



Land Use, Transportation & Infrastructure Committee Summary Minutes

Tuesday, December 13, 2011 10:30 AM City & County Building, Room 391

Members Present: Lehmann, Robb, Shepherd
Members Absent: Lopez, Montero, Susman
Other Council Present: Nevitt

Committee Staff: Gretchen Williams

Bill Requests

BR11-0939 Approves implementation of Public Works annual infrastructure programs and waives the requirement for Council approval of contracts over \$500,000 necessary to implement the annual programs.

George Delaney, Public Works Manager; Shaun Sullivan, Assistant City Attorney

George Delaney, Manager of Public Works, said this is the second year the Department has requested Council approval of the annual work program and the necessary contracts to implement it in one bill without coming back through Council. The list contains 27 projects, 14 of which are over \$500,000. Part of the agreement is that Public Works provides monthly reports on these contracts. The November 2011 report was provided.

This procedure was one of several suggestions generated by a task force in 2010 for improving the City's contracting process. The Public Works annual program (for on-going, routine maintenance work on curb, gutters, crosspans, sign replacement, etc.) is already approved by Council in the City's annual budget. All City contracting requirements and programs are still enforced. Early in 2011, Public Works proposed the plan to Council for the first time. After adding requirements for a monthly written report on the contracts issued, Council approved the bill.

Councilwoman Lehmann said this approach serves the citizens better by getting the contractors out earlier in the construction season. It also saves money on the

processing time for the City and contractors.

Councilwoman Shepherd asked if other agencies are doing this. Mr. Delaney said no, this is a pilot program with Public Works.

Pat Kennedy, Matt Wager, and Jim Potter, all of Public Works, explained the various programs covered by the proposed bill, and the Committee added suggestions for better coordination.

Stacie Loucks, Manager’s Office, is currently scheduling meetings with the Council members starting next week to discuss the 6-year needs assessment and the 2012 work plan.

Mr. Delaney thanked the voters for the \$17.1 from the new mill levy for Public Works maintenance items. That increase has made a huge difference in the condition of our infrastructure.

A motion offered by Councilmember Lehmann, duly seconded by Councilmember Nevitt to file the bill carried by the following vote:

- AYES: Nevitt, Lehmann, Robb, Shepherd(4)
- NAYS: (None)
- ABSENT: Lopez, Montero, Susman(3)
- ABSTAIN: (None)

RR11-0923 **Sets a Feb. 6, 2012, public hearing on an amendment to the Montgomery Ward/South Broadway Urban Renewal Plan.**
Lesley Thomas, Public Works; Tracy Huggins, DURA Executive Director

Tracy Huggins, Denver Urban Renewal Authority, said the proposal includes five parts. The only one that needs approval today the resolution setting a public hearing on an amendment to the 1992 S. Broadway/Montgomery Ward Urban Renewal Plan for the area west of S. Broadway and south of I-25. The hearing will be on February 6, and public notice must be given, per state statute, 30 days in advance.

Lesley Thomas, Public Works, explained that the proposed amendment is necessary to add construction of a new storm water outfall facility along the W. Dakota alignment and tying into the State’s recently-constructed triple box culvert, leveraging the benefits of that major improvement. The work will serve a 600-acre area of the City that is prone to flooding. This work will make the area more developable.

This project is not in the City’s 6-year plan, but the proposed amendment to the Urban Renewal Plan will provide for financing the work with property tax increment

financing (TIF) without delaying other important storm water projects.

All work included in the original (1992) urban renewal plan has been completed. In order to add this new project, the plan needs to be amended to incorporate this construction project and to establish the authority to use the remaining TIF capacity (which expires in 2017) for the Broadway Marketplace Metropolitan District to contract for the specific needed work. The original Urban Renewal Plan anticipated additional projects for the area, with the understanding that the Urban Renewal Plan would need to be amended in order to undertake them.

In addition to the resolution setting the public hearing and an ordinance amending the Urban Renewal Plan, Council will be asked to approve the ordinances discussed below.

A new Cooperative Agreement between the City and DURA will obligate DURA to reimburse the City for the project costs from incremental property tax revenues (estimated at \$12M). It will also set aside \$1M per year in incremental sales tax revenue to flow directly into the City's general fund.

David Broadwell, Assistant City Attorney, said to date, all improvements in the Marketplace have used both property and sales taxes. The City has been receiving sales tax revenue for a few years, but now it has been determined that sales tax would not be needed for this new project.

