

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

A sub-committee of the Louisville City Council

**Monday, November 2, 2015
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 5, 2015 Meeting Minutes
- V. Public Comments on Items Not on the Agenda
- VI. Strengths and weaknesses of Retail by area
- VII. ED Update
- VIII. Thanks to Chair Dalton
- IX. Reports from committee members –
- X. Discussion Items for Next Meeting: December 2015
- XI. Adjourn

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

**October 5, 2015
Library Meeting Room
951 Spruce Street**

CALL TO ORDER –The meeting was called to order by Council member Jeff Lipton 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: Shelley Angell, Chamber of Commerce
Jeff Lipton, City Council
Sue Loo, City Council
Michael Menaker, Alternate Revitalization Commission
Chris Pritchard, Planning Commission
Jim Tienken, Downtown Business Association

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

Others Present: Randy Caranci
Angie Layton

APPROVAL OF AGENDA – approved

APPROVAL OF AUGUST 31, 2015 MINUTES: approved

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:
None

RETENTION MEETINGS:

None were scheduled. Economic Development Director DeJong reports that Moxie is doing well.

Concrete work is affecting downtown businesses.

Council member Jeff Lipton asked if BRaD should initiate some visits before the holidays. Commissioner Angell said the Chamber will be doing a Shop Local campaign. Angell said local clothing and gift shops (downtown) are struggling. Those businesses feel the City is focused on restaurants. They need more daytime traffic. Commissioner Menaker feels there is a misperception that downtown is doing great. Council member Lipton said after the election perhaps BRaD can put together a focus group to look at retail. Commissioner Angell said BRaD can't just focus on downtown retail. Commissioner Menaker said BRaD members need to look at past discussions and turn that into policy discussion. Council member Loo said it comes down to more rooftops and residents don't want that. Council member Lipton said DELO and Superior will provide rooftops. CTC should also provide traffic. City Manager Fleming said there are some capital projects we can do to activate the McCaslin area.

Commissioner Pritchard said the Small Area Plan is moving forward. Small businesses are tough. BRaD needs a commitment from Council on the direction of the town and we need the Mayor to advertise "Shop Louisville."

Council member Lipton said we need to set goals to move things forward. Commissioner Menaker asked about the feasibility of an Economic Development budget. Council member Lipton said asking for a budget place holder without detail will be hard. City Manager Fleming said the City of Golden is advertising in DIA. Commissioner Angell said the City of Lafayette and Superior sent coupon booklets to neighboring municipalities – she will ask about effectiveness.

COUNTY ROAD BRIDGE UPDATE:

DeJong said Engineer Joliette Woodson reported the City is waiting for federal environmental approval. CDOT will then do final approval. City Manager Fleming said the City has been making the case with the congressional delegation and the federal government that not having the bridge is a safety issue. The bridge should be completed in 9 months. Expecting approvals in two months.

ECONOMIC DEVELOPMENT UPDATE:

550 S. McCaslin Urban Renewal plan has been approved by Council. Now in LRC hands to develop a project description. Steve Fisher and Alex Gorsevski are working with DeJong to develop the project description. The RFP will be approved by Council. DeJong hopes the result will be a lot of proposals and creative ideas.

McCaslin Marketplace has new tenants. Additional tenants will be announced soon.

DELO Phase II - Subdivision agreement is done. The next draw on the TIF bonds is expected in November.

DELO Plaza - Retail project submitting for building permit and have tenants lined up. Construction agreement with BNSF has been achieved.

Likelihood of underpass construction in 2016 is still up to BNSF. Fleming has made known to BNSF that tens of millions of dollars have been spent and are waiting to be invested in development; all dependent on the underpass.

1501 Empire Road Lease - Human Movement will take over old City shops building. City Operations has moved out; equipment auction will take place. Final lease is in Council packet for October 6. The lease details were discussed.

Property Closings

Grain Elevator, Tebo parking lot, Lucky Pie – all in the works.

History Colorado had a shakeup probably won't see a grant for the Grain Elevator from that organization. Commissioner Menaker said the City should use HPC funds to get the Grain Elevator project moving.

REPORT FROM COMMITTEE MEMBERS:

None

PUBLIC COMMENTS

None

ITEMS FOR THE NEXT MEETING: NOVEMBER 2

- Memo of retail issues by area

ADJOURN – The meeting adjourned at 9:18 am

SUBJECT: RETAIL STRENGTHS AND WEAKNESSES BY AREA

DATE: NOVEMBER 2, 2015

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

At the October BRaD meeting, the Commission asked for a brief list of retail items that brokers, businesses, residents, owners and others have mentioned about the retail corridors/area in town. The following is a list for the three main retail areas; McCaslin/Centennial Valley, South Boulder Road, and Downtown.

