

FOUNTAIN URBAN RENEWAL AUTHORITY

January 31, 2018

Minutes

Chair Paul Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:05pm. Commissioners present included Bill McMaster, Steve Mosher, and Phil Thomas. Also in attendance: FURA's Executive Director (ED) Kimberly Bailey and CLA Carrie Bartow.

Chair Aragon presented for approval the December 20, 2017 meeting minutes. Thomas motioned for approval, seconded by Mosher, and passed unanimously by the board.

NEW ITEMS discussed:

Board Liability Insurance

ED Bailey provided a general overview of the policy coverage and appointment roles required through SDA of Colorado. Chair Aragon addressed the need of coverage due to a more active Authority and the pass through liability for FURA board members. CLA Bartow advocated for the highly rated provider and Thomas shared his experiences with SDA and stated it would be a phenomenal resource partner for FURA.

Thomas was nominated as designated SDA Representative and Jim Heckman was nominated as alternate SDA Representative on behalf of FURA. Aragon moved to approve the nominations, seconded by McMaster, passed unanimously by the Board.

Resolution 18--01: A resolution approving the SDA Board Liability Insurance Policy for Fountain Urban Renewal Authority as proposed. A motion for approval was made by Thomas, seconded by Mosher, passed unanimously by the Board.

Property Leases

ED Bailey mentioned that the (3) tenant leases for property 212 Illinois were due for renewal. She had inquired with real estate professionals as to going rates and FURA tenants are paying below market values. Bailey proposed 1) continuing with 1-year lease terms, due to the Illinois/Indiana roadway transitions of 2019 timing and 2) recommended keeping rents the same but to add in the trash remove service as a pass through expense covered by the tenants (approx. \$30 add-on per tenant per month). The board discussed the recommendations and concurred with recommendations. A motion for approval was made by Mosher, second by Thomas, passed unanimously by the Board.

Chair Aragon inquired about the broader scope of this property and how it parlays with the Blast Park mission of FURA. ED Bailey shared the following:

1. The city had applied to GOCO grant funding but was not awarded in 2017; however it still remains hopeful for Park engineering plan funding through GOCO in the future.
2. The area's holistic vision is a "green space" corridor that spans between Aga Park and to-be Blast Park that flanks the railway lines (with enhanced buffers) to encourage a pedestrian oriented open space for Olde Town.

3. As to the shelf life of the property under FURA ownership, that is a question to be further explored by the Board within the 2018 timeframe.

Property Management

With the impending purchase of Woodmen Hall in mid-2018, the board discussed the residential component of the to-be acquired property and the importance of retaining the mixed-use operations of the property (1st floor retail; 2nd floor residential). The Fountain Valley Housing Authority (FVHA) could be an option for FURA to work with as the property management entity specifically to care to the residential aspects of the 2nd Floor. ED Bailey asked for support of the Board to engage with the FVHA in tandem with the City Manager of Fountain to gain further insights to their services and coverages.

Thomas requested two specific areas to gain further FVHA details about; 1) damage coverage criteria and co-associated deductible concerns and 2) if there is a fee for service? What value? What's included?

McMaster referenced some sub-landlord term arrangements to alleviate the direct responsibility role for FURA with respect to tenant management and could explore those further with the board after the FVHA conversation takes place.

A motion for approval granting ED Bailey to further explore FVHA options was made by Thomas, seconded by Mosher, passed unanimously by the Board.

Chair Aragon brought to light a key communication role of FURA as it gets closer to the mid-2018 acquisition timing of Woodmen Hall. As Pastor of Restoration Church, Aragon is very informed of the mirage of community/social services for the Fountain Community; example: Food Ministry co-housed with Beckett Hall on US85. However, the community masses might not be as informed about the breadth of services available and how to connect with such services.

FURA should consider a pro-active story that provides a snapshot of these 501©3 services and promote such through FV Newspaper, Social Media channels, etc. The Board was very supportive of this idea and ED Bailey mentioned she could work with through the City's Public Engagement Officer as well on behalf of this idea.

