPMENT

Three primary criteria for evaluating project requests for TIF:

1. Eligible Costs
2. Developer Returns (“But-for” analysis)
3. Project Revenue Generation Potential

#1 – ELIGIBLE COSTS

APPLEWOOD REDEVELOPMENT

Description	Total	% of Total
General Site Improvements	\$1,978,670	33.40%
Youngfield Streetscape & Signalized Intersection Improvements Budget	\$1,172,898	19.80%
Wal-Mart Building - Façade Upgrade (50% of total cost)	\$574,912	19.40%
Wet Utilities	\$624,952	10.50%
38th Avenue ROW Improvements	\$609,943	10.30%
Demolition of Blighted Buildings	\$295,000	5.00%
Environmental Remediation (asbestos abatement)	\$100,000	1.70%
TOTAL PUBLIC IMPROVEMENTS	\$5,356,375	100.0%

#2 – DEVELOPER RETURNS (“BUT FOR” ANALYSIS)

APPLEWOOD VILLAGE

PURPOSE: To use market-based metrics of return to evaluate the need for public financing and identify the extent of gap closure funding needed to make the project feasible.

METHODOLOGY

1. Summarize total project costs and annual net operating income (NOI)
2. Determine appropriate performance metric
 - For the purposes of this analysis we are using return on cost (Annual NOI / Total Cost)
 - Typical developer target = 6.0% to 8.0%
 - **This project = 6.75%**
3. Estimate amount of public subsidy necessary for developer to realize an appropriate rate of return

DEVELOPER RETURN

WITH AND WITHOUT PUBLIC INVESTMENT

PROJECT COST

- Includes site work, infrastructure, architecture & engineering, vertical construction, and others.

ANNUAL REVENUE

- Assumes a weighted average rental rate of \$9.00/sf (NNN) and a stabilized vacancy rate of 7.0%
- Rental rates reflects current LOIs that the developer has received from potential tenants

DEVELOPER RETURN GAP ESTIMATE
= \$4.88 million

Gap
Closure
Target

ELIGIBLE COST ESTIMATE

= \$5.36 million (not a limiting factor)

Description	Without Public Investment	With Public Investment
Return on Cost Target	6.75%	6.75%
Project Cost		
Total Project Cost	-\$20,277,155	-\$20,277,155
URA/City Investment	<u>\$0</u>	<u>\$4,878,360</u>
Net Cost	-\$15,398,795	-\$15,398,795
Net Operating Income	\$1,039,419	\$1,039,419
Calculated Return on Cost Project Gap	5.13% -\$4,878,360	6.75% \$0

Source: Economic & Planning Systems

PUBLIC REVENUE SOURCES

POTENTIAL FUNDING SOURCES

Property Tax Increment

- The URA has approved the use of property tax increment to fund eligible public improvements.
- The URA board has agreed to provide the Project with 100% of property tax increment through 2040. The present value of the future property tax increment revenues are estimated at **\$3.25 million**. There is a remaining gap of **\$1.63 million**.

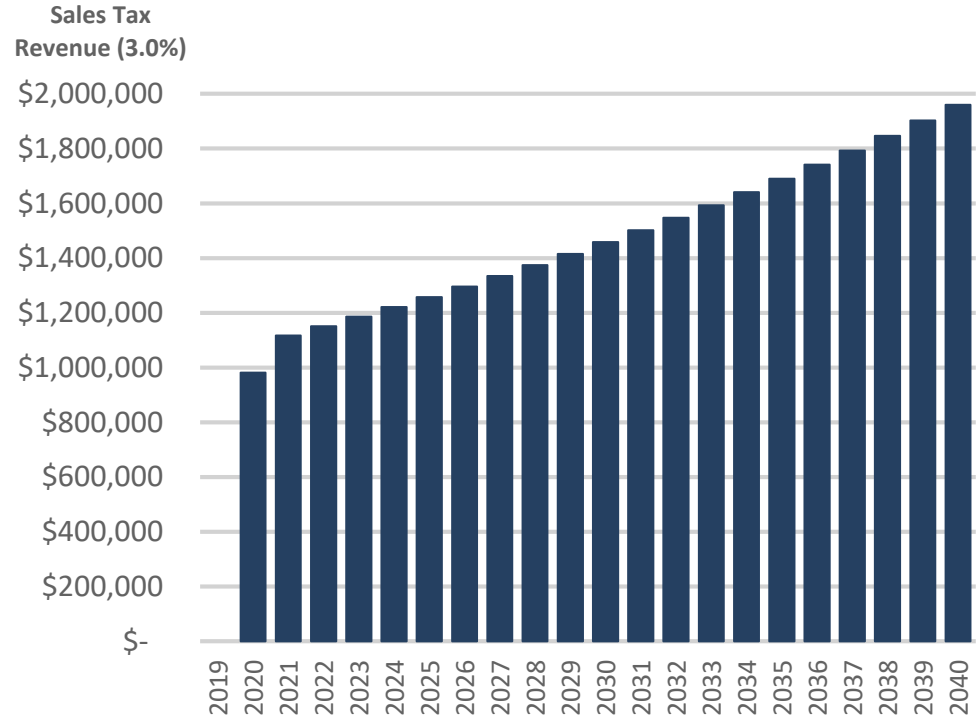
Sales Tax Revenue

- **The Wheat Ridge City Council** can approve the use of sales tax generated by the new development to fund eligible improvements and close the remaining gap.
- Potential sales tax sharing strategy:
 - 1.0% through 2025 (total City tax rate is 3.5%)

PUBLIC REVENUE SOURCES

TOTAL SALES TAX REVENUE

- Average Annual Sales Tax Revenue = \$1.35 million (based on 3.0% tax rate)
- Total Revenue through 2040 = \$31.0 million
- This analysis is solely focused on the additional sales tax revenue generated by the redeveloped portion of the site
- While it is outside the scope of this analysis, the redevelopment of this portion of the center is likely to have a positive impact on sales in other areas of the center
- If sales increase by 5% elsewhere in the center, annual sales tax revenues could increase by roughly \$160,000 per year or a total of \$3.7 million through 2040.



