

City Council

Business Retention & Development Committee

A sub-committee of the Louisville City Council

Monday, November 7, 2016
8:00 AM – 10:00 AM
Library Meeting Room
951 Spruce Street
(entry on the north side of building)

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of October 3, 2016 Meeting Minutes
- V. Public Comments on Items Not on the Agenda
- VI. BRaD Committee Restructuring Discussion
- VII. Meeting time and date discussion
- VIII. Retention Visits
 - Pitter Patter
 - Centre Court Apartments
 - Trailhead Wealth Management
 - Pica's
 - Uber
 - Moxie
- IX. Reports from committee members –
- X. Discussion Items for Next Meeting: December 5, 2016
- XI. Adjourn

***City Council
Business Retention &
Development Committee
Meeting Minutes***

**October 3, 2016
Library Meeting Room
951 Spruce Street**

CALL TO ORDER –The meeting was called to order by Chair Susan Loo at 8:00 AM in the 1st Floor Meeting room at the Louisville Library, 951 Spruce Street, Louisville, Colorado.

ROLL CALL – The following members were present:

Committee Members: Susan Loo, Chair
Shelley Angell, Chamber of Commerce
Rob Lathrop, Revitalization Commission
Dennis Maloney, City Council
Michael Menaker, Alternate Revitalization Commission
Chris Pritchard, Planning Commission
Scott Reichenberg, CTC
Justen Staufer, Downtown Business Association

Staff Present: Malcolm Fleming, City Manager
Heather Balsler, Deputy City Manager
Aaron DeJong, Economic Development Director
Dawn Burgess, Executive Assistant to the City Manager

Others Present: Randy Caranci
Mike Kranzdorf
Dave Sinkey
Jim Tienken

MEETING WAS CALLED TO ORDER BY CHAIR SUSAN LOO

APPROVAL OF AGENDA

Approved

APPROVAL OF SEPTEMBER 6, 2016 MINUTES

Approved

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:

Commissioner Shelley Angell was not at the last meeting but wanted to address parking. She said the Chamber has no funds for parking. Does not feel it is a Chamber item to address; feels it is a government item. But Chamber supports additional parking.

STREET FAIRE DISCUSSION:

Economic Development Director Aaron DeJong reported that overall, Street Faire was flat on a revenue basis. There were fewer complaints from residents though not as vibrant for restaurants and businesses. Weather was decent; no rain outs. Street Faire Committee asked Council for two proposed changes:

- Increase number of nights to 8
- Get one or two bigger bands

Council was receptive to that.

Commissioner Stauffer said wooden nickel program is still underway but not a lot of positive feedback. Redemption after Street Faire did not work. Redemption value was flawed. Don't have manpower to take it on right now.

Commissioner Pritchard said you can overplay on a particular act. Perhaps March 4th has been overplayed.

Commissioner Stauffer said maybe we should have younger acts and attract a younger crowd. Commissioner Pritchard said they don't spend as much and can get rowdy. DBA feels there was some bad publicity last year and things will recover. DBA does not want to overcorrect.

Next year there will be 70 more parking spaces downtown.

There was discussion of where people came from. This was the first year the DBA has tried to get a trend line.

Mike Kranzdorf asked about vendors rates. Vendors said they did not make enough money. The DBA suggested vendors raising rates.

Dave Sinkey said the new, improved kid space was much, much better.

Chair Loo said Council got comments from residents saying how happy they were and comments from businesses saying things were too flat.

DOWNTOWN RETAIL DISCUSSION

DeJong led a discussion on where do we want downtown to go from a business standpoint?

Downtown business closings and closings were reviewed.

DBA is discussing this topic at their next meeting and Commissioner Stauffer will report at the next BRaD meeting.

Why is downtown Louisville important?

The impression that you get of our community.

You get the impression that our downtown is alive based on the restaurant scene.

We have a positive impression when people drive downtown.

A vibrant downtown keeps us from being a bedroom community.

The patio program has been huge making us vibrant.

Town Identity – it gives Louisville a place to be Louisville

Empire and Blue Parrot signs are iconic

Our downtown makes us unique. It looks and feels like a small town.

Main Street has kept its integrity. It is the heart of town.

Our downtown is authentic – we don't have to try to create it.

