

Louisville Revitalization Commission Special Meeting

Agenda

**Tuesday, August 6, 2024
City Hall, Spruce Conference Room
749 Main Street
8:00 AM**

Members of the public are welcome to attend and give comments remotely; however, the in-person meeting may continue even if technology issues prevent remote participation.

- You can call in to [+1 646 876 9923](tel:+16468769923) or [833 548 0282](tel:8335480282) (toll free)
Webinar ID [#852 0147 8768](tel:85201478768)
- You can log in via your computer. Please visit the City's website here to link to the meeting: www.louisvilleco.gov/revitalizationcommission.

The Board will accommodate public comments during the meeting. Anyone may also email comments to the Board prior to the meeting at VZarate@LouisvilleCO.gov.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comments on Items Not on the Agenda
5. Business Matters of Commission
 - a. Bonding Budget Discussion and Allocation of Funds
6. Commissioners' Comments
7. Adjourn

Persons planning to attend the meeting who need sign language interpretation, translation services, assisted listening systems, Braille, taped material, or special transportation, should contact the City Clerk's Office at 303 335-4536 or MeredythM@LouisvilleCO.gov. A forty-eight-hour notice is requested.

Si requiere una copia en español de esta publicación o necesita un intérprete durante la reunión, por favor llame a la Ciudad al 303.335.4536 o 303.335.4574.

SUBJECT: BONDING BUDGET DISCUSSION AND ALLOCATION OF FUNDS

DATE: AUGUST 6, 2024

PRESENTED BY: VANESSA ZARATE, CECD, ECONOMIC VITALITY MANAGER

SUMMARY:

Staff is seeking direction from the Louisville Revitalization Commission (LRC) on funding commitments for two capital projects, the Downtown Vision Plan and the South Street Underpass at Highway 42. The LRC directed staff in the June 2024 meeting to start the process of bonding \$10 million of future revenues for capital investments. The total cost of the two capital projects discussed today will exceed the \$10 million available. The LRC’s commitment to funding all or a portion of each project is needed so that staff can continue with implementation of each project and identify additional funding opportunities if needed.

The Louisville Revitalization Commission (LRC) is the Urban Renewal Authority for the City of Louisville. The LRC has a mission to eliminate blight and help revitalize properties within its boundaries. In cooperation with property owners and other stakeholders, the LRC seeks to provide assistance to stimulate private investment and accomplish the objectives of their urban renewal plans. The LRC has the authority to collect the incremental property taxes from the improvements in the plan area to provide assistance that eliminates the blighting factors that were identified when the URA was formed.

The LRC’s 2024 budget includes marketing, incentive programs, City of Louisville partnerships and capital investments, project support and more. Historically, the urban renewal area has brought in over \$2 million in annual revenues. This is projected to increase as property tax assessments increase for properties within the area. In 2024, the LRC budgeted for total urban renewal expenditures of \$4,574,297. Included is the last five years’ worth of budgeted and actual expenditures.

Year	Budgeted	Actual
2023	\$3,855,187	\$1,833,091
2022	\$2,041,520	\$1,423,617
2021	\$2,126,420	\$1,418,334
2020	\$1,959,450	\$820,040
2019	\$1,868,722	\$1,499,890

Louisville’s [Highway 42 Revitalization Area Urban Renewal Plan](#) was adopted in 2006 and focuses on the downtown area, including Main Street. The purpose of the Plan is to stimulate growth and reinvestment in the urban renewal area and surrounding blocks and

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reduce, eliminate, and prevent the spread of blight. As a historic downtown, there are buildings and infrastructure that was constructed across many decades. Currently, there are some large vacancies within the downtown area that the Commission, businesses and community would like to see filled with active and exciting uses. In addition, as a historic downtown, there is aging infrastructure throughout the area that could benefit from renewed investment for revitalization and blight-mitigation.

Staff originally explored bonding at three intervals, to allow opportunities to participate in large scale capital projects and continue with current programming. Below is a generalized summary of the bond service and payback schedule. These bonding scenarios used an estimated annual revenue of \$2 million/ year as the baseline for the projections.

