PARKER
COLORADO

TOWN COUNCIL STUDY SESSION AGENDA
February 12, 2018
5:45 PM

I. **Town Council Items**

II. **Study Session Items**

1. Economic Development Organizational Assessment Update - Carlson/Guest - 45 minutes
2. Multi-Family Housing Comparison With Other Communities Update - Fussa/Rogers - 15 minutes
3. Bang the Table Community Engagement Update - Robberson - 15 minutes
4. Communications "White Board" Discussion - Penington - 30 minutes

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MEMORANDUM

TO: Michelle Kivela, Town Administrator

FROM: John Fussa, Community Development Director
Matt Carlson, Business Recruitment Manager

DATE: February 12, 2018

SUBJECT: Economic Development Organizational Assessment Update

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ISSUE:

In early 2017, the Economic Development and Community Development Departments were consolidated. In response to this change, Economic Development staff determined that there was a need for an assessment to evaluate the function, identify potential issues to be addressed and recommend next steps so that it may continue to perform its important role in the organization. The Town contracted with Taimerica Management Company in September, 2017, to conduct the Organizational Assessment as indicated above.

FISCAL/BUDGET IMPACT:

None

BACKGROUND:

In September 2017, Economic Development staff initiated an Organizational Assessment with consultant Taimerica Management Company. The scope of the Assessment includes:

- Internal and external stakeholder interviews
- Tour of Parker and summary of physical assets
- Estimate of daytime and night-time population trends in Parker
- Evaluation of the past economic performance of Parker
- Creation of a Gap Analysis identifying the role Parker plays in the Denver metro area and the community assets that are lacking to fulfill a larger role in the regional economy
- Analysis of Economic Vitality as a Strategic Plan goal using published research on the subject
- Benchmark analysis of the Parker Economic Development Department against competitor Economic Development Organizations in the Denver metro area
- Creation of a report with findings and presentation to Town Council

Taimerica Management Company has completed the draft Organizational Assessment and will present findings and recommendations to Town Council. They will also address recommended next steps including the preparation of an Economic Development Strategic Plan. If Town Council supports the Strategic Plan, Economic Development incorporate it into the 2018 Work Program and initiate it subject to funding.

RECOMMENDATION:

Staff recommends the implementation of Taimerica Management Company's recommendations including an Economic Development Strategic Plan.

REQUESTED DIRECTION:

Staff wishes to update Town Council about the draft Organizational Assessment including major findings and recommendations. Staff also requests Council direction about the recommendation to undertake a Town-wide Economic Development Strategic Plan.

ATTACHMENT:

