ARVADA URBAN RENEWAL AUTHORITY

REGULAR MEETING OF THE AURA BOARD OF COMMISSIONERS
5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado
5:30 p.m., Wednesday, March 6, 2019

AGENDA

REGULAR MEETING – 5:30 P.M.

1. Call to Order

2. Moment of Reflection and Pledge of Allegiance

3. Roll Call of Members

4. Approval of the Summary of Minutes

5. Public Comment of Issues not scheduled for Public Hearing – Three Minute Limit

6. Public Hearing – None

7. Study Session
   A. Discussion: Timing of Land Conveyance

8. Old Business
   A. Resolution AR-19-02 Seventh Amendment to an Employment Agreement by and Between the Arvada Urban Renewal Authority and Maureen C. Phair as Secretary and Executive Director

   B. Seventh Amendment to Ralston Creek North Disposition and Development Agreement

9. New Business
   A. Resolution AR-19-03: A Resolution of the Board of Commissioners of the Arvada Urban Renewal Authority Establishing a Designated Public Place for the Posting of Meeting Notices

10. Development Update

11. Public Comment – Five Minute Limit

12. Comments from Commissioners

13. Committee Reports

14. Staff Reports

15. Executive Session
    A. Personnel Matters, Pursuant to CRS 24-6-402(4)(f)

16. Adjournment

REGULAR MEETING

1. Call to Order – Chair Fred Jacobsen called the meeting to order at 5:30 p.m.

2. Moment of Reflection and Pledge of Allegiance

3. Roll Call of Commissioners: Chair Fred Jacobsen, Vice Chair Alan Parker, Treasurer Tony Cline, Commissioners Michelle DeLaria, Moni Piz Wilson, Sue Dolan, Marc Williams

Commissioner Williams moved to excuse Commissioner DeLaria

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Cline, Dolan, Piz Wilson, Williams
Absent: DeLaria
The Motion was approved.

AURA staff present: Maureen Phair, Executive Director; Hilary Graham, Legal Counsel; Carrie Briscoe, Project Manager; Peggy Salazar, Administrative Specialist

Also present: Lisa Yagi, Assistant Finance Director and 1 guest.

4. Approval of Minutes

The Summary of Minutes of the AURA Board meeting on December 6, 2019, stands approved.

5. Public Comment on Issues Not Scheduled for Public Hearing – Three Minute Limit

None.

6. Public Hearing

A. Final Budget Amendment for Fiscal Year 2018

Chair Jacobsen opened the public hearing for the Final Budget Amendment for Fiscal Year 2018.

Ms. Phair summarized the Final Budget Amendment for Fiscal Year 2018.

Lisa Yagi, Assistant Finance Director, City of Arvada explained the increase due to the sales tax and no changes to the general fund.

Lisa Yagi reported that BKD Auditors will return as the official auditor for 2019.

Ms. Phair noted the publication affidavit in Board Meeting packet shows AURA has properly notified the public.

Chair Jacobsen sought public comments. No public comments. Public comments closed. No comments from Commissioners.

Vice Chair Parker moved that AR-19-01, A Resolution for a Final Amendment and Appropriation to the Arvada Urban Renewal Authority Budget for Fiscal Year 2018, be approved.

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Cline, Dolan, Piz Wilson, Williams
Absent: DeLaria
The Motion was approved.

7. Study Session

None.

8. Old Business

A. First Amendment to the First Amended and Restated Disposition and Development Agreement between the Arvada Urban Renewal Authority and TC Denver Development, Inc.

Ms. Phair reported the need to amend dates for project with Trammell Crow Company. Amend to extend dates: Phase I (7-month delay) break ground in October 2019. Phase II (3-month delay) start construction in June 2021 and anticipated completion is June 2023. Trammell Crow issued a FDP in December, 2018 and is moving forward with the project.

Ms. Phair and a Trammel Crow representative are meeting with Arvada Center staff for a tour of the facility.

Commissioner Williams explained the new model of the Arvada Center.

Commissioner Dolan moved that the First Amendment to the First Amended and Restated Disposition and Development Agreement between the Arvada Urban Renewal Authority and TC Denver Development, Inc. be approved.

Vice Chair Parker seconded the motion.

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Cline, Dolan, Piz Wilson, Williams
Absent: DeLaria
The Motion was approved.

9. New Business

None.

