

AGENDA

**WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING**

MONDAY, FEBRUARY 24, 2014

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (January 27, 2014)
- 3. Public Hearings and New Business**
 - A. Public Hearing re WEDA Budget Amendment
 - B. Resolution No. 152 re 4th Quarter Supplemental Appropriation to 2013 WEDA Budget
 - C. Downtown Westminster Grading Design Contract
 - D. Downtown Westminster Urban Planning Services Contract Amendment
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
MONDAY, JANUARY 27, 2014, AT 7:48 P.M.

ROLL CALL

Present at roll call were Chairperson Atchison, Vice Chairperson Winter and Board Members Baker, Briggs, Garcia, Pinter, and Seitz. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Secretary.

APPROVAL OF MINUTES

Board Member Briggs moved, seconded by Vice Chairperson Winter, to approve the minutes of the meeting of December 9, 2013, as written. The motion carried unanimously.

WESTMINSTER CENTER URBAN REINVESTMENT PROJECT CONSULTANT CONTRACTS

Board Member Pinter moved, seconded by Vice Chairperson Winter, to authorize the Executive Director to enter into one-year agreements with the Laramie Company and John M Mullins and Associates, Inc. to provide consultant services regarding the redevelopment of the Westminster Center Urban Reinvestment Project (WURP) property. The motion passed on a 6:1 vote with Board Member Baker voting no.

Secretary's Note: Before voting occurred, Chairperson Atchison noted the amount of these contracts was \$287,000 rather than \$182,500 as had been listed in the agenda memorandum.

ADJOURNMENT

There was no further business for the Authority's consideration, Chairperson Atchison adjourned the meeting at 7:50 p.m.

Chairperson

ATTEST:

Secretary

WEDA Agenda Item 3 A-B

Agenda Memorandum

Westminster Economic Development Authority Meeting
February 24, 2014



SUBJECT: Public Hearing and Resolution No. 152 re Westminster Economic Development Authority 4th Quarter Supplemental Appropriation to 2013 budget

Prepared By: Karen Creager, Accountant

Recommended Board Action

1. Hold a Public Hearing on the budget amendment for the Westminster Economic Development Authority.
2. Adopt Resolution No. 152 authorizing a supplemental appropriation to the 2013 Westminster Economic Development Authority budget.

Summary Statement

- When necessary, City Staff prepares a resolution to appropriate unanticipated revenues and adjust the budget side of transactions that occur during the year. Typically supplemental appropriations are prepared on a quarterly basis for the Westminster Economic Development Authority (WEDA) to simplify administrative procedures and reduce paper work.
- This is the fourth quarter supplemental appropriation for WEDA for 2013.
- 2013 Amendments:
 - North Huron Urban Renewal Area (URA)
 - \$9,732 Interest earnings Orchard Parkway
 - \$115,793 Carryover for Orchard Parkway
 - \$71 Interest earnings Huron Street
 - \$100 Interest earnings McKay Drainage
 - Westminster Center East URA
 - \$1,032 Carryover
 - Westminster Center Urban Reinvestment Plan (WURP) URA
 - \$281,395 Rental income
 - \$10,605 Carryover
- A public hearing is required pursuant to Section 29-1-108 of the Colorado Revised Statutes.

Expenditure Required: \$418,728

Source of Funds: Interest earnings, rents and carryover from prior years

Policy Issue

Should the WEDA Board appropriate funds as set forth in the attached Resolution?

Alternative

The Board could decide not to appropriate funds. This is not recommended as the interest earnings on the bond and loan proceeds are restricted to specific uses, the rents received from the remaining tenants at the former Mall site are needed for the continued efforts of redeveloping the former Westminster Mall site, and the loan proceeds not previously appropriated from the North Huron 2012 loan are needed to cover expenses for the Orchard Parkway project as required in the loan agreement.

Background Information

Holly Park URA

On April 22, 2013, interest earned on project funds in prior years was appropriated to the operating budget. However, the expenses necessary to prepare the property for sale are more appropriately recorded in the capital project. Therefore, a budget revision is required to move funds from operating to the Holly Park capital project (CIP). While this action does not change the total appropriations in the URA, Staff has included this change in the attached supplemental appropriation in order to receive Board approval to move \$36,780 from operating to the CIP.

North Huron URA

Carryover

When the loan for North Huron was refinanced in 2012, additional project funds of \$6.5M for Orchard Parkway were included as part of the refinancing. The flow of funds for Orchard Parkway provides for the City's General Capital Improvement Fund to pay the cost of construction and for WEDA to reimburse those costs. The additional project funds were intentionally left unappropriated in WEDA in 2012 and preserved to be appropriated as needed for reimbursement to the City. Staff has developed a schedule for the actual cost reimbursement on a monthly basis. In order to provide the necessary budget to cover the balance of the 2013 reimbursements to the City, Staff is requesting appropriation of prior year loan proceeds, which are now characterized as carryover, of \$112,375.

