

**FOUNTAIN URBAN RENEWAL AUTHORITY**

**January 27, 2021**

*(COVID-19 Response Policy in effect)*

**Minutes**

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:06 pm. Commissioners present included Vice Chair McMaster, Gabe Ortega, Greg Welch, and Paeleigh Reed. Additional attendees included: FURA Executive Director (ED) Kimberly Bailey, Carrie Bartow (CLA), JoAnna Stockton (Assistant), Greg Lauer (Alternate), and Kathy Roby (Director of Fountain Housing Authority).

**CONSENT AGENDA**

Chair Aragon presented for approval the November 18, 2020 Meeting Minutes. ED Bailey mentioned a minor verbiage tense correction to “stewardess” within the minutes. VC McMaster motioned for approval, seconded by Welch, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the January 27, 2021 Accounts Payable. VC McMaster motioned for approval, seconded by Reed, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the January 27, 2021 Monthly Financials reporting. CLA Bartow mentioned a slight differential in the PIF vs. Sales Tax reporting within SAH financials report; as such CLA will analyze further and report back to the board on tax collection differentials. VC McMaster motioned for approval, seconded by Welch, and the motion passed unanimously by the Board.

**NEW ITEMS**

Real Estate

**W.H. Smoking Policy + Lease Addendum**

ED Bailey introduced the legal Smoking Policy alternatives and air quality trace-reporting by staff for board discussion with regards to Woodman Hall property. The Smoking Policy options are:

<b>Non Smoking Policy</b>		<b>Smoke Free Policy</b>
No smoking within the property		No smoking is allow within the property, on the grounds of the property
No smoking at property entrances		
Smoking Allowed no less than 25 feet of building	North parking lot could be viewed as acceptable Smoking Allowance Area; Technically this parking lot is off premises of FURA but is owned and operated by City of Fountain, which could include maintenance/cleanliness concern for Staff	

Benefits of No Smoking in or within property:

- Public Health and Safety
- Respect thy Neighbors
- Reduces Fire Risks and Insurance Premiums of the historic property
- Preserves longevity of a historic building within the Town Center (Olde Town district)

Complaint Notification

In mid- October 2020, staff received a complaint from a business tenant as to the poor/offensive air quality conditions amongst the second floor due to a Residential Apartment Tenant whom smokes.

Staff researched options for improving air quality conditions which included:

- Staff performed an air quality trace-reporting over the course of 30 days as a monitor
- Environmental healthcare standard HVAC air filter made of charcoal with frequent replacement schedule (installed Nov.)
- Doorway entry floor strips to help better contain air contamination per unit (Studio installed Nov; ALL doorways installation Jan 2021)
- Attic/Window Fan alternatives were researched but were either 1) cost prohibitive and 2) an efficient location wasn't conducive to manually operational unit

Staff conferred with Legal resources:

- Fountain Housing Authority as our legal representative in Property Management service provider (Kathy Roby, director)
- Board Member Paeleigh Reed whom is a professional that works in the housing industry and manages properties
- State of Colorado Clean Air Buildings Act  
[https://www.colorado.gov/pacific/sites/default/files/Indoor%20air%20LE%20Key%20Points\\_0.pdf](https://www.colorado.gov/pacific/sites/default/files/Indoor%20air%20LE%20Key%20Points_0.pdf)
- HUD Resource [www.mysmokefreehousing.org](http://www.mysmokefreehousing.org)

The following parameters were identified:

- The REZ Tenant is grandfathered and takes rights of precedence under the 1 yr. Lease (which expires end of May 2021)
- It will be difficult to enforce a new policy until we institute a 60 or 90 early Notice of Policy Change to all Tenants for phased in effective policy transition
- REZ Lease clause: Section 8(f)(g)
  - (f) to not commit, permit or suffer any nuisance or objectionable or disorderly conduct or conduct which disturbs or annoys others;
  - (g) to permit no sound, light, vibrations or odors to be emitted from the Premises which others find objectionable

Kathy Roby, director of Fountain Housing Authority (FHA), discussed with the board:

- Public housing is required to be Smoke Free by the Department of Housing and Urban Development (HUD).

- FHA has provided secession aide resources to its tenants due to the COVID indoors, reciprocal effects occurring among tenants
- No Smoking Areas have been designated on FHA property due to the maintenance/ cleanliness concerns that could possibly become apparent and put upon staff remediate
- If implement a Smoke Free policy, then Tenant concessions which should be considered include 1) early policy notice – 90 days preferred; and 2) allow early Lease Termination/Exit

Paeleigh Reed, board member, addressed the board and shared that under her housing industry affiliations there is zero tolerance policy for any form of smoking (cigarettes, marijuana, vape, etc.) and a strong eviction policy that follows when a complaint is filed, notification periods ensue, and tenant habits continue to violate policy.

General Commentary by the Board, included:

- (Aragon) Mixed use co-habitable space is a new transition for the property and we need to find a balance that the board supports for its overall tenant mix
- (Reed) Was there a thought about “inherited” vs. “replacement” tenants of the property?
  - (Bailey) At the time of FURA purchased the property, we inherited 4 existing residential tenants. At this point in time, those tenants no longer exist based on their personal decisions and we are starting with all new tenants on property.
- (FHA) Does the board wish to address Vape or Incense in its Smoke policy?
  - (McMaster) The fine line should be focused on the “Health, Wellness, and Public Welfare of the property tenancy and focus on any element intrusions that could spur economic detriment to the property; reflecting upon Section 8(f)(g) of existing Residential Lease language.
  - (Reed) She shared the “Art of Landlord” philosophy; find the balance that fits the property Vision and pairing tenancy accordingly.
- (FHA) The board should demonstrate compassion of Rental Market for tenants that wish to relocate. The market is intense and limited quantity available for tenants of particular income levels. If a tenant needs to exit Woodman Hall lease early to take advantage of vacancy rental, the board should waive any fees/fines for exiting early lease due to its newly implemented Smoke policy that may impact a tenant.
  - (Reed) She echoed the compassion sentiment by FHA. FURA does not want the perception of kick-out lower income tenants that have limited options of housing market affordability, especially during winter climate season.
  - (Reed) 90-day notice is the cordial approach with our first lease renewal tenant is end of May 2021.
- (McMaster) Now is the time to start the Smoke policy implementation. Reed and Welch equally voiced support of a Smoke policy implementation for board to decide.
  - (Bailey) Which Smoke policy does the board wish to pursue – Non-Smoking vs. Smoke Free?
  - (FHA) Recommends Smoke Free effective June 1, 2021 ; an education awareness effective by March 1, 2021 ; a Smoke Free Addendum implemented now for any new residential tenants.

Chair Aragon presented for approval implementation of a Smoke Free policy for the Woodman Hall property, effective June 1, 2021 with educational awareness 90-days in advance to existing tenants. VC McMaster motioned for approval, seconded by Reed, and the motion passed unanimously by the Board.

### **W.H. Interior Demo Bids**

ED Bailey shared that staff has acquired three contractor bids for ground floor interior demo. Staff is currently evaluating the bids and vetting any areas of liability and expectations/needs as to overall completion of demo work envisioned. Staff is aiming to bring forth bids to the board during its February 2021 meeting.

### **W.H. Property Upgrades/ Public Awareness**

ED Bailey inquired if the board would like to forefront the Egress Stairway project as a photo/article opportunity with the FV News? As a means to bring public awareness around the Vision in progress by FURA for the property's revitalization to the Olde Town district. The board expressed general support and directed to work with Chair Aragon on photo/article consideration when the timing is right.

### **US85 Pad Site LOI Criteria**

ED Bailey mentioned there has been three general inquires to the US85 Pad Site and now is the time for the board to work through criteria of consideration for LOIs that could come forth to the board. The following discussions ensued:

1. (CLA) Are there conditions to sell the land under the CHFA Loan?
  - a. (Bailey) Yes, we would either need to pick the right operator per the CHFA loan conditions or pay off the CHFA loan which would allow us to work independently to activate the pad site with any operation.
2. (Bailey) Are we cognizant of BIG Brand entry in the district and how that may impact Small Business operators already serving the district?
3. (Welch) We need to confirm the right fit development for the size of the lot; 1.14 Acre pad site. What fits and can operate efficiently in the district?
4. (McMaster) The board should work on a Wins vs. Cons list for LOIs
  - a. Type of Business operation desired vs CHFA loan restrictions
  - b. Optics of a development for the district
  - c. Revenue potential and Time of Urgency to start development in district
  - d. Should we consider a marketing plan for the US85 Pad Site
    - i. (Bailey) Existing staff could not take on this band width, it would need to be an external Consultant service contract.
5. (CLA) Executive Director and CLA Bartow need to iron out a good, value, price point for term negotiations; capital injection could avail other FURA projects to proceed quicker for the community

### **2021 Work Plan**

ED Bailey provided a draft of this annual work plan that provides guidance throughout the year to staff and board(s). As such, she asked for feedback before releasing to City Manager and City Council. Reed loves the succinct and mapping efforts across Pillars that feed into the overall Work Plan. Aragon, requested stats under the Placemaking Campaign that garnered 190+ public survey feedback responses be included somehow.