Bond Amount	Total Repayment	Aggregate Debt Service *	Yearly Payback Amount	Estimated Average Remaining Yearly Revenue**
\$3 Million	\$4,016,854	\$7,181,017	\$703,500 - \$945,250	\$1,000,000
\$7 Million	\$9,086,938	\$12,251,100	\$1,400,000 (approx.)	\$500,000
\$10 Million	\$12,843,688	\$16,007,850	\$1,900,000 (approx.)	\$74,000

*- Note: Aggregate debt includes existing LRC debt, estimated payoff date in 2027.

** - Note: Estimated average remaining revenue available less on-going programming, including COL Support Services, TIF Refunds, Façade Improvement Program and Property Improvement Program.

In June 2024, the LRC passed a resolution directing staff to move forward with the bonding process to bond \$10 million for capital projects within the Highway 42 Revitalization Area. This bonding process does not preclude the LRC from continuing their operations or impact the ability to enter into TIF agreements with qualifying projects within the urban renewal area.

Attachment #1 to this staff report is a copy of the 2024 LRC adopted budget including the expenses. While these expenses are budgeted, please note that not all of these line items are spent down in totality every year.

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Expenditures	2024
Advertising & Marketing	75,870
Staffing Support	50,000
Support Services - COL	75,000
Capital Contributions - COL	1,033,800
TIF Refunds - BC & Fire	255,380
City Skate	188,000
Downtown Vision Plan	150,000
Façade Improvement Programming	350,000
Property Improvement Programming	250,000
Arts & Culture	50,000
Assistance Agreements	980,916
Professional Services	32,150
Capital Contributions - DELO	212,301
Debt Service	870,880
Total Expenditures	4,574,297
Ending Fund Balance	2,039,991

PLAN OBJECTIVES AND BLIGHT FACTORS

The LRC is responsible for carrying out the objectives within the 2006 Highway 42 Revitalization Area Urban Renewal Plan. The purpose of the plan is to “reduce, eliminate and prevent the spread of blight within the Urban Renewal Area and to stimulate growth and reinvestment within the Area boundaries, on surrounding blocks and throughout downtown”. The plan states that the rehabilitation and redevelopment of properties within the area will be accomplished by improvement of existing structures and infrastructure, attraction of new investment and reinvestment and prevention of deterioration of properties in the area.

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As outlined on page 19 of the plan, the development objectives include the establishment of a variety of uses that will allow projects to respond to changing market conditions. Proposed land uses within the area include commercial, office, residential, commuter, public and parking. Design objectives for the area also promote flexibility, adaptability to a range of uses and project types and consistency with marketing conditions. Other objectives include

- a) Eliminate and prevent blight
- b) Improve relationship between this area and surrounding areas (neighborhoods, downtown, open space)
- c) Increase property values
- d) Provide uses supportive of and complementary to planned improvements (transit)
- e) Encourage a mix of uses and/or mixed-use projects
- f) Promote a variety of products to address multiple income segments
- g) Provide ease of vehicular and pedestrian circulation and improve connections
- h) Encourage continued presence of businesses consistent with the plan vision
- i) Provide a range of financing mechanisms for private property re-investment and investment
- j) Mitigate impacts from future transportation improvements
- k) Encourage public-private partnerships to implement the plan
- l) Adjust parking ratios to reflect future densities
- m) Encourage shared parking among projects in area
- n) Develop higher design standards including flexible lighting and signage standards
- o) Landscape streetscapes to unify uses and plan components

Blight can have a lot of meaning and appear in many contexts. Blight generally means something that is detrimental and can cause ruin, destruction and impairment. The State of Colorado identifies blight with the following conditions

- a) Slum, deteriorated, or deteriorating structures;
- b) Predominance of defective or inadequate street layout;
- c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- d) Unsanitary or unsafe conditions;
- e) Deterioration of site or other improvements;
- f) Unusual topography or inadequate public improvements or utilities;
- g) Defective or unusual conditions of title rendering the title non-marketable;
- h) The existence of conditions that endanger life or property by fire or other causes;
- i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities;
- j) Environmental contamination of buildings or property;

k.5) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical and underutilization of vacancy of sites, buildings, or other improvements.

l) If there is no objection of such property owner or owners and the tenant or tenants of such owner or owners, if any, to the inclusion of such property in an urban renewal area, “blighted area” also means an area that, in its present condition and use and, by reason of the presence of any one of the factors specified in paragraphs (a) to (k.5) above, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare. For purposes of this paragraph (l), the fact that an owner of an interest in such property does not object to the inclusion of such property in the urban renewal area does not mean that the owner has waived any rights of such owner in connection with laws governing eminent domain.