PUBLIC REVENUE SOURCES

NOMINAL VS REAL VALUE OF FUTURE PUBLIC REVENUES

- This analysis accounts for the nominal and real value of future public revenues.
- The real value or present value of future revenues is used when determining the total amount of public revenues required to close a project gap.
- Future public revenues are discounted at a 5.0% rate to account for a number of factors that include the following:
 - 5.0% is a rough estimate for the cost of public debt (i.e. the interest rate the City or the URA would have to pay in order to secure financing)
 - Recognizes the fact that the developer will need to fund improvements upfront and finance these costs through a loan that is typically at an interest rate higher than 5.0%
 - Accounts for a certain degree of risk associated with future public revenues (i.e. leasing challenges, economic downturn, etc.)

PUBLIC REVENUE SOURCES

SALES TAX SHARING

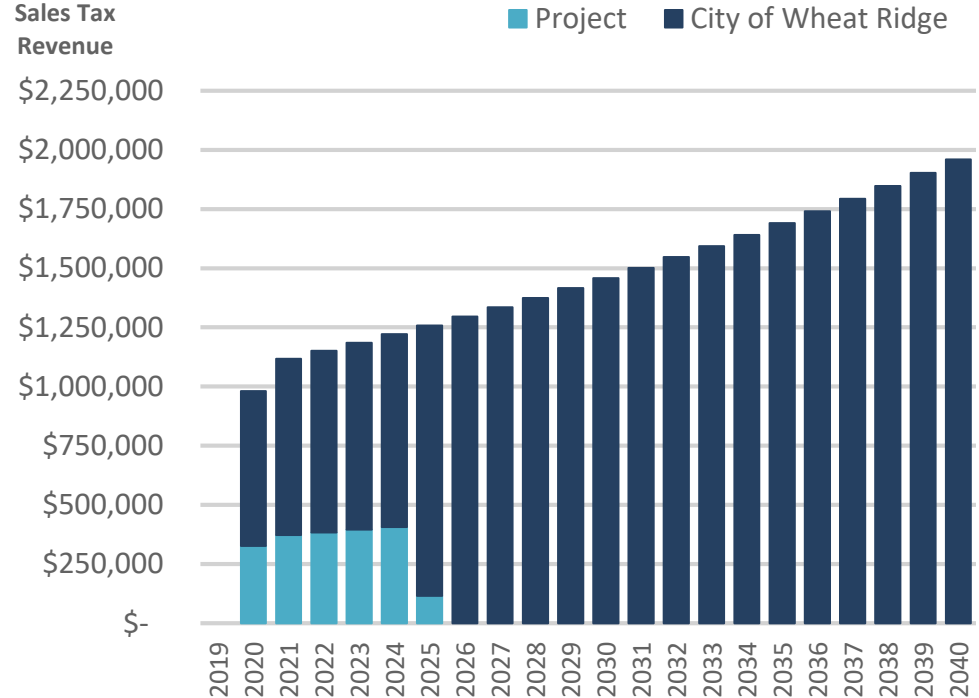
Project

- Average Annual Shareback: \$333,479
- Total Shareback: \$2.0 million
- Present Value (@ 5.0%): \$1.63 million

City of Wheat Ridge

- Average Annual Revenue: \$1.4 million
- Total Revenue: \$29.0 million
- Present Value (@ 5.0%): \$15.4 million
- Percent of Total Revenue: 94%

Sales Tax
Revenue



PUBLIC REVENUE SOURCES

SUMMARY OF SALES TAX SHARING STRATEGY

	Nominal Value	Present Value
Total Gap	N/A	\$4.88M
Public Revenues		
Property Tax Increment	\$6.14M	\$3.25M
Sales Tax Increment	<u>\$2.00M</u>	<u>\$1.63M</u>
Total Revenue	\$8.14M	\$4.88M

Memorandum

TO: City Council and Mayor

THROUGH: Kenneth Johnstone, Community Development Director
Patrick Goff, City Manager

FROM: Zareen Tasneem, Planner I

DATE: April 5, 2019 (for the April 15th Study Session)

SUBJECT: Animal Daycare and Outdoor Runs

ISSUE:

The City's Zoning and Development Code (Chapter 26 of the Municipal Code) recognizes several animal related uses, including:

- Animal veterinary hospitals and clinics, with and without outdoor runs;
- Kennels and catteries; and
- Animal daycares with no outdoor runs.

An "animal daycare" is defined in the City's more recently adopted mixed use zoning codes, but is not listed in the non-mixed use code sections. Historically, City staff has made the administrative determination that the use (animal daycare) is most similar to kennels and to animal veterinary hospitals or clinics, which are defined and are permitted in certain zone districts. As such, animal daycares are regulated in the same manner.

If an animal daycare proposal seeks to have an outdoor activity area/outdoor run, they would be required to be located in the Agricultural-One (A-1), Agricultural-Two (A-2), or Industrial-Employment (I-E) zone district. A more detailed analysis of existing code is provided in the "Background" section of this staff memo.