## Ohio Avenue Commercial Development Site Plan

EDD Bailey shared a private development site plan as proposed during a DRT meeting held with City Planning in early December 2020. The proposed development site plan depicts a single level, four stall spec commercial shell space on behalf of business fulfillment in the Olde Town district. The project is appealing for the Ohio Avenue Corridor to attract new small businesses to serve the community. No timeline for development was relayed during the DRT meeting. Chair Aragon requested a letter by FURA to encourage this new entry private development to focus on its Fountain project. ED Bailey will put together a draft letter for Chair Aragon to review and mail to the Denver developer from FURA.

## **UPDATES**

### EPA Brownfields Program

EDD Bailey mentioned there are five engaged property owners from the City of Fountain jurisdiction in the program, to which their properties have been reviewed by the Coalition and approved by the EPA to commence work under the program. Two of those properties are FURA owned, Woodman Hall and US85 Pad Site, are gearing up for soil sampling and hazardous building materials sampling to ensue over the next 60-days. In closing, Bailey encouraged word of mouth referrals through site nomination form which is located online at: <https://coloradosprings.gov/project/colorado-springs-fountain-coalition-brownfield-initiative>

## **FINANCE**

### Ratify December General A/P

Chair Aragon presented to ratify for approval the December 2020 Accounts Payable, \$11,405.20. VC McMaster motioned for approval, seconded by Welch, and the motion passed unanimously by the Board.

### Ratify Venetucci Road A/P

Chair Aragon presented to ratify for approval the Venetucci Road December 2020 Escrow Accounts Payable, \$300,024.02. VC McMaster motioned for approval, seconded by Welch, and the motion passed unanimously by the Board.

### Financial Terms of Renewal

CLA Bartow informed the board that its Line of Credit through Independent Bank was up for term renewal. She expressed interest rates remain extremely low and attractive to renew LOC with the bank per the paperwork received.

ED Bailey shared that staff is still working through the CHFA Loan recollateriazied process. She informed the board that CHFA has requested a Re-Survey due to FURA's blight cleanup efforts and the shovel ready status of the site. In addition, CHFA has requested a Resolution for board execution; this process may come on or before the February 24, 2021 general board meeting.

2020 Audit Engagement

CLA Bartow and ED Bailey informed the board of the customary annual audit process that needs to take place and in tandem with City's annual audit. The board was asked if they wish to retain Biggskofford again or go out to bid for audit services. The board unanimously supported to retain Biggskofford for its 2020 audit. CLA noted to expect an Engagement Letter in the coming days to begin the audit service engagement.

A/P Check Signing

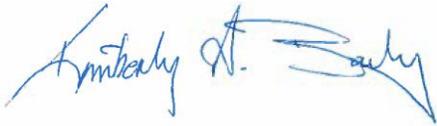
Checks approved on consent by the board were signed by Chair Aragon + ED Bailey, totaling \$38,105.92.

**ANNOUNCEMENTS**

2021 Board Meeting

Chair Aragon asked as to the status of board meeting functionalities in 2021. ED Bailey mentioned the board will remain on a virtual meeting basis per City COVID-19 policy, hopeful for reengaging in person by end of spring all based on vaccine take rate and COVID variants.

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Welch motioned to adjourn, seconded by McMaster, passed unanimously at 7:57pm.



\_\_\_\_\_  
Kimberly Bailey, Executive Director

\_\_\_\_\_  
2.24.21

\_\_\_\_\_  
Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

February 24, 2021

*(COVID-19 Response Policy in effect)*

### General Board Meeting Minutes

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:05 pm. Commissioners present included Vice Chair McMaster, Greg Welch, Leslie, Louzon Keller, and Greg Lauer (Alternate). Additional attendees included: FURA Executive Director (ED) Kimberly Bailey, Carrie Bartow (CLA), JoAnna Stockton (Assistant), and Carolynne White (Brownstein Hyatt Farber Schreck).

#### CONSENT AGENDA

Chair Aragon presented for approval the January 27, 2021 Meeting Minutes. Greg Welch motioned for approval, seconded by Lauer, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the February 24, 2021 Accounts Payable. Greg Welch motioned for approval, seconded by Lauer, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the February 24, 2021 Monthly Financials reporting. Greg Welch motioned for approval, seconded by Lauer, and the motion passed unanimously by the Board.

#### UPDATES

##### Front Range Trail Master Plan

ED Bailey referred to an aerial map which depicts the footprint of the to-be-constructed Fountain extension of the Front Range Trail Master Plan. The Trail will extend through the city's Olde Town district, as Bailey referenced the following elements: 1) north and south end points of connection to the trail, 2) Hansen Trail Head and co-associated Fountain Creek Foot Bridge, 3) new signaled intersection of to-be constructed Illinois Avenue roadway, and 3) the connectivity with the Blast Park/Aga Park PED corridor. This project will be under construction starting in Summer 2021 thanks in part to matching funds the city acquired through the Pike Peak Area Council of Governments (PPACG).

##### Ohio Avenue Placemaking Campaign

ED Bailey introduced the Placemaking 2.0 Matrix which quantified next step alternatives under the 2020 Ohio Avenue Placemaking Campaign; for general board discussion. The Matrix goes along with a conceptual rendering of the Ohio Avenue corridor; the Campaign summaries the public feedback gardener in criteria buckets of Short-Term Wins and Long-Term Vision elements of the grant-funded 2020 initiative. Bailey also footnoted how the Campaign findings build upon key areas from prior investments, which include: 2018 THK Town Design + Gateway Interstate Guidelines Project, 2014 District Revitalization Plan, and 2010 Wayfinding Signage.

The Matrix identified "trial programs" under the Quick Wins category as well as hearty capital improvement projects under the Long Term Infrastructure category, as to board guidance and general discussion. Board commentary which ensued included:

1. (C. Aragon) What cash do we have to work with?

- a. (Bailey) Woodman Hall is the priority of investment for FURA in 2021-2022 until a cash injection opportunity presents itself; Bailey deferred to CLA Bartow for any additional commentary; Bartow concurred with Bailey budgetary funds assessment.
2. (C. Aragon) How can we latch on to Bike/Trails support funding angle?
  - a. (Louzon-Keller) Echoed this sentiment as an easy entry category for FURA support
  - b. (Bailey) This focus is complementary to expanding awareness to the Urban Trail network defined under the 2018 THK investment. In addition, it can be crafted as an organic movement among the Olde Town Steering Committee/Business network within the Olde Town district and Fountain-Fort Carson School District.
3. (Bailey) A general comment was shared, in regards to some of the Quick Wins or Long Term Infrastructure ideas will necessitate strong private land ownership engagement; it's unclear whom is the more appropriate entity to engage these parties at this juncture and this area needs further evaluation.
4. (Louzon-Keller) What's the approximate cost to implement say a Race Street Curb Paint trial project in the Summer or Bike Trails awareness initiative?
  - a. (Bailey) Unknown at this juncture, but staff can engage with City Public Works and its transit consultant to learn more of a cost assessment.
5. (Welch) Doesn't some of these lie within the Economic Development Commission purview?
  - a. (Bailey) Yes indeed. However, as FURA Chair Aragon served as the Champion, and Louzon-Keller as Co-Champion of the Ohio Avenue Placemaking Campaign, it seemed a natural starter point with FURA to explore Placemaking 2.0 next steps/spin off initiatives.
  - b. (Bailey) The Placemaking 2.0 Matrix will be equally shared with both the Economic Development Commission as well as Olde Town Steering Committee to equally resonate their areas of potential interests to support the corridor and district spin off efforts.
6. (Bailey) A general comment was shared, that discussions around Placemaking 2.0 will be highlighted in the Ohio Avenue Placemaking Campaign findings report being prepped for an April 2021 City Council agenda item.

## FINANCE

### Real Estate

1. **CHFA Resolution** has been finalized for board signature collection; as the board motioned approval of this item under its January meeting. Assistant Stockton will be reaching out to each board member to schedule signature collections and is also a Notary to complete the CHFA Resolution process.
2. **US85 Pad Site** has received further details as requested on the initial Letter of Intent as review during the board's February meeting. The board discussed the further details, to include:
  - (VC. McMaster) There is perception value factors to be considered among such market entries of say a Whataburger or In-n-Out Burger type of operation.
  - (C. Aragon) We are struggling to define, what's the right fit for the district and/or community.
  - (VC. McMaster) A destination attraction will boost foot-traffic and avail an uplift impression for the district.
    - (Bailey) The US85 Pad Site has highly visible frontage along a CDOT highway and that highway has congestion limitations with one-way directional traffic flow patterns and constraints of the Fountain Creek bridge overpass. We need to be cognizant of attracting a right sized operator for the district that will avail success vs. set up for failure.