The LRC is responsible for enacting policy and programs that eliminate blight and meet the goals and objectives of their plan. This memorandum provides background on two capital projects that have asked the LRC for funding. The two major infrastructure projects are:

- *Downtown Vision Plan*: This plan provides a conceptual plan for streetscape upgrades to the core area of Main Street and Front Street, including cross streets and alleys, and a major investment in the Steinbaugh Pavilion Area. The last time the City made a major investment in Downtown Streetscape infrastructure was in the early to mid 1990’s, and much of the infrastructure is outdated and in need of repair. The LRC has an opportunity to take the Downton Vision Plan a step further and implement the recommended infrastructure improvements.
- *South Street Underpass*: This project has received a Denver Regional Council of Governments (DRCOG) grant of \$3M to pay for a portion of the underpass. The underpass connects future RTD Commuter Rail parking, the Louisville Sports Complex, and regional trails to Downtown East Louisville (DELO) and Downtown Louisville.

DOWNTOWN STREETSCAPE PLAN

In January 2023, the LRC prioritized a coordinated streetscape plan within their work plan. A coordinated streetscape would provide upgraded infrastructure and connectivity throughout the Highway 42 urban renewal area. As a historic downtown, there are many components of the infrastructure that are aging and not aligned with current market trends and needs.

Upgrading the streetscape throughout downtown is a blight prevention and mitigation measure, aligning with overall LRC goals. These improvements will have a positive impact on the functionality of downtown and create more diverse and flexible gathering

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spaces, realms for all modes of activation and a greater sense of community through wayfinding and landscaping enhancements.

Throughout 2023, the LRC advised staff to create a scope of work and go through the RFP process to hire consultants to complete the streetscape project. Public engagement for the coordinated streetscape effort has been underway since mid-2023 and has included open houses, online engagement, business meetings and neighborhood meetings.

The project team has taken best practices and public feedback to create a preferred alternative. This preferred alternative speaks to the hard infrastructure improvements, parking adjustments, landscaping, public spaces, investment in the Steinbaugh Pavilion and includes a signage/wayfinding plan. The City will continue to work with the consultant teams to provide oversight, technical input and support throughout construction of the improvements. Staff would also work with the construction teams and businesses to create a business mitigation plan to assist businesses through the construction of the improvements. In addition, staff will develop a maintenance plan for the new improvements to help ensure the longevity of the new investments.

Once approved, staff is prepared to move into more detailed design and construction documents. It is anticipated that the construction would take three years starting in Q4 2025 and is estimated to cost **\$6-8 million**.

The Downtown Vision Plan implementation aligns with the 2006 adopted plan and has a direct impact on the following objectives:

- Eliminate and prevent blight
- Improve relationship between the URA and surrounding areas
- Increase property values
- Encourage a mix of uses and/or mixed-use projects
- Provide ease of vehicular and pedestrian circulation and improve connections
- Encourage continued presence of businesses consistent with the plan vision
- Mitigate impacts from future transportation improvements
- Adjust parking ratios to reflect future densities
- Develop signage standards
- Landscape streetscapes to unify uses and plan components.