The issue of land use regulations pertaining to animal daycares, specifically dog daycares with outdoor runs, has risen to prominence in the past year. In July of 2018, a business license was submitted for a dog training facility, with accessory uses of daycare and boarding related to the training facility, to operate out of 4575 Wadsworth Boulevard. The property is zoned Commercial-One (C-1), therefore, the license was approved with the condition that there be no outdoor runs. The business owners have expressed a desire to utilize an outdoor run associated with their training/daycare/boarding operation.

More recently, the City has received inquiries from a business owner about opening a dog daycare with an outdoor run in another C-1 zoned property located at 5883 W. 38th Avenue. Similarly, they have expressed interest in having some outdoor activity areas.

This topic was previously discussed at City Council Study Session on December 17, 2018, during which staff received direction from Councilmembers to provide a more in-depth study on animal daycare facilities, and specifically the merits of permitting them through a Special Use Permit in the C-1 zone district.

BACKGROUND:

Current City Regulations

As noted above, the Zoning and Development Code recognizes three animal-related uses, which are defined as follows:

- *Animal daycare facility.* A facility licensed by the State of Colorado where animals may be groomed, trained, exercised, and socialized, but not kept or boarded overnight, bred, sold, or let for hire. (Defined only in the mixed use code in Section 26-1119)
- *Kennel.* Any building, structure or open space devoted in its entirety, or in part, to the raising, boarding or harboring of four (4) or more adult dogs and/or five (5) or more cats. (Defined in Section 26-123)
- *Veterinary hospital.* A place where animals or pets of all types are given medical or surgical treatment. Use as a kennel shall be limited to short-time boarding and shall only be incidental to such hospital use and need not be enclosed within the main building. (Defined in Section 26-123)
- *Veterinary hospital (small animal, enclosed).* A place where small animals or pets (dogs, cats, birds and the like) are given medical or surgical treatment. Use as a kennel shall be limited to short-time boarding and shall only be incidental to such hospital use. All uses shall be enclosed within a soundproof building which emits no objectionable odor. (Defined in Section 26-123)

The tables below are excerpts from the Code's use charts (P = permitted, S = special use, and a blank denotes that it is not permitted).

Table of Uses – Commercial

Uses	Notes	NC	RC	C-1	C-2	I-E
Animal veterinary hospitals and clinics	With outside runs; no cremation				P	P
Animal veterinary hospitals and clinics	Where there are no outside pens or runs for dogs; no cremation	S	P	P	P	P
Kennels						S

Table of Uses – Agricultural

<i>Uses</i>	<i>Notes</i>	<i>A-1</i>	<i>A-2</i>
Dog kennels, catteries, veterinary hospitals	Provided that outside runs which are adjacent to residentially zoned or used property are no closer than 25 feet to a side or rear lot line	S	S

Table of Uses – Mixed Use

<i>Uses</i>	<i>MU-N</i>	<i>MU-C</i>	<i>MU-C TOD</i>	<i>MU-C Int</i>
Animal daycare, indoor with no outdoor runs or pens	P	P	P	P
Veterinary clinics and hospitals, no outdoor runs or pens	P	P	P	P

Animal-related uses are not permitted in any residential zone district and are specifically prohibited as home-based businesses (Section 26-613). In general, animal-related uses are limited to indoor facilities in most zone districts. Historically, the limitations on outdoor runs have presumably been motivated in some part to separate them from residential neighborhoods where noise impacts could have a negative effect. The purpose of allowing outdoor runs in some districts as a special use is to acknowledge that the use may or may not be compatible depending on the surrounding conditions. The special use permit (SUP) process requires a neighborhood meeting, public notice, and may result in a City Council hearing if objections are received.

Neighboring Cities' Regulations

Lakewood

In the City of Lakewood, there is only one animal-related use, which is a broadly defined “animal care” category that includes grooming, treating, training, exercising, boarding, and daycare which is permitted as follows:

- Permitted in heavier commercial and industrial districts,
- Permitted in one-acre residential (similar to our agricultural zone),
- Special use in some mixed use districts, and
- Limited use in some mixed use districts (similar to our administratively approved conditional use permit).

Like Wheat Ridge, Lakewood’s code includes restrictions on outdoor pens, separation requirements where they are permitted, and even prohibits windows for indoor runs when adjacent to residential neighborhoods.

Arvada

The City of Arvada allows two animal facility-related uses: kennel and veterinary offices or clinics. Kennels are permitted mostly in the Clear Creek and planned industrial development zone districts and are conditionally permitted in the agricultural, intense commercial, and light industrial zone districts with public hearing review. All kennels require a “Kennel License,” which is valid for one year and subject to renewal per compliance with state and city regulations.

Veterinary offices or clinics are permitted uses in a wider range of commercial zone districts, including in the Olde Town area, and conditional uses in Arvada’s agriculture-like zone districts. However, all veterinary offices or clinics are restricted from having outdoor runs and are required to have all facilities within soundproof buildings. Likewise, animal daycare facilities in commercial areas are not allowed to have outdoor runs.

In general, these regulations appear to be very consistent with the current codes in Wheat Ridge.

Englewood

The City of Englewood’s City Code has a use category called “animal sales and service,” which by definition includes animal daycare. It is a permitted use in the industrial zone districts and a limited use in the heavy commercial mixed use zone district. A limited use is approved administratively, similar to Wheat Ridge’s conditional use permit.