- (Lauer) Traffic is a very valid concern and RxR crossing impacts will equally turn the community sour if we don't plan the site for success.
- (Aragon) The community is not happy with a shovel ready site that continues to sit idle; they want to see it performing and providing new service entry in the district for the community.
  - (VC. McMaster) A quality food vendor would appease the community's desire.
  - (Welch) He expressed agreement with VC McMaster commentary as to the void of service in the district; He equally expressed support for the Prospect LOI and how they address the void in the district.
- (Louzon-Keller) She mentioned the Prospect has cult followers and whereby if FURA can support its entry in the district it will attract other operators to follow and fill the gap in community services.

ED Bailey paused the general comments to refocus the board to address "What does the board want to derive from its property investment value in the district?"

- (C. Aragon) We want a win! The site needs to be productive to address the gap of services in the district and avail a new service to the community.
  - (VC. McMaster) I agree with Chair Aragon
  - (Louzon-Keller) Ditto, I agree with Chair Aragon
- (C. Aragon) I, Chair Aragon, motion to engage with Prospect LOI, to onboard FURA Legal and Negotiation of Terms efforts.
  - Motion seconded by Welch and the motion passed unanimously by the Board.
- (VC. McMaster) What's next step?
  - (Bailey) Staff will further explore Prospect intend to split the site or to fully acquire site; based on those details City Planning will be engaged to facilitate a Site Plan configuration through a Development Review Team session.
- (Louzon-Keller) Do we know the other LOI operation for a split site overall development fulfillment? We do not want to split the site and have the remaining ½ site idle or restricted in development.
  - (Bailey) Totally agree and staff is massaging the discussion among the two Prospect LOIs received. The Prospect motioned on behalf of tonight has 1st Right of Refusal as to site acquisition and site development engagement with the board at this point in time.

3. **Woodman Hall (WH) Interior Demo Bids** were shared with the board in a comparison of services matrix. Staff has acquired three bidders in total; however one of those bidders has dismissed themselves due to project timing and complexity concerns. Staff opened commentary by the board, which included:
- a. (C. Aragon) There is such a huge disparity on the bid values.
  - b. (MC McMaster) What are the experiences/ lack of conditions awareness among bids?
    - i. (Assistant Stockton) Both bids have prior experience in servicing other FURA projects and are very experience and knowledgeable to tackled the project as outlined by FURA. The difference is really based on the company size and what additional services are able to be covered in-house vs. to be outsourced through sub-contractor relation.
    - ii. (ED Bailey) Staff is able to and we have the time available to gain a fourth bid through Demo2Demo that has performed services to FURA through site readiness cleanup of its US85 Pad Site.
  - c. (Welch) Any contractor selected by the Board should be able to commit to a General Max Price (GMP) guarantee in its commitment to enter into a service contract on WH property.

- d. (Bailey) WH property is engaged with EPA Brownfields program testing; which will take another 45 days to receive final report and determines if any remediation services need to be handled prior to commencing Interior Demo scope of work.
  - e. (VC. McMaster) I, VC. McMaster, motion to request staff to obtain a fourth bid for comparison.
    - i. Motion seconded by Welch and the motion passed unanimously by the Board.
4. **Woodman Hall Basement Public Safety** condition is a requested action item of attention of staff to the board. ED Bailey mentioned with current renovations underway and future renovations being planned, that there is becoming more need of staff and service vendors to access the basement of WH for site inspection. Unfortunately, the current conditions of the basement stairwell and flooring are in haphazard condition which presents a Public Safety access concern to FURA as property owners. Assistant Stockton introduced a cost bid to perform minor improvements to address the Public Safety conditions; approx. value of \$1500.00 for the board consideration. Staff inquired if the board supports this approach of conditions remediation or if they request a bigger scope approach which would trigger code compliance through PPRBD; with respect to the basement access situation? The board approved the minor improvements approach cost at an approx. \$1500 investment with a request of instituting a Hold Harmless Clause for Service Vendor sign-off in advance of granting basement assess whereby reducing risk exposure to FURA.
5. **SAH PH II Project Fund** may have a developer request use of funds to support build out development of PH II remaining 5 acres west slope pad site area. ED Bailey shared a confidential site plan of the west slope that depicts site condition grading improvements with a retaining wall that allows the site area to expand from accommodating two retailers to four retailers which would also boost sales tax revenue collections for the PH I Bond Issuance obligation. Bailey expressed this was purely an introduction of information at this stage with an action item on PH II Project Fund most likely coming in the Spring timeframe. The board did not have any further commentary on this item.

#### Brownstein Hyatt Farber Schreck Introduction

Guest attendee, Carolynne White of Brownstein Hyatt Farber Schreck, introduced herself to the board with respect to the Letter of Engagement in providing legal services to the Authority. White has a mutual, professional existing working relationship with Mr. Benedetti legal to tandem legal coverage for the Authority. In addition, with the Authority's expanded areas in need of legal representation Ms. White bandwidth of legal resources under Brownstein Hyatt Farber Schreck firm will be very valuable to moving initiatives and property assets forward in its mission. The board thanked Ms. White for attending tonight's meeting and authorized ED Bailey and CLA Bartow to proceed forth in onboarding of legal services to the Authority, via the Letter of Engagement.

#### A/P Check Signing

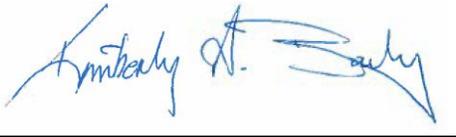
Checks approved on consent by the board were signed by Chair Aragon + ED Bailey, totaling \$14,992.53.

## ANNOUNCEMENTS

Chair Aragon asked for clarity on the porkchop site within the INFILL project area. Aragon inquired as to if the board has a voice of approval as to what develops within the site plan area as a condition of the Tax Sharing Agreement (TSA) as signed by the board. The boards TSA support rested with interest of attracting the medical campus concept. ED Bailey shared that all users of current development activity transpiring in the site area were/are approved under city Zoning regulation. The medial campus concept discussions are still taking place in the private sector but COVID-19 headwinds within the medical industry are causing it to be delayed from physically transpiring at this time; but encouraging engagement continues. In addition, Bailey clarified that the TSA was specific to FURA rebating its Use Tax Revenues on only Lots 1-4 of the 11 site development area and that the TSA does not place user conditions of applicability to those development Lots 1-4. Welch shared that the development industry is highly speculative naturally, but especially in a state of COVID influx. Chair Aragon was appreciative of feedback shared on this item.

ED Bailey provided a copy of El Paso County Public Notice, as featured in Fountain Valley Newspaper circulation related to a rezoning of Residential Housing within the larger River Bend development area located within N. US85 corridor. Bailey mentioned this is a positive sign of progress towards development and hopeful that the housing land mass in the County will trigger the commercial land mass in the City to begin to move forward. In addition, she polled the board as to a subscription to the FV News circulation to stay abreast to local activity and community efforts. The board requested a subscription enrollment to all members of the Authority, by staff.

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Welch motioned to adjourn, seconded by McMaster, passed unanimously at 8:08pm.



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Kimberly Bailey, Executive Director

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\_3.31.21\_\_\_\_\_

Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

March 30, 2021

*(COVID-19 Response Policy in effect)*

### General Board Meeting Minutes

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:03 pm. Commissioners present included Vice Chair McMaster, Greg Welch, Leslie, Louzon Keller, Paeleigh Reid, Gabe Ortega, and Greg Lauer (Alternate). Additional attendees included: FURA Executive Director (ED) Kimberly Bailey, Carrie Bartow (CLA), JoAnna Stockton (Assistant), and Carolynne White (Brownstein Hyatt Farber Schreck).

#### CONSENT AGENDA

Chair Aragon presented for approval the February 24, 2021 Meeting Minutes. Welch motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the March 30, 2021 Accounts Payable. Welch motioned for approval, seconded by Reid, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the March 30, 2021 Monthly Financials reporting. Reid motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.

#### NEW ITEMS

##### 2021 Olde Town District

ED Bailey referred the board to City of Fountain website section: Olde Town Revitalization. Recently updated, annual reporting materials for both 2020 and 2021 have been uploaded to include:

- District Activity Snapshot  
[https://www.fountaincolorado.org/UserFiles/Servers/Server\\_6004363/File/Business/2020%20OTSC\\_Snapshot%20-final.pdf](https://www.fountaincolorado.org/UserFiles/Servers/Server_6004363/File/Business/2020%20OTSC_Snapshot%20-final.pdf)
- District Improvements Timeline\_  
[https://www.fountaincolorado.org/UserFiles/Servers/Server\\_6004363/File/Business/2014-2020%20District%20Activity%20Timeline.pdf](https://www.fountaincolorado.org/UserFiles/Servers/Server_6004363/File/Business/2014-2020%20District%20Activity%20Timeline.pdf)
- District Steering Committee\_  
[https://www.fountaincolorado.org/UserFiles/Servers/Server\\_6004363/File/Business/open\\_house\\_planning%20OTSC%202021.pdf](https://www.fountaincolorado.org/UserFiles/Servers/Server_6004363/File/Business/open_house_planning%20OTSC%202021.pdf)
- District Master Plans <https://www.fountaincolorado.org/cms/One.aspx?portalId=6004447&pageId=8300317>

##### 2020 FURA Annual Reporting

ED Bailey provided draft materials of FURA's annual reporting for the board to review. The annual reporting materials are typically distributed in April and include the 2020 Report and co-associated 2021 Blighted Sites tracking map. The board had no further commentary to add and approved copy for release by the Executive Director.