1. ED Assessment Presentation February 2018

Organizational Assessment for Economic Development for Town of Parker

February 12, 2018

TAIMERICA
MANAGEMENT COMPANY

Outline of Presentation

- Relevant findings
- Recommendations
- Questions and Answers

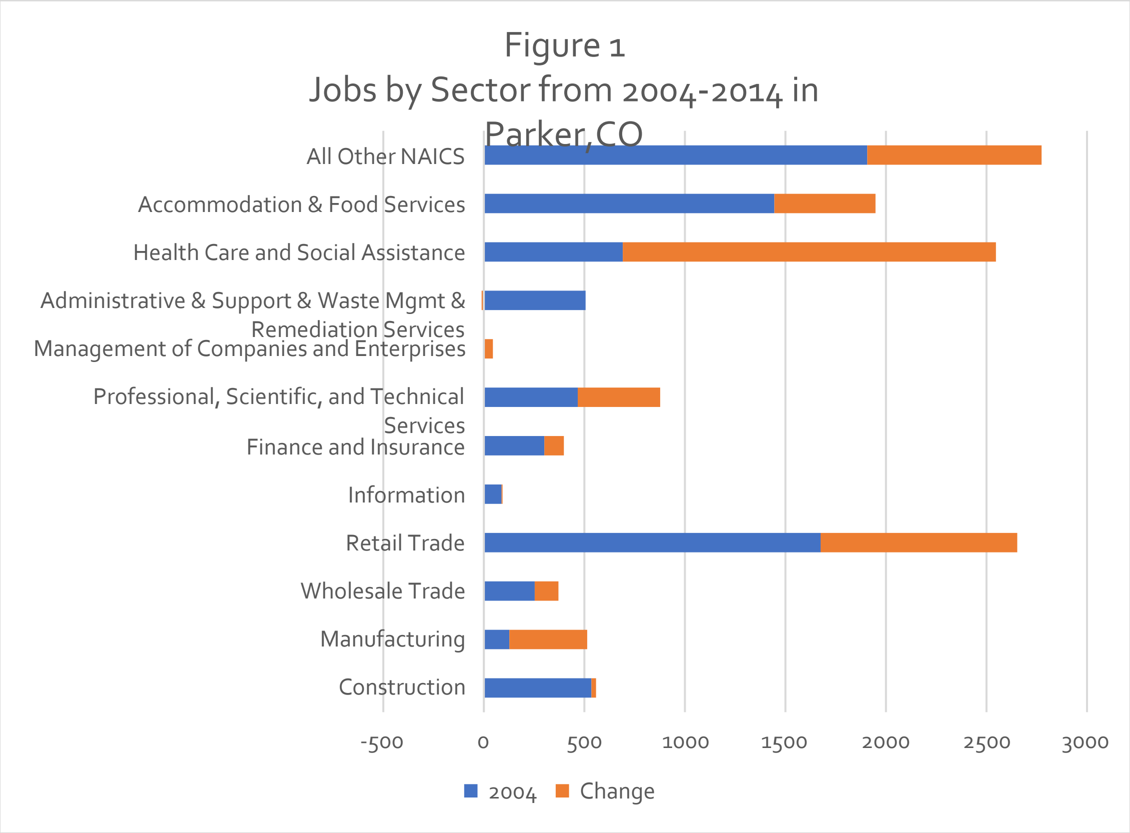
Scope Elements

- Analysis of current conditions and historic growth
- Interviews with 20 town leaders and development stakeholders
- Survey of 10 economic development organizations in metro Denver
- Report of findings and recommendations