UPDATES discussed:

South Academy Highlands

ED Bailey updated the Board as to the following activities.

RRA Amendment has been signed by Chair Aragon and submitted to the Trustee, which covers:

- Berm reduction on behalf of hotel development
- Pre-emptive and Pre-luminary budget expenses with respect to a Qualified Retailer (*QUAD*)
- 1% FURA Support Fee for the hotel development

Woodmen Hall

Due to the historic nature of this to-be acquired structure, ED Bailey wished to ask about what particular inspections should be completed. As this question was more directed to Kniep, she called and gained the answers, which included: foundation structure, asbestos, utility feeds into the property and service extension within property, pipes age and decay relevance, electrical wiring and capacities between the retail and residential floors, operational equipment condition, and the roof.

FINANCE accounting:

CLA Bartow provided an overview on current financials. The Board had no questions on this topic.

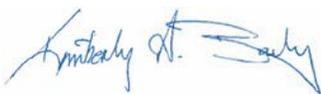
CLA Bartow advised the 2017 Audit is slated to transpire around April 10th window, with end of May roll up to City of Fountain Finance (as a sub-component of City's Audit). ED Bailey stated an Engagement Letter has not been provided yet to FURA. She posed to the Board if they would like to continue with BiggsKofford or request alternate provider quotes? CLA Bartow advised this would be the third year that FURA has engaged BiggsKofford and that across the spectrum there is a \$500 increase being realized in audit services this year. The board requested to remain with BiggsKofford for the 2017 audit.

ED Bailey reviewed the December payable, acknowledging an uptick in payables due to 1) a change to billing dates with Fountain Utilities (pre-payments) and 2) early December FURA meeting had late invoices come in paired with January invoices (checks). Mosher motioned for approval of pre-payments of \$1,772.26, and checks totaling \$19,702.08; in total of \$21,474.34; seconded by Thomas, passed unanimously by the Board.

Pre-payments and Checks:

- #1250 – CHFA - \$4,002.56 (*quarterly payable*)
- #1251 – A&C Landscaping - \$640.00 (*Dec & Jan payable*)
- #1252 – Anderson Analytics - \$2,600.00
- #1253 – THK Associates - \$3,990.00 (*final payable*)
- #1254 – CLA - \$8,469.52 (*Dec & Jan payable*)

The Chair asked if there was further business. No further topics were brought forth by subsequent board members. Aragon motioned for adjournment, seconded by Thomas, passed unanimously by the board at 7:23 pm.



Kimberly Bailey, Executive Director

2-1-18

Date

FOUNTAIN URBAN RENEWAL AUTHORITY
February 28, 2018
Minutes

Chair Paul Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:03pm. Commissioners present included Dennis Hisey, Steve Mosher, and Bryan Kniep. Also in attendance, FURA's Executive Director (ED) Kimberly Bailey, Economic Development Specialist (EDS) Jennifer Stewart and CLA Carrie Bartow.

Chair Aragon presented for approval the January 31, 2017 meeting minutes. Mosher motioned for approval, seconded by Kniep, and passed unanimously by the board.

NEW ITEMS Discussed:

Olde Town Business Open House

EDS Stewart informed the Board that the February 21st Olde Town/Gateway Business Open House was a successful event; there were many new businesses in attendance and the feedback received was very valuable.

Improvements/Activity Timeline

ED Bailey provided a copy of the Olde Town Improvements and Activity Timeline document to the Board. This document has been suggested to be released with the FURA Annual Report and housed on the FURA website. Above the line on the document, are policy action items highlighted. Below the line are the project improvement items either visible or non-visible (ie: infrastructure) to the public. The intent of the Timeline is to communicate activity within the districts from pre-2014 to the present. It's foreseen to be an ongoing, useful tool for the community; a supportive aid for the next wave of infrastructure improvements through the THK effort; as well as to educate new third party developers to invest in the districts.