There is no mention of outdoor runs or pens in the use definitions, nor are there additional regulations. Englewood staff have confirmed animal daycares with outdoor runs have been permitted in industrial zone district and approved as a limited use in commercial zone districts based on the site plan, narrative, and neighborhood context. They are not, however, allowed in or next to any residential use. For animal daycares in the vicinity of a residential use, conditions of approval include six-foot high screening, soundproof walls, and trash enclosures.

While outdoor runs are not mentioned in Englewood’s City Code, the process for reviewing an animal daycare with one appears similar to the current codes in Wheat Ridge.

Edgewater

In the City of Edgewater, an “animal sales and service” use exists as a conditional use in the heavy commercial zone district. A conditional use permit is approved through a public hearing in front of the City of Edgewater’s Planning Commission.

Edgewater has yet to receive an application for an animal daycare. However, their staff has indicated that if a dog daycare with outdoor run were to be proposed, they would most likely allow it only in the heavy commercial zone district and have the City Manager review it on a case-by-case basis. The Edgewater Municipal Code allows uses not specifically listed in the code to be reviewed discretionarily by the City Manager.

Most of the land in Edgewater has a light commercial zoning, with only a handful of parcels zoned for heavier commercial use. Thus, the possibility of an animal daycare with an outdoor run opening in the city would be limited.

In conclusion, Edgewater, like Wheat Ridge, treats animal daycares with an outdoor run as an intense commercial land use.

Golden

In the City of Golden, animal facility-related uses are allowed as follows:

- *Veterinary hospitals and kennels* are special uses in the agricultural zone districts.
- *Veterinarian hospital (with no outdoor boarding facility or outdoor kennels)* is a permitted use in the commercial and heavy industrial zone districts.
- *Veterinarian hospital (with outdoor boarding facilities or outdoor kennels)* is a special use in the light commercial zone district.

A special use permit is approved through a public hearing in front of the City of Golden's Planning Commission.

Currently, Golden only has one animal daycare facility, which opened more than ten years ago in a heavy commercial corridor. Their staff has indicated that, if a new one with an outdoor run was proposed, it would be allowed in Golden's commercial zone districts, but one with an outdoor kennel would not, as they would view an outdoor run as a supervised brief use, while an outdoor kennel housing dogs presents more of a nuisance. It would, though, have additional conditions of approval.

Denver

In Denver, animal daycares are a permitted use with limitations in non-residential areas. They must take place inside a fully enclosed structure. Outdoor runs have been determined to be generally not appropriate in residential areas or in locations where having up to 25 dogs would present a noise nuisance. Animal daycares with outdoor runs require public notification, similar to Wheat Ridge's special use permit process. Through this process, the hours of operation and numbers of dogs allowed are also stipulated.

Although animal daycares with outdoor runs in Denver are allowed conditionally in more commercial areas than Wheat Ridge, they also have more restrictive regulations attached to them.

SUMMARY:

Other municipalities often classify animal daycare under a broader animal-related use category. In general, animal-related uses are allowed in more intense commercial, industrial, or agricultural areas and less often in light commercial and residential areas.

Like Wheat Ridge, some communities have separation requirements for outdoor pens where they may abut residential uses. Additional regulations can include hours of operation and limitations on the number of dogs though these become harder to enforce and do not eliminate noise nuisance.

NEXT STEPS:

Enclosed is a copy of the City's zoning map and several exhibits. Exhibit A shows where outdoor runs are currently permitted, namely as a special use in the A-1, A-2, I-E, and PID zone districts (PID zoning most often follows the uses permitted in I-E). The A-1 and A-2 parcels shown on the map are only those that are privately-owned and are one acre in size or larger; the map excludes the A-1 and A-2 parcels that do not fit these criteria and, therefore, would not otherwise be eligible for kennels.

If Council's goal is to become more permissive in the allowance of outdoor runs, it may be possible to allow animal daycare and/or outdoor runs as a special use. This would require neighborhood meetings and would result in a public hearing before Council if objections were received. As noted, that has not been the approach historically because of the desire to protect established residential neighborhoods from potential noise nuisance. Exhibit B shows the relationship between commercial and residential zone districts, particularly, the extent of residentially zoned areas within 600 feet of the C-1 zone district who would be notified as part of the SUP neighborhood meeting requirement.

As Council is aware, many of our commercial corridors have been rezoned in recent years to mixed-use zone districts. This includes City-initiated legislative rezonings of the majority of the Wadsworth and 38th Avenue (between Wadsworth and Sheridan) corridors. Because of this, staff felt it appropriate to discuss the topic of animal daycare in relation to the City's mixed-use zone districts. In mixed-use districts, special uses are not utilized. However the concept of a conditional use is defined for uses that may have some heightened site planning issues worthy of additional review. That said, conditional uses are administratively reviewed and approved, with no neighborhood notice process. Therefore, should Council wish to consider allowing animal daycare with outdoor runs in some fashion on mixed-use zoned properties, further discussion would be needed whether and how a neighborhood notification process should be added to the Code. For discussion purposes, we included an exhibit (Exhibit C) that maps all mixed-use zoned properties in the City.