Highlights of Current Conditions and Gaps

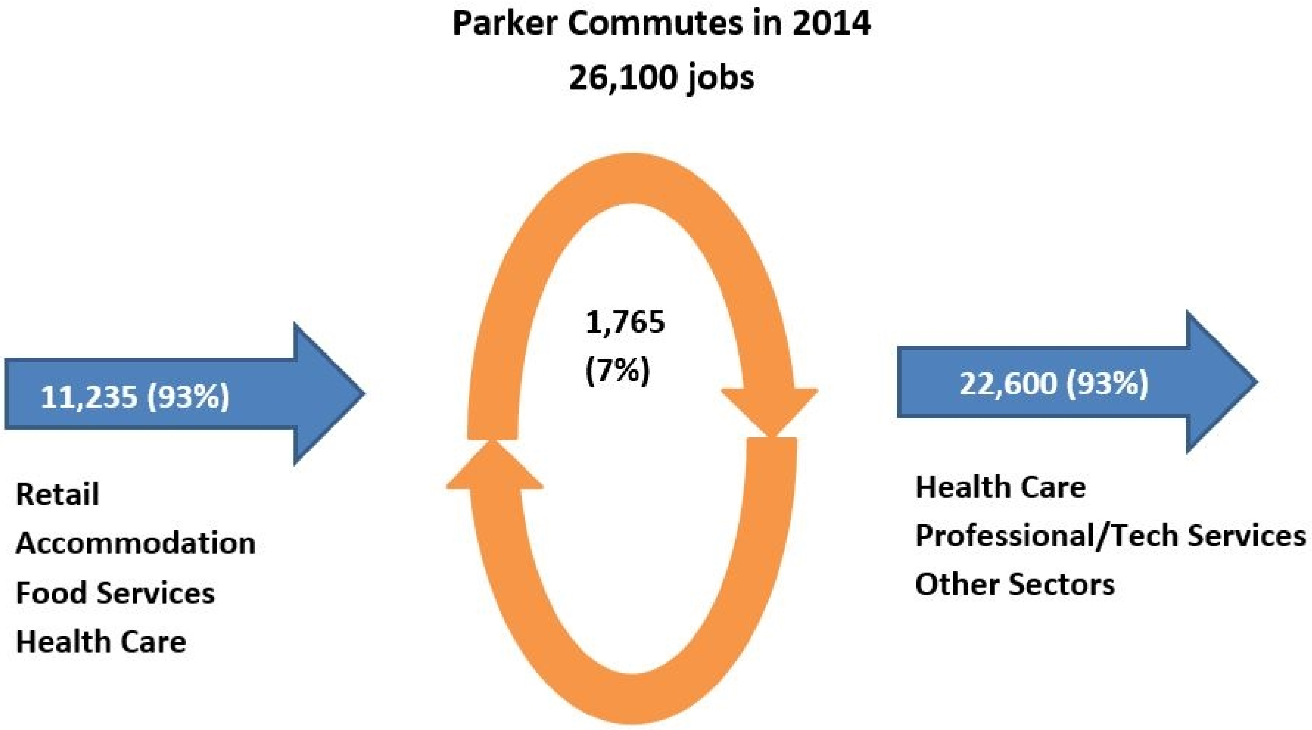
Draft: Taimerica Management Company

Job Growth Within Town Limits



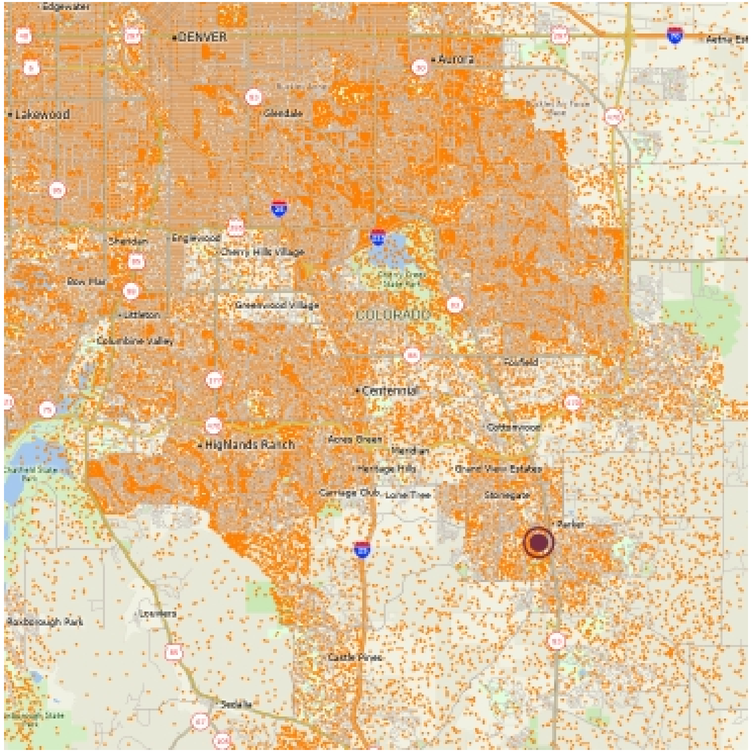
- Health care fastest growing in relative and absolute terms
- Retail second fastest in absolute terms
- Interviews suggest that opportunities in satellite offices for medical, professional , and technical services is unmet

Commuting Patterns in 2014



- Live-Work percentage is quite low
- The retail/residential strategy stimulates inbound and outbound traffic

Population Distribution in Metro Denver



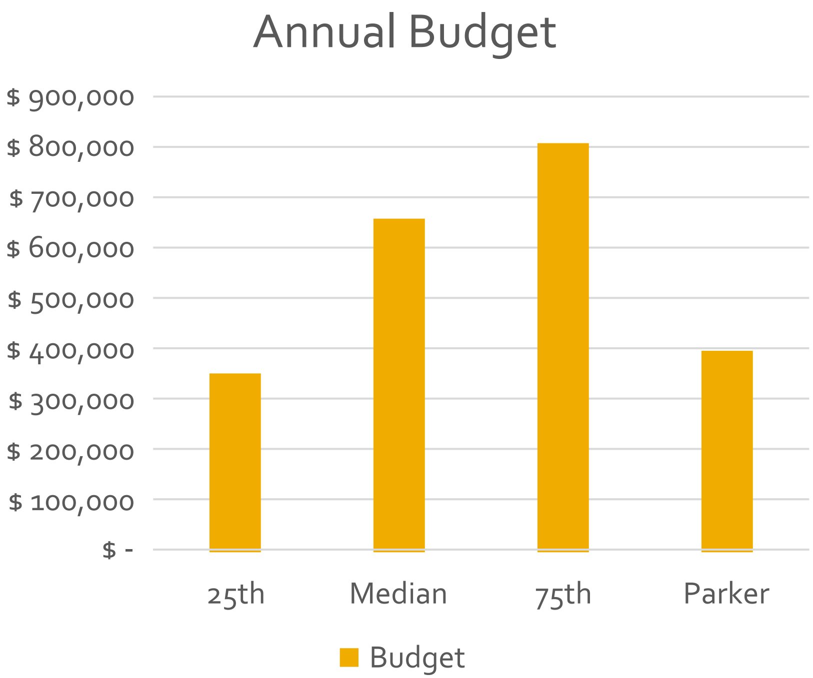
- Specialty retailing opportunities are near I-25 & 470 intersection
- Parker is not in center of market for specialty retail

