

Woodland Park Downtown Development Authority Board of Directors

**City Hall – City Council Chambers
220 W. South Avenue, Woodland Park, CO**

REGULAR MEETING MINUTES

February 5, 2013 – 7:30 AM

IN ATTENDANCE - Board of Directors: Dale Schnitker, Al Born, Merry Jo Larsen, Gary Brovetto, Tom Carrick, Michael Faber, Vera Egbert. **Absent:** Tanner Coy, Jan Cummer. **Staff:** Brian Fler, Carol Lindholm. **Others Present:** David Buttery, Sally Riley, Mayor Dave Turley, Norma Engelberg, Brooke Smith, Debbie Miller, County Commissioner Marc Dettenrieder. Also attending: Bill Alspach, Director of Public Works.

Dale Schnitker called the meeting to order at 7:30 AM.

ADDITIONS, DELETIONS OR CORRECTIONS TO AGENDA: None.

APPROVAL OF MINUTES:

MOTION: To approve the minutes of the 1/8/13 Regular Meeting. Larsen/Born.
Passed 7-0.

FINANCE REPORT:

MOTION: To accept the Finance Report as presented. Born/Larsen. Passed 7-0.

SHADY LANE PRESENTATION: Schnitker announced that Bill Alspach, Director of Public Works would give a short presentation in regard to the Shady Lane Storm Sewer project (connected to the Family Dollar/O'Reilly Auto Parts project). Alspach presented a power point to the group outlining the solutions to a long-standing drainage problem at that site. Alspach reviewed some of the technical aspects of the project, including the fact that 13 utility crossings were discovered during the process. This project received the Project of the Year Award from the American Public Works Association. The project was completed within budget and on time. For years this site could not be developed. This project solved that issue. This project was funded with DDA T.I.F. dollars.

Schnitker asked about the neighborhood reaction to the project. Per Alspach, no issues with neighbors, who were very cooperative. Carrick asked who owned the property; property is owned by Skip Howes. Fler pointed out that this is an example of what the DDA and DDA funding can accomplish in regard to infrastructure projects. We can now consider development of other projects on this site, whereas before it was problematic. Alspach presented the article in the Colorado Public Works Journal to Schnitker. Alspach also displayed the plaque. Turley asked if the funding came from the DDA infrastructure funding. Correct per Schnitker. Turley asked Buttery if the amount of City employee time spent was comparable to what we would do with any other developer doing something like this. Buttery explained that there was probably more; City Construction Inspector did the inspection of the work that was within the whole area; once it tapped into Shady Lane it was back on City property. So, there was work done by the City staff in cooperation with the DDA. When the inspector does inspections of infrastructure work for developers, he does look at the whole project. Alspach probably spent more time with Mark Lamb [Lamb Plumbing and Excavating] than he would have with a normal developer. But that's the partnership that the City has with the DDA. The funding piece was \$200,000+ was part of

the loan that was bundled with the Woodland Station project. So, there was no T.I.F. agreement with Family Dollar or O'Reilly Auto Parts. The T.I.F. revenues will go to pay the bonds for the loan that provides the cash to do this project. Buttery clarified that no City dollars were spent on this project.

COMMITTEE REPORTS:

Beautification: Fler reported that he has been working with a group that includes Bruce Vanderpool, Buildings & Grounds; Bill Alspach, Director of Public Works; Lisa Parnell, City Planner; and Sally Riley, Planning Director - from the City, plus Tanner Coy of Tweeds and Jan Cummer of Curves/Vintage Vines - who volunteered. There are two budgets for beautification: Economic Development department and Public Works department. These budgets address banners, Christmas decorations, flower budgets and planted areas within the community. At the retreat the Board expressed beautification as a priority. In concert with that, Fler attended the Keep Woodland Park Beautiful (KWPB) meeting. This group is considering taking an expanded role which would include private planting beds.