In addition, the Downtown Vision Plan implementation has a direct impact on the following blight factors:

- a) Slum, deteriorated, or deteriorating structures
- b) Predominance of defective or inadequate street layout
- e) Deterioration of site or other improvements
- f) Unusual topography or inadequate public improvements or utilities

- i) Buildings that are unsafe or unhealthy for persons to live or work in because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities
- j) Environmental contamination of buildings or property

SOUTH STREET UNDERPASS

In 2021, the LRC agreed to contribute funding for construction of the underpasses within the Highway 42 urban renewal area. The LRC was interested in funding these underpasses to further plan goals and assist with blight remediation and prevention. In 2021, the LRC entered into a Cooperation Agreement with the City of Louisville, allocating funding for the underpasses within the urban renewal boundary. Through this cooperation agreement, the LRC committed \$7,750,000 for one underpass or \$18,750,000 for two underpasses. The LRC committed roughly \$2 million to the construction and beautification of the BNSF underpass in their Highway 42 urban renewal area.

The south street underpass at Highway 42 provides an opportunity for the LRC to connect the bulk of downtown to the eastern portion of the urban renewal area, connect to additional parking amenities, trails, open space and increased access for various modes of transportation. The underpass would also provide direct pedestrian access to parking for a future commuter rail station planned at South Street. Through a competitive grant process, the City of Louisville has been awarded \$3 million in DRCOG (Denver Regional Council of Governments) funding and is in progress with a \$2 million commitment from the City of Lafayette for the South Street Underpass at Highway 42.

The underpass is Phase 2 of 7 phases within the Louisville Highway 42 corridor that is envisioned to provide safe multimodal connections up to the Highway 7 envisioned bus rapid transit routes between Boulder and Brighton as well as improve connections to the Harney Lastoka and Coal Creek trails to the east.

Once funding is allocated, staff is prepared to move into additional design and construction document work. It is anticipated that construction for the underpass could run parallel with the Downtown Vision Plan improvements and start Q4 2025. The current estimated cost of the underpass is \$10 million with a \$3 million contingency included at the current 15-30% design level.

The South Street Underpass aligns with the 2006 adopted plan and has a direct impact on the following objectives:

- Eliminate and prevent blight
- Improve relationship between the URA and surrounding areas
- Provide uses supportive of and complementary to planned improvements
- Encourage a mix of uses and/or mixed-use projects
- Provide ease of vehicular and pedestrian circulation and improve connections
- Mitigate impacts from future transportation improvements

- Adjust parking ratios to reflect future densities
- Encourage shared parking among projects in area

In addition, the South Street Underpass has a direct impact on the following blight factors:

- b) Predominance of defective or inadequate street layout
- c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
- d) Unsanitary or unsafe conditions
- e) Deterioration of site or other improvements
- f) Unusual topography or inadequate public improvements or utilities
- k.5) The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, buildings, or other improvements

Both projects would be coordinated and supported by City Staff, with Public Works taking the lead and bidding/overseeing the projects like they do for City-led CIP projects. Economic Vitality, Finance and Community Development will work closely with Public Works, consultant teams, partner organizations, residents and businesses to communicate updates, support during construction and market improvements.

FISCAL IMPACT:

The LRC passed a resolution to direct staff to initiate the bonding process in the amount of up to \$10 million. LRC will have decision-making power to accept the terms once they are known as well as commit the bond revenues to projects. As each project gets more detailed and the costs better known, the LRC will approve expenditures through resolutions and the annual budget process. At anticipated bonding amounts the bonds will not preclude the LRC from continuing their operations or impact the ability to enter into TIF agreements with qualifying projects within the urban renewal area.

PROGRAM/SUB-PROGRAM IMPACT:

Committing to project funding will allow the LRC the ability to continue with current programming as well as implement new capital projects to meet area goals and objectives.

RECOMMENDATION:

Staff is seeking direction on funding commitments from the LRC for the Downtown Streetscape Plan and South Street Underpass at Highway 42. Staff recommends that the LRC provide desired funding amounts for each of the two projects, in “up-to” amount allocations.