Another ordinance approves a Project Funding agreement. The City Council has already approved a \$1M appropriation from Wastewater Enterprise Funds for planning and engineering for the project. Public Works proposes to appropriate an additional \$12M. The entire \$13M will be fronted to the Metro District to fund the project, with the understanding that the City will be reimbursed from tax increment revenues derived from the Urban Renewal Area between now and the end of 2017. Over time, the General Fund will reimburse Wastewater from property and sales tax revenues. Contracting will include all requirements of the City and DURA.

The fifth item is a budget ordinance amendment. Council initially established an appropriate account and appropriated \$1M for design and construction of the project (although at that time it was identified as Center Ave. Storm Water Improvements). The ordinance now needs to be amended to 1) change the name to W. Dakota; and 2) appropriate an additional \$12M to finance the project, to be reimbursed from tax increment revenues.

The project will not proceed unless RTD agrees. Design work is underway, as everyone is confident that RTD will approve the agreement. The TIF expires in 2017, so work needs to start soon.

All 5 requests are on the agenda today and can be approved for filing, although the plan was to have the four ordinance requests return to Committee once the final documents are completed. This process is more complex than most of Council's dealings with urban renewal plans and TIF, and the Committee should take the

time it needs to review it.

A motion offered by Councilmember Nevitt, duly seconded by Councilmember Lehmann to file the resolution carried by the following vote:

AYES: Nevitt, Lehmann, Robb, Shepherd(4)

NAYS: (None)

ABSENT: Lopez, Montero, Susman(3)

ABSTAIN: (None)

BR11-0924 Approves an amendment to Montgomery Ward/South Broadway Urban Renewal Plan to reflect the W. Dakota Storm Water Outfall project as an additional project to be funded under the objectives of the original Plan, and to specifically allow tax increment revenue to be expended outside the boundaries of the urban renewal area as allowed by statute.

Lesley Thomas, Public Works; Tracy Huggins, DURA Executive Director

See discussion under RR11-0923 for discussion of the ordinance.

Councilman Nevitt urged that the Committee send all five items on to Council today.

Councilwoman Lehmann said all discussions should take place in Committee instead of on the floor at Council, so she wanted to hold the four ordinances.

Councilwoman Robb agreed, adding that she would like as many Council Members as possible to hear the discussion prior to Council. She asked staff to specifically invite all Council Members to the Jan. 17 Committee meeting when these items are to be discussed.

A motion offered by Nevitt, duly seconded by Lehmann to hold the bill in Committee until January carried by the following vote:

AYES: Nevitt, Lehmann, Robb, Shepherd(4)

NAYS: (None)

ABSENT: Lopez, Montero, Susman(3)

ABSTAIN: (None)

BR11-0925 Approves the Project Funding Agreement between the City, Denver Urban Renewal Authority, and BMP Metropolitan District No. 1 for the West Dakota Storm Water Outfall Project.

Lesley Thomas, Public Works; Tracy Huggins, DURA Executive Director

See discussion under RR11-0923 for discussion of the ordinance.

A motion offered by Councilmember Nevitt, duly seconded by Councilmember Nevitt to hold the bill in Committee until January carried by the following vote:

AYES: Nevitt, Lehmann, Robb, Shepherd(4)
NAYS: (None)
ABSENT: Lopez, Montero, Susman(3)
ABSTAIN: (None)

BR11-0926 Appropriates an additional \$12 million from storm water enterprise funds, subject to reimbursement from tax increment revenues, for the West Dakota Storm Water Outfall Project.

Lesley Thomas, Public Works

See discussion under RR11-0923 for discussion of the ordinance.

A motion offered by Nevitt, duly seconded by Lehmann to hold the bill in Committee until January carried by the following vote:

AYES: Nevitt, Lehmann, Robb, Shepherd(4)
NAYS: (None)
ABSENT: Lopez, Montero, Susman(3)
ABSTAIN: (None)

BR11-0938 Approves the Cooperation Agreement between the City and Denver Urban Renewal Authority for tax increment financing of the West Dakota Storm Water Outfall Project.

Lesley Thomas, Public Works; Tracy Huggins, DURA Executive Director

See discussion under RR11-0923 for discussion of the ordinance.

A motion offered by Nevitt, duly seconded by Lehmann to hold the bill in Committee until January carried by the following vote:

AYES: Nevitt, Lehmann, Robb, Shepherd(4)
NAYS: (None)
ABSENT: Lopez, Montero, Susman(3)
ABSTAIN: (None)