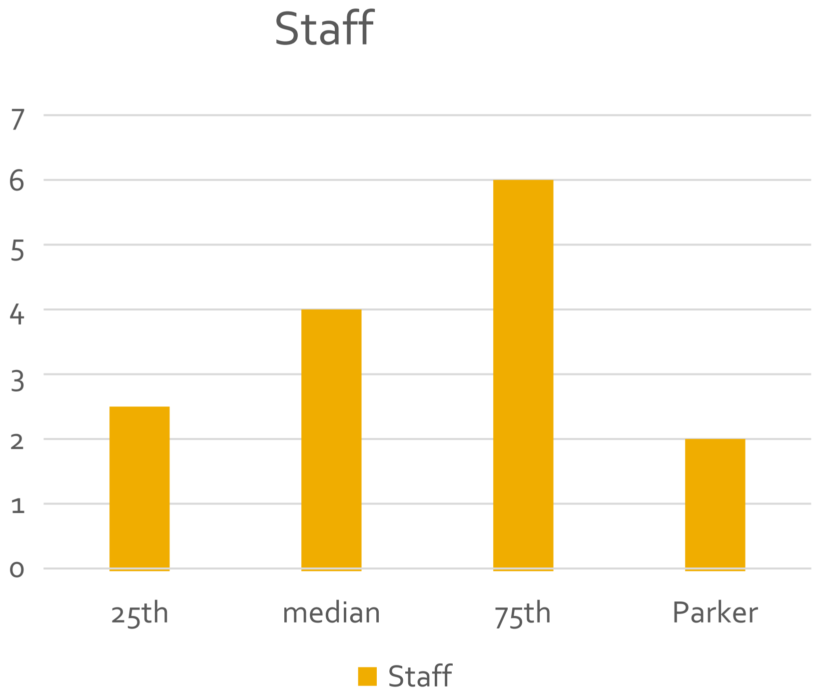
Highlights of EDO Survey

- Participants included:
  - Parker
  - Aurora
  - Castle Rock
  - Louisville
  - Brighton
  - Littleton
  - Longmont
  - Thornton
  - Lone Tree

