

**MINUTES**  
**LDDA BOARD OF DIRECTORS**  
**528 Main Street, Longmont**  
**March 25, 2009**

**Present:** Board Members: Todd Skaw, Bruce Sessions, Terry Diesburg, Robert (Bob) Goff, Burbidge Austin, and Bill Sawyers; Ex-Officio Member: Jim Golden; and Councilmember: Karen Benker

**Absent:** None.

**Guests:** Tony Kindlespire (Times-Call); Lynn and Sean Owens (Owners of The Dickens Tavern); Joseph Rosenblum (Thistle Housing); Ronnie Pelusio (Wolff Lyon Architects); Jon Van Benthem (Owner abe Designworks); Judi Supplee (Owner Encore Home Styles); Paul Kelley (Longmont Signs); Sherri O'Hara (Resident); Jim Rae (Auditor, Poysti & Adams); Anastasia Aleyander (Owner The Giggling Greek); Lois and Marv Dyer (Owners of Dyer Realty); Dan Gussman (CCM Construction) ; Doug Bene (City of Longmont, Economic Vitality Manager); Phil Del Vecchio (City of Longmont, Manager); Danielle Hinz (City of Longmont, Purchasing Manager)

**Staff:** Executive Director, Mary Murphy-Bessler and Executive Assistant, Denise Crosby

**1. REGULAR MEETING CALLED TO ORDER AND SILENT ROLL TAKING at 4:16 PM.**

**2. EXECUTIVE SESSION\*, EXECUTIVE DIRECTOR'S REVIEW**

**For 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**

A motion to approve a 5% raise for Executive Director, Mary Murphy-Bessler retroactive to her anniversary date in October 2008 was made by Board Member, Bill Sawyers and seconded by Board Member, Bob Goff passed unanimously

**3. BOARD AND EX-OFFICIO MEMBER COMMENTS:** Burbidge Austin discussed the visit of Kevin Lynch of the British Consul scheduled for Thursday, March 26, 2009 (this was subsequently cancelled due to weather). Bob Goff discussed the LDDA's Board Meetings and member attendance. He asked the Board to reconsider their commitments to the Board.

Jim Golden arrived at 4:35 PM.

Burbidge Austin agreed and added if you cannot dedicate the time to the Board then perhaps you should take a step back.

Bruce Sessions arrived at 4:38 PM.

Karen Benker asked about the time the meetings are to go to. Bob Goff replied the ballpark time discussed for the meetings was 4:15 PM to 6:15 PM. Bill Sawyers noted adhering to time limits on the agenda would allow Board Members and presenters to be aware of the time commitment for the meetings. The Board agreed on having time limits for agenda items. Bob Goff added the Board Members need to commit to the two hours for the Board Meeting.

**4. DOWNTOWN DEVELOPMENT DIRECTOR REPORT:** None.

**5. APPROVAL OF AGENDA:** A motion to approve the agenda was made by Board Member, Bill Sawyers and seconded by Board Member, Bruce Sessions passed unanimously.

A motion to approve a change to the agenda allowing the second Public Invited To Be Heard to occur before the Executive Session to Review Contract and Financials for Mixed-Use Development Project was made by Board Member, Bill Sawyers and seconded by Board Member, Bruce Sessions passed unanimously.

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**6. APPROVAL OF MINUTES:** A motion to approve the meeting minutes from February 25, 2009 was made by Board Member, Bill Sawyers and seconded by Board Member, Todd Skaw passed unanimously.

**7. PUBLIC INVITED TO BE HEARD:** None.

**8. NEW BUSINESS:**

**a.** DIP Request, 300 Main Street, The Dickens Tavern, Lynn and Sean Owens, Owners  
Sean Owens described their request for a new fire alarm system (which is for the entire building) and a UL 300 hood (just for their restaurant) required by fire code. Lynn Owens described the possible change in awnings. Per the Fire Marshal's request, the proposed awning would need to have sprinklers installed underneath. This would cost an additional \$5,000.00. The Owens will resubmit a DIP for the awning request and withdraw last month's request.

Total Cost of Project: \$9,000.00  
Total Cost of Façade Renovation: \$3,000.00  
DIP Request: \$3,000.00

A motion to approve The Dickens Tavern/Lynn and Sean Owens' request in the amount of \$1,500.00 for the sprinkler systems for the hood was made by Board Member, Bill Sawyers and seconded by Board Member, Burbidge Austin passed 6-1 (Karen Benker opposed).