#### FINANCE

## Real Estate

1. **W.H. Interior Demo Bids:** Staff has a fourth qualified bid for the project scope. Staff is still finalizing a few criteria aspects. The property is actively under-going EPA PH I hazard materials testing which will take approximately another 45 days in final report knowledge; as to any remediation requirements before commencing interior demo of W.H. Ground Floor. Therefore, all variables should line up to report to the board on both findings during its April meeting and the board to conclude action items.
2. **US85 Pad Site LOIs:** ED Bailey advised the board that in depth meetings/dialog has continued with the primary LOI prospect. The prospect has requested site selection real estate team of the franchise to certify the site for development under the franchisee agreement, as well as, the development team is gearing up as to a formal offer proposal presentation at FURA April 21, 2021 general board meeting. The board asked the following prep materials:
  - (C. Aragon) How are we to determine the basis value of the Pad Site?
    - (Bailey) Staff as well as CLA, both have documented records of expenditures and investment valuations for basis determination
  - (Reid) Do we need value offer to move on?
    - (Bailey) We need to better understand the position of the offer, as well as, the base entry value vs. the tax generation value of the development to negotiate terms and determine inter-relation of the CHFA loan.
    - (Bailey) The board was advised to keep in mind creative term options, as was the case with deriving Peaks N Pines investment entry into the risk-adverse Olde Town district.
  - (C. Aragon) Can we be provided in advance the record of expenditures and investment valuations of the property; as well as PPT by Developer to review adequately in advance?
    - (Bailey) Yes. That should be feasible if all deliverables fall in line as being assumed.
3. **212 W. Illinois Site Expansion:** ED Bailey notified of Peaks N Pines intention to expand operations to bring food service in-house for the business. With the necessity to comply under COVID-19 operational regulations requirement of on premise food service and the volatility of food-truck vendors on site guarantees, PnP owners decided to invest in a mobile food station that will be positioned at the south end of the property. All capital costs of this expansion are being fully funded by the business owners; the adaptation of the property is allowed and has been approved through City Zoning, with inspections and public safety regulations being facilitated through City FD and EPC Food Vendor permitting. Owners are excited to bring the service in-house which should open up menu offerings and rotation for its customers. As food trucks will miss this opportunity to serve the district frequently, there are discussions for special dining or event coordination to still bring in food truck offerings to the district.
4. **SAH West Slop Pad Site:** ED Bailey presented a confidential site plan as requested by UTW developer, with regards to expanding the west slope (remaining 5.3 Acres PH I land) within South Academy Highlands (SAH) URA. Bailey then read an excerpt from UTW email communications,  
*"We are actively working with two restaurants, one chicken and the other Asian. They are both national chain restaurants with substantial franchisees. In addition we are working with a privately held national automotive parts retailer, and a local liquor store. We have had numerous discussions all of them on terms and layouts and continue to make good progress. UTW expects to make a formal FURA request of Project Funds during the April meeting."*  
Bailey advised this is an information only juncture and no action item requested at this time; the board expressed no further questions or comments.
5. **State of CO Historic Preservation Grant:** Assistant Stockton relayed information on a State of CO grant opportunity and how such funding could be utilized on behalf of Woodman Hall renovation

mission. In pursuance of the historic building designation, the grant funding areas of applied use could include: cleaning and water repellent treatments, repointing mortar joints in masonry brick, replacement of an aged/weathered roof line structure, restoration of the metal ceiling plates, window frames and trims, ADA bathroom conversions, and architecture/ structuration design contractual scope of services. Staff has identified the numerous benefits in historic property designation and how it can open doors of alternative funding to leverage investments towards property revitalization mission on behalf of Woodman Hall. The grant application deadline is August 2021 with staff prepping a first draft review around the May timeframe. ED Bailey advised this is an information only juncture and no action item requested at this time; the board expressed no further questions or comments.

### SAH Bond Reporting

ED Bailey re-introduced the options explored in 2020 as to SAH Bond Reconciliation Findings Report; with regards to performing a deep dive of tax reporting analysis at the individual retailer level. CLA Bartow further elaborated on the continual discrepancy existing between PIF and Sales Tax Collections and that now may be the appropriate time to perform this retailer level due-diligence audit. The recommendation is to audit Big Box Retailers first and work down the line with highest sales tax performers within the SAH URA. These audits routinely identify POS coding errors on sales/ Cellular Retailer lease anomalies/Laps in PIF compliance reporting. This audit would be performed in tandem with City of Fountain Finance with audit costs being tagged to the Project Fund SAH and not FURA General Revenues. CLA would perform the audit and could prepare a costs proposal for the recommended deep dive tax reporting analysis. The board expressed support of the recommendation and requested a cost proposal draft by CLA Bartow and Executive Director.

### 2020 Annual Audit

CLA Bartow advised the annual audit is underway by BiggsKofford with a late April/ early may deliverable timeframe, which meets the city's CAFR tandem deliverable required reporting deadline.

### A/P Check Signing

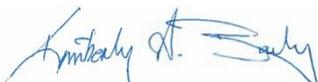
Checks approved on consent by the board were signed by Chair Aragon + ED Bailey, totaling \$68,826.12.

## **ANNOUNCEMENTS**

Chair Aragon mentioned of an attendance conflict with FURA's April 28, 2021 general board meeting. As there is several action items forecasted for April, it was inquired if the meeting could take place the week prior on April 21st. The board unanimously agreed to change FURA general board meeting to transpire on April 21, 2021, staff will handle accordingly public notification.

ED Bailey briefly mentioned that the Ohio Avenue Placemaking Campaign presentation on findings and areas of recommendation is tentatively slated during April 27, 2021 City Council session. Those materials will equally be shared with FURA thereafter.

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Welch motioned to adjourn, seconded by McMaster, passed unanimously at 6:53pm.



Kimberly Bailey, Executive Director

04/21/2021

Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

March 30, 2021

*(COVID-19 Response Policy in effect)*

### General Board Meeting Minutes

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:02 pm. Commissioners present included Greg Welch, Leslie, Louzon Keller, and Gabe Ortega. Additional attendees included: FURA Executive Director (ED) Kimberly Bailey, Alex Fink (CLA), JoAnna Stockton (Assistant). Guest presenters included: Alan Bornstein and Jeff Otto of UTW Development LLC.

#### CONSENT AGENDA

Chair Aragon presented for approval the March 30, 2021 Meeting Minutes. Welch motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the April 21, 2021 Accounts Payable. Welch motioned for approval, seconded by Louzon-Keller, and the motion passed unanimously by the Board.

Chair Aragon presented for approval the April 21, 2021 Monthly Financials reporting. Ortega motioned for approval, seconded by Louzon-Keller, and the motion passed unanimously by the Board.

#### FINANCE

##### Real Estate

1. **SAH West Slope Pad Site:** Guest Presenters of UTW Development LLC, Alan Bornstein and Jeff Otto, provided an overview of public improvements, prospecting retail tenants, and access/construction planning, as it applies to PH I west slope development pad site area. Rental tenants, as proposed, could generate approximately \$8M-\$11M revenues on behalf of the SAH URA and co-associated bond debt; with a 2023 revenue performance expectation. UTW then presented a formal budget and requested to utilize \$1.275M from the SAH PH II Project Fund Escrow for board consideration. ED Bailey summarized the benefits of supporting the west slope development, which consists of: 100% closeout PH I site development area, retail prospects as proposed are unique healthy activities in light of COVID-19, and revenue performance projections could significantly aid bond holder interests. UTW development expressed they must adhere to construction timeframe with utilities and site grade work to deliver shovel ready pad sites to retail tenants or else risk of losing commitments under LOI contracts; PH II \$1.275M Project Fund Escrow is necessary to deliver shovel ready pad sites.
  - a. Chair Aragon motioned for approval not to exceed \$1.275M Project Fund Escrow on behalf of SAH west slope public improvements, seconded by Louzon-Keller; and the motion passed unanimously by the Board.
    - i. ED Bailey echoed cautionary next steps with Legal Benedetti and Bond Counsel to equally ensue as a process of confirming appropriate allocations with PH II Project Escrow Fund Trustee.
  - b. In closing, Bornstein expressed advocacy voice in support of FURA performing a deep dive of tax reporting audit at the individual retailer level for verification/resolving PIF and Sales Revenues performance discrepancies within SAH URA. In addition, committed UTW to partner with FURA to cover audit costs out of PH II Project Escrow Fund. FURA welcomed the commitment and is currently awaiting a cost quote by CLA as to retailer-level audit scope of work, services, and timeframe.