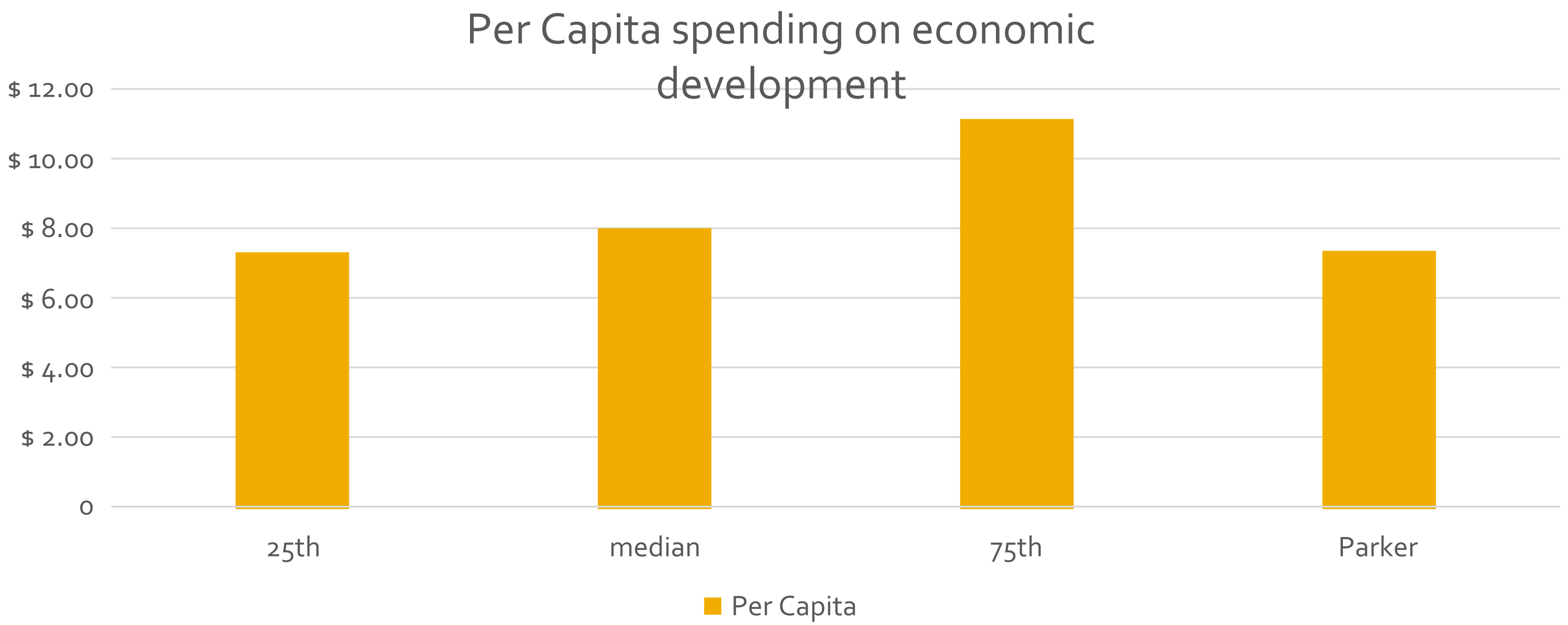
Draft: Taimerica Management Company

Highlights-E.D. Budgets & Staffing





Highlight-Per Capita Budget



In-Depth Interviews

- Aurora, Thornton, & Lone Tree
- All work from formal written strategies for economic development
- Broader use-tax ordinances generate more sales tax revenue from business

Highlights of Developer Interviews

- Developer perceptions are that development in Parker is difficult
  - Connection and utility usage fees are high
  - Project approvals take more time
  - Overlay districts used to exclude uses permitted under zoning
  - Process raises development costs and project uncertainties in Parker
  - Communities cited as best practice examples

Draft: Taimerica Management Company

Findings

- Economic vitality goal is not conducive to measurement nor comparison with other communities
- There are synergies from the alignment of URA and economic development functions- your structure ignores them
- External Threats
  - Standing still while other communities move eliminates options for Parker

Draft: Taimerica Management Company

Findings

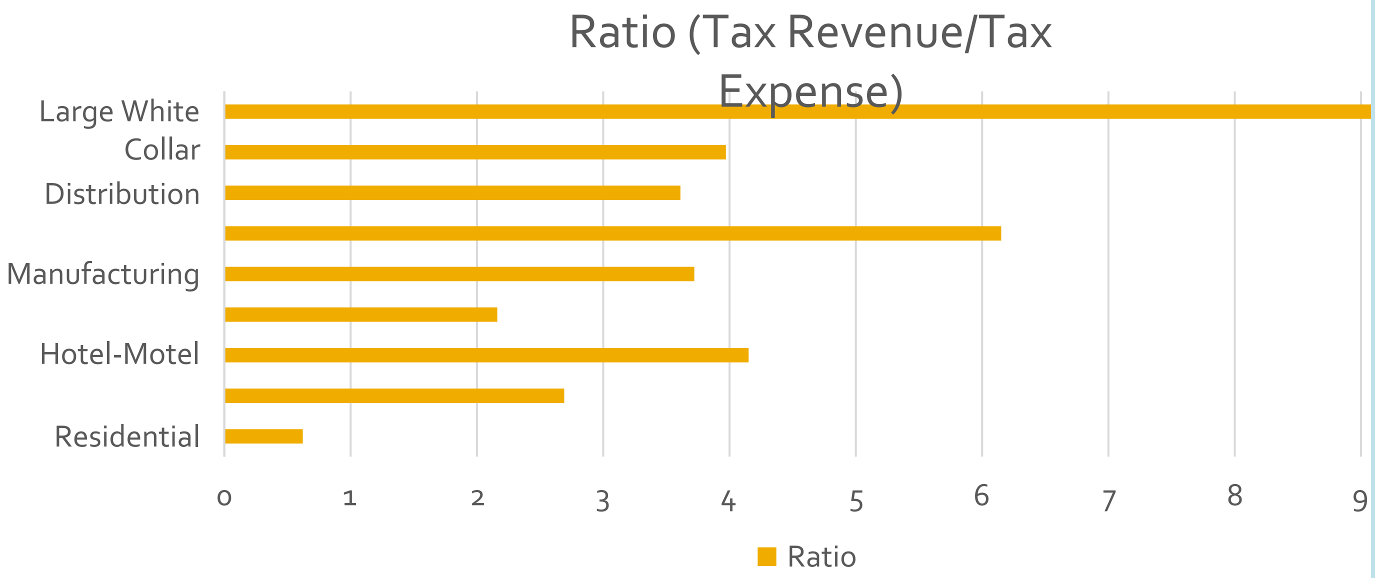
- Current economic development strategy of retail-and single-family residential is unsustainable
  - Poor location for specialty retailing
  - Lack of local retail workforce
  - Strategy compounds traffic congestion and increases road infrastructure costs

