

# LDDA Board Communication

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**Meeting Date:** Wednesday December 14, 2016

**Current Incentive Fund Availability**

Retail Conversion: \$105,000	Signage: \$58,430
Alleyscape West side: \$66,971	DIP: \$97,187
Residential: \$61,536	TIF: \$1,800,000

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**Agenda Item: National Register Downtown Historic District**

**Executive Summary:** Staff will be giving an update.

**Background:** The Longmont Downtown Development Authority and City of Longmont are currently working to nominate a portion of the downtown as a historic district on the National Register. The proposed historic district is located generally between 3rd and 5th Avenues and Coffman and Kimbark Streets.

An informational meeting for property owners will be held before our regular meeting on Wednesday, December 14 at 2:30 p.m. at 528 Main St. (Chamber of Commerce Building)

Being part of a National Register historic district does not impose regulatory restrictions regarding what an owner can do with their property but it does afford recognition and opportunities for economic incentives through income tax credits and/or potential grants for preservation related rehabilitation work on older buildings. In addition to the proposed downtown historic district, there are also a number of existing individual historic buildings in the downtown that were landmarked by the property owners.

Nomination of a downtown historic district for the National Register would complement the Downtown Creative District and would further goals, policies and strategies of the Downtown Master Plan. Visit Longmont and Arts Longmont are also supportive of the nomination and consider a historic district to be an important component of marketing the downtown.

The nomination process for the historic district started this year and is planned to be completed in 2017. A draft nomination will be submitted to History Colorado and the Colorado State Historic Preservation Review Board with a hearing planned for May 2017. If the Board approves the nomination it will be forwarded to the Keeper of the National Register with the National Park Service.

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**Agenda Item: King Communities, 513/521 Terry St., (Façade/DIP Grant)**

**Executive Summary:** King Communities purchased the residential properties at 513/521 Terry St. They are applying for a Façade Renovation/DIP Grant to fund façade improvements which include metal plates for the building addresses and a permanent installment of mid-century modern art pieces on the façade of the 521 Terry building. They are also investing in interior upgrades to the apartments. The cost for their façade project is \$29,000 and the total cost for their interior/exterior renovations is \$400,000. They are requesting a 25% reimbursement of \$4,859 for the above mentioned façade costs. Some façade improvements have already been completed, therefore they are not eligible for the grant. This is a new consideration – art pieces directly attached to a building – for our DIP grant.

**Recommended Motion:** Approve the Façade/DIP grant for \$4,859.

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**Agenda Item:** Cheba Hut, 635 Main St. (Retail Conversion, Façade (DIP), and Signage Grants)

**Executive Summary:** Cheba Hut will be opening a new full service sub shop, including a bar, at the former 7-11 location at 635 Main St. They are applying for Retail Conversion, Façade Renovation (DIP) and Signage Grants to renovate the building. The project entails interior and exterior conversions and upgrades and a new compliant sign. Their financials were reviewed and approved by the Financial Committee. The total cost for the entire project is \$500,000 and they are requesting the LDDA matching amount for the Retail Conversion grant of \$15,000, the maximum 25% reimbursement for the Façade Renovation/DIP grant of \$10,000, and the maximum 50% reimbursement for the Signage grant of \$3,500 because the former 7-11 sign was non-compliant.

**Cheba Hut Grant Request Summary**

Retail Conversion	\$ 15,000
Façade Renovation/DIP	\$ 10,000
Signage	\$ 3,500
<b>Total Grant Request</b>	<b>\$ 28,500</b>

**Recommended Motion:** Joseph Perrotto recused himself from the application/vote since he is affiliated with the property owner of the building. Approve the Retail Conversion grant for \$15,000, the Façade Renovation/DIP grant for \$10,000 and the Signage Grant for \$3,500 for a total of \$28,500.

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**Agenda Item:** Abbott & Wallace Distilling Co., 350 Terry St., #120 (Retail Conversion Grant)

**Executive Summary:** Abbott and Wallace Distilling Company will be opening a distillery and tap room at the 350 Terry St. multi-tenant building. They are applying for a Retail Conversion Grant to fund the interior and exterior conversions and upgrades in this section of the building. Their financials were reviewed and approved by the Financial Committee. The total cost for their entire project is \$650,000 and they are requesting the LDDA matching amount for the Retail Conversion grant of \$15,000.

