



PARKER AUTHORITY FOR REINVESTMENT STUDY SESSION AGENDA
June 11, 2018

1. Authority Board Items

2. Study Session Items

- A. Tax Increment Financing Policy - Rogers/Feazell - 20 minutes
- B. PAR Building Discussion - Rogers/Feazell - 5 minutes



Parker Authority for Reinvestment Study Session Memorandum

TO: Authority Board Chair and Members

FROM: Weldy Feazell, Redevelopment Manager
Jason Rogers, Deputy Community Development Director

DATE: June 11, 2018

SUBJECT: Tax Increment Financing Policy

ISSUE:

Proposed revision to the Tax Increment Financing (TIF) Policy.

FISCAL/BUDGET IMPACT:

None.

BACKGROUND:

The strategic plan that was adopted on October 16, 2017, recommended a PAR contract with a third party to review TIF requests. In early 2018, PAR contracted with Strae Advisory Services (Strae) for the development of a TIF Policy that included a third party review.

The goals of the TIF policy were to ensure that:

1. PAR is investing in projects that advance the goals of the plan area.
2. PAR is investing in redevelopment activities that are financially viable and fiscally responsible, by utilizing third party financial review.
3. PAR is transparent in TIF investments, policy and reporting.

The revised TIF policy has two major components that help to achieve the goals that were identified in the policy revision; participation in redevelopment activities and additional uses of tax increment.

- Participation in Redevelopment Activities
 - TIF Request Process
 - Application Documentation
 - Qualitative Review
 - Quantitative Review
 - Evaluation Cost and Fees
- Additional Uses of Tax Increment
 - Public Infrastructure Cost Participation
 - Relocation Assistance
 - Local Grants
 - Low Interest Loans and Revolving Loan Pools
 - Predevelopment Due Diligence

- Land Transfer

The proposed TIF Policy has been reviewed by the PAR's legal counsel for conformance to Colorado State Statutes.

RECOMMENDATION:

Staff recommends that the TIF Policy be finalized and prepared for adoption by resolution at a future PAR Board meeting.

REQUESTED DIRECTION:

Staff requests direction on the TIF policy.

ATTACHMENT:

1. Draft TIF Policy 2018



Parker Authority for Reinvestment

Partnering for Parker's Progress

INCENTIVE POLICY & GUIDELINES FOR PUBLIC SECTOR PARTICIPATION

Dated [XXXX] XX, 2018

Organizational Philosophy

Parker Authority for Reinvestment ("P3" or the "Authority") is entrusted by the community to accelerate and enhance development / redevelopment and implement the Town's approved Comprehensive Plan and applicable supplements, while adhering to P3's Strategic Plan.

I. INTRODUCTION

This document is intended as a resource and reference guide for parties interested in the process and evaluation criteria the Authority utilizes as it considers public investment for the benefit of the town of Parker and its residents.

II. URBAN RENEWAL AREAS

At the time of this document's adoption, the Town had established three Urban Renewal Areas under Title 31, Article 25 of the Colorado Revised Statutes. The existing Urban Renewal Areas are described further in Section III.

The Town Council may establish additional Urban Renewal Areas in an effort to respond to changes in the physical conditions of other locations within the Town. Once a request is received by the Authority, the Town Council will determine if the proposed project area qualifies under the Colorado Urban Renewal Law and is, therefore, appropriate for designation as an urban renewal area. The Town Council may also modify the boundaries of existing Urban Renewal Areas to accommodate qualifying undertakings and activities.

III. EXISTING URBAN RENEWAL AREAS

A. Parker Central District “Creating a Vibrant Downtown”

The [Parker Central Area Reinvestment Plan](#) was adopted on May 18, 2009.

Original Vision Statement: The Parker Central Reinvestment Area will be the center of commerce, industry, living, learning, playing, meeting, arts, events, and entertainment in Parker. Investment and reinvestment initiatives will: embody environmentally-sound building elements; support Smart Growth principles; support higher densities; and, encourage a mix of uses and mixed-use products.

The Parker Central district is characterized by a strong mix of retail, restaurants and jobs, an inviting public realm, and a strong regional image. While many planning efforts have been focused on downtown Parker, this P3 district encompasses a larger area than solely the downtown core. Overall priorities and themes from prior planning efforts, reflected in the district’s original vision statement above, include cultivating a pedestrian-oriented and vibrant, mixed-use destination that has heritage and charm, as well as increasing density and activating public spaces. While Parker Central is a well-established part of the community, the following strategies will allow this district to leverage existing strengths and work toward priorities identified through previous planning efforts and this strategic planning process. In the Parker Central district, P3 shall:

- Strengthen the positive image and recognition of downtown as a community asset
- Market investment opportunities and P3 tools to property owners and developers
- Activate existing public spaces and add new spaces as redevelopment occurs
- Support efforts to retain and grow existing and locally-owned businesses
- Support efforts to grow and market the downtown arts and cultural niche
- Support efforts to improve the quantity and distribution of parking spaces and parking impacts
- Support enhancements to public infrastructure to improve multi-modal mobility and access

Note: Please refer to the original Reinvestment Plan document for complete up-to-date information.