10. Development Update

Maureen Phair, Executive Director provided the following development updates:

Alliance Residential - Ralston Creek Development neighborhood meeting was held on December 14 and was well received.

Berkeley Town Homes - Ralston Creek Village neighborhood meeting was held on January 24 and resulted in a positive outcome.

The Vacant Kmart and Kings Soopers site – Ms. Phair arranged a meeting with owners to discuss interest in working together with future opportunities.

Gateway at Arvada Ridge – Apartments are available this month and plan to roll-out over the course of the year.

Studio 8.18 Engineering – Ms. Phair and Ms. Briscoe met with its president regarding the front area of building for potential enhancements.

11. Public Comment – Five Minute Limit

None.

12. Comments from Commissioners

Treasurer Cline stated his concerns about the redevelopment of Kmart site/Ralston Creek Development. Being that it's a prime spot and near the park he requested to have a study session.

Commissioner Williams reported that the Federal Railroad Administration (FRA) granted a waiver that added the G-Line to an existing long-term waiver for the A-Line. The waiver excepts from certain rule and is a 5-year waiver as it pertains to the new technology. The next step is it goes to the Colorado Public Utility Commission (PUC) and the FRA for final approval. Conceivably have passengers on trains possibly in second quarter of 2019.

13. Committee Reports

None.

14. Staff Reports

Maureen Phair provided the following development updates:

Ms. Phair noted the flash report and communications report in the Board packet. As part of the communications report a video produced by AURA was displayed recognizing Solana Olde Town Station for highest honor in the "Garden Style" category. The award recognition was also placed in the Arvada Report.

She stated she will be a presenter at the Arvada Chamber of Commerce Leaders Roundtable.

Ms. Phair requested that February 20, 2019 workshop be canceled.

Commissioner Williams moved that Arvada Urban Renewal Authority Board of Commissioners approve to cancel the February 20, 2019 workshop.

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Cline, Dolan, Piz Wilson, Williams
Absent: DeLaria
The Motion was approved.

15. Executive Session

Commissioner Williams moved to convene into Executive Session to review Personnel Matters, Pursuant to CRS 24-6-402(4)(f) and discuss Instructions to Negotiators – Potential Projects, Pursuant to CRS 24-6-402(4)(e).

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Cline, Dolan, Piz Wilson, Williams
Absent: DeLaria
The Motion was approved.

The AURA Board convened into the Executive Session at 7:03 p.m. and reconvened into the Regular Meeting at 8:32 p.m.

16. Adjournment

The meeting was adjourned by Chair Jacobsen at 8:32 p.m.

_____
Fred Jacobsen, Chair

ATTEST:

_____
Maureen Phair, Executive Director

_____
Carrie Briscoe, Recording Secretary

Hoffmann Parker Wilson & Carberry | P.C.

Corey Y. Hoffmann
Kendra L. Carberry
Jefferson H. Parker
M. Patrick Wilson

Of Counsel
J. Matthew Mire
Hilary M. Graham
Kathryn M. Sellars

Denver Office
511 16th Street, Suite 610
Denver, CO 80202-4260
(303) 825-6444

Vail Office
P.O. Box 2616
Vail, CO 81658
(970) 390-4941

Daniel P. Harvey
Ruthanne H. Goff
Evin B. King
Robert C. Huss

ARVADA URBAN RENEWAL AUTHORITY
MEMORANDUM

TO: **BOARD OF COMMISSIONERS**
MAUREEN PHAIR, EXECUTIVE DIRECTOR

FROM: **COREY Y. HOFFMANN, GENERAL COUNSEL**
HILARY M. GRAHAM, ESQ.

DATE: **FEBRUARY 20, 2019**

RE: **TIME OF CONVEYANCE**

This memorandum responds to a question regarding whether there is risk to AURA in modifying what we understand has been AURA's previous practice of not transferring fee title of project property from AURA to a developer, until the developer receives building permits from the City of Arvada.[1] This practice is memorialized in an exhibit to AURA's form disposition and development agreement (the "DDA"). While subject to some negotiation and modification per project, the DDA includes a standard provision requiring adoption of a schedule of performance that sets out milestones that a developer must meet before closing. In particular, Section 5.03 of the DDA provides as follows:

> 5.03 Zoning, Permits and Approvals. Redeveloper shall be solely responsible for determining the adequacy of the current zoning for the proposed development. Any necessary zoning changes, or other approvals required under the City Land Development Code, or the associated regulations or interpretations shall be obtained by Redeveloper at its sole and cost and expense. Provided however, if the zoning, the Plan or other land use and building provisions change prior to the

[1] Issuance of a building permit by the City involves other conditions precedent for a developer, such as the City's requirement that all public improvements required for a development be installed *prior to* issuance of the project's first building permit. Arvada Municipal Code, Sec. 7.14.2(B). The City has been willing to amend its standard requirements to allow issuance of a foundation-only building permit concurrently with (but not before) issuance of the required public improvement permits.