**b.** DIP Request, 234 Terry Street, The Giggling Greek, Anastasia Aleyander, Owner  
Anastasia Aleyander described the request she submitted for renovation of two patios at 234 Terry Street.

Total Cost of Project: \$7,000.00  
Total Cost of Façade Renovation: \$3,500.00  
DIP Request: \$3,500.00

A motion to approve The Giggling Greek/Anastasia Aleyander's request in the amount of \$2,450.00 as long as both sides of the patio are done was made by Board Member, Bill Sawyers and seconded by Board Member, Bruce Sessions passed unanimously.

**c.** Signage Request, 521 Main Street, The Optical Center, Jeff Lees, Owner  
This was postponed as a DIP Request was not available for review.

**9. OLD BUSINESS:**

**a.** 3<sup>rd</sup> and Kimbark Mixed-Use Project/Response to Longmont City Council recommendations  
Representatives from the development team of Thistle Community Housing and CCM Construction Management, Inc. and Phil Del Vecchio from the City of Longmont

Phil Del Vecchio gave an overview of the 3<sup>rd</sup> and Kimbark on the Mixed-Use Project to-date. Bob Goff recapped the cost of the project: \$13 million for the entire project as proposed. There is a \$5.5 million contribution by the LDDA. There is a fee waiver from the City of Longmont valued at \$800,000.00 and the value of the land is +/- \$2,000,000.00. Thistle would be bringing out of pocket \$2.9 million cash – although Thistle is considering tax credits to offset this cost. Bob noted there is a shortfall. Phil answered this is the housing portion. Phil continued if the market study does not show a demand for the kind of housing being proposed, Thistle will not be able to get the financing for the housing portion. There was a discussion about the previous projects and it was noted the price tag is smaller on this project, because the scope of the project was smaller. Tentatively this project goes before City Council on April 7, 2009.

Thistle's representatives Ronnie Pelusio, Joseph Rosenblum and Dan Gussman discussed the March 24, 2009 memo from Thistle Kimbark Plaza Team to the LDDA Board which outlined 1. the cost of providing additional parking spaces (Current = 133 spaces, 12/08 proposed plan = 230, 3/9 level 2 ext. = 299 - increases the proposed project budget by \$751,800.00, 3/9 level 3 plan = 439 - increases the budget by \$4,683,250.00); 2. the cost of additional housing and

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revising the housing program to have a workforce/market mix (30 workforce and 10 market units is estimated as an additional cost of approximately \$1,185,000.00 to the proposed project budget); and 3. prepared an estimate of jobs generated by the project (227 direct jobs and 94 jobs lasting at least six months). Joseph Rosenblum advised Federal tax credits are available and come from Colorado Housing and Finance Authority (CHFA). Mary Murphy-Bessler asked about the number of request for tax credits versus the amount of money available and Thistles chances of receiving tax credits. Joseph answered stating it was true there are more requests than money available, but he thinks Thistle has a good chance of receiving funding from CHFA, because he went through the scoring tables and this project scored well. Joseph clarified the figures he used for the housing portion tax credit request were based on 60 percent Area Median Income (AMI). A discussion about what funding options would be available if Thistle did not receive tax credits and if the housing market did not turn around and support the housing proposed in this project ensued. Phil Del Vecchio described the design/build contract and the estimate of at least \$300,000.00 that would be incurred if the LDDA and City of Longmont entered into such a contract with Thistle.

- b. Downtown Capital Project Plan, Mary Murphy-Bessler, LDDA Executive Director
  - i. 3<sup>rd</sup> & Kimbark Mixed-Use Project
  - ii. 380 Main
  - iii. Longmont Theatre
  - iv. Main & Longs Peak

Mary Murphy-Bessler discussed an idea of bringing together all four projects for the LDDA's five-year Master Plan. Mary would like to present the public with all four as potential projects for the Downtown. Mary noted it is important for the public to see the variety of projects. These projects can be grouped together for bonding and financing purposes. Mary asked the Board for feedback on this idea. Karen Benker added there would be City of Longmont financial involvement as well. Bill Sawyers said he liked the idea and wondered if there was a time limit associated with getting a bond. Jim Golden advised once bond authorization is received there is a lot of time, however once a bond is issued you have to spend the funds within a couple of years. Mary added it helps nail down timelines and financing for each project coming up with more of a plan. (It was noted that 380 Main/Barry Hamilton will be bringing his project in front of the LDDA Board on Wednesday, April 29, 2009 at 4:30 PM.) Bob Goff was concerned the public might misconstrue these projects as ones that the LDDA is doing instead of conceptually what the LDDA is working on this year and there are a lot of other projects too. Mary will present them as conceptual projects and start working on a draft for the next Board Meeting. Burbidge Austin stated we need to start one project and build on that.