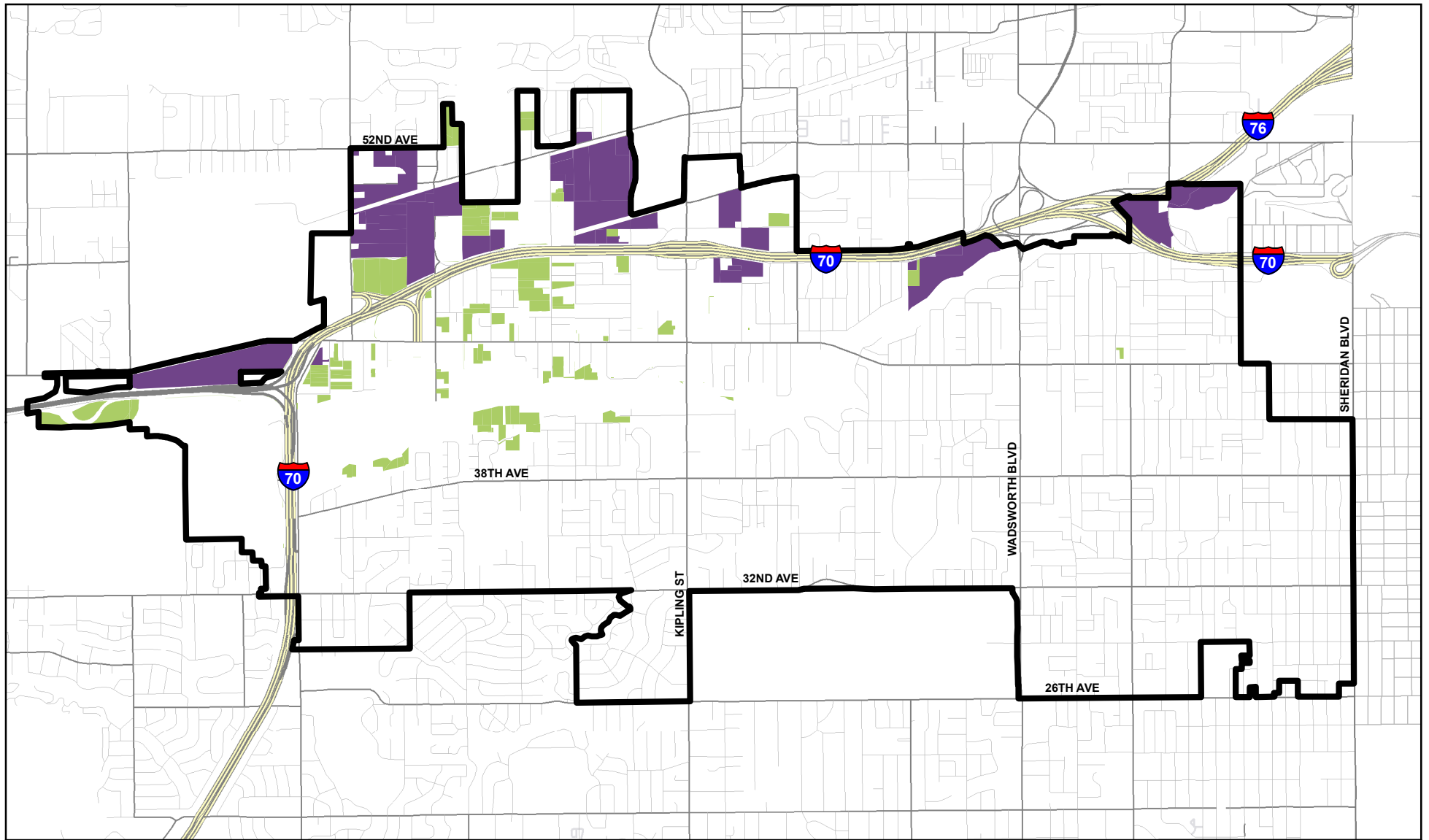
Any animal daycare or kennel operation would require a kennel license from the Police Department and would be subject to the City's general noise and nuisance ordinances. Approval of a special use permit would not protect a business from enforcement of the noise and nuisance ordinances, which could result in enforcement issues in the future.

The purpose of the April 15 study session is to discuss the merits of allowing animal daycares with outdoor runs as a special use in the C-1 zone district or possibly other zone districts within the City.

Regardless of whether or not there is Council direction to allow animal daycares with an SUP in C-1, it would be appropriate to modify the code to more explicitly clarify where animal daycare and training is currently permitted or not.

ATTACHMENTS:

1. Exhibit A – I/E, A-1, A-2 and PID zoned properties
2. Exhibit B – C-1 zoned properties and 600-foot buffer
3. Exhibit C – Mixed-Use zoned properties



City of Wheat Ridge, Colorado
7500 West 29th Avenue
Wheat Ridge, CO 80033-8001
303.234.5900

Created by Zareen Tasneem, Planner I
Created on April 5, 2019

Data Source: City of Wheat Ridge

DISCLAIMER NOTICE:

This is a pictorial representation of geographic and demographic information. Reliance upon the accuracy, reliability and authority of this information is solely requester's responsibility. The City of Wheat Ridge, in Jefferson County, Colorado - a political subdivision of the State of Colorado, has compiled for its use certain computerized information. This information is available to assist in identifying general areas of concern only. The computerized information provided should only be relied upon with corroboration of the methods, assumptions, and results by a qualified independent source. The user of this information shall indemnify and hold free the City of Wheat Ridge from any and all liabilities, damages, lawsuits, and causes of action that result as a consequence of its reliance on information provided herein.