McCaslin/ Centennial Valley

Strengths

- Strong day-time population
- Best traffic counts in Louisville
- Good access to regional arterial (US 36)
- Large retail footprint
- Ease of auto use
- Accessible to new housing development (Town Center)

Weaknesses

- Big box dependent
- Some centers have poor visibility
- Large key vacancy (Sam's)
- Signage less than retailers' desire
- Poor access between retail centers
- Poor walkability between centers and office
- Lacking sense of place

South Boulder Road

Strengths

- Second largest commuter route in town
- Two grocery-anchored centers
- Better walkability to neighborhoods (could be improved)
- Adequate parking supply
- Quality new development potential (North End)
- Convenient for commuters

Weaknesses

- Traffic counts not attractive to national retailers
- Aging buildings
- Large sections of south side is open space (limits greater retail synergy)
- Signage less than retailers' desire
- Poor access between retail centers (auto and ped)
- Lacking sense of place

Downtown

Strengths

- High walkability
- Quality branding
- Strong evening activity
- Strong sense of place
- Future connection to redevelopment area
- Special Events

Weaknesses

- Little drive-by opportunities
- Limited nearby parking (on-street reliant)
- Small daytime population
- Little synergy between retail and restaurant uses
- Increasing rents (lack of supply)

Attached are the minutes from the South Boulder Road and McCaslin property owner roundtable discussions. These minutes go into more detail regarding input received from owners and businesses.

Policies and programs could be pursued to address weaknesses within each area. BRaD may want to work on crafting such policies for City Council consideration in 2016.

Attachments:

1. December 3, 2014 South Boulder Road Property Owner Roundtable minutes
2. May 4, 2015 BRaD minutes summarizing the April 30, 2015 McCaslin Property Owner Roundtable.

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

**December 3, 2014
Louisville Center for the Arts
801 Grant Ave**

CALL TO ORDER –The meeting was called to order by Chair Dalton at 2:00 pm in the Louisville Center for the Arts at 801 Grant Ave, Louisville, Colorado

ROLL CALL – The following members were present:

Committee Members: Chair Hank Dalton
 Shelley Angell, Chamber of Commerce
 Rob Lathrop, Louisville Revitalization Commission
 Jeff Lipton, City Council
 Sue Loo, City Council
 Michael Menaker, Alternate Revitalization Commission
 Chris Pritchard, Planning Commission
 Scott Riechenberg, CTC
 Jim Tienken, Downtown Business Association

Staff Present: Malcolm Fleming, City Manager
 Heather Balsler, Deputy City Manager
 Aaron DeJong, Economic Development Director
 Troy Russ, Planning and Building Safety Director
 Scott Robinson, Planner
 Dawn Burgess, Executive Assistant to the City Manager

Others Present: Jay Keany, Council member
 Chris Leh, Council member
 Ashley Stolzmann, Council member
 Gordon Fordyce – Fordyce Auto
 Doug Harper – Union Jack Liquor
 Hannah Harper
 Tracy Delreal – Tebo

Mark Sullivan - Walgreens
George Lee – Village Square
Tim Brasel- Village Square
Wade Arnold - Coal Creek Station
Herb Newbold and Linda Newbold – property owners
Chad Kipfer – Markel Homes
Jim Loftus – Center Court Village
Rick Brew - RMCS
Justin McClure - RMCS
Mike Kranzdorf – Amterre Property
Randy Caranci

APPROVAL OF AGENDA –

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:

None

DISCUSSION WITH SOUTH BOULDER ROAD RETAIL PROPERTY OWNERS:

Where do you see the South Boulder Road corridor fitting in the commercial/retail offerings in Boulder County?

Commuter retail, neighborhood retail – people within 1 or 2 miles, not an employment center or regional retail node.

Numbering system for addresses is confusing and doesn't help customers find a business.

What do you see as the key selling points of the corridor for Commercial and Retail?

Used to be ease of access. Access more difficult now. Convenience is key as people are commuting through the corridor.

Two grocery stores help. Should help with other leasing.

Improved traffic count and more roof tops should help. Signage and visibility is an issue.

The convenience for commuters is a positive.

Access is an issue. Expanded sports complex along Hwy 42 will help bring traffic. Appreciates what city has done with complex.

What are your thoughts on why some retail spaces along South Boulder Road remain vacant? Are they site specific or are there greater area wide issues preventing their occupancy?

Visibility and signage is key. Signs are a sign of life.

