

Longmont Downtown Development Authority

Wednesday, December 20, 2023 Board Meeting

City Council Study Session Room (350 Kimbark St.)

11:30 a.m. Regular Meeting followed by Luncheon (Smokin' Dave's - 230 Main)

Present: John Creighton, Ex-officio Member: City of Longmont, Jim Golden, Chris McGilvray, Wes Parker, Kirsten Pellicer, Joe Perrotto, Jim Wardell, Shiquita Yarbrough
Absent: Emelie Torres
Guests: Grant Hopfenspirger/Nichole Milbrath (Teocalli Cocina), Anthony DeSousa (Antonio's), Kim Brain/Sarah and Cory Marchand (Pelo's Deli), Philip Ost/Brian Bair (Mass Equities), David Hoffman (Tres Birds),
Staff: Executive Director, Kimberlee McKee; Del Rae Heiser; Colin Argys

1. REGULAR MEETING CALLED TO ORDER AND SILENT ROLL TAKING

2. BOARD AND EX-OFFICIO MEMBER COMMENTS - Chris mentioned a change to the structure of the meeting, and we now have a Consent Agenda. It groups routine discussion points together and the Board can move to approve the discussion points as a whole. If we want to vote against something, then we pull it from the Consent Agenda.

3. APPROVAL OF AGENDA

Motion: Joe Perrotto moved to approve the agenda, Wes Parker seconded the motion. The motion passed unanimously. Kirsten mentioned adding the Approval of Agenda motion to the Consent Agenda. Will add that in the future.

4. PUBLIC INVITED TO BE HEARD (5 MINUTE MAX PER SPEAKER) - none

5. CONSENT AGENDA

- a. Approval of November 15, 2023 Board Minutes
- b. Parking Signage for Public Parking in SPOKE
- c. 2023 Appropriation for staff
- d. Set Meeting Dates, Times, Locations & Meeting Notification Location for 2024

Motion: Kirsten Pellicer moved to approve the Consent Agenda, Joe Perrotto seconded the motion. The motion passed unanimously.

6. INCENTIVES

- a. 460 Main St. - Façade & Retail Conversion - Grant, the owner of Teocalli Cocina presented his grant requests for their recently acquired location at 460 Main St. They have roots in the Boulder County area and see a big upside to opening a location in the Longmont community and in Downtown. Total project cost is \$2.1 million. Finances were approved by the Finance Committee. Timeline to open is roughly April 2024.

Motion: John Creighton moved to approve the Façade grant for \$50,000 and the Retail Conversion grant for \$15,000, Jim Wardell seconded the motion. The motion passed unanimously.

- b. 325 Main St. - Façade & Retail Conversion - Anthony started his first restaurant business in Estes Park and has looked for a second location the past three years and decided on Longmont. This location will be the commissary for other locations. Finances were approved by the Finance Committee. Kimberlee reviewed an updated spreadsheet of their eligible costs, as some second bids were received after the packet was distributed. Timing to open is estimated to be March 2024.

Motion: Kirsten Pellicer moved to approve the Façade grant for \$41,039 and the Retail Conversion grant for \$15,000, Joe Perrotto seconded the motion. The motion passed unanimously.

- c. 630 Main St – Façade & Retail Conversion – Kim and her partners (Sarah and Cory) discussed their new deli business (Pelos Deli). Kim grew up in a deli bodega style family business in CA. Historically, this location was a grocery store and had a delivery horse named Pelo. Will provide grab ‘n go groceries (mostly staple items), full-service deli, and a music venue in back with patio. Will have dine in options and can eventually expand into the two adjacent retail locations that are part of this building purchase. Finances were approved by the Finance Committee. Hope to open in 6 months.
Motion: Wes Parker moved to approve the Façade grant for \$16,808 and the Retail Conversion grant for \$2,558, Jim Wardell seconded the motion. The motion passed unanimously.
- d. 385 Main St. - High Plains Bank – Façade – John Creighton from High Plains Bank purchased the 385 Main St. building at the corner of 4th & Main. The exterior staircase is exposed to the elements and can be a safety concern, so they want to enclose it with windows that match the rest of the building. Finances were approved by the Finance Committee.
Motion: Joe Perrotto moved to approve the Façade grant for \$10,000, Kirsten Pellicer seconded the motion. The motion passed unanimously with John Creighton recused.
- e. Granary – TIF & Façade – Brian Bair and his team presented the Granary Food Hall and Creative Commercial Building concept for the TIF request. Slide show included renderings of existing conditions and proposed interior/exterior designs, costs, and timeline. Want to preserve the historic building for adaptive reuse. Mark Shaker (owner of Stanley Market Place/Denver, the Golden Mill/Golden) will run the food hall. This would be a sixth location.
Location will have 50+ taps, self-pore and four food stalls (sushi, chicken/burger, empanadas, and looking for 4th one). This is the last building of phase one for SMS. There’ll be a new parking lot on the east side and an outdoor plaza on west side of the building. The 2nd/3rd floors are each 8,000 SF for office space. The outdoor plaza is 5000 SF. Using existing window openings and adding more windows and roll up doors for better light. Top floor has roof line skylight. Keeping existing elevator shaft as a focal point of building. Reclaiming a lot of materials in the renovation to maintain historic feel.