0 1,200 2,400 3,600 Feet

State Plane Coordinate Projection
Colorado Central Zone
Datum: NAD83



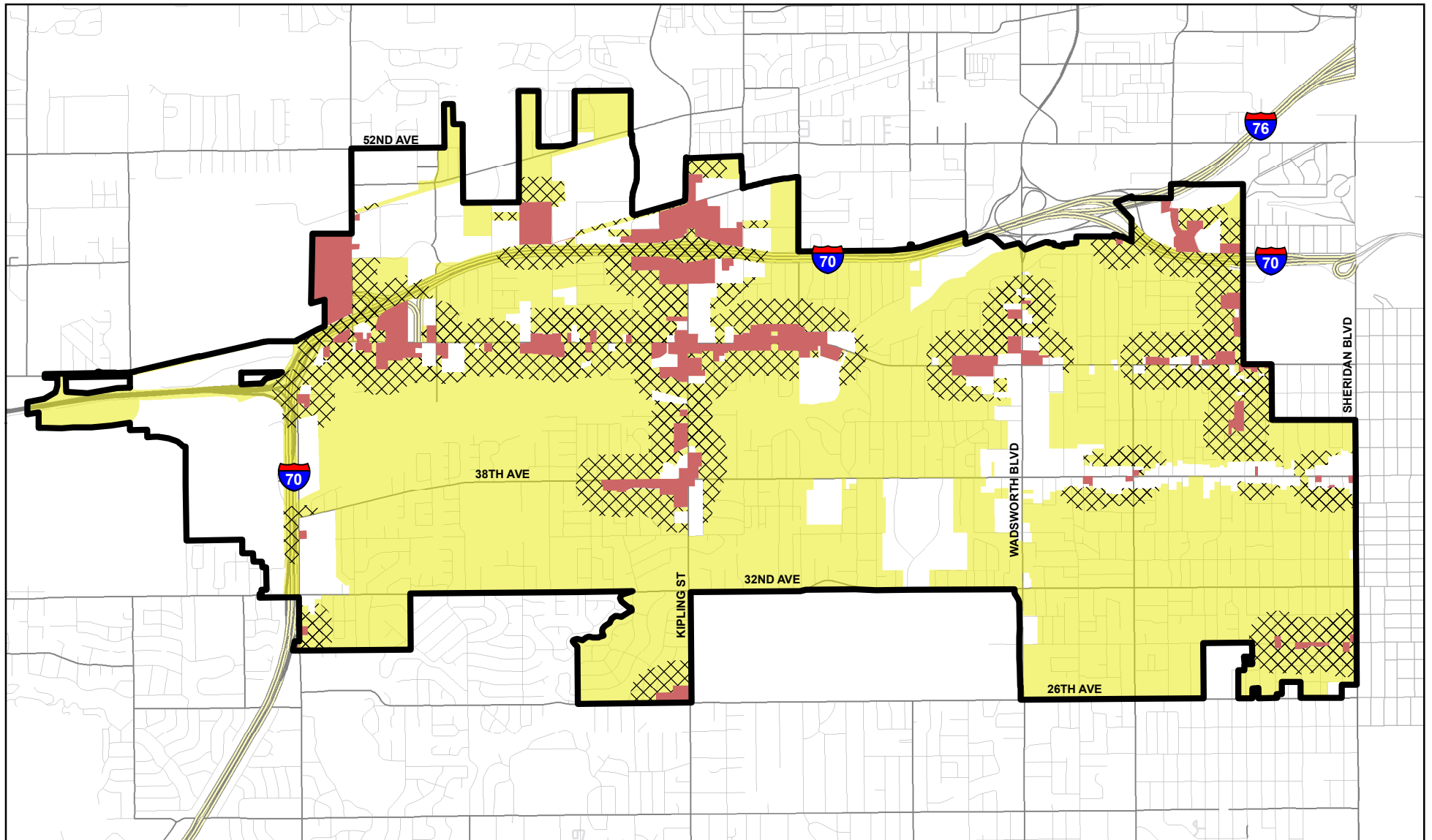
Exhibit A – Agricultural and Industrial Zoning

This map shows the zone districts in which an animal daycare with an outdoor run would be permitted by special use by virtue of being similar to a “kennel” as defined in the zoning code. This includes the Agricultural-One (A-1) and Agricultural-Two (A-2) zone districts (shown in green) and the Industrial-Employment (I-E) and Planned Industrial Development (PID) zone districts (shown in purple).

The Agricultural layer contains those parcels in the A-1 and A-2 zone districts that are at least one acre and are owned by a non-public entity.

Legend

-  City Boundary
-  Agricultural
-  Industrial




City of Wheat Ridge
 7500 West 29th Avenue
 Wheat Ridge, CO 80033-8001
 303.234.5900