Interest Earnings

WEDA issued debt to fund the improvements to the North I-25 corridor from 136th Ave to 150th Avenue. While a significant portion of the improvements have been completed, there are still improvements under construction and the bond proceeds continue to earn interest and will do so until the proceeds are completely spent. These earnings should be appropriated to the projects still in progress. A portion of these earnings has been appropriated through previous routine quarterly supplemental appropriations. Additionally the unspent project funds for Orchard Parkway will earn interest until spent. The total amount of interest earnings on project funds that has not been previously appropriated is \$13,321. Of this amount, \$3,418 was earned in a prior year but not appropriated and is included in the carryover line below. The balance of \$9,903 was earned in 2013 and is shown below as interest earnings.

Westminster Center East URA

On January 28, 2008, the Board approved an intergovernmental cooperation agreement with Hyland Village Metropolitan District (District) to release the additional property tax increment revenues attributed to the District's mill levy to the District for use in paying debt service and other operation costs of the District. Annually, the WEDA budget includes an estimate of the amount to be released to the District. In 2013, the actual amount released to the District was \$767 greater than the amount budgeted.

Additionally, the actual property tax increment revenue received was slightly higher than budgeted. Accordingly the collection fee paid to the County is \$265 slightly higher than budgeted. In order to cover the budget overage in these two accounts, Staff is requesting an appropriation of prior year excess revenues, or carryover, of \$1,032.

Westminster Center Urban Reinvestment Project Area

Although only a few tenants at the Mall site continue to operate during the redevelopment, monthly rents are received from these tenants. There are unappropriated rents received in 2013 of \$281,395 as well as prior year interest earnings, or carryover, of \$10,605. Therefore, Staff is requesting that unappropriated rents and carryover totaling \$292,000 be appropriated to the WURP project to continue the redevelopment efforts.

The amendment listed in the attached resolution will bring WEDA's accounting records up-to-date to reflect the various detailed transactions.

The action requested in this agenda memorandum relates to Council's Strategic Plan goals of "Strong, Balanced Local Economy" and "Financially Sustainable City Government Providing Exceptional Services." These goals are met by ensuring a balanced budget where revenues are appropriated to expenditure accounts so the funds can be utilized as intended including improvements on land held for resale, infrastructure improvements, ICA obligations and the redevelopment of the former Westminster Mall site.

Respectfully submitted,

J. Brent McFall,
Executive Director

Attachment – Resolution

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. **152**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2014

**2013 WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
BUDGET SUPPLEMENTAL APPROPRIATION**

WHEREAS, the Westminster Economic Development Authority (WEDA) initially adopted the 2013 budget on October 8, 2012 and

WHEREAS, proper notice for this amendment was published on February 20, 2014, pursuant to the requirements of Section 29-1-106 Colorado Revised Statutes; and

WHEREAS, a public hearing for this amendment was held on February 24, 2014, pursuant to the requirements of Section 29-1-108 Colorado Revised Statutes; and

WHEREAS, as necessary a resolution to make adjustments to the budget is presented to the Board; and

WHEREAS, there are adjustments to be made to the 2013 budget; and

WHEREAS, the revenue adjustment consists of an increase of \$418,728; and

WHEREAS, the expense adjustment consists of an increase of \$418,728.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Westminster Economic Development Authority:

Section 1. The \$418,728 increase shall be allocated to WEDA Revenue and Expenditure accounts as described below:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Carryover - North Huron	6800.40020.0183	\$(434,689)	\$115,793	\$(318,896)
Interest Earnings	6800.42520.0183	0	9,903	9,903
Carryover - Westminster Center East	6800.40020.0189	165,681	1,032	166,713
Carryover - WURP	6800.40020.0191	363,128	10,605	373,733
Rents	6800.40900.0191	128,394	<u>281,395</u>	409,789
Total Change to Revenues			<u>\$418,728</u>	

EXPENDITURES

Description	Account Number	Current Budget	Amendment	Revised Budget
Contractual Svcs	68010900.67800.0187	\$37,200	\$(36,780)	\$420
Appropriation Holding	80568030419.80400.8888	20,630	36,780	57,410
Appropriation Holding	80968030953.80400.8888	747,269	192	747,461
Appropriation Holding	80568030710.80400.8888	97,610	149	97,759
Appropriation Holding	81268030997.80400.8888	168,200	125,355	293,555
Contract Services	68010900.67800.0189	87,000	767	87,767
Other Financing Uses	68010900.78800.0189	6,414	265	6,679

WURP City Participation	80968005952.80400.8888	5,646,528	<u>292,000</u>	5,938,528
Total Change to Expenses			<u>\$418,728</u>	

Section 2. The resolution shall be in full force and effect upon its passage and approval.