## 2. Woodman Hall

- a. **Interior Demo Bids:** Staff reported on qualified contractor bids and recommended Penrose Lumber for job awardance. Louzon-Keller motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.
  - a. **UPDATE:** Penrose demolition bid contractor has resigned from the job due to a flaw in license certification as verified by Staff. Therefore, Staff has begun outreach with second runner-up, D2D Contractor bid service provider.
- b. **EPA PH I Report Status:** Staff advised any remediation of hazardous substance findings would necessitate State Permitting and Release protocols, to be an additional cost investment, and affect the commence of contractor demo work.
  - a. **UPDATE:** EPA site testing report references minimal hazardous substance in need of removal and State Permitting protocols. Therefore, Staff has begun outreach with Environmental/ Remediation services providers to obtain cost quote for the board review and approval.
- c. **Co-Tenancies:** ED Bailey advised the board that the lengthy delay of Exterior Staircase Improvement project completion by Elders has caused a rub among mixed-use tenancies with staff and FHA acting as mediator to achieve operations neutral ground of the property's 2nd Floor. Louzon-Keller inquired about FD and Public Safety of the property, due to extension of Elders project schedule. ED Bailey notified that the property was/is fully equipped with extra fire safety readiness equipment and is in compliance per City FD.
- d. **PPRBD Permitting Close Out:** ED Bailey notified the board of a hiccup that has occurred with Pikes Peak Regional Building Department (PPRBD) to close out the Exterior Staircase Improvement Project. PPRBD is now requiring the property to complete an electrical House Panel upgrade to come into code compliance, due to the tie-in electrical extension of the exterior lighting component of the Staircase project scope. Elders has prepared a bid quote for electrical House Panel upgrade at approximate costs of \$40K. The board was requested to considered this bump in costs to achieve permit close out through PPRBD, board commentary included:
  - i. (Ortega) It's a necessary improvement to the overall revitalization of the property and a delay to proceed now could mean it could cost more to complete in the future.
  - ii. (C. Aragon) I concur with Ortega sentiments with respect to costs escalation concerns and this cost investment today could be a reimbursement cost negotiation item at the time of ground floor new entry tenant contract.
  - iii. (Welch) I concur with both Ortega and Aragon and support moving forth with electrical House Panel upgrade now.

Welch motioned for approval of electrical House Panel upgrade, seconded by Louzon-Keller, and the motion passed unanimously by the Board.

3. **US85 Pad Site LOIs:** ED Bailey advised the board that the site selection real estate team of the franchise to certify the site for development under the franchisee agreement; after several meetings the site was not approved to proceed. As such, the primary LOI prospect resigned their first-right option and releases FURA to work with other LOI prospects. At this time, the secondary LOI is not a new entry service provider, which could outpace mutual small businesses in the vicinity, and only expressed interest in purchasing ½ lot. Louzon-Keller mentioned it's critical we secure shared-access drive among the site assembled parcels to ensure we are not left with a non-programmable ½ lot. Chair Aragon mentioned small business resiliency and survival is keen for community support of site fulfillment mission. ED Bailey thanked the board for its commentary and suggested the board continue its monthly dialog to effectively plan a WIN for site fulfillment and community perception value.

## A/P Check Signing

Checks approved on consent by the board were signed by Chair Aragon + ED Bailey, totaling \$68,689.20.

## **ANNOUNCEMENTS**

- Ortega mentioned this week CSBJ ran two articles that focused on City of Fountain Development Opportunity and Cost-Affordability; it's a good earned media editorial with great quotes by City Economic Development, City Finance, and local small business operators.
  - **Developers Capitalize on Fountain's Lower Costs**
    - [https://www.csbj.com/premier/developers-capitalize-on-south-s-lower-costs/article\\_27cec14a-9e27-11eb-9a8c-77c06ca2b8f6.html?fbclid=IwAR0NxLXJ-ZpW6dBN8nv7sgh-4Jti7NcfCS4979G-YK95D0iQ6E2Uyl-tH1U](https://www.csbj.com/premier/developers-capitalize-on-south-s-lower-costs/article_27cec14a-9e27-11eb-9a8c-77c06ca2b8f6.html?fbclid=IwAR0NxLXJ-ZpW6dBN8nv7sgh-4Jti7NcfCS4979G-YK95D0iQ6E2Uyl-tH1U)
  - **Home Buyers Discover Fountain Valley Area**
    - [https://www.csbj.com/premier/home-buyers-discover-fountain-valley-area/article\\_b4593d9c-9e23-11eb-b609-d7e37500bba4.html](https://www.csbj.com/premier/home-buyers-discover-fountain-valley-area/article_b4593d9c-9e23-11eb-b609-d7e37500bba4.html)
- Ortega mentioned the City is facilitating the Public Engagement period on proposed Single Hauler Waste Removal Policy. He encouraged the board to learn more and open public commentary.
  - [https://www.fountaincolorado.org/emergency\\_notification\\_center/SingleHauler](https://www.fountaincolorado.org/emergency_notification_center/SingleHauler)
- EDD Bailey shared news about the May 14-16th Blast Park commemorative weekend; hosted by Olde Town Ambassador.
  - "Fate of '88" craft brew release
  - Vets Freedom Riders fundraiser
- EDD Bailey referenced 2012 CoF Wayfinding signage and Olde Town District historic signage that directly correlates to the 2020 Community Placemaking Campaign.



The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Ortega motioned to adjourn, seconded by Louzon-Keller, passed unanimously at 7:28pm.

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Kimberly Bailey, Executive Director

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Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

July 28, 2021

(COVID-19 Social Distancing and Unvaccinated Masks in effect)

### General Board Meeting Minutes

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:04 pm. Commissioners present included Vice Chair McMaster, Greg Welch, Leslie, Louzon Keller, Gabe Ortega, and Greg Lauer (Alternate). Additional attendees included: FURA Executive Director (ED) Kimberly Bailey, Carrie Bartow (CLA), and JoAnna Stockton (Assistant).

#### CONSENT AGENDA

Chair Aragon presented the following Consent Agenda items for approval:

- Approval of April 21, 2021 General Meeting Minutes
- Non-Quorum May 19, 2021 General Meeting Minutes
- Ratify May 19, 2021 Accounts Payable
  - *Recorded Electronic Votes: Chair Aragon, V.C. McMaster, Welch, Louzon-Keller*
- Ratify May 29, 2021 Monthly Financials Report
- Ratify June 23, 2021 Accounts Payable
  - *Recorded Electronic Votes: Welch, Ortega, Aragon, Louzon-Keller*
- Ratify BiggsKofford 2020 Audit and Opinion Letter
- Approval of July 28, 2021 Accounts Payable
- Approval of July 28, 2021 Monthly Financials Report

V.C. McMaster motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.

#### FINANCE

##### Real Estate

1. **Woodman Hall (W.H.) Historic Designation:** Staff advised they are still working though the State of CO application and on target to meet the submission deadline of January 3, 2022.
2. **W.H. Property Assessment Overview:** ED Bailey shared an excel spreadsheet file which summarized the first three years of Expenditures, the five year Renovation forecast as an introduction to discuss alternatives with regards to lease tenancies and critical needs of the property. The board discussed the following:
  - (C. Aragon) We've continued to experience a strain on staff with the mixed-use portfolio of the property; might it behoove us to move quicker into 100% commercial use tenants on behalf of servicing the community and the district.
  - (Ortega) It's a very noisy corridor at Main/Ohio and the potential Ground Floor commercial activation will probably add to the noise variables; which might not be conducive to keeping residential on property.
  - (Louzon-Keller) I'm in favor of moving in the direction of 100% commercial use tenants.
  - (Reid) ED Bailey shared Reid feedback; due to her inability to attend in person. (By Proxy)
    - Residential is typically a safe-zone in real estate when economy wains occur as everyone needs housing no matter the economy; however the condition of the units do not avail adequate ROI nor strong lease tenant caliber.

- If we are at the juncture to contemplate a 2<sup>nd</sup> floor remodel, we should keep in mind adaptive/ flex space for optimal programming utilization; don't make it so chopped up and conformed to an unknown user in today's view-scope.
- No matter what course we choose, the board should recognize the high value asset in the real estate market; per the investment value we will still maintain a healthy ROI (ie: exit strategy alternative)
- (ED Bailey) It's in our best interests to consider minimizing the water affliction points between the ground floor and 2<sup>nd</sup> floor in our recruitment of a quality ground floor business operation/service; now is the time to mitigate long-term mechanical ceiling area interruptions.
- (McMaster) First, I agree with Aragon's position to move into 100% commercial use tenants and those opinions shared by all. Second, we gave a heavily-discounted rate with our inaugural business tenant and should be making strides to a more FMV terms as any tenant lease gains us property assessment value.
- (Aragon) He shared an example of Fort Collins "Joe's Coffee and Art Shop" under this former downtown revitalization efforts in that community.
  - We need to identify Partners that share in our Vision for the property and district.
  - Consider a step-lease model to build upon new entry success and attraction.
  - What do we want for the Ground Floor business?
    - Unanimously, the board stated a quality food operation.
  - How do we gain quality business entries?
    - Third party referrals by our existing tenants (Yoga Studio, Peaks 'n Pines)
    - Hosting a series of "Open Houses for Business Engagement"
- (McMaster) It's keen we program the property with commercial business tenants that are harmonious, add to the energy/vibrancy of the property at all times of the day; as to public attraction and engagement with new business services.