Historical Preservation Committee (HPC): On February 4 there was a presentation by Stephanie Troller and staff of the State Department of Local Affairs (DOLA) in regard to the Main Street program. The Board expressed an interest in the Main Street program at the retreat. There are approximately 12 communities within Colorado who are in the application phase or have received Main Street designations. This program will be explored to see what it would take to receive Main Street designation. This would be a community commitment not just a DDA commitment or a City commitment. Some communities create a not-for-profit 501(c)(3). Broveto attended the meeting. DOLA will come back with a presentation to a larger audience at some point. DOLA is interested in Woodland Park pursuing the Main Street program.

Broveto added that there are a lot of organizations promoting Woodland Park in their own way. The Main Street program would provide a good structure for the various organizations. The program has four basic organizational structures, which are Organization, Promotion, Design and Economic Restructuring. Current organizations could participate within these organizational elements; for example the beautification committee in the design structure. So, this would involve everybody in the community. There would have to be some funding and there might need to be a part-time person with a shared responsibility for funding. This is a great opportunity to get all the agencies involved and put Woodland Park on the map.

Fler emphasized that we are in a due diligence phase at this point, and will be reporting back to the DDA and City Council on those activities. Schnitker asked what the timeline would be for due diligence. Fler reported that the average time to get full designation takes about three years. Broveto noted that we have the people and organizations in place; we just have to put them all together under one umbrella. Broveto thinks this could be done in one year. Schnitker noted that there would need to be a strong person to coordinate the effort. Fler noted that the next step would be for DOLA to come back to present to a larger audience.

WOODLAND STATION:

Lot 2 (Weatherford) Project: Fler reported that he is working through the agreement with Weatherford and hopes to have a final draft to the Board in March. Fler has worked with attorney Paul Benedetti and how it will relate to future development.

Lot 3 (Korzekwa Project): The revised Negotiation Agreement was distributed to the Board with changes noted. This does not require Board action, but Fler updated the Board

on this agreement. At the last DDA meeting the Board wanted to explore the idea of "right of first refusal". This concept was discussed with Benedetti who suggested a performance path vs. "right of first refusal". The revised agreement as presented has been accepted by the Korzekwas and they are willing to execute the agreement. Fler reviewed the changes to the agreement as presented to the Board (see Page 1 of "Negotiation Agreement", formerly titled "Exclusive Negotiation Agreement", attached to these minutes). By striking the term "exclusive" the agreement would allow other parties to come forward in the event that there was an interest in Lot 3.

Korzekwas are working with a consultant, Bill Kellen, and they are working on a feasibility study. Fler hopes to see the feasibility in the near future. Kellen will meet with the Board to discuss the feasibility study before moving forward. Korzekwas and Fler have had discussions with Park State Bank, who want to get behind the project. The financing side could track in two paths – one would be USDA funding; the other path would be: SBA 504 program to provide 40% of the lending, 50% by Park State Bank, 10% by development team.

Faber asked if Tanner Coy (who was not in attendance at this meeting) had seen this revised agreement. Fler has submitted the agreement to Coy. Faber noted that the agreement does solve the problem that Coy raised at the last meeting. Faber noted that this was a good project that would bring foot traffic and lots of excitement.

Woodland Hardware: Woodland Hardware has the foundation permit and they are working with Teller County to obtain the remainder of the permits.

BOARD RETREAT REPORT: CONSIDER SPECIAL MEETING/WORKSESSION: Fler remarked that he felt that the retreat was successful and was encouraged by the Board participation. Fler is in the process of synthesizing the one-year goals, four-year goals and action items. Fler suggested a Worksession/Special Meeting to review the final product. Brovotto noted that there are some people who don't feel that there is much promotion of the DDA and the worksession would be an opportunity to address this issue, as it will be a public meeting. It was decided to meet on Tuesday, February 19, pending availability of Coy and Cummer. Faber asked for a copy of the document prior to the worksession. Faber noted that he thought the retreat was very successful and that the Sturman facility was good. It was also good to learn about the Sturman business.

GENERAL DISCUSSION: Fler asked the Board about the seating arrangement in Council Chambers. Larsen would prefer to sit at tables closer to the audience. It was decided to do as Larsen suggested at the next meeting.

Brovotto noted that he would mention the Main Street program at City Council.