Two Future Choices

- Option 1- Focus on residential &retail and create a permanent high cost of government services for future citizens
- Option 2- Resolve current trilemma of development constraints faced by retailers:
    - Increase multi-family residential space
    - Provide affordable housing and public transportation for current retail and service workers
    - Increase road capacity to lower traffic congestion

Draft: Taimerica Management Company

Net Benefits by Land Use Type



- Net benefits are lower for retail/residential than any other type of land use
- (Note: 40% of sales tax in CO paid by businesses [Ring (1999)]

Source: Alshuler & Gomez-Ibanez. 1993. Regulation for Regulation: The Political Economy of Land Use Extractions. P.83

Organizational Recommendations to Council

A. Modify programs and activities of the economic development department
    A. More staffing to execute full range of activities and programs found in other metro Denver jurisdictions
    B. Conduct annual citizen and business surveys
    C. Implement formal process for modeling cost/benefit of projects

Draft: Taimerica Management Company

More Organizational Recommendations to Council

D. Implement formal process for developing and sharing information among development stakeholders
E. Examine incentive tools and use ordinance changes needed for diversification strategy
F. In-depth gap and site analysis for specialty retailing

Recommendations to Council

C. Measure the revenue/cost/net benefit of different primary sectors specific to Parker tax structure
D. Implement an E.D. education process for elected leaders, development stakeholders, and citizens
E. Define the incentive needs for success of alternative land uses
F. Formulate a new economic development strategy for Parker with diverse targets based on market rather than political forces

Draft: Taimerica Management Company

About the Economic Development Strategy

Will not duplicate work done in comprehensive, urban renewal and land use plans

- Stakeholders and process differ because you are focusing on how market forces shape the location of producers rather than on how to enact political constraints on development
- Action oriented strategy with outcome metrics to judge results objectively

Questions and Answer Dialogue

Draft: Taimerica Management Company

MEMORANDUM

TO: Michelle Kivela, Town Administrator

FROM: John Fussa, Community Development Director
Jason Rogers, Deputy Community Development Director
Bryce Matthews, Planning Manager

DATE: February 12, 2018

SUBJECT: Town Council Action Item: Multi-family Housing Comparison with Other Communities

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ISSUE:

The Town of Parker has experienced a substantial amount of multi-family residential (MFR) development over the past few years that has generated community concern. The pace of MFR development has slowed through the end of 2017 but the topic continues to be of interest to the community. In response, the Town Council has asked the Community Development Department to provide an update on issues related to multi-family housing. Staff will present the requested information at the February 12, 2018 Town Council Study Session.

FISCAL/BUDGET IMPACT:

None

BACKGROUND:

The MFR development summary is as follows:

Comparison of 2017 MFR v. 2016 MFR

- 2017: 19 building permits for total of 358 d.u.
- 2016: 39 building permits for total of 400 d.u.
- 2017 Change: Decrease of 11.7% total MFR d.u.