3. **W.H. Property Improvements:** ED Bailey circled back to the critical needs of the property, as well as, the decision to move the property towards 100% commercial use tenants.
- a. The Chair Aragon and Vice Chair McMaster inquired "how do we manage a budget per the W.H. property?"
    - i. ED Bailey and CLA Bartow replied this evening's conversation items were intentional as staff begins its 2022 budgetary planning in September/October. We needed to know where the board lies with regards to user tenancy etc in looking at the W.H. Vision and five year renovation forecast; thank you for a health conversation this evening.
  - b. The Chair Aragon and Vice Chair McMaster inquired "how much discretionary funding do we have in current 2021 budget per the W.H. property?"
    - i. CLA Bartow replied as of the June financials monthly report, there is approximately \$420,000 in available funds as derived from the US85 URA general revenue.
  - c. ED Bailey stated that staff is requesting an increase in its Discretionary Authority specific to W.H. to have the means to tend to the needs as they arise with service providers and critical repairs of the property, adhering to W.H. Vision.
    - i. "W.H. Contingency Fund not to exceed \$20,000 for quarterly expenditures with each expenditure occurrence not to exceed \$5000. Prior board approval nor pre-disclosure will not be required. Any W.H. Contingency fund expenditure to be ratified by a general meeting of the FURA board."
      1. Chair Aragon motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.
    - ii. "Critical Property improvements as listed are approved to proceed and are not to exceed \$40,000 in total for repair/replacement/remediation with service providers"

1. Mold Remediation
  2. Basement Windows
  3. IT/Webcam Surveillance/ WIFI
  4. Electrical Main Upgrade Service in Alley
  5. Meter Usage Separation Defined Services
  6. 2<sup>nd</sup> Floor Dual Climate Zone HVAC System
    - a. Vice Chair McMaster motioned for approval seconded by Ortega, and the motion passed unanimously by the Board.
4. In general, Vice Chair McMaster expressed it would be nice to utilize the large display windows at W.H. by displaying a poster of the W.H. Vision rendering to excite business prospects and the public about the transformation vision of the property being undertaken by FURA.
5. **US85 Pad Site:** ED Bailey discussed the next level of marketing recruitment of its land asset, known as US85 Pad Site. This entails creating a FAQ Sheet for the property, actively listing it on a MLS Service, and on boarding a professional Real Estate Broker to rep the property and certify prospects. The board expressed support to move in this direction and gain a win for the site.

#### 2022 Preliminary Budget Measures

- CLA Bartow advised that by the August timeframe staff will begin to work on drafts of 2022 budget planning with the Executive Director. Under State Statue, a first reading is due to the Board by October 15<sup>th</sup> with board adoption formalized by December 15<sup>th</sup>.
- CLA Bartow spoke to SB21-293 with its pending future implications on budget years, as of 2023. Forewarnings included: anticipate swing shifts with property valuations, tax increment calculations, and reclassification of assets with property assessor's office. More to come.
- CLA Bartow stated the following two items are still pending for the Board:
  - SAH Tax-Reporting Audit bid quote of services
  - US85 Pad Site Investment Valuation

#### A/P Check Signing

Checks approved on consent by the board were signed, totaling \$28,374.31.

**ANNOUNCEMENTS:** The following items were shared with the board:

- CDOT Main Street /Ohio Avenue Intersection Public Improvement project to commence construction *(September 7-February 28)*
- Movies in the Park @ Metcalfe *(June –October)*
- Farmers' Saturday Market @ Metcalfe *(June-October)*
- FVCC Labor Day Parade and Festival *(September 6<sup>th</sup>)*
- 2<sup>nd</sup> #ARTSmonth Programming at The Lawn, City Hall *(October 13-15)*
- Seasonal Holiday Events in Olde Town District *(October –December)*

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Welch motioned to adjourn, seconded by McMaster, passed unanimously at 8:10pm.

*Kimberly St. Bailey*

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Kimberly Bailey, Executive Director

08/25/2021

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Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

August 25, 2021

*(Virtual Meeting)*

### General Board Meeting Minutes

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:06 pm. Commissioners present included Paeleigh Reed, Greg Welch and Gabe Ortega. Additional attendees included: FURA Executive Director (ED) Kimberly Bailey and Carrie Bartow (CLA).

#### CONSENT AGENDA

Chair Aragon presented the following Consent Agenda items for approval:

- Approval of July 28, 2021 General Meeting Minutes
- Approval of August 25, 201 Accounts Payable
- Approval of August 25, 2021 Monthly Financials Report

Paeleigh Reed motioned for approval, seconded by Welch, and the motion passed unanimously by the Board.

#### UPDATES

##### Real Estate

#### 1. Woodman Hall (W.H) and Fountain Housing Authority Provider

- Non-Renewal Residential Lease Notices will be distributed as of October 4, 2021 with respect to the Board's decision and need of attention to address co-mingled mechanical services of the property on behalf of the property's revitalization towards 100% commercial use tenancy.
- The Notice date provides up to 6-month advance notice to residential tenants to seek alternative housing, with resources available through the Fountain Housing Authority.
  - i. Tenants are provided an early Lease termination allowance and will receive their full security deposit refund and a good referral status.

#### 2. Woodman Hall (W.H) and Pikes Peak Regional Building Open Permit

- In FURA's work with RBD to close out the permit with our Contractor, efforts have extended the project by 6+ months and pushed the project over budget by 30%. Even if FURA could consider meeting the Inspector's latest rounds of project creep, that Inspector gives us neither common ground nor assurance we would achieve permit close out and such RBD items would have a serious detrimental blow to FURA's property mission.
- FURA Executive has cordially requested City Manager Trainor and/or Councilmember Applegate, RBD Board Member representation for a meeting with PPRBD Administration to aid in amenable understanding towards gaining a close out issue status on permit #N27722.

#### 3. Woodman Hall (W.H) and 2021 Appraisal REFI and Investment Equity

- On behalf of moving the Board's Vision forward for the property, FURA ED Bailey is working to gain an Appraiser for the property with Independent Bank Loan Officer.
  - i. **UPDATE: Appraisal has been schedule to take place on October 1st.**

#### 4. Woodman Hall (W.H) and New User Recruitment

- ED Bailey referenced a recent article in The Gazette about successful reuse of historic properties into Food Hall Operational Establishments, as a means to activate properties and gain food entry into food desert districts. As such, Bailey inquired if the board might find this type of reuse of interest for Woodman Hall and explored how this particular New User type may adapt to the property (pros and cons). The board discussed the user type in generality with a request directed toward staff to focus on more established, credible successful type of food operations to gain small business fulfillment on behalf of the property.

#### 5. Woodman Hall (W.H) and Grant Applications

- ED Bailey relayed that staff is tandemly evaluating two grants towards obtaining leverage funding on behalf of critical improvement needs of the historic Woodman Hall property. If the need(s) fit the grant(s), deadlines would consist of November 1st and January 1, 2022.

## FINANCE

### Real Estate

1. **SAH Tax Reporting Status:** CLA Bartow advised of the delay in obtaining a cost quote for this billing service and the curtailment of staffing resources until after end of year (December). Therefore, Bartow and the board forecasted this scope of would commence by Spring Q2 2022.
2. **US85 Pad Site Investment Valuation:** CLA Bartow confirmed what ED Bailey had approximated, as to the current site investment valuation for FURA's US85 Pad Site. The evaluation takes into consideration purchase price and the numerous pre-investments by FURA to land assemble a 1.14 acre shovel ready pad site on behalf of eliciting small business entry potential on behalf of the district.

### A/P Check Signing

Checks approved on consent by the board were signed, totaling \$22,446.70.

**ANNOUNCEMENTS:** The following items were shared with the board:

- FVCC Labor Day Parade and Festival (*September 6<sup>th</sup>*)
- Mayoral and City Council Elections Upcoming and Running Mates (*November 7<sup>th</sup>*)
- 2<sup>nd</sup> #ARTSmonth Programming at The Lawn, City Hall (*October 13-15*)
- Seasonal Holiday Events in Olde Town District (*October –December*)

The Chair asked if there was further business. No further topics were brought forth by subsequent board members; therefore Welch motioned to adjourn, seconded by Welch, passed unanimously at 6:42pm.