> Closing through no fault of the Redeveloper, and such change adversely impacts the AURA Property or Redeveloper's intended development thereof, then Redeveloper may terminate this Agreement pursuant to Section 15. **The Redeveloper shall process and seek to obtain all building permits for the Improvements in accordance with the Schedule of Performance.** (Emphasis added.)

Application of the above provision in AURA's recent DDAs required building permit approval prior to closing. *See e.g.,* Exhibit G, Schedule of Performance for TC Denver Development, Inc. However, the question has been raised because some developers have indicated this is a difficult provision in the context of implementing the DDA. We presume that this difficulty arises because, without ownership of the project property prior to applying for building permits, it is likely more difficult to obtain construction financing.

The question raised is whether there is a different entitlement trigger that will still provide protection to AURA in the event the conditions precedent, such as a land use approval, are achieved, yet for some reason the project thereafter is not commenced. A fairly common trigger in other jurisdictions is that the transfer of property from the urban renewal authority to the developer occurs after a project has received its final land use entitlement approval (as opposed to the first building permit). AURA could easily make this change by amendment to adopted schedules of performance, if needed.

Whether the trigger is issuance of a building permit or the final land use entitlement approval, the DDA can include appropriate remedies to secure AURA's interests in the event of non-performance by the developer, even including reversion of the property back to AURA in the event of nonperformance. The DDA includes the right of re-entry, that includes post-closing defaults and preserves AURA's right to "re-enter and take possession of the AURA Property and to terminate and revest in the Authority the estate conveyed to the Redeveloper." The DDA, typically Sec. 16.05. Such defaults can include the developer's failure to meet project deadlines for completed construction, issuance of certificates of occupancy, or the like.

We are happy to discuss this issue further as necessary, and please let us know if you have any questions.

RESOLUTION AR-19-02

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE ARVADA URBAN RENEWAL AUTHORITY
APPROVING THE SEVENTH AMENDMENT TO THE EXECUTIVE DIRECTOR'S
EMPLOYMENT AGREEMENT

WHEREAS, the Arvada Urban Renewal Authority ("AURA") and Maureen C. Phair ("Employee") entered into an employment agreement with an effective date of July 6th, 2011 (the "Agreement") whereby, among other matters, Employee's pay and benefits were set;

WHEREAS, AURA and Employee have previously amended the Agreement annually since on or about, September 5, 2012, August 7, 2013, August 6, 2014, February 3, 2016, November 7, 2016, and April 4, 2018; and

WHEREAS, AURA and Employee wish to further amend the Agreement by this Seventh Amendment to the Agreement as more fully set forth below.

NOW THEREFORE BE IT RESOLVED BY THE ARVADA URBAN RENEWAL AUTHORITY, ARVADA, COLORADO, THAT:

Section 1. Subject to City Council approval, retroactive to January 1, 2019, Section 3.4 of the Agreement is amended to provide an annual salary of $150,790 for the Employee.

Section 2. Subject to City Council approval, the Employee is awarded a one-time bonus of $4,000, such bonus to be paid either as a cash payment or as a deposit in Employee's defined contribution or deferred compensation planned, as specified by the Employee.

Section 3. Except as amended herein, the remaining terms and conditions of the Agreement are hereby affirmed and remain in full force and effect.

Section 4. This Resolution shall be effective upon its passage by the AURA Board of Commissioners.

INTRODUCED AND ADOPTED this ___ day of March, 2019.