Street Faire is the greatest word-of-mouth advertising ever.

We trade on Louisville brand. People don't want to leave here. People downsizing don't want to leave.

Presents our personality. Communicates our personality.

It's the only thing we have that is unique.

What we have is not unique. There are many old mining towns. People want to be here because of old town.

How do residents want to use downtown?

Want to office here

Want to eat here

We want to show it off

We want to be entertained

Dave Sinkey has a clear vision to take some properties and add retail with offices above. He has ideas to design building that fit long, narrow lots better.

Small retail to buy specialty meats, liquor

Retail will not work downtown

The opportunity for really high end retail exists.

Do we want to be a tourist town? Is it worth the trouble?

When visitors come do we want to bring them downtown; a place to show off.

Music, dancing

Incubator, co-working space

What do we want visitors to say about downtown Louisville?

Unique, fun, convenient, amazed at the variety, historic charm, and good food

Cars are incompatible to downtown in the summer.

Not sure retail can survive downtown.

The right tenant mix

Randy Caranci said property taxes are going to take a hit. He discussed his experience of subsidizing rents for tenants.

What do we want businesses to say about downtown?

The City is invested

The City is open for business

The City is welcoming

The City is enabling, efficient, supportive, transparent, and predicable

My employees are happy and want to be here

Downtown increases our profits

Downtown is good for our business

My business can grow here

Our community supports us

There is availability

It is affordable

Plenty of parking

Customers are happy

Business supports each other

What are the critical elements in downtown Louisville?

Parking

Availability of buildings

Ease of access and good traffic flow

Visibility/gateway

Attractiveness: flowers, canopies, well maintained streetscape

A diverse but complimentary set of reasons to come downtown – choice of reasons: fun, business, a meeting, a meal

What would make downtown more resilient?

Marketing

Proactive

Community buy-in and shared vision

Art house movie theater

Boutique hotel

Parking

Event Center

Next steps will be a summary, brought back to next meeting and Aaron's additions (input and how to use this vision)

Council member Lipton said a lot of this has nothing to do with government and needs to come from private industry, Chamber, DBA. DeJong believes the City has a significant role in addressing downtown's issues. Commissioner Stauffer would like BRaD members to take this back to our groups and talk about it.

David Sinkey – would like to start designing a new building for his company to be housed in. He does not know what the City wants.

BRaD COMMITTEE RESTRUCTURING DISCUSSION

Tabled for next meeting

MEETING TIME AND DATE DISCUSSION

Tabled for next meeting

RETENTION VISITS

Tabled for next meeting

REPORT FROM COMMITTEE MEMBERS:

None

DISCUSSION ITEMS FOR THE NEXT MEETING: NOVEMBER 7, 2016

- BRaD Committee restructuring
- Meeting time and date
- Retention Visits

ADJOURN – The meeting adjourned at 10:10 am

SUBJECT: BRAD COMMITTEE RESTRUCTURING DISCUSSION

DATE: NOVEMBER 7, 2016

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY: City Council is discussing changes to boards and commissions serving the City and the BRaD Committee may be considered for restructuring. This memorandum summarizes Staff's opinion of the challenges related to the committee and possible restructure of the Committee.

BACKGROUND: The BRaD committee was permanently formed in January 2007 to serve an advisory role to City Council on matters of interest to the City and City Council concerning business retention and development. The BRaD Committee's goals and responsibilities include, but are not limited to following:

- Facilitate economic development in Louisville
- Improve communications between the City and local business community
- Share insights regarding local economic conditions
- Serve as a sounding board for City proposals that could impact local businesses
- Gather information regarding the needs and priorities of businesses with respect to business retention and development issues
- Provide input on proposed programs related to business retention and development

The BRaD committee during its tenure has facilitated relationships among businesses, business organizations, and the City.

The Committee consists of eight (8) members, as follows:

- Three members of City Council
- One member of the Planning Commission
- One representative from the Louisville Revitalization Commission (LRC)
- One representative from the Louisville Chamber of Commerce
- One representative from the Downtown Business Association (DBA)
- One representative for the Colorado Technology Center (CTC)

City Council at their September 6, 2016 meeting discussed the BRaD Committee. The main comments during the discussion were:

- Having BRaD as a City Council committee with 3 members of Council may not be the correct structure in today's environment.
- The membership determined by the role one serves (Planning Commission, LRC, etc.) may need to be rethought.