*Kimberly A. Bailey*

09/29/2021

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Kimberly Bailey, Executive Director

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Date

## FOUNTAIN URBAN RENEWAL AUTHORITY

September 29, 2021

*(COVID-19 Social Distancing and Unvaccinated Masks in effect)*

### General Board Meeting Minutes

Leslie-Louzon Keller called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:00pm. Commissioners present included Chair Paul Aragon (remote), Vice Chair Bill McMaster, Greg Welch, and Gabe Ortega. Additional attendees include: FURA Executive Director Kimberly Bailey, Carrie Bartow (CLA), and JoAnna Stockton (Assistant).

#### CONSENT AGENDA

The following Consent Agenda items were presented for approval:

- August 25, 2021 General Meeting Minutes
- September 29, 2021 Accounts Payable
- September 29, 2021 Monthly Financials Report

Chair Aragon motioned for approval, second by Welch, and the motion passed unanimously by the Board.

#### UPDATES

##### Talent Retainer Services

ED Bailey advised of the efforts underway for recruitment and interview process to procure talent retainer services with respect to the Woodman Hall Vision. These services include General Contractor services, as well as, TDG Historic Advisory and Design Conformity services.

##### Woodman Hall

EDD Bailey provided a status notification as to the following action items with respect to Woodman Hall property:

- Non-Renewal Residential Notices issuance date October 4, 2021 via FHA
- PPRBD Open Permit is tentative scheduled for final inspection on/around October 4th
  - UPDATE: Delay has occurred due to Panel Switch supply channel order, currently enroute in the Pacific Ocean shipping channel. Early November onshore arrival status and to conclude the Open Permit with PPRBD.
- WIFI/Security Perimeter System devices and monitoring are now LIVE on premises
  - UPDATE: Critical installation with the property experiencing a rash of vandalism issues during the period of Oct 1-11, 2021; evidence recordings for CoF Police Department and Warrant for Arrest Trespassing Orders executed.
- EDD Bailey inquired about the Board's willingness for staff to host a "Grey Shell" Preview for Elected Officials, City Leadership, and Affiliate Boards to learn of recent property investments and 2022 Vision improvements. The board unanimously notioned on behalf of the good idea concept of a "Grey Shell" Preview. The board supported November 5th between the hours of 4:30-6:30pm, before daylight saving time change transpires; staff will execute accordingly.
  - CONFIRMED: November 5<sup>th</sup> between the hours of 4:30-6:30pm Preview announced.

##### LEGAL/FINANCIAL

EDD Bailey wished to relay a few monetary concepts for the board to provide feedback; in staff's efforts towards preparing a 2022 budget draft for upcoming review.

## 1. Business Tenant Renewal Lease/SF Allocations/ 2nd Floor (partial) Reconstruction

EDD Bailey stated the Yoga Studio business tenant re-Lease is close to final draft review by the Tenant; effective date January 1, 2022. Bailey echoed the following metrics of the re-Lease:

- Existing SF vs. Expansion SF are delineated and roles of responsibilities of AS-IN condition and renovations.
- Re-Lease supersedes any earlier terms of engagement and/or earlier improvements made by either party.
- SF Rental Rate is a tiered approach to move Tenant towards an appropriate MRV by the end of Three-Year re-Lease Term; respectful of Tenant Improvement Finish Investments towards the Expansion SF in First Year Term.
- If upon an early exit of this property or termination of the lease or natural term expiration, at such point any Tenant Improvements that are determined to remain with the premises must be cost evaluation (proof of receipt) for Landlord Reimbursement.

The Board poised the following questions/commentary:

- (Louzon-Keller) I like the Rental Rate scale of the Three-Year Term; Term length is favorable towards Appraisal/ Property Valuation metrics.
- (Chair Aragon) Do we feel the Tenant is still a good fit for the property and attracts other like-minded businesses?
  - ED Bailey, and others, yes the Yoga Studio is a very attractive element for the property's future tenancy user mix.
  - Ortega commented the Tenant is a positive energy for the district and good reputation among the community; a healthy perspective for future tenant recruitment.
- (Chair Aragon) How are the Utilities covered in the re-Lease?
  - ED Bailey, currently all Rents have Utilities built in and is one flat rate monthly rental rate. Going forward with the new House Panel upgrade, all Utilities will be self-metered and registered in the Tenant's Name directly; therefore new Lease rents will only include the SF Rental Rate plus CAM fees, with all Utilities separately billed and registered.
- (VChair McMaster) As our 1st anchor tenant, the Yoga Studio provides a good traffic generator for the property and brings news customer referrals to other district businesses.

The board unanimously notioned on behalf of staff continuing with re-Lease negotiation/execution with the Yoga Studio tenant.

## 2. Cash Flow Momentum

ED Bailey and CLA Bartow have considered several options for injecting healthy cash flows towards the board's execution of the Woodman Hall Vision in 2022. These included the following for board consideration:

### 212 W Illinois Avenue

1. The Exit Plan strategy has been to sell the property via an Option Clause within the Tenant Lease for execution.
  - a. In light of COVID and other operational variables of the Tenant they have not yet notioned to execute the Option Clause and the Tenant is in its third, final term of its Lease.
2. FURA has NO DEBT on this asset and could utilize the property's equity towards the Woodman Hall Vision.

The Board poised the following questions/commentary:

- (Chair Aragon) FURA has fulfilled its mission of blight remediation and revitalization for the district with this property. We should be looking forward to our other missions within the US85 URA.
- (VChair McMaster) I agree with Chair Aragon to consider all our options with regards to an exit strategy, as well as, ensure we have a re-Lease action forward as it adds equity to Property Valuation with regards to other Investors; FURA is not invested in being a long-term landlord commitment.
- (Welch) FURA should encourage Tenant buy-out Option execution and other Investor purchase alternatives and move forth with other missions within the US85 URA.

### US85 Pad Site

ED Bailey provided a synopsis of four prospect users expressing interest in the shovel ready site and for the board to categorize a WIN for the district. “WIN” is defined as: a new service entry to the district; extenuating open hours of service; trip generation and sales revenues; enhanced beautification and/or emulating historic character attributes; along with capital investment and cash flow capabilities.

The Board poised the following questions/commentary:

- (Chair Aragon) We’ve learned through earlier prospecting efforts that the site is sufficient to accommodate two stand-alone users; it would be great if a duo placement combination among the four users could materialize.
- (VChair McMaster) Can we create a new egress curb cut to interior US85 Pad Site to further user attractiveness?
  - ED Bailey, through early CDOT discussions we have a dual egress access drive allowed via US85 Hwy. (per 2018 Site plan)
  - Ortega emphasized US85 Hwy is a state right-of-way through CDOT and to gain additional egress drives will be a challenge.
- (Louzon-Keller) Can we make drive thru functionality means for the Pad(s)?
  - ED Bailey, with city right-of-way for Missouri Avenue in early discussions, have allowed for a Missouri access lane and a service alley for alternative stacking of drive thru lanes within the US85 Pad Site.
- (Welch) Some of the prospect users would be direct competition for existing small business operations already in the district; as well as, how are their fiscal health standings in light of COVID?
  - VChair McMaster, emphasized is it really direct competition or more so cooptism that could drive a healthy economic vitality for the district. For Example, like-minded brands co-establish along intersections to drive trip generation traffic and boost sale revenues.
  - ED Bailey, all prospects that express interest in the site are treated equitably with a standard list of business metrics and fiscal health deliverables required for review by the Authority. In addition, a list of disclaimer variables are identified up front for transparency of alternative external agencies of engagement with the property.
- (Louzon-Keller) It's imperative the incoming prospect user(s) lends itself to a variety of open service hours and evokes a few Design Aesthetic standards on behalf of conforming to the needs of the district.

## **FINANCE**

CLA Bartow stated a draft of the 2022 Budget will be delivered to the Authority by October 15, 2021, per State Statue. A formal adoption of the budget will need to transpire via a Public Hearing which must be advertised 1-week in advance of the Public Hearing date.

ED Bailey introduced date/time options for the Public Hearing, as well as, end of year general board meeting dates to identify Quorum availability by the board. The following dates were determined by the Authority to conduct business:

- **CANCEL: October 27, 2021** general board meeting due to lack of quorum.
- **ADVERTISE: November 10, 2021 Public Hearing** in person at City Hall on behalf of 2022 Budget adoption.
- **RE-SCHEDULE: November 17, 2021 general board meeting** due to lack of quorum to effectively coincide on November 10, 2021.
- **CONFIRM: December 15, 2021 general board meeting** will transpire on a virtually only MS Teams meeting basis.

Chair Aragon inquired the tenure status of the Fountain Urban Renewal Authority, based on attending prior URA educational workshop(s) and definition of URA time clock(s). ED Bailey responded with the following:

- FURA was initially established by City Council in 2008; US85 URA district.
- Today, FURA manages four URA districts as established by City Council.
  - To learn more, please visit <http://www.furaco.org/maps.html>
- As established by City Council and per State Statute, each URA district has a 25 year time clock span to perform.
- At the time of an expiring URA district, the Authority reviews the district's progress to report out to City Council and/or request a recommendation of re-establishment.
  - CLA Bartow, if a re-establishment is deemed a valid course of action, a blight study is required which serves as the baseline to re-establish the TIF pledge and district boundary for the Authority, as well as, to conform to current State Statute.