Kimberlee asked if 2nd Ave. sidewalk to Collyer St. will be finished with this project. Yes, it will. Kimberlee asked what the safety mechanisms are to prevent the plaza from becoming unsafe. Brian said there are controlled access points to the plaza, and they can put up more barriers if needed. Cameras and lighting will be in the plaza. Will have a property management company for the building. Will there be any security? Will use cameras that are remotely monitored. When busy for events, will have security on site. The outdoor plaza will be lit overnight.

There will be an indoor portable stage for entertainment and have entertainment a couple times a week. Hours open until 10pm; 11pm on Fri/Sat. Did some noise mitigation already with the Granary Townhomes and this Granary will have the same. A stop sign was added at 2nd & Emery St. for more pedestrian safety. Hope to be open 2nd quarter 2025.

Brian reviewed the \$13.5 million development costs of the project (\$482/SF). The market return for their investors is 7.5%. They have a shortfall of \$2,214,777. They will return in January 2024 with more cost details of the project.

Kimberlee discussed the TIF Program review and that we go with the lower of the three TIF criteria.

Motion: John Creighton moved to approve 100% of DIP fees contribution which will be given back to the developer after the project is completed, Jim Wardell seconded the motion. The motion passed unanimously.

John Creighton left at 12:57pm

7. NEW BUSINESS

- a. 600 Main St. - we have a Letter of Intent on this property. Did make an offer at \$700,00, they countered with \$775,000 and we countered again at \$750,000, which was the appraisal value. They are working on a lease with Pinkard Construction employee and contractor parking for the Village Place renovation in 2024. It's \$600/month plus reimbursement of the fence rental which is \$255/month. It's on a month-to-month basis. Would the LDDA Board continue that lease? Kimberlee asked for potholes to be filled in. If we do a new lease with Pinkard, we will include insurance requirements and ask that they keep the space tidy. We can still do some brownfield testing in the little building on site. Joe said when they look at the lease, to be sure there's a security provision for the property.

Motion: Kirsten Pellicer moved to approve the purchase and authorizing Kimberlee McKee and Joe Perrotto to negotiate the purchase and sale agreement, Wes Parker seconded the motion. The motion passed unanimously.

Motion: Joe Perrotto moved to appropriate an additional \$850,000, including \$750,000 for the building and \$100,000 for expenses from TIF balance, Jim Wardell seconded the motion. The motion passed unanimously.

8. OLD BUSINESS

- a. Shuttle Update - The car is front wheel drive and can be upgraded for all weather tires. Most of these are sold direct to consumers, no corporate clients right now. Have in a warehouse in Denver and can look at it and drive it. The battery life is 2 years, 8000 miles. Replacement cost of battery is \$1500. They have techs in Ft. Collins that can work on it. Insurance would be \$1,000-\$4,000 annual premium and advised there should be comprehensive background checks on the drivers. Would look at outside company to hire drivers.

9. FINANCIAL UPDATE - trending under in all the budgets. Jim is looking into our actual TIF allocation in 2024 because of our base year. We have about \$4.5 million in TIF reserves.

10. CREATIVE DISTRICT UPDATE

- a. Creatives Retreat - artist retreat at end of January 2024 and looking for business sponsors. FRCC has a Bachelor of Arts in the Creative Industries.

11. EXECUTIVE DIRECTOR'S REPORT

- a. Development Update - hotel agreements continue to be worked on (parking and developer covenant) and getting approval for Chris to sign the agreements.

12. EXECUTIVE SESSION: For the discussion of a personnel matter under C.R.S. Section 24-6-402(2)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees. (Executive Director Review)

Started at 1:09pm

Ended 1:33pm

Motion: Joe Perrotto motioned to increase Kimberlee McKee's salary to \$166,042 and grant a maximum bonus of \$5,000. They will also increase the bonus range in 2024 to a max of \$10,000 paid out discretionary in 2025. Shiquita Yarbrough seconded the motion. The motion passed unanimously.

Board will wait on feedback from Kimberlee to see what additional dollars we need for the educational budget and staff for 2024.

13. ITEMS FROM STAFF - Colin said 99 tickets are sold for Winter Walkabout which is better than previous Decembers.

14. BOARD MEMBER COMMENTS - Wes asked about the spaces at the Spoke on Coffman. There will be 80 additional spaces available in the Spoke for permit holders utilizing the Boulder County spaces (green). We'll

market this opportunity to the businesses. Jim said there's a whisky tasting from 4-6pm at Snow Apparel Thur., 12/21. Shiquita shared information she gained from the NLC conference that could be useful to small retail businesses. Many businesses are doing online orders for walk in/pick up. Board thanked Shiquita for another term on the LDDA board.

15. ADJOURN* - 1:43pm

Motion: Kirsten Pellicer moved to adjourn the meeting at 1:43pm, Shiquita seconded the motion. The motion passed unanimously.

*After the meeting adjourns, Board Members will enjoy a holiday lunch at Smokin' Daves.

Respectfully yours,

Kimberlee McKee
Executive Director, LDDA

Chris McGilvray
Board Chair, LDDA