PASSED AND ADOPTED 24th day of February, 2014.

ATTEST:

Chairperson

Secretary

WEDA Agenda Item 3 C

Agenda Memorandum

Westminster Economic Development Authority Meeting
February 24, 2014



SUBJECT: Downtown Westminster Grading Design Contract

Prepared By: David W. Loseman, Assistant City Engineer

Recommended Board Action

1. Based upon the recommendation of the Executive Director, find that the public interest will be best served by a negotiated contract with Martin/Martin, Inc. for the design of site grading at the Downtown Westminster project; and
2. Award the grading design contract to Martin/Martin, Inc., authorize the Executive Director to execute a contract in the amount of \$119,390 for this work and authorize an additional \$25,000 as a design contingency.

Summary Statement

- Over the past few years, the Westminster Economic Development Authority (WEDA) has acquired approximately 90% of the former Westminster Mall site, and Staff believes that it is in the City's best interests to remove any remaining asphalt, curb, gutter and minor structures as well as perform the over lot grading of the site in preparation for the eventual redevelopment of the property. Exceptions to the proposed scope of work include the JC Penney lease area, the Brunswick Bowling Alley, Dr. McMurtrey's dental office, the Olive Garden lease area and the U.S. Bank lease area.
- Martin/Martin, Inc. is recommended for the preparation of these construction documents as a sole source selection because this is the engineering firm currently working as a subconsultant to Torti Gallas and Partners Inc, on the development of the Master Official Development Plan (MODP) for the Downtown Westminster project. It is Staff's belief that this firm's familiarity with the site and their previous work accomplished on the MODP allow Martin/Martin to provide superior services to the City that would not be available from any other engineering consultant. Martin/Martin's fee of \$119,390 is approximately 3% of the anticipated cost of this construction, which is a very favorable fee as compared to the fees associated with other similar projects.
- The recommended \$25,000 contingency is reasonable for a project of this magnitude and complexity.

Expenditure Required: \$144,390

Source of Funds: Westminster Center Urban Reinvestment Project Capital Improvement Project

Policy Issue

Should the WEDA Board proceed with the remaining demolition and overall grading of the Downtown Westminster site?

Alternative

The WEDA Board could chose to not move forward with this project. City staff recommends the approval of this contract for demolition and grading activities since this action will demonstrate to potential developers that the City is ready to proceed with the redevelopment of the property in an aggressive manner.

Background Information

Over the past few years, the Authority has purchased many properties at the former Westminster Mall, making WEDA the owner of approximately 90% of the site. In 2012, the demolition of the old Mall began with the first phase of this effort being the demolition of the Mervyn's, Macy's, Steak and Ale and theater buildings. The second phase of demolition included the Dillard's, Montgomery Ward's, Sears, Sears Automotive and the main Mall corridor buildings - essentially all structures within the Mall complex with the exception of the J.C. Penney store. As part of this next proposed demolition and grading project, accommodations for fire protection, parking lot lighting and electrical, gas, water and sanitary sewer services will be made to maintain all of these services to the J.C. Penney, Olive Garden, U.S. Bank, Brunswick Bowling and Dr. McMurtry's properties once the demolition and grading are completed.

Staff is recommending the use of Martin/Martin Inc. as the sole source consultant to prepare the construction documents for the proposed work. This firm is currently serving as a subconsultant to Torti Gallas and Partners, Inc., the planning firm previously hired by the WEDA Board to prepare the Preliminary Development Plan (PDP) and Master Official Development Plan (MODP) for Downtown Westminster. The MODP will include a preliminary grading plan, which will be designed by Martin/Martin. Therefore, Staff believes that it would be logical to hire Martin/Martin to prepare the construction package of the final grading activity, too. The fee that Martin/Martin proposed for the grading work is \$119,300, which is approximately 3% of the cost of construction. This design fee percentage is much less than that of many other past projects performed by the City and is largely due to the fact that Martin/Martin is currently working on the MODP as a consultant. Under Staff's current schedule, the demolition and grading of the property can begin in Spring 2014.

While the over lot grading work is being completed this spring and summer, the final design of some of the roadway infrastructure to serve the site will be performed. Staff is currently seeking proposals from many local design firms to prepare the roadway coinstruction package with a goal of beginning roadway construction in late 2014. Once this consultant selection process is completed, Staff will request the Boards' approval of a roadway design contract so that this next phase of the project can proceed.

City Council action on this item meets elements of two goals in the City's Strategic Plan: Strong Balanced Local Economy and Vibrant Neighborhoods in One Livable Community.