AUDIENCE PARTICIPATION: Turley noted that he was glad the retreat went well.

Debbie Miller reported that Jr. Dickens will present "Building Your Business by Building Trust" at the November 14 Lunch and Learn. On February 26 The Pikes Peak Guy will present "Turn Fans into Customers" with social media. Miller is teaching a class this week regarding disaster preparedness. Miller reported that she spent a full day at Fort Carson for an expo. Miller distributed more than 400 maps. Miller promoted Woodland Park as a family-friendly community. (Buttery also attended the expo.)

Sally Riley reported on a property within the DDA district at 111 N. Center St. which will appear on the Planning Commission agenda on February 14. The property is the former Waste Management property and will be a residential use vs. the former commercial use,

which will generate a different tax rate to the DDA. Riley then reported on the Trail Ridge Apartments – Eric Smith's project. Riley received the traffic report this week and will receive the rest of the packet soon for this project.

Marc Dettenrieder remarked that it was important for counties and municipalities to know what's going on with the DDA.

ADJOURNMENT:

MOTION: To adjourn the meeting. Larsen/Carrick. Passed 7-0.

Meeting adjourned at 8:27 AM.

Recorded by:



Carol J Lindholm, DDA Staff
Program Manager, Economic and Downtown Development

APPROVED THIS 5 DAY OF MARCH, 2013



Al Born, Secretary/Treasurer

EXCLUSIVE-NEGOTIATION AGREEMENT

THIS AGREEMENT (the "Agreement") dated as of _____, 2013, is made by and between the CITY OF WOODLAND PARK DOWNTOWN DEVELOPMENT AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority") and GOLD FOX CORP., a Colorado corporation (the "Developer").

In consideration of the following mutual covenants and other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Development Proposal. Developer has submitted a proposal dated May 18, 2012, (the "Proposal"), for the redevelopment of Lot 3, Woodland Station, as represented on "Preliminary Plat Woodland Station, Woodland Park, Colorado, August 2011" as approved by the City of Woodland Park City Council on March 1, 2012 (the "Property"). The Proposal provides for construction on the Property of a family entertainment center, including 12 lanes of bowling, laser tag, arcade, birthday party rooms, snack bar, bar/lounge (collectively, the "Improvements"). Developer has been selected by the Authority to enter into an ~~exclusive~~ negotiation agreement for sale and redevelopment of the Property. Such selection and the execution of this Agreement shall not be deemed acceptance of the Proposal or the Developer by the Authority or the City of Woodland Park (the "City"). The Proposal shall not be deemed finally accepted until the parties have entered into a mutually agreeable Disposition and Development Agreement (the "DDA"), which may differ substantially from the Proposal; provided, however, failure of the parties to agree upon a material revision or alteration of the Proposal, without more, shall not constitute a violation of this Agreement, including the obligation of the parties to negotiate in good faith.

2. Exclusive Negotiations. The parties agree that for a period of one hundred twenty (120) days from the date of this Agreement (the "Negotiation Period"), they will negotiate ~~exclusively~~ and in good faith with one another in an effort to reach a mutually acceptable DDA. The Negotiation Period may be extended only by a written amendment of this Agreement authorized and executed by the parties. During the Negotiation Period, the Developer will determine the feasibility of entering into a DDA by contacting financing sources, meeting with the City of Woodland Park about requirements applicable to the proposed development, review of the Property, and other matters that the Developer deems necessary as part of the process of entering into the DDA and to negotiate with the Authority regarding the terms and conditions of an acceptable DDA. During the Negotiation Period, the Developer shall provide the Executive Director of the Authority with a report of the steps and the progress that the Developer has made with respect to entering into the DDA at least two days before the date of each meeting of the Board of Directors of the Authority while this Agreement is in effect. The Executive Director shall provide the Board of Directors with such report at the meeting. If in the reasonable opinion of the Board of Directors, the Developer has not made commercially reasonable efforts to undertake and perform due diligence with respect to the Property and negotiating a DDA, the Board shall have the right to terminate this Agreement pursuant to Section 10a. Such termination shall become effective immediately upon receipt thereof.