Demolition Bids and Services

ED Bailey provided cost quotes from two demolition contractors for the Olde Town Grocer site. The Board discussed the positive rapport FURA has with both companies, the past connections they have each had with FURA projects, and the general business community. Kniep motioned for approval of Division 2 Demo & Dirt's (Kevin Murphy, owner) services at a value of \$61,500, seconded by Mosher, passed unanimously by the Board.

Real Estate

ED Bailey informed the Board that she recently delivered the drafted lease to the Grocer operator. One missing element to the document is the monetary monthly lease amount; ED Bailey is waiting on a construction "punch list" in order to determine a more finite number from the already agreed upon of \$9,000-\$12,000 monthly lease term range with Grocer operator.

ED Bailey informed the Board that multiple brewery operations have inquired about placement within FURA properties. Subsequent meetings are to be held with the entities, as such it behooves the Authority to discuss its plans/wishes with regards to property ownership or disposal.

Property/Project Administration

ED Bailey provided the Board with a property and project administration matrix; Chair Aragon discussed the changes that have occurred with the growth of FURA and the extended responsibilities and job portfolios of FURA staff. The matrix outlines the costs associated with hiring an outside property management firm, the costs to keep the additional responsibilities in-house and the timelines and plans with each FURA owned property. The Board discussed:

- FURA long-term and overall bigger picture in regard to property ownership and projects
 - Past and current opportunistic role as a catalyst for district improvement
 - Long-term land ownership vs. property disposal to private ownership
 - Land holdings strategy among Olde Town and Gateway districts
- Commonality of outsourcing services within other Urban Renewal Authorities around the state
 - ED Bailey explained due to FURA size and districts' make-up we are a more nimble Authority and able to respond quicker to needs and market opportunities vs. larger Statewide Authorities; echoed by CLA Bartow
 - ED Bailey explained that due to the current pace of the market, consultants and property managers are under-delivering services with fees ranging higher
 - Kniep expressed if FURA was to continue with a larger base of tenants then a third-party Property Management firm makes sense; if we are to stay small and/or reduce the current tenant count then FURA could invest in services in house for more value added services to the community at large
- Structural and workload changes for FURA staff
 - Invest in Part-time intern for property management coverage, marketing, grants, etc.
 - Provides a means to focus EDS on small business support/development; a critical void in the US85 URA

FURA staff exited and the Board discussed long and short term personnel matters and no action was taken. The Board requested for City Manager Scott Trainor to attend March's meeting to discuss possible repositioning within FURA. **Update: City Manager will be in attendance at the March 21st FURA meeting, which is a reschedule from March 28th meeting date.**

FINANCE accounting:

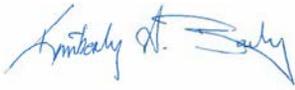
CLA Bartow provided a FURA financial overview. There were no questions from the Board.

CLA Bartow informed the Board that this will be the third year with auditors Biggs Kofford and the FURA audit will be in April timeframe. Kniep motioned for approval of engagement with Biggs Kofford for the 2017 annual audit with a fee of \$7,450.00, amended from the original fee of \$7,350.00, seconded by Hisey, passed unanimously by the Board; Chair Aragon signed the Biggs Kofford Engagement Letter.

Mosher motioned for approval of pre-payments of \$1,315.24, and checks totaling \$14,110.72; in total of \$15,425.96; seconded by Hisey, passed unanimously by the Board.

CK#1262 – A&C Landscaping = \$320.00
CK#1261 – Anderson Analytics = \$2600.00
CK#1260 – Hogan Lovells = \$1813.50
CK#1259 – Paul Benedetti = \$1040.00
CK#1258 – Compass Survey & Mapping = \$950.00
CK#1257 – CLA = \$7387.22

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Mosher motioned to adjourn, seconded by Kniep, passed unanimously at 7:40pm.



Kimberly Bailey, Executive Director

3-22-18

Date