Makeup of what it is plus commuter retail. Two grocery stores helpful, apartments and density are helpful. More permanent residents will start shopping the area.

No daytime population. Not like Centennial Valley.

SoBoRd destination is good for cars, not for pedestrians or cyclists.

Two grocery stores but lack of destination retail.

What specifications would you put in the City's plans for the area to improve retail activity?

Another convenience gas station would help but not allowed by zoning. No gas station on south side of South Boulder Road. Gas service is below national averages in Louisville.

The area is car friendly but no social aspect to keep people in the area longer. The large retail centers are dated. The retail experience is not that exciting.

Regional stores are on east side of Hwy 42. West of Hwy 42 has a more neighborhood feel. Should this be a regional corridor? Are you looking for different retail? King Sooper is the one business balancing what is going on with Centennial Valley. Put King Sooper closer to Hwy 42 and smaller business might be attracted.

Land use and zoning is hodgepodge, residential next to multi family. Feels different than the rest of Louisville. Needs to transition to a proper mix. Louisville does good job of supporting local. Staged process through zoning adjustments. Need more interesting use of zoning; have the City be more flexible with a mix of uses. Not pedestrian friendly. The area wants to be mixed use.

Traffic speed is too high for the uses along the road.

Is the corridor over-built for retail? Can the area support what is already constructed?

And what would improve commercial activity in the area?

Flexibility on the mix of uses. Retail mixed with residential has been working in similar areas. Parking modifications in areas to improve ease of access.

What is your vision for your property in the next 5, 15, or 30 years?

Big picture mixed use with retail, neighborhood services, more residential. Bring in craft brewery. Market those uses with help from the City. Improve the retail offerings by increasing stores that have emotional appeal. City can make it more vibrant by allowing mixed-use redevelopments.

Lots north of South Boulder Road along Hwy 42 are unsaleable. Current zoning as commercial is not feasible – needs to be residential or mixed use. Otherwise it will stay a field. As a comparable, the SW corner of Baseline and Hwy 42 sold for \$1.67 per square foot.

Are restaurants for the Steel Ranch commercial parcel a viable strategy? Justin McClure – restaurants want to lease. They are risk heavy and require large investments in building and equipment. It might work if land use and infrastructure was in place.

Make the square footage we have more productive.

There is only so much disposable income per household. Try to get the disposable income to stay in Louisville. The area being more walkable and connected is a component to keeping sales in town.

Allow properties to redevelop to make it feel more comfortable; like Alfalfa's.

South Boulder Road won't see big development. The properties will become smaller destinations; smaller pockets.

Current height restrictions are an impediment because it is in # of feet. Floor heights are much higher than in the past. Old height restrictions limit the room needed for mechanicals, design elements and larger floor to ceiling heights.

Chair Dalton asked if a form based code would be an appropriate model for South Boulder Road.

The desire for walkability has taken hold over the last several years. South Boulder road has a lot of small buildings that aren't attractive. A little more height could change what people do with their property.

Form based code would allow for creativity and be a significant benefit.

There are significant rooftops in the area. Connectivity is an issue for those rooftops. We need to connect those rooftops to shopping. There is community concern about the amount of traffic on SoBoRd. If the west side of 42 gained additional regional retail of any significance – where and how would traffic circulate? East side of 42 has possibilities. We need to continue to consider mixed use.

North end near Steel Ranch is a bad location for retail. We need to maximize the City's good retail locations.

If we don't improve connectivity, traffic count will be a threat.

Does the City have a forum people can log in and give feedback? Yes, it is envisionlouisvilleco.com.

A community preference survey is out. The City typically gets good response rates.

What are your thoughts on how the City can capitalize on the anticipate improvements to Highway 42 that will benefit South Boulder Road?

What is one thing missing along South Boulder Road that if it were there, would change the opportunity for success for retailers?

Bridge over railroad tracks or sink tracks.

All new units that have been built North Main, Steel Ranch – those people are a captive audience if pedestrian and bicycle connectivity is achieved. The sooner we get safe connectivity, the businesses will benefit. Need to widen 42 at Alkonis property soon; there is little room for cyclists and pedestrians.

So many trees along SoBoRd limit business visibility. Difficult balance between trees and signage.

Connectivity is very important. SoBoRd is isolated and disconnected. Need to make sidewalks interesting. Bring creativity to walkability.

Definitely infrastructure connectivity but not all the answer. Attract people from the greater region. Need to attract people to Northeast Louisville.

What are the major obstacles you see that are limiting activity along South Boulder Road?

How does the Superior Town Center project affect us? Retail space in the area is being knocked down. Is there a message there? Maybe issues with the type of retail you are looking at? There is a lot of retail sf in Louisville.

