

**LOWRY REDEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING (E-CONFERENCE)
MINUTES FOR SEPTEMBER 22, 2020**

ROLL CALL: Members present were Roy Alexander, Derek Camunez, Lindy Eichenbaum Lent, Steve Hutt, Gayle Jetchick, Brad Pierce, and Ann Torgerson. Monty Force attended as the Executive Director and Cathy Gale attended as General Counsel. (Mark Betchey and Rachel Neumann had to sign off at the end of the Executive Session.)

EXECUTIVE SESSION TO DISCUSS THE SALE OF REAL PROPERTY AND TO APPROVE THE MINUTES FROM THE AUGUST 10, 2020 EXECUTIVE SESSION.

An Executive Session was called pursuant to and is authorized by the following specific provisions of the Colorado Open Meeting Law, C.R.S. §24-6-402, et seq, to discuss only the following matters as permitted thereby:

- Sale of Real Property (MoonStar Contract-Portion of Lot 30, Block 1, Boulevard One Filing 5)**
C.R.S. §24-6-402 (a)
- Review and Approval of the August 10, 2020 Executive Session Minutes**

Executive Session e-conference convened at 8:30 a.m.

PUBLIC SESSION: The meeting convened in e-conference public session at 9:00 a.m. and was called to order by Roy Alexander, Chair.

PUBLIC COMMENT: There was no one in attendance from the public.

CONSENT AGENDA:

- Minutes (August 10, 2020)
- Financials (July 2020)

Alison Cote' reported two outstanding items for July:

1. KUH has rented both units on Lowry Blvd and have made the initial \$3,000 payments toward the equity share amount.
2. Reached the \$1M funding amount on the garage. The rest will be paid upon substantial completion of the commercial development.

Roy Alexander had two questions:

1. Clarify the Embrey Escrow entry. Alison said there were certain post-closing obligations to be completed by the LRA. Those items have been completed and are awaiting a confirming letter from the engineer. Release of the funds held in escrow will then be processed.
2. Explain the contribution to the garage costs from legacy Lowry and if these funds will be considered as eligible expenditures in the AF settlement. Alison said that the \$3.5M from legacy Lowry are from a hold-over of TIF surplus excess revenue generated through legacy Lowry property taxes. The other \$1.5M in TIF funds are from Boulevard One generated taxes. Monty said that this topic was discussed during the AF negotiations and will not be eligible expenses.

A motion by Derek Camunez and seconded by Gayle Jetchick was passed to approve the Consent Agenda consisting of the Minutes from the August 10, 2020 meeting and the Financial Reports for July 2020 as presented. Gayle Jetchick abstained on approval of the minutes.

ACTION ITEM

- MoonStar Investments, LLC Contract (Portion of Lot 30, Block 1, Filing 5) – Resolution 2020-5

Monty Force explained that staff is seeking approval of the action item allowing for completion of negotiations for a contract to sell property to MoonStar for the development of eleven townhomes on the western end of Parcel 6. Negotiations have been on hold until CK could determine a user and site layout for the eastern portion of the parcel. CK is negotiating a lease with a specialty grocer for development of Parcel 6 and plans for the specialty grocer have begun the design review process.

The contract with MoonStar would be for the development of eleven townhome units on approximately 15,000 SF located on Oneida Ct and wrapping around the corner onto Lowry Blvd. This residential component would act as a transition point between commercial to the east and residential to the west. Mark asked for clarification of MoonStar's site layout. Monty showed a preliminary drawing with seven units on Oneida Ct and four on Lowry Blvd.

Price point is expected to average \$560,000 per unit with the land price being based on 19% of the price point. There is no equity share. Closing would be the earlier of obtaining building permits or May 31, 2021.

Mr. Alexander asked a two-part question: 1) Have the designs been seen and are they similar to what MoonStar is doing on Lowry Blvd? Monty explained that the designs have not been to the BDRC yet, but from the sketches he has seen they would be similar. 2) Has the LRA conducted a due diligence for MoonStar's new phase of work? Monty said that staff is comfortable with MoonStar. They have been producing in compliance with the current contract and their sales on Lowry Blvd are strong. Four of the ten units on Lowry Blvd are sold, with two of those being interior units, which are more difficult to sell. Two more will be under contract soon.

A motion by Steve Hutt and a second by Brad Pierce was passed to approve Resolution 2020-5 as presented to finalize contract negotiations for MoonStar to purchase approximately 15,000 SF of land located at the western end of Parcel 6 (legally described as a portion of Lot 30, Block 1, Boulevard One Filing 5) for the development of no more than eleven residential townhome units.

EXECUTIVE DIRECTOR REPORT – There was no news to report.

MISCELLANEOUS

- Steve asked if there has been any response to the Cherry Creek Chronicle article about Target?

Monty said that there were several emails and phone calls during the week that followed the article. There was also an email from Councilwoman Sawyer that her office had received communications with concerns about increased traffic. Some neighbors have a desire to reopen discussions on traffic volumes and mitigation. Commercial development is coming in at less than the projected 200,000 SF on which the traffic study was based so Monty said he thinks the criteria used for the study is still valid. There will probably be conversations with CCD Traffic and participation at CW Sawyer's request to confirm that the traffic studies are still relevant. Brad wondered why there is interest now with Target when there wasn't with Lucky's. Roy asked if there was any expected impact on traffic with Target and a specialty grocer. Monty replied that his instinct is that the traffic numbers won't change. This smaller format Target is not much different than any other retail. Another consideration is that there is less retail than projected with more office space, which generates less traffic than retail. Also noted is that zoning is already in place and CCD can't

rescind their approvals. Volumes on surrounding streets is 85% to 90% regional with local traffic comprising the balance.

COMMITTEE REPORTS

- Boulevard One Design Review Committee – (8/13 & 20; 9/3)

Roy commented that it appears that there is a challenge for the committee in dealing with the Kiddie Academy (KA) design direction. Monty reviewed the change from the originally proposed roof-top play area that was a component of the LRA board's approval of the childcare use for this site. When the play area was introduced to the DRC on the side of the building, the board left it up to the discretion of the DRC to work toward acceptance of a good design.

KA and CK do understand that the DRC is not on board with the current proposal of using metal siding and that it is not compatible with the rest of the commercial development. The DRC has made it clear that they want to give meaningful direction but not design the building. Roy asked if there is confidence that the project can keep going. Monty feels that they are now rethinking material selections and how to fit in with the rest of the development.

ADJOURNMENT

The meeting adjourned at 9:30 a.m.