#### A/P Check Signing

ED Bailey distributed September 29, 2021 checks approved on consent for signing by the board, totaling \$78,480.58.

**ANNOUNCEMENTS:** The following items were shared with the board:

- 2nd #ARTSmonth at The Lawn, City Hall *(October 13-15)*
- Trunk-n-Treat on Main *(October 29th)*
- Woodman Hall "Silent Haunt" decor contribution
- November 2nd Mayor and Councilmember Election Day
- Businesses Light Up Olde Town District w/Ambassador *(November-December season)*

The Louzon-Keller asked if there was any further business. No further topics were brought forth by subsequent board members; therefore Chair Aragon motioned to adjourn, second by Welch, passed unanimously at 7:31pm.



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Kimberly Bailey, Executive Director

11/10/2021

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Date

## **FOUNTAIN URBAN RENEWAL AUTHORITY**

**November 10, 2021**

*(COVID-19 Social Distancing and Unvaccinated Masks in effect)*

### **General Board Meeting Minutes**

Chair Aragon called a regular monthly meeting of the Fountain Urban Renewal Authority to order at 6:02pm. Commissioners present included Vice Chair Bill McMaster, Leslie Louzon-Keller, and Gabe Ortega. Additional attendees include: FURA Executive Director Kimberly Bailey, Carrie Bartow (CLA), and JoAnna Stockton (Assistant).

#### **PUBLIC HEARING**

Chair Aragon opened the floor for the Public Hearing on the proposed 2022 budget. VC McMaster motioned, seconded by Ortega, and unanimous by the Board at 6:03pm. ED Bailey polled the meeting room and the Conference Call-in line with acknowledgement of no public present. CLA Bartow generally referenced line items within the draft budget noting no changes have occurred since October 15th draft version. She expressed conservative approach with Revenue Collections with financial flexibility for the Board to act quickly on Missions of the Authority. The Board generally discussed its financial health and proposed budget areas. Chair Aragon presented closing of 2021 FURA Budget Public Hearing. VC McMaster motioned, seconded by Louzon-Keller, and unanimous by the Board at 6:22pm.

#### **RESOLUTION 21-01**

Chair Aragon requested adoption of RESOLUTION 21-01 Approving the 2022 Budget of the Fountain Urban Renewal Authority. VC McMaster motioned for approval, seconded by Ortega, and the motion passed unanimously by the Board.

#### **CONSENT AGENDA**

The following Consent Agenda items were presented for approval:

- Ratify October 2021 Accounts Payable
- Approval of September 29, 2021 General Meeting Minutes
- Approval of November 10, 2021 Accounts Payable
- Approval of November 10, 2021 Monthly Financials Report

VC McMaster motioned for approval, second by Ortega, and the motion passed unanimously by the Board.

#### **NEW ITEMS**

##### Board Tenure and Appointments

ED Bailey provided a Board Tenure overview and upcoming New Year Chair and Vice Chair appointments of the Authority.

- Paeleigh Reid fulfillment term of former Mr. Dennis Hisey servitude will expire in 2022 and she is not seeking reappointment with the Authority. She appreciates her time on the board but her business commitments have become more conflicting and unable to dedicate the time as appropriate to serve.
- Gabe Ortega term ends as his Mayor Term expires as of November 23, 2021. Gabe introduced his City Council successor appointee, Tamera Estes; she will fulfill the City Council seated term thru 2025.
- Bill McMaster expressed interest to re-appoint for another 5-Year Term and re-serve as Vice Chair. Staff will follow up with Board Application and City Council process.

- Chair Paul Aragon announced he is able to serve till 2023 but is considering ending his Term of Service a couple years shy of 2025; his Pastor and other commitments have become a more conflicting rise in month/week rescheduling attendance and challenges to serve.
  - He inquired if the monthly board meeting week/day could be flexible to the 3rd WED of each month? ED Bailey mentioned this might also help with other board member conflicts as well as Staff A/P facilitation items. The Board discussed the change and no objection was presented, yet in favor for the week/day change.
  - Aragon also shared his interest to remain as Chair for his 2022 remaining Term.

In closing, ED Bailey expressed appreciative thanks for all servicing members and will follow up accordingly on re-appointees. She noted that the Board will start 2022 with a two seat vacancy, encouraged outreach, and stated the Authority would benefit in onboarding Real Estate and/or Construction fortitude talents.

### 2022 Monthly Meeting Schedule

ED Bailey referenced the proposed 2022 Meeting Schedule, referring to the 3rd WED of each month change. She asked if there were any changes to address; a few coding errors were noted for correction. Staff will correct and share revision with the board for approval.

### Blast Park Co-Improvements

ED Bailey mentioned some challenges with the shared lot access of its 212 Illinois tenant and the Blast Park “overflow parking”. There may be some improvements necessary to the grounds, liability waivers, and/or enhanced security from the City Parks perspective and some neighboring residential of the Blast Park site. There is nothing specific to share now; early discussions have been recent to explore availing “overflow parking” access and preventive measures. It’s plausible for 212 Illinois tenant to lease direct and assume the liability and access enabled. Any continued allowed use of “overflow parking” is a temporary condition allowance till the city’s transportation improvement roadway project, known as: Illinois/Indiana, begins and is completed within the Olde Town district. Staff will report further on this topic as more details become available.

## **UPDATES**

### Grant Applications

ED Bailey addressed the State of CO Historic Designation application process for Woodman Hall. The next application window is February 1, 2022 and it might be best to ensure our G.C. service provider is onboard for their perspective of this Designation now vs an applicable ReUse condition timing under the board’s Vision of the property. The Designation is separate from the State of CO Historic Preservation grant funded programs. The Authority will not benefit from the State of CO Historic Tax Credit as a non-profit governmental entity of the State. Estas provided further content on the State of CO Historic Designation review panel process and CLA Bartow confirmed commentary as to the State of CO Historic Tax Credit. The Board will review G.C. service provider proposals during its December board meeting.

### DCI Governor’s Award

ED Bailey recommended staff pursue the Governor’s Award facilitated by Downtown Colorado Inc. (DCI) for its 212 W. Illinois property blight removal, property revitalization and tenant partnership. Under the DCI Urban Renewal Awards program, this is the final year the property can be eligible to apply under the Award’s terms and conditions. She asked if there was any apprehension to pursue; the board echoed support to apply for the Governor’s Award for the Authority.

## Woodman Hall

EDD Bailey provided a status of the 102 N Main Appraisal for its AS-IS condition and REUSE tenant condition; with comparable investment value of the proposed design-engineering improvements. A final copy has not been released but the valuation is in the range(s) we were hopeful for on behalf of the 2022 Vision.

## South Academy Highlands (SAH)

ED Bailey mentioned the PH I west side development area is working through construction plans with its LOIs signed, along with PH II virgin land area has started to receive healthy prospect inquires with the developer. She clarified that SAH Bond Debt is only associated with PH I designation urban renewal area, PH II is non-debt unassociated development land towards the outstanding SAH bond debt.

## **FINANCE**

### SAH Tax Reporting Retailer Audit

CLA Bartow suggested a new SAH Tax Reporting Retailer Audit approach that could be a more cost-conservative option for the Authority. CLA could send a Letter Notice of a documented discrepancy among its Sales Tax/ PIF reporting of the Urban Renewal Area to prompt an internal review by the retailer(s). It's a soft approach to a formal Retailer Audit endeavor by CLA with the big-box retailers, which may gain us a more participative engagement process. The board generally discussed the idea and requested second opinion from its Attorney, Carolynne White of Brownstein Hyatt Farber and Schreck. ED Bailey mentioned as a refresher, any costs borne through this Audit would be paid via the SAH Project II Fund and not FURA General Revenues.

### A/P Check Signing

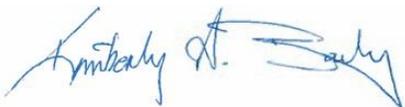
The board signed checks, as approved on consent, totaling \$14,574.70.

**ANNOUNCEMENTS:** The following items were shared with the board:

- Mayor Tree Lighting at The Lawn, City Hall (November 18th)
- Main Street/Ohio Avenue Intersection 36-HR Construction Closure Notification
- Businesses Light Up Olde Town District w/Ambassador *(November-December season)*

An Appreciation of Service was expressed by Chair Aragon for Mayor Gabe Ortega decades of service in all levels of our city and working with the Urban Renewal Authority in recent years.

Chair Aragon asked if there was any further business. No further topics were brought forth by subsequent board members; therefore Chair Aragon motioned to adjourn, second by Ortega, passed unanimously at 7:26pm.



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Kimberly Bailey, Executive Director

01/19/2022

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Date