Need more height. We want height. Jeff Lipton asked how much height is desired? Randy Caranci responded with an expanded 3 stories.

Height and floor plate flexibility. Need to offer a variety of floor plates.

Land assemblage is more transparent if a form based zoning is in place. Developers would know what the City desires in a location for building stock.

Developers would like an easier concept plan check-in without entire plan set being provided. A sketch plan without all the engineering.

Allow for a “sketch plan” process prior to prelim. A “thumbs up” process prior to spending significant resources to prepare a Preliminary PUD for review. Perhaps have a development review sub-committee.

There are two large unknowns; 1) how the fiscal model is treated on a development, and 2) the impact on the schools. City staff needs more info to satisfy those unknowns.

ADJOURN – The meeting adjourned at 3:29 pm

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

**May 4, 2015
Library Meeting Room
951 Spruce Street**

CALL TO ORDER –The meeting was called to order by Chair Dalton 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: Chair Hank Dalton
 Rob Lathrop,
 Jeff Lipton, City Council
 Sue Loo, City Council
 Michael Menaker, Alternate Revitalization Commission
 Chris Pritchard, Planning Commission
 Jim Tienken, Downtown Business Association

Staff Present: Malcolm Fleming, City Manager
 Heather Balsler, Deputy City Manager
 Aaron DeJong, Economic Development Director
 Troy Russ, Planning and Building Safety Director
 Dawn Burgess, Executive Assistant to the City Manager

Others Present: John Benedetti
 Rick Brew
 Randy Caranci
 Justin McClure
 Ashley Stolzmann

APPROVAL OF AGENDA – approved

APPROVAL OF MINUTES: The March 2, 2015 minutes were approved.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:

Rick Brew - DELO Plaza will be on City Council agenda tomorrow. Wanted to bring it to BRaD's attention. Important decision for City Council with important revenue implications

REVIEW OF MCCASLIN AREA PROPERTY OWNERS ROUNDTABLE:

The Committee discussed input gathered from the property owner roundtable held on April 30th.

What owners thought McCaslin fit in big picture – we used to be a main retail destination for the area, and with added competition in other communities, we are not and not likely to be again. Continue to be challenged by access and visibility issues. Competition is Interlocken.

McCaslin facing businesses have different challenges than interior facing businesses.

Some positives: Superior Town Center will be a good thing.

If you have office it competes with Interlocken but if you have retail it competes with broader area. Design regulations are prohibitive. One story office with flex space is doing very well.

One story will yield different output and different character in Centennial Valley.

One opportunity – can leverage rooftops that will be in Town Center. We need to do something with signage/lighting to capture that. Need to draw people all the way down McCaslin.

Are there greater issues preventing occupancy:

- Not friendly to pedestrians
- More rooftops will help.
- Right in right out for Colony Square – implies large infrastructure change – City can implement cross access easements. Small area plan will look at that.

Do you feel mix of uses (commercial and retail) is the right mix?

- More residential would help. Younger generation will choose to rent rather than buy.
- Renters are spenders
- Renters by choice presents different long term dynamic.

There was discussion on mix of heights.

Council member Loo stated one concern with McCaslin plan: there is a lot of density coming in the corridor. Westminster is looking at 8 stories and very high density. How long will this need be there? Can we stay economically viable but different?

Commissioner Menaker said the conversation is property tax vs. sales tax. We have transitioned from working class town to town of people who demand services.

Council member Lipton said he senses that the values of the community will not give us the political will to develop like Westminster. We need to look at niche development. Continue to be downtown centered community. Our citizens don't care to see a change. Focus on the former Sam's Club. Sam's Club property is different than the rest of west side of McCaslin. Lipton agrees that we need to capitalize on Superior Town Center.

What improvements would you put in City's plan to improve retail?

- Improve walkability
- Improve signage
- Tree landscaping is a challenge
- Car share

Planning and Building Safety Director Russ said we need to get past the notion of a quick fix. A full review of the PUD along McCaslin. Property Owners are not going to do anything because things are ok. Perhaps look at changes for undeveloped parcels. There are opportunities located at Sam's Club and Colony Square.

Access to Colony Square is tough – they are making money but the City controls the land to gain better access off of McCaslin.

If the Sam's Club vacancy isn't filled, we may see additional closures. Having that big of a vacancy creates less traffic for the other retailers.

Commissioner Menaker said mixed zoning is preferable to condemnation of the property.

Director Russ said we need to have a conversation about residential.

Council member Lipton said people have embraced Comprehensive Plan with population of 23,000. There was discussion of what Comp Plan allows. Comp plan gives room to use residential strategically. Lipton agrees with using residential strategically.