**10.PUBLIC INVITED TO BE HEARD:** Sherri O'Hara, Longmont resident, suggested adding a raised deck for additional parking at the Safety and Justice building on Kimbark Street. She would like to see more plazas drawing people and generating more activity rather than parking spaces. Paul Kelley, owner of Longmont Signs, asked about the \$6.6 million contribution for the 3<sup>rd</sup> and Kimbark project. He also asked how much money the LDDA has, how long it has taken to generate that much money and how much will be left after if the contribution is made to the proposed project. Jim Golden answered the LDDA has bonding authority for over \$9 million. The LDDA is in a Tax Increment Financing (TIF) District which generates over \$900,000.00 per year. Currently the LDDA has over \$4 million on hand and we have the option to bond further. We have committed some of the dollars to doing the other projects and programs being discussed. The LDDA has \$2.5 million available and if we go for a bond election, we could double that amount. Paul also asked about cleaning up the alley ways and making them more walk-able. Mary noted there is a design phase being done this year on the alley ways to see what the cost would be. Then a Capital Improvement Program (CIP) would be generated. Mary noted the LDDA does not own the alleys and the CIP would be done in partnership with Public Works and Longmont Power and Communication if approved. Mary noted there will be a public process for citizens to state what they would like to see and she recommended taking a trip up to Ft. Collins to see their newly redone alleys. Paul feels that alley improvements would generate more Downtown activity than the 3<sup>rd</sup> and Kimbark project. Marv Dyer, Downtown business owner, asked how much revenue the LDDA/City of Longmont expects to get on the tax credits for the Thistle project. Marv continued he has been at meetings and has read in the papers that none of these tax credits are selling to investors. The Denver Post has reported tax credits are way over rated on

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projects like the one Thistle is proposing and that they just never sell, because the investor just never buys them. Joseph Rosenblum of Thistle housing responded that Thistle modeled these credits at seventy cents on the dollar. As a comparison the recently closed Cannery received ninety-nine cents per credit. Joseph continued there are also some recent changes to the program which allow the state credit agencies to more directly fund the credits through the treasury. Joseph noted there is no guaranteed purchaser for them at this time; they would need to have a final deal first. Jon Van Benthem, business owner at 353 Main Street, he likes the idea of marketing some of the concept projects and suggested adding why the LDDA is doing them such as; we are developing a project/plan that incorporates this use, because this use augments what is going on Main Street. Mary noted it was a great suggestion and that it would fit in with the goals and objectives from the Board Retreat. Maggie Benton, business and property owner of 454 Main Street, voiced her opposition via telephone regarding the proposed mixed-use project at 3<sup>rd</sup> and Kimbark. Ms. Benton said she was okay with just a parking garage, but feels a mixed-use project is inappropriate at this time. Nor does she want retail or housing.

### **11. 6:08-6:50 PM EXECUTIVE SESSION\*, Review Contract and Financials for Mixed-Use Development Project** **For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e)**

Per Danielle Hinz no formal action was needed by the LDDA Board with regards to the Executive Session that was just held.

### **12. ITEMS FROM THE STAFF:**

Denise Crosby reviewed Maggie Benton's phone call from today (3-25-09 see note under Public Invited to Be Heard above).

Mary Murphy-Bessler reviewed the Ladies Day Out event that will be held on Thursday, April 30, 2009 from 10:00 AM – 4:30 PM and advised the Board to spread the word. Mary also mentioned the Downtown Longmont Summer Concert Series has set dates starting June 25 and going through August 13, 2009.

### **13. BOARD MEMBER COMMENTS:** None.

### **14. ADJOURN:** The meeting was adjourned at 6:51 PM.

Respectfully Submitted by:

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Denise Crosby  
Secretary to the LDDA Board

Robert Goff  
Chairperson, LDDA