**Recommended Motion:** Approve the Retail Conversion grant for \$15,000.

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**Agenda Item:** Bootstrap Brewing Co., 142 Pratt St. (Retail Conversion and Façade/DIP Grants)

**Executive Summary:** Bootstrap Brewing Co. is opening a second brewery and tap room location at 142 Pratt St. They are applying for a Retail Conversion and Façade/DIP Grant to fund the interior and exterior conversions and upgrades in the building. Their financials were reviewed and approved by the Financial Committee. The total cost for their entire project is \$1,250,000. Bootstrap is using a design build model on some of the items, therefore, they do not have second bids for those items. Second bids on some of the other eligible grant items are still outstanding. Staff will bring any bid/eligible cost updates to the board meeting. They are requesting the LDDA matching amount for the Retail Conversion grant of \$15,000 and the 25% reimbursement of \$2,513 for the Façade Renovation/DIP grant.

**Recommended Motion:** Approve the Retail Conversion grant for \$15,000 and the Façade/DIP grant for \$2,513 for a total of \$17,513.

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## **Agenda Item: Longmont Liquors, (Signage)**

**Executive Summary:** Chris McGilvray, the owner of Longmont Liquors at 137 Main, is applying for a Sign Grant to update the monument sign. The total sign cost is \$2,080 and he is requesting a reimbursement of \$791 based on 50% of hardware/install costs and 25% of awning cost due to the current sign being in compliance.

**Recommended Motion:** Chris McGilvray recused himself from the application/vote since he is on the LDDA Board. Approve the Signage grant for \$791.

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## **Agenda Item: South Main Station Update**

**Executive Summary:** As we continue to finalize the amendment to the South Main Station (SMS) Redevelopment Agreement, there is discussion around the funding of the rail crossing improvements at 1<sup>st</sup> and Emery and how the developer's contribution to this cost is paid to the City of Longmont. Upgrading the rail crossing is an essential piece of the SMS project, as well as future redevelopment within the 1<sup>st</sup> and Main transit area.

The work on the crossing would likely not start until after start of construction on the SMS project. The work will be completed by BSNF and the City and/or its contractors. The City and SMS will be splitting the \$1.8 million estimated cost of upgrading the rail crossing. SMS has committed to paying its initial \$450,000 after financing for the project is secured, expected in mid-year 2017.

In the redevelopment agreement, the DDA approved reimbursement of the full amount of DIP fees generated by the project. These fees are paid when the developer pulls their project permits. It is reimbursed to the developer after Certificate of Occupancy has been issued on the project. In the event that start of construction does not commence after the permits are paid, the developer is eligible to receive an 80% reimbursement of their permit fee paid no later than 180 days after the date of the fee payment. We would need to write something in the agreement amendment that says the developer would not be eligible to receive a refund on their permit fees back by some X date to ensure that the City has access to these funds via DIP if by the off chance the developer does not start construction.

The rail crossing work will likely be completed before Certificate of Occupancy is issued on the project. Essentially, due to SMS's financial return on cost projections, it cannot include its contribution of the 2nd \$450K in their initial financing. Discussion on how to finance this project has been ongoing.

One compromise could be to reallocate \$450K of the DIP fees paid by the developer (estimated at \$655,000+), which would normally be reimbursed back to the developer, and apply those to the 1<sup>st</sup> and Emery / railroad improvements. Within the DIP grant program, street enhancements are an eligible improvement.

The options for the City to receive this payment:

(1) DDA could allocate \$450,000 in the DIP payment funds to the City soon after City receives permit fees paid by the developer (which could occur in 2017).

(2) City receives \$450,000 payment from the DDA at substantial completion of the rail crossing enhancements.

(3) City receives \$450,000 when CO is approved which could occur 16 months or so after start of construction.

Any actions would require LDDA Board approval as part of the amendment, but without a secured funding source, the rail crossings will not be able to be upgraded. As we finalize the amendment, we need direction from the board for which option to pursue above.

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**Agenda Item:** City of Longmont Zoning Review Update

**Executive Summary:** City staff is undergoing the process of updating its zoning regulations. The process is underway and should wrap up summer 2017. Use regulations will likely be reviewed between Feb and June of next year. Based on previous feedback, staff will bring recommendations to the DDA board for review and comment. The current DDA Master Plan Update goals will be considered as the process moves forward.

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**Agenda Item:** 2017 DDA Board Meeting Dates, Times and Posting

**Executive Summary:** DDA Board must set its meeting days, times and postings for 2017. See below:

**2017 LDDA Proposed Board Meeting Schedule:**

Location: Longmont Area Chamber of Commerce Conference Room  
Day: Every **4th** Wednesday, except noted below  
Time: 4:15 p.m.

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January	25	
February	22	*Plan all day meeting including retreat
March	22	
April	26	
May	24	
June	28	
July	26	
August	23	
September	27	
October	25	
November	15*	*3rd Wednesday
December	20*	*3rd Wednesday

Notification Board is in the window of the LDDA offices at 528 Main Street.

**Questions:**

1. Do the proposed dates work?
2. Would the DDA Board like to keep the time as 4:15 p.m.?