Koebel has not been aggressive about putting out plans for projects on their property. Chair Dalton said when the market supports them making a move, they'll make it.

Council member Stolzmann said her takeaways from the roundtable were:

- They would like more parking
- Encouraged to hear absent property owners are happy.

- Things will change over time but there is no big worry right now. Happy to hear Sam's Club is looking at retail first.
- Encouraged that Koebel is listening to the community.

How can we encourage commercial office activity?

- Signage/landscaping

How can city capitalize on what is happening on US36/BRT station?

- Put things close to it
- Over pass over McCaslin

Economic Development Director DeJong is skeptical people will take the bus to go shopping. Director Russ said people may take the bus if it is a vibrant area. Some retail users would like to be at the theater area. Competition will yield the best results.

Have you heard from tenants they would like improvements?:

- Need an area to have an event.
- Public Space to extend the day. Need access. There is a great opportunity there.
- John Benedetti said the Chamber tried for 2 years to plan an event there. There is no park for gathering. Merchants lost interest.
- Director Russ said strategic residential gets more dollars all day. These events make up for loss of residential. Need better space. Small Area Plan shows deficiencies

What is the one thing missing from Centennial Valley that would be a positive change?:

- Take half of McCaslin parkway out
- Create a park
- Centennial Valley not cohesive
- New lighting

What obstacles do you see limiting activity?:

- Business group was tried – didn't work.
- Metro district to fund improvements

Director Russ said the challenge is our desire for mobility. Signal near Lamar's would provide access but change mobility. Right in-Right out at Colony Square improves access, but changes mobility.

Do you think Superior Town Center help or hurt?:

- If we don't take advantage of getting ahead of Superior, we will lose to them. Timing is related to taking advantage of Superior Town Center.

Regarding the former Sam's Club: would it be better to fill the box or redevelop? Filling the box is probably best option if we don't change residential. Redevelopment is a longer play.

The Urban Renewal process is underway.

Commissioner Tienken asked for an update on the former Sam's Club. City Manager Malcolm Fleming said there is definite interest in one tenant. Hearing consistently there is interest. The roadblock is the restrictive covenants. Everyone would like to see a deal.

How much support is there for a park in that area?

- Council member Lipton said he doesn't think it will give us the result we want.
- Michael Menaker – what about putting a water park there?
- Council member Lipton said we need to focus on what supports retail.

Randy Caranci asked about a church occupying the former Sam's Club saying Flatirons Church draws people to Lafayette. Their sales tax has increased. We move too slow. Lafayette is very aggressive right now.

RETENTION MEETINGS

- Via Toscana – Council member Loo and DeJong visited. Via Toscana representatives said it took a long time to recover from the recession. They closed in the patio; people didn't like sitting on the parking lot. They feel they have difficulty promoting their image because they are in a strip mall. Getting the landlord to pay attention to them is trying. Finding employees has been ok.
- Hobby Lobby – Aaron talked to Manager. Things are good, sales are up. ARC has brought in traffic. New housing has increased business. Custom framing has increased dramatically.
- Burger King - Aaron met with district manager. Sales are noticeably up. New housing brought in business. Construction workers have increased business.

REPORT FROM COMMITTEE MEMBERS:

In the next council packet is an interesting BAP for McCaslin Retail, LLC at 994 Dillon. We have given permission for right in/right out.

ITEMS FOR THE NEXT AGENDA:

CU Student studio for BRT Station
Discussion of cancelling July BRaD meeting

ADJOURN – The meeting adjourned at 9:34 am.

SUBJECT: ECONOMIC DEVELOPMENT UPDATE

DATE: NOVEMBER 2, 2015

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

550 S. McCaslin Urban Renewal – The LRC received input from City Council regarding interest in the scope of a future RFP to seek proposals for re-tenanting or redeveloping the former Sam’s Club property. Council has interest in seeking proposals that currently fit within the zoning upon the property.

DELO Plaza

Tebo Properties will soon submit for building permit on their 25,000 sf retail project at South Street and Highway 42. Tenants are expected to vacate the property on December 1 to make way for the redevelopment.

1501 Empire Road Lease

City and Human Movement entered into a lease for 1501 Empire Road, the former City Shops building. The lease began on October 15, 2015.

Lucky Pie Closing

Lucky Pie and the City closed on the sale of 637 Front Street on October 13th.

Analysis of ED Programs

Some council members have expressed interest in analyzing economic development programs beyond the BAP program or programs the Economic Development Department operates. They mentioned the BRaD committee as the group to do that analysis.