Created by Zareen Tasneem, Planner I
 Created on April 5, 2019

Data Source: City of Wheat Ridge

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0 1,200 2,400 3,600
 Feet

State Plane Coordinate Projection
 Colorado Central Zone
 Datum: NAD83







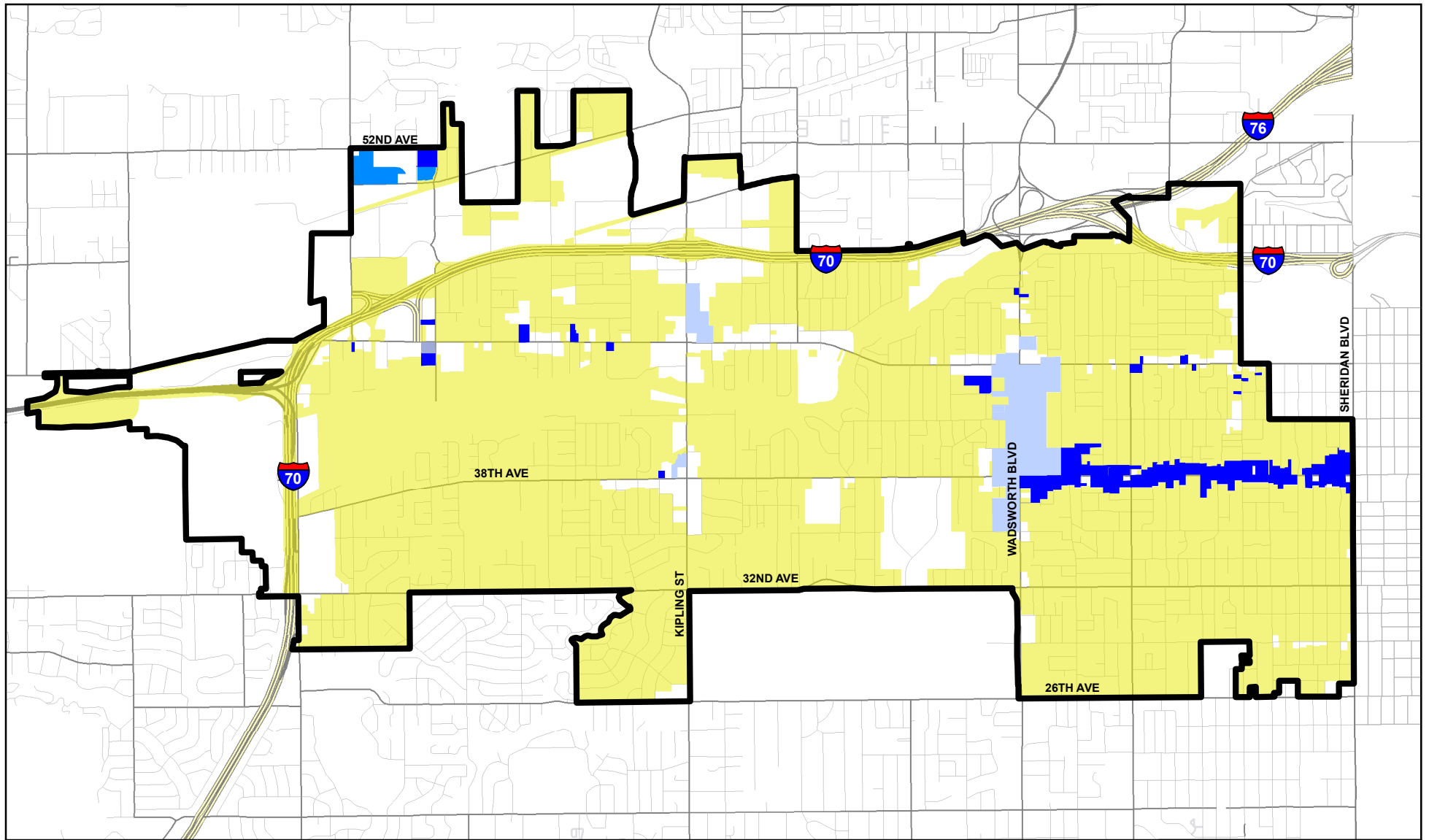
Exhibit B - Impact of Outdoor Run as a Special Use in C-1

This map shows the relationship between commercial and residential zone districts, particularly, the extent of residentially zoned areas within 600 feet of the Commercial-One (C-1) zone district that would be notified as part of the Special Use Permit (SUP) neighborhood meeting requirement (Residential Areas Impacted layer).

The Residential layer contains parcels in the residential zone districts, agricultural zone districts, and Planned Residential Development (PRD) zone district.

Legend

-  City Boundary
-  Commercial-One (C-1)
-  Residential
-  Residential Areas Impacted



City of Wheat Ridge, Colorado
7500 West 29th Avenue
Wheat Ridge, CO 80033-8001
303.234.5900

Created by Zareen Tasneem, Planner I
Created on April 5, 2019

Data Source: City of Wheat Ridge

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0 1,300 2,600 3,900 Feet

State Plane Coordinate Projection
Colorado Central Zone
Datum: NAD83



Exhibit C - Residential and Mixed Use Zoning

This map shows the proximity of residential areas to the Mixed Use Commercial (MU-C), MU-C Interstate (MU-C), MU-C Transit Oriented Development (MU-C TOD), and Mixed Use Neighborhood (MU-N) zone districts.

The Residential layer contains parcels in the residential zone districts, agricultural zone districts, and Planned Residential Development (PRD) zone district.

Legend

- City Boundary
- MU-C
- MU-C INT
- MU-C TOD
- MU-N
- Residential

Memorandum

TO: Mayor and City Council

THROUGH: Patrick Goff, City Manager

FROM: Joyce Manwaring, Parks and Recreation Director

DATE: April 15, 2019

SUBJECT: Anderson Building Program and Additional Budget Appropriation

Attached is a PowerPoint presentation outlining the new opportunities for providing recreation services at the Anderson Building when renovations are completed. The outdoor pool and Anderson Building will open May 25, Memorial Day weekend, and programming will begin in the Anderson Building on June 3. Included in the PowerPoint presentation is the new programming slated for each area of the building; the fitness room, multi-purpose room and gymnasium, and additional budget requirements and revenue projections.

Prior to renovation, the Anderson Building was only open during scheduled program times. Depending on the activity, often there was not a building supervisor present; supervision was up to the activity leader. The focus of the new programming is to increase available opportunities to use the gymnasium on a drop in basis, at an affordable price. A combined swimming pool and gymnasium fee has been created for youth to use both areas during the summer.