Comparison of Rental v. Owner Occupied Housing (2012-16)

- Denver Metro Region: 50% rental v. 50% owner occupied
- Douglas County: 20.4% rental v. 79.6% owner occupied
- Parker: 21.6% rental v. 78.4% owner occupied
- Castle Rock: 23.6% rental v. 76.4% owner occupied
- Lone Tree: 44.3% rental v. 55.7% owner occupied

- Littleton: 39.5% rental v. 60.5% owner occupied
- Castle Pines: 13.4% rental v. 86.6% owner occupied

Comparison of Single-Family v. Multi-Family Housing (2012-2016)

- Denver Metro Region: 67.7% SFR v. 32.3% MFR
- Douglas County: 83.3% SFR v. 16.7% MFR
- Parker: 81.6% SFR v. 18.4% MFR
- Castle Rock: 82% SFR v. 18% MFR
- Lone Tree: 61.1% SFR v. 39.3% MFR
- Littleton: 61.2% SFR v. 38.8% MFR
- Castle Pines: 89.7% SFR v. 10.3% MFR

MFR Development in the Pipeline (2018)

- Westcreek (South) MFR: 200 d.u., application in review (rental)
- Westcreek (North) MFR: 104 d.u., application proposed (condo)
- Vantage Point MFR Phase 2: 250 d.u., application proposed (rental)
- Hunter's Chase MFR: application proposed (condo)
- Olde Town MFR (Moomah): application proposed (condo)
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RECOMMENDATION:

For informational purposes only

REQUESTED DIRECTION:

For information purposes only in follow-up to a Town Council Action Item.

ATTACHMENT:

1. Summary MFR 2018

Ownership vs. Rental

Source: Census 2012-2016 Est.

Parker -All Housing Units:

Owner Occupied – 78.4%

Rental Occupied – 21.6%

Denver Metro -All Housing Units:

Owner Occupied – 50.0%

Rental Occupied – 50.0%

Douglas County -All Housing Units:

Owner Occupied – 79.6%

Rental Occupied – 20.4%

Castle Rock -All Housing Units:

Owner Occupied – 76.4%

Rental Occupied – 23.6%

Lone Tree -All Housing Units:

Owner Occupied – 55.7%

Rental Occupied – 44.3%

Castle Pines -All Housing Units:

Owner Occupied – 86.6%

Rental Occupied – 13.4%

Littleton -All Housing Units:

Owner Occupied – 60.5%

Rental Occupied – 39.5%

Source: Town of Parker

Complete Apartment Complexes 2017	
Complex	**Total**
Briargate on Main	325
Cherrywood Village/Ranchstone	728
Stone Canyon	352
Windrock	308
Trailside	280
Parker Hilltop	458
Enclave at Cherry Creek	285
Parker Flats	146
Waterford	306
Total Rentals	**3188 (69.6%)**
Complete Condo and Townhome Complexes 2017	
Complex	**Total**
Creekside at Twenty Mile	140
Victorian Village	32
Glenns at Cottonwood	47
Town and Country	501
Pine Bluffs Filing 3B	13
Bradbury Townhomes	69
Stroh Ranch Townhomes	77
Ironstone at Stroh Ranch	372
Pineview	12
Anthology Townhomes	66
Olde Town	9
Hunters Chase	60
Total Ownership	**1398 (30.4%)**
TOTAL Multifamily Units	**4586**

Single Family vs. Multifamily

Source: Census 2012-2016 Est.

Parker -All Housing Units:

Single Family – 77%

Single Family attached – 4.6%

Multifamily – 18.4%

Denver Metro -All Housing Units:

Single Family – 59.8%

Single Family attached – 7.9%

Multifamily – 32.3%

Douglas County -All Housing Units:

Single Family – 77.6%

Single Family attached – 5.7%

Multifamily – 16.7%

Castle Rock -All Housing Units:

Single Family – 74.1%

Single Family attached – 7.9%

Multifamily – 18%

Lone Tree -All Housing Units:

Single Family – 50.5%

Single Family attached – 10.6%

Multifamily – 39.9%

Castle Pines -All Housing Units:

Single Family – 85%

Single Family attached – 4.7%

Multifamily – 10.3%

Littleton -All Housing Units:

Single Family – 50.6%

Single Family attached – 10.6%

Multifamily – 39.8%