Respectfully submitted,

J. Brent McFall
Executive Director

WEDA Agenda Item 3 D

Agenda Memorandum

Westminster Economic Development Authority
February 24, 2014



SUBJECT: Downtown Westminster Urban Planning Services Contract Amendment

Prepared By: Donald M. Tripp, Director of Parks, Recreation and Libraries

Recommended WEDA Board Action

Based on the recommendation of the Executive Director, find that the public interest is best served by entering into a negotiated contract amendment, if needed and in a form approved by the City Attorney's Office, with Project for Public Spaces (PPS) for urban planning services; and authorize the Executive Director to execute a contract amendment with PPS in an amount not to exceed \$20,000 for Phase 2 services, including concept and schematic planning and design services for public spaces related to the development of Downtown Westminster.

Summary Statement

- In January of 2014 the City entered into a sole source contract with PPS for professional urban planning services for \$50,000.
- After the initial briefing with PPS, Staff believes that it may be in the best interest of the project to continue PPS's services into a second phase that would have a total project cost not to exceed \$70,000. Per Municipal 15-1-4, this contract amendment, if needed, would exceed the allowed sole source cap and require Board approval.
- PPS's expertise will help create unique, attractive and socially, culturally, and economically vital public spaces, through a proven thorough and interactive process with Staff and potential stakeholders in the site.
- PPS provides planning services utilizing an exclusive and unique approach to developing successful public spaces (Placemaking), that they have developed through over 30 years of professional experience.
- The results of the Placemaking process will be incorporated into the Master Official Development Plan for Downtown Westminster.

Expenditure Required: Not to exceed \$70,000

Source of Funds: WEDA – WURP Project Funds

Policy Issue

Should the WEDA allow for the potential amendment to the contract for planning services with PPS relating to Phase 2 of their Placemaking approach to creating successful public spaces?

Alternative

The Board could chose not to authorize the contract amendment at this time, however, if Staff waits until the absolute necessity of the amendment is imminent, it could result in a delay to the project while obtaining Board's approval at that time. This could also disrupt the schedule for the Master Official Development Plan for this project.

Background Information

Staff has contracted with PPS for a not to exceed project cost of \$50,000. After the initial meeting with PPS, Staff feels as if it may be necessary to amend the existing contract to include a Phase 2 at a cost not to exceed \$20,000. Per Municipal Code 15-1-4 which states "Formal bidding procedures shall be followed when the amount of a purchase exceeds \$50,000, unless: City Council determines, upon recommendation of the City Manager, that the public interest will be best served by negotiated contract with a single vendor or contractor." WEDA follows City purchasing procedures. Any additional amount over the original contract amount of \$50,000 would require Board approval, and Staff is being proactive in order to maintain the necessary timeline for this project. The initial contract with PPS was sole sourced because they provide a proven, unique, and creative approach to synthesizing vital community places within the public realm.

PPS is a non-profit planning and design organization that is dedicated to advancing the comfort, attractiveness, as well as the social, cultural and economic vitality of public spaces. Founded in 1975, PPS has helped over 3000 communities, large and small, grow their public spaces into vital community places, with programs, uses and people-friendly settings that highlight local assets, spur rejuvenation and serve common needs, using structured observations, surveys, interviews, and a unique community process that puts residents and stakeholders first. PPS's unique "Placemaking" approach has evolved from the basic premise that successful public spaces are lively, secure and distinctive places that function for the people who use them. To develop successful public spaces, PPS feels that it is essential to understand the needs of both current and potential users and of community dynamics and conditions.

PPS will involve key stakeholders in the planning process through focus group interviews, as an expansion of the previous public outreach process. They will continue to involve key stakeholders who have knowledge about potential uses and activities or might be involved in future programming. Examples may include cultural organizations, the hospitality community, civic clubs (like garden clubs), business groups, and sports and recreational programs.

This Placemaking approach is a way to ensure that the City will be building a set of public spaces that achieve the goals that matter the most to the community, and that take advantage of existing community assets and knowledge. The Placemaking process could also help align the development team, city staff, and key community stakeholders on the same page regarding the uses for public spaces. The outcome of PPS's work will have an added emphasis on flexibility, access and appropriate amenities. An additional benefit from this process is best practices and training that can be applied to other City planning endeavors.

PPS's involvement in the very early stages of planning for the public spaces for Downtown Westminster supports several of the City's Strategic Plan goals, as follows: Strong, Balanced Local Economy by contributing to the successful revitalization of the Westminster Center Urban Reinvestment Area; Vibrant Neighborhoods In One Livable Community by prioritizing the need to accommodate strong community events and active city engagement; and Beautiful and Environmentally Sensitive City by increasing and maintaining green space consistent with defined goals.

Respectfully submitted,

J. Brent McFall
Executive Director