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ATTACHMENT(S):

1. LRC 2024 Budget
2. DRAFT Budget Projection

COMMISSION COMMUNICATION

City of Louisville, Colorado
Urban Revitalization District
Revenue, Expenditures, & Changes to Fund Balance
2020-2024

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
Beginning Fund Balance	1,120,508	2,238,610	2,870,988	3,606,166	4,161,288
Revenue					
Taxes	1,904,547	2,052,703	2,154,828	2,095,246	2,224,000
City Skate Revenue				78,309	199,000
Intergovernmental Revenue	-	-	-	-	-
Miscellaneous Revenue	33,595	(1,990)	3,966	214,658	30,000
Developer Contributions	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Total Revenue	1,938,142	2,050,713	2,158,794	2,388,213	2,453,000
Expenditures					
Advertising & Marketing	-	-	17,500	261	75,870
Staffing Support				-	50,000
Support Services - COL	60,000	45,000	45,000	50,000	75,000
Capital Contributions - COL	-	-	96,500	87,769	1,033,800
TIF Refunds - BC & Fire	185,847	197,604	209,339	184,395	255,380
City Skate				405,458	188,000
Downtown Vision Plan				-	150,000
Façade Improvement Programming	-	-	92,429	237,134	350,000
Property Improvement Programming				-	250,000
District Wayfinding Signage	-	1,728	-	-	-
Bike Networks & Bike Parking	-	-	-	-	-
Arts & Culture	-	-	-	-	50,000
Bottle Filling Station & Brick Replacemer	-	-	-	-	-
TIF Rebates - Developers	-	-	-	-	-
Assistance Agreements	-	294,108	-	-	980,916
Emergency Solutions Grants	100,000	88,000	-	-	-
Professional Services	10,870	11,292	16,476	28,700	32,150
Capital Contributions - DELO	-	17,938	82,699	-	212,301
Debt Service	463,323	762,664	863,674	839,374	870,880
Total Expenditures	820,040	1,418,334	1,423,617	1,833,091	4,574,297
Ending Fund Balance	2,238,610	2,870,988	3,606,166	4,161,288	2,039,991

City of Louisville, Colorado
Urban Revitalization District
Revenue, Expenditures, & Changes to Fund Balance
2024 - 2032

	2024 Budget	2025 Projection	2026 Projection	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection	2032 Projection
Beginning Fund Balance	4,161,288	2,039,991	1,672,971	1,424,381	1,294,761	1,301,761	1,432,291	1,698,761	2,093,531
Revenue									
Taxes	2,224,000	2,529,860	2,661,520	2,795,050	2,936,200	3,074,790	3,225,920	3,369,800	3,531,430
City Skate Revenue	199,000	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Developer Contributions	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-	-
Total Revenue	2,453,000	2,559,860	2,691,520	2,825,050	2,966,200	3,104,790	3,255,920	3,399,800	3,561,430
Expenditures									
Advertising & Marketing	75,870	-	-	-	-	-	-	-	-
Staffing Support	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Support Services - COL	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Capital Contributions - COL	1,033,800	-	-	-	-	-	-	-	-
TIF Refunds - BC & Fire	255,380	239,730	252,960	267,520	281,700	296,760	311,950	327,530	343,790
City Skate	188,000	-	-	-	-	-	-	-	-
Downtown Vision Plan	150,000	-	-	-	-	-	-	-	-
Façade Improvement Programming	350,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Property Improvement Programming	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
District Wayfinding Signage	-	-	-	-	-	-	-	-	-
Bike Networks & Bike Parking	-	-	-	-	-	-	-	-	-
Arts & Culture	50,000	-	-	-	-	-	-	-	-
Bottle Filling Station & Brick Replacemer	-	-	-	-	-	-	-	-	-
TIF Rebates - Developers	-	-	-	-	-	-	-	-	-
Assistance Agreements	980,916	-	-	-	-	-	-	-	-
Emergency Solutions Grants	-	-	-	-	-	-	-	-	-
Professional Services	32,150	12,150	12,150	12,150	2,500	2,500	2,500	2,500	2,500
Capital Contributions - DELO	212,301	-	-	-	-	-	-	-	-
Debt Service	870,880	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Total Expenditures	4,574,297	2,926,880	2,940,110	2,954,670	2,959,200	2,974,260	2,989,450	3,005,030	3,021,290
Ending Fund Balance	2,039,991	1,672,971	1,424,381	1,294,761	1,301,761	1,432,291	1,698,761	2,093,531	2,633,671