ATTEST: _____
Fred Jacobsen, Chair

_____
Maureen Phair, Executive Director

APPROVED AS TO FORM:

_____
Legal Counsel Date

ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: Item 8B

Meeting Date: March 6, 2019

Title: Ralston Creek North - Seventh Amendment to the Disposition and Development Agreement (DDA)

ACTION PROPOSED: Approve the Seventh Amendment to Ralston Creek North Disposition and Development Agreement (DDA)

INFORMATION ABOUT THE ITEM: Ralston Creek is being developed in four phases:

Phase I
- Shops at Ralston Creek – RCN (Independence Center)

Phase II
- Townhome Property – Berkeley Homes (Safeway & Ralston Road Café)
- Senior Housing Property – Alliance Realty Partners (Arvada Square)
- Restaurant Site – RCN (Ralston frontage between the emergency room and gas station)

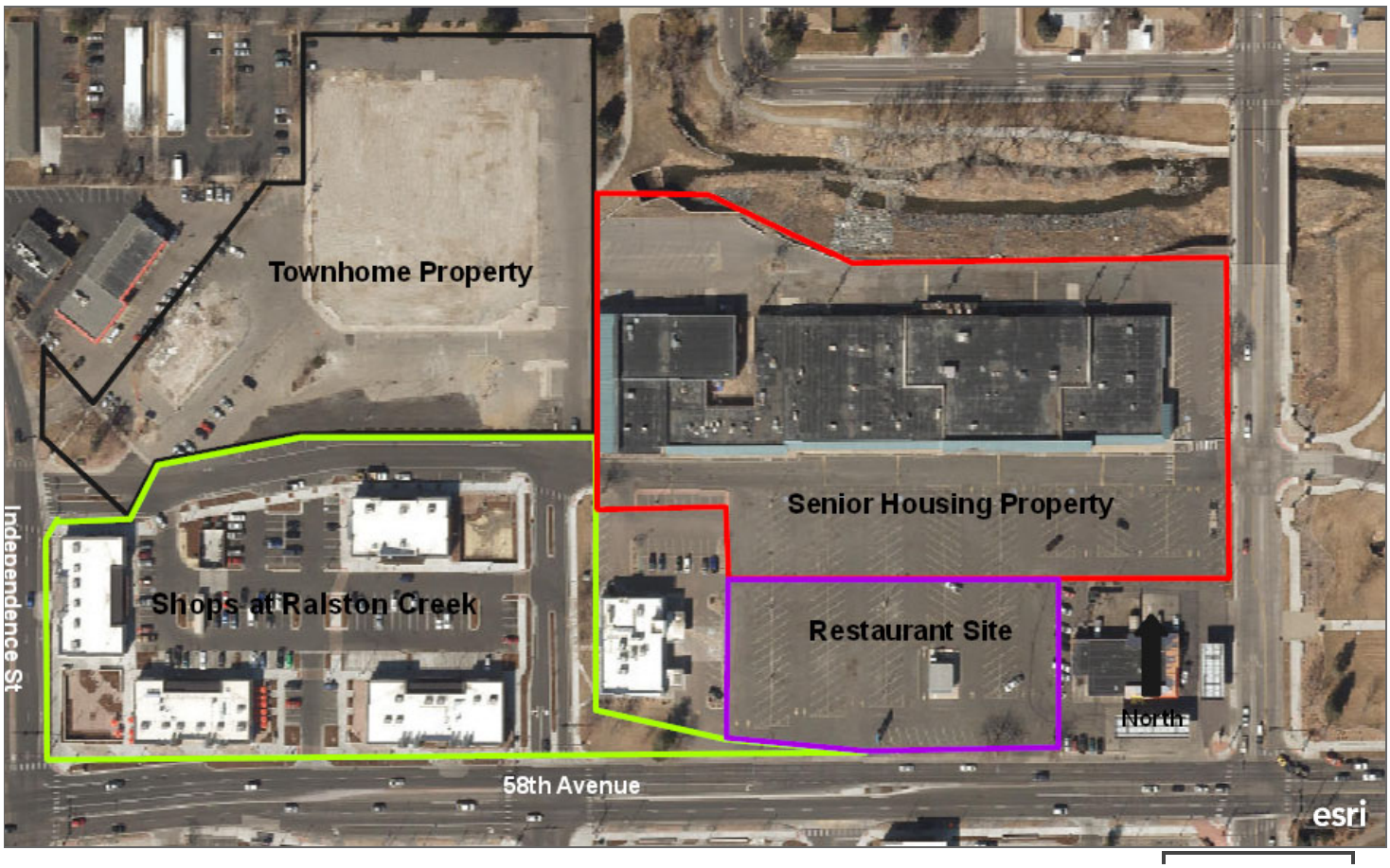
In the DDA, the milestone dates are the same for the three parcels that consist of Phase II – senior housing, townhomes and the restaurant site. RCN's focus has been working with the developers of the senior housing and townhomes projects while leasing the Shops at Ralston Creek. They are requesting an additional six months to develop the restaurant site. The PDP submittal date would move from 3/31/19 to 9/30/19, with the closing upon FDP approval no later than 9/30/20.