To support the new level of programming, the Parks and Recreation Department is requesting a new benefitted, full-time Recreation Coordinator to supervise the programming, operation and maintenance of the Anderson building, including the supervision of a part-time building supervisor, gym attendant and custodial contract.

A supplemental budget appropriation is requested in the amount of \$90,220 for 2019 to fund those additional expenditures required for these enhanced recreation services at the Anderson Building.

ATTACHMENTS:

1. Anderson Building Renovation PowerPoint

Anderson Building and Pool

Opening: Saturday May 25, 2019

Pool Opens 10am

Programming Starts: Monday June 3, 2019

Grand Opening Celebration: Mid to late June

Out with the old in with the new

Built in 1972



Renovated 2019



Anderson Building Renovation Highlights

New Interior Finishes

Upgraded Storage Areas

New Classroom Space

Fitness Room with Storage Room

Upper Lobby Area with Check-in Desk

Lower Lobby Seating Area



Pool Renovation Highlights

Upgraded Locker Rooms

Individual Cabanas

Lifeguard office



Anderson Building Hours

Winter/Spring/Fall

Monday – Friday 9am-8pm

*Drop in Gym 11am-5pm

(Fall and Spring Drop in Hours 11am-3pm)

Saturday 8-3pm

*Drop in Gym 9am-12pm

*Birthday Parties 12-3pm

Sunday Closed- Available for public rentals

Summer

Monday – Friday 9am-8pm

*Drop in Gym Monday – Thursday 3pm-5pm (No Friday Drop in Gym)

Saturday 8-3pm

*Drop in Gym 9am-12pm

*Birthday Parties 12-3pm

Sunday Closed-Available for public rentals

Pool Hours

May 25-August 8

Monday, Wednesday and Friday
11:30 a.m. - 6:30 p.m.

Tuesday and Thursday
11:30 a.m. - 8 p.m.

Saturday
10:30 a.m. - 8 p.m.

Sunday
10:30 a.m. - 6:30 p.m.

Adult Only Lap Swim
Monday - Friday
6:30 a.m. - 11:30 a.m.



Anderson Building and Pool Fees

Summer

Anderson Building access included in Pool Admission

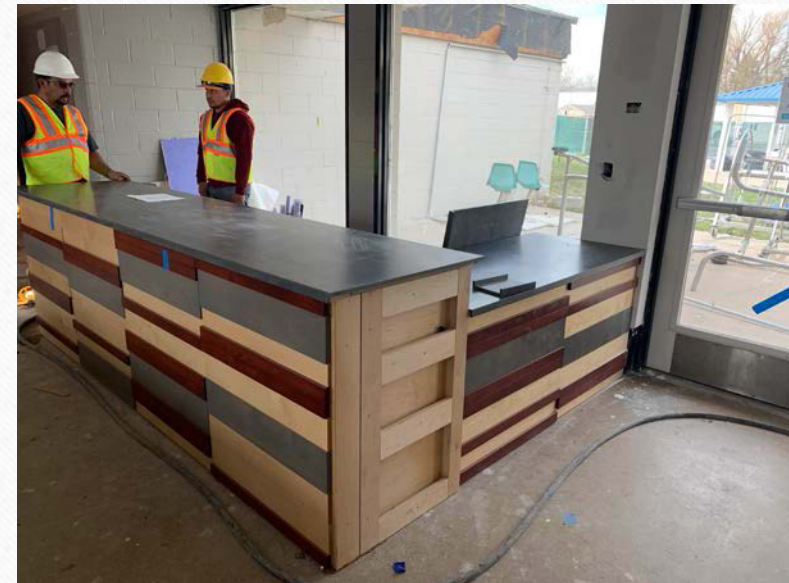
Adult \$5 Resident \$6 Non-Resident

Youth \$4 Resident \$5 Non-Resident

Fall/Winter/Spring

Anderson Building only

All Ages \$3 Resident \$4 Non-Resident





Anderson Building Programs

Gymnasium

Jazzercise, MSSP Basketball, Sports Fanatics, Hardwood Hoopsters, Pee Wee/Youth/Adult Karate, Weapons Class, Women's Self-Defense, T-Ball, Sports Sampler, Jump Rope, Sports Birthday Parties, Special Olympics Basketball, Gaga Ball, Little Hoopsters, Totally T-Ball, MSSP Volleyball



Anderson Building Programs

Fitness Room

Insanity, TRX, Kids/Parents Yoga, Movement & Tumbling, Fat Loss Boot Camp, Intermediate Yoga, WERQ, Jump Around



Anderson Building Programs

Classroom

Sports Birthday Parties, Kids Creation Corner, Clubhouse, Specialty Camps, Weeschool

2019 Budget

Total Expenditures=\$121,569

- Staffing
 - 1 FTE Recreation Coordinator-\$22,500 for 6 months
 - Miscellaneous - \$14,974 (Benefits, FICA)
 - Intermittent-Building Supervisor, Gym Attendant, Custodial \$58,257
- Supplies \$2,150
- Contract Custodial, Utilities, Maintenance \$23,688

Revenue Projections - \$24,450

- Rentals - \$13,650
- Fall/Winter/Spring Admission Fees - \$10,800

Supplemental Budget Request

- Total Projected Expenditures - \$121,259
- 2019 Approved Budget Anderson Building - \$31,349
- Supplemental Budget Request - \$90,220

Questions