



# GOLDEN URBAN RENEWAL AUTHORITY

## Memorandum

**To:** GURA Board of Commissioners  
**From:** Mark Heller  
**Date:** May 3, 2006  
**RE:** May 8, 2006 meeting

**Item V3a. Update on 2005 Annual Report:** Work continues on this document. The designers will present two new concepts.

**Item V4a. RLF loan and additional collateral:** Together with Scott Andrews from Arcadis and Darrell Schulte of Colorado Business Bank, I met with CDPHE's Revolving Loan Fund committee to discuss GURA's application for a \$500,000 loan at 2% with interest only payments for the first 48 months. This would save GURA significant expenditures during the period when the increment from Gateway Station, Millstone, and Jackson Court has not offset GURA's loan repayment obligations. The RLF Committee approved a loan for \$287,000, which was all they had remaining to lend before getting refunded. Once the RLF is refunded by the EPA (probably within the next 30 days), the Committee would consider a supplemental request for the remainder of the application amount provided GURA pledges real estate (such as the Clear Creek Square parking garage) as opposed to just property tax increment. I have consulted with Don Stover, GURA's tax attorney, and his opinion is that such a pledge would be consistent with the terms of our tax-exempt loan. We have not yet been notified either way regarding the \$200,000 clean up grant application to the EPA, but that notice should come within the next 30 days.

**Item VIb. Pay Phones on Washington Avenue:** There are three pay phones along Washington Avenue. Qwest has not charged for them, but has recently notified the City that it will charge \$65 per phone per month for continued service, which would be \$2,340/year. The phones have been averaging 1 call per phone per month. The City is leaning towards not paying the new charge and removing them. GURA is being asked whether it wishes to pay for the phones.

**Item VIc. 2006 All-America Competition:** Golden has again been selected for this competition. GURA has been asked to contribute funding for the effort which has a budget of \$15,000 and a smaller delegation of 5-7 people versus last year. The City has pledged

\$5,000. According to the NLC press release, nearly 600 communities began the process, 36 actually submitted complete applications, and 34 communities were selected to compete for the 10 Finalist awards.

**Item VIId. Century 21 Pocket Park:** The property owners of this parcel appear willing to enter into a lease with GURA that would allow public access to this parcel until such time as the owners wish to develop it. Staff has been researching gardening clubs willing to maintain the parcel, and we believe we have found a qualified group. Staff recommends entering into such a lease and if necessary investing a few thousand dollars to landscape the site to provide a small green space for downtown visitors, workers, or merchants.

### **Item VIII. Staff Report:**

**Banks Easement and Closing:** The minor replat was recorded on April 27, and the closing occurred on April 28, 2006. GURA will hold the easement agreement (which sets out the rights and responsibilities of GURA and the Banks' with respect to the parking garage generally and the five parking spaces dedicated to the Bank's specifically) in escrow until the garage is complete.

**Wells Fargo and VCUP:** We are in the final stages of negotiating access to the Wells Fargo property that we need for the most cost/time efficient remediation plan. Satisfying Wells Fargo's demands will add another \$30,000 to the budget, but the alternative of having to drill on Ford is much more expensive. I have authorized Arcadis to proceed with the next three phases of the clean up which will last through this year and will cost an estimated \$360,000. We are also negotiating the agreement that will govern Coors' donation of "BRL," which is the brewery by-product that will be injected into the groundwater to break down the PCE.

**Parking Garage and Phase 1 updates:** The Planning Commission unanimously approved the final site plans for the garage and for Gateway Station, although there is a minor change to the approval of the garage to give GURA the opportunity to review the following changes. Neenan and Stress-Con (the concrete contractor) very recently determined that the mid-level concrete spandrels would eventually crack at the approved height. To remedy that, the spandrels were heightened by one foot, but that then reduced the minimum air flow through the building. To remedy the air flow, small changes were made to the windows along Jackson. However, no additional restriction of air flow would be possible with the new changes, meaning that the stairwells could not be glassed in at some future date as was the Board's direction. I have asked NexCore and Oz to explore increasing the air flow through the alley side rather than eliminating the glass stair well option. The Planning Commission approved both design versions included in this packet, giving GURA the discretion to pick one, or one substantially the same.

We have submitted applications to replat the entire half block and vacate the alleys necessary to create the lot on which the garage will stand and to provide underground parking for Gateway Station and the future Phase 2. The City Council will hear the alley vacations on 5/11. After that, GURA and NexCore will draft and approve the agreements necessary to provide for NexCore's use of the subsurface portions of the vacated alley.

NexCore has submitted its first invoice on the parking garage project for about \$106,000 mostly for architectural, engineering, and attorney's fees to date. NexCore has nearly all of the presales required to obtain construction financing. Provided the presales, PCE remediation, and permitting stay on pace, the current construction estimates are as follows:

- Demolition 6/1/06 – 6/28/06
- Utility relocation 6/29/06 - 7/26/06
- Excavation 7/27/06 - 8/23/06
- Phase 1A Construction 8/8/06 - 9/1/07
- Garage Construction 8/8/06 – 2/5/07

**Jackson Court:** The utility work that GURA will pay for has been completed, and Dauer Haswell is preparing their invoice for that work. All other underground work has been completed as well, and the new building's footers have been poured. The project is on track for an August, 2006 completion. I have asked Esther Kettering, who is Dauer Haswell's and Gateway Station's retail broker, for an update on her local marketing efforts for both projects.

**Millstone and Non-Reallocation Agreement:** Sovereign has signed the Non-Reallocation Agreement and submitted its payment, so the building permit for the last building is being processed. I phoned Sovereign Home's Vice President of Real Estate Jeff Fiebig two weeks ago Tuesday to discuss the slow pace of construction and quality control issues raised by contract holders. I urged Sovereign to hire more workers to speed the pace, and he informed me that he had just hired two additional supervisors.

**Digital City Expo:** This conference was worthwhile. Communities of all sizes and across the world are improving digital infrastructure. Economic development, government services, and emergency response seem to be the leading reasons for such investment. I left the conference with three major impressions. First, while we are no longer on the cutting edge of this technology, we might still be towards the front and if we delay much longer we risk actually being behind. Second, any new network should be scalable in the near term to up to 100Mb symmetric, meaning that a customer can send and receive at that rate. Current speeds are mostly below 5Mb and only for incoming data. Third, I would like to study more carefully how GURA's proposal could grow into serving a City-wide network or whether it would be wiser to start with a larger and more capable network in the beginning.

**SB 169 and Ballot Initiative 86:** SB 169 was laid over in favor of a much more targeted bill that would further restrict the ways in which eminent domain could be used. While still objectionable, this bill is far better than its predecessor. I spoke to the Jefferson County Business Lobby and they voted to oppose SB 169. I am also monitoring Ballot Initiative 86, which would require local governments to compensate land owners for the effect of any regulation that reduces property value by 20% or more. This is similar to Oregon's Measure 37 which has severely limited local planning efforts and cost local governments and the state billions of dollars.

**Old Capitol Grille:** We have received the payment of \$35,000 from the Golden Civic Foundation for the historical chimney replicas and will pass those funds through to the building owner as agreed a few months ago.