FINANCIAL IMPACT: This amendment does not change the financial structure of the DDA.

STAFF RECOMMENDATION: Staff recommends approving the Seventh Amendment to the Ralston Creek North DDA.

SUGGESTED MOTION: I move that the AURA Board approve the Seventh Amendment to the Ralston Creek North Dispositions and Development Agreement between the Arvada Urban Renewal Authority and Ralston Creek North LLC.

Ralston Creek



City of Arvada

Seventh Amendment to Ralston Creek North Disposition and Development Agreement

WITNESSETH

Whereas, the Arvada Urban Renewal Authority (the "Authority") and Ralston Creek North, LLC, ("RCN" or "Original Redeveloper") entered into a Disposition and Development Agreement (the "DDA," incorporated herein by this reference) on or about November 4, 2015, for the redevelopment of certain property located within the Ralston Fields Urban Renewal Project Area for a mixed-use development, which DDA has been amended by the First Amendment to the DDA on or about October 20, 2016, the Second Amendment to the DDA on or about March 2, 2017, the Third Amendment to the DDA on or about May 3, 2017, the Fourth Amendment to the DDA on or about October 4, 2017, the Fifth Amendment to the DDA on or about October 3, 2018, and the Sixth Amendment to the DDA on or about November 7, 2018;

Whereas, among other matters, the DDA, and its subsequent amendments, set forth certain milestones for accomplishment of certain tasks by the Parties on or before a specified date; and

Whereas, the Authority and RCN wish to amend the DDA again to establish milestone dates for a new parcel within the Phase II Property, referred to as the "Restaurant Site," which will develop separately from the rest of the Phase II Property (hereafter, the "Seventh Amendment").

In consideration of the following promises, covenants, agreements and other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged and confessed, it is THEREFORE AGREED BY THE PARTIES AS FOLLOWS:

1. The following milestones and deadlines are hereby added to the DDA's Schedule of Performance, Exhibit F, of the DDA and relate exclusively to the Restaurant Site:

- Preliminary Development Plan Submittal Deadline: September 30, 2019;
- Closing on Property after RCN receives FDP approval: September 30, 2020

2. The deadlines previously established by the Fifth Amendment to the DDA remain in effect for the rest of the Phase II Property:

- Phase II Preliminary Development Plan Submittal Deadline: March 31, 2019;
- Phase II Closing on Property – March 31, 2020

3. The DDA, as previously amended, is hereby ratified and affirmed. All terms, conditions, and definitions of the DDA, except as expressly amended hereby shall apply to this Seventh Amendment. To the extent that any other term or condition of the DDA is based upon or contingent upon the amended term or condition of this Seventh Amendment, including a milestone for performance, such term or condition is hereby conformed to this Seventh Amendment except as amended herein. Except as is necessary to conform the terms and conditions of the DDA to this Seventh Amendment, the DDA, as amended, is ratified and affirmed.

4. This Seventh Amendment shall be effective upon its execution by both Parties. The Parties may execute this Seventh Amendment in counterparts, each of which shall be deemed an original.

DATED THIS _____ DAY OF _____, 2019.

THE AUTHORITY

_____
Fred Jacobson,
Chairman of the Board of Commissioners

ATTEST: _____

RALSTON CREEK NORTH, LLC

BY: _____

_____
(Print)

Title:_____

ATTEST: _____

ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: Item 9A

Meeting Date: March 6, 2019

Title: Establishing a Designated Public Place for the Posting of AURA Meeting Notices

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ACTION PROPOSED: Approve Resolution AR-19-03, A Resolution of the Board of Commissioners of the Arvada Urban Renewal Authority Establishing a Designated Public Place for the Posting of Meeting Notices

INFORMATION ABOUT THE ITEM: As a governmental entity, AURA is subject to the Open Meetings Law that requires a full and timely notice to the public if a quorum of the Board is in attendance. Annually, we are required to designate a public place where our meeting notices will be posted.