- Confer with BRaD regarding possible changes to the Committee that City Staff may have.

DISCUSSION: To determine possible solutions to a restructuring of the BRaD committee, defining the problem is a worthy exercise. Staff has taken the last month to attempt to describe why the current configuration of BRaD may be a concern. The following are two statements that attempt to define the current challenges for BRaD in providing input on City policies and decisions to City Council.

1) The input is coming from the inside rather than the outside

City Council communicated on September 6th that a challenge the BRaD committee has is that 3 of the members are City Council members. This has limited the effectiveness of BRaD providing recommendations to City Council as each of the Council members abstain from voting on recommendations.

Other members of BRaD, particularly the Planning Commission member and LRC member, are also mostly within City Government. This leaves the BRaD Committee with 5 members represented by City or City related organizations and 3 members not City related (CTC, Chamber, DBA). Thus, the majority (5-3) of the BRaD members are within City Government.

2) Louisville is Resident Centric yet Business Reliant

It is undoubtedly true that Louisville is a great place to live. It's suburban lifestyle with great access to employment, necessities, and amenities all help create a community loved by its residents. Louisville, as stated in its Vision Statement, strives to be an *"inclusive, family-friendly community that manages its continued growth by blending a forward-thinking outlook with a small-town atmosphere"* and be the *"most livable, innovative, and economically diverse communities in the United States."*

The City of Louisville is business reliant as significant revenue to provide municipal services comes from business uses. Looking at Fiscal Year 2015, total tax revenue for Louisville was \$21,366,109. Of that amount, business activity accounted for an estimated 53% of revenues from the following taxes:

Property Tax (53%)	\$1,829,758
Sales Tax (50%)	\$5,889,296
Use Tax (excluding 100% auto)	\$2,933,785
Franchise Tax (20%)	\$216,100
<u>Lodging Tax (75%)</u>	<u>\$352,280</u>
Total	\$11,221,219

In 2010, total tax revenue was \$14,324,756 and business activity accounted for 49% of the City's tax revenue. Business related tax revenue increased 59.5% between 2010-2015, whereas residential revenue (total tax revenue – business tax revenue) increased 39%. Business activity (and thus the taxes it generates) is more elastic to the economic

health of the City than the taxes generated by the City's residents. Thus, policy making to encourage greater economic activity can have a significant impact on future revenues to the City.

Policy making through the Comprehensive Plan, Small Area Plans, and development proposals are focused on the desires of Louisville's residents, which may be different than the interests of commercial property owners, primary employers, and retailers, because their motivations are different. Economic activity is increased through investing in the community. Allowing property owners to re-think their properties could encourage more investment and increase economic activity. Input from the business community is needed to recommend policy decisions to encourage additional investment and economic activity.

Potential Solution

Staff believes input on Economic Development should come directly from the business community from people that have the expertise and experience to provide input into city decisions that affect economic opportunity in Louisville. Currently, the input is coming from and facilitated through the City as described above. Louisville businesses and property owners stand to benefit from business friendly policies and decisions, yet the current input structure doesn't have many of them 'at the table'.

To have the input come from the business community, other communities have a separate economic development entity that seeks out the opinions of property owners and primary employers regarding policies or opportunities. These entities are generally City supported (through partial funding). The City then receives this input and City Staff pursues solutions to address the input. In Boulder for instance, the Boulder Economic Council (a component of the Boulder Chamber of Commerce) is responsible for engaging the business community and relays the economic outlook, challenges, and opportunities to the City. This is then relayed to City Staff (in frequent and consistent meetings) for them to analyze and develop potential solutions. This structure is implemented in many communities within the Metro Denver region including; Boulder, Longmont, Arvada, Fort Collins, and Aurora.

The key to these economic development structures is the businesses give their input to a business related organization not within the city government and then that entity advocates on their behalf. Businesses generally do not have staff to lobby for governmental changes individually; the economic development entity does so on their behalf as a group.

RECOMMENDATION: Staff encourages the BRaD Committee to discuss the information and provide input to options in restructuring the Committee to provide better input on economic development to City Council.