AURA's official posting location is the main entrance of 5601 Olde Wadsworth Blvd., with addition locations at City Hall – between the double doors of the main entrance of City Hall and the lobby of the Police Department – 8101 Ralston Road, Arvada, CO 80002.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval

SUGGESTED MOTION: I move that the AURA Board approve Resolution AR-19-03, A Resolution of the Board of Commissioners of the Arvada Urban Renewal Authority Establishing a Designated Public Place for the Posting of Meeting Notices

RESOLUTION AR-19-03

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE ARVADA URBAN RENEWAL AUTHORITY
ESTABLISHING A DESIGNATED PUBLIC PLACE
FOR THE POSTING OF MEETING NOTICES

WHEREAS, pursuant to the Open Meetings Law, specifically C.R.S. § 24-6-402(2)(c), any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public; and

WHEREAS, pursuant to C.R.S. § 24-6-402(2)(c), each local public body must annually designate a public place where notices of its meetings will be posted.

NOW THEREFORE BE IT RESOLVED BY THE ARVADA URBAN RENEWAL AUTHORITY, ARVADA, COLORADO, THAT:

Section 1. Meeting notice shall be posted on the ground floor exterior doors of the Authority's office, located at 5601 Olde Wadsworth Boulevard, Arvada, Colorado, 80002, and this location is hereby designated as the official posting place for notice of all Arvada Urban Renewal Authority meetings for the year 2019. Meeting notice will also be posted in the first floor in the Police Department lobby, between the double doors of the Arvada Municipal Building at 8101 Ralston Road in Arvada, Colorado.

Section 2. This Resolution shall be effective upon its passage by the AURA Board of Commissioners.

INTRODUCED AND ADOPTED this ___ day of March, 2019.

ATTEST:

_____
Fred Jacobsen, Chair

_____
Maureen Phair, Executive Director

APPROVED AS TO FORM:

_____
Legal Counsel Date

AURA Flash Report

FOR DISCUSSION PURPOSES ONLY

Balances as of January 31, 2019

UNOFFICIAL & UNAUDITED

CASH & INVESTMENTS

		Account Balance	Change from previous report	Net to AURA
Wells Fargo Bank				
	General - Checking (0193)	262,033	323.06%	262,030
	Ralston Fields - Checking (4061)	1,670,895	-0.66%	1,670,895
	Ralston Fields Investments (9353)	349,609	0.00%	349,609
First Bank of Arvada				
1.50%	CD Maturity 10/11/2022 (4548)	323,637	0.00%	323,637
Vectra Bank Colorado				
0.90%	General Fund 04/08/19 (6319)	1,042,076	0.15%	1,042,076
Commerce Bank				
2.18%	General Fund CD Maturity 03/12/19 (9669)	1,024,860	0.19%	1,024,860
2.35%	Ralston Fields Fund 09/12/19 (9670)	1,025,250	0.20%	1,025,250
2.55%	Ralston Fields Fund 09/12/20 (9671)	1,025,709	0.22%	1,025,709
			NET CASH AVAILABLE TO AURA	**6,724,066**

REAL ESTATE OWNED

Date Acq.	Name	Address	Purchase Price	Debt/Discount	Net Value
2013	TOD Parcel	5580 Vance Street	660,000	659,990	10
2004	Water Tower	Lot K	0	0	0
2015	Ralston Road Café	9543 Ralston Road	800,000	500,000	300,000
2016	Arvada Square	9465 Ralston Road	4,963,065	4,963,064	1
2017	TOD Parcel - Gun Club		10	0	10
2019	TOD Parcel - RTD		10	0	10
				NET VALUE OF REAL ESTATE OWNED	**300,031**

LONG TERM RECEIVABLES

	Borrower	Current Loan Balance	Credit	Net Receivable
	Loftus Development (Ralston Rd Café Demo)	300,000	0	300,000
			NET LONG TERM RECEIVABLES	**$300,000**

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GENERAL FUND SOURCES OF GROSS INCOME As of January 31, 2019

		2019 Budget	Actual Collected YTD
	Ralston Fields	1,500,000	250,000
	Olde Town Station	204,000	-
	Jefferson Center	145,000	-
	Northwest Arvada	372,000	-
	Village Commons	142,655	-
	Interest & Misc.	40,000	-
	TOTAL SOURCES OF INCOME	**$2,403,655**	**$250,000**

GENERAL FUND EXPENSES As of December 31, 2019

		2019 Budget	Expended YTD
	Operating Expenses	852,881	18,044
	TOTAL EXPENSES	**$852,881**	**$18,044**