B. Cottonwood District “Improving First Impressions of Parker”

The [Cottonwood Commercial Area Urban Renewal Plan](#) was adopted on February 18, 2014.

Original Vision Statement: The Cottonwood Commercial Area will be a vibrant mixed-use gateway to the community that will reflect high quality aesthetic and architectural standards. Public investment will focus on finding solutions to utility constraints and using visual cues such as landscaping, architecture, lighting, and other improvements within the public realm that will create a clear sense of arrival to those entering the Town from Parker Road and E-470.

The Cottonwood district can be categorized as up-and-coming, with a mix of new businesses and investments, additional developable land, and an evolving image amongst community members. Overall priorities and themes from prior planning efforts include cultivating a pedestrian-friendly

district with high-intensity retail surrounded by multi-family; and emphasizing public realm improvements and gateway beautification. Based on the above themes as well as stakeholder outreach, the following strategies have been established. In the Cottonwood district, P3 shall:

- Convey a strong image of quality consistent with the Parker community
- Beautify and improve the public realm, particularly along E-470 and Cottonwood Drive
- Enhance connectivity within the district for neighborhoods and shoppers
- Elevate development quality and district character
- Seek opportunities to incorporate public spaces into new development
- Support public infrastructure and utility improvements that enhance mobility and capacity throughout the district

Note: Please refer to the original Reinvestment Plan document for complete up-to-date information.

C. Parker Road District “Setting the Stage for Parker’s Future”

The [Parker Road Area Urban Renewal Plan](#) was adopted on May 5, 2014.

Original Vision Statement: The Parker Road Area will be a center of commerce and industry within the community providing development that supports new first tier jobs and community-oriented retail and commercial services. Any residential will be considered for secondary and in support of non-residential uses.

The main focus of planning efforts thus far has been along Parker Road itself. The Parker Road district is challenged by access limitations, high vacancies, underutilized properties, an uninviting public realm, and a poor regional image. Overall priorities and themes from prior planning efforts include cultivating an employment hub, while also making the district more pedestrian-friendly by enhancing the public realm and general aesthetics, and encouraging multimodal transportation. Based on the above themes as well as stakeholder outreach, the following strategies have been established. To guide decision-making in the Parker Road district, P3 shall:

- Improve safety and functionality of access to Parker Road and between properties
- Understand, stabilize and enhance the investment environment
- Attract steady investment and redevelopment
- Enhance community perceptions of this area
- Support the Town’s process improvements to meet the vision of the Parker Road Corridor Plan

Note: Please refer to the original Reinvestment Plan document for complete up-to-date information.

IV. INVESTMENT EVALUATION

Policy Basis for Investments

P3 will participate in activities that clearly advance one or more policies, goals, and objectives of adopted Town of Parker plans, including but not limited to the Parker 2035 Comprehensive Plan, Urban Renewal Plans, the Mainstreet Corridor Plan, the Parker Road Corridor Plan, Capital Improvement Plan, Transportation Master Plans, and Engineering and Public Works Department plans.

Investment Priorities

Across its URA districts, P3 will prioritize participation in and support of investments that:

- Advance stated organization Objectives (refer to the P3 Strategic Plan for these Objectives)
- Leverage public funds with private funding
- Correct significant infrastructure deficiencies that hinder private investment
- Add publicly accessible community amenities
- Improve the mix of land uses and add desired uses
- Create a more vibrant experience and investment environment
- Result in visible, tangible achievements

The district Strategies provide guidance for development and land use types that P3 prioritizes within each district.

Public Participation Level

When an investment entity requests P3 participation, P3 will consider whether and how much to contribute based on both qualitative and quantitative factors. ***Every public-private participation request will be analyzed on a case-by-case basis***, factoring in P3 objectives, financial need, fit with community plans, and resulting community benefits.

P3 participation may be in a variety of forms including but not limited to TIF or land price reductions. Land price reductions are principally available if PAR is the current land owner. Only in extremely rare circumstances would P3 consider allowing some portion of land price to be an eligible cost of the undertaking or activity.

P3 may seek to coordinate with the Town to explore other public participation, such as fee waivers. As a rule of thumb, P3 and Town (if offered) participation typically will not exceed 25-30 percent of the total development cost, achieving a private to public leverage rate of approximately 3 to 1.

Quantitative Assessment

P3 and Town staff, in conjunction with expert advisors as needed, will conduct thorough quantitative assessment of proposed developments. Quantitative considerations for the amount of P3 contribution will include:

- The amount of TIF the development will generate
- Demonstrated financing gap in the pro-forma, as affirmed by a third-party
- Cost of non-required building and site design enhancements
- Cost of publicly accessible amenities incorporated into the development

Related quantitative questions to answer for each investment include:

- Does the planned development appear feasible and can the market support it?
- Is the expected activity-generated TIF sufficient to close the identified financial gap?
- Is P3 participation critical to making the investment happen, or are other sources of funds available?

Qualitative Assessment

The investment filter below provides a framework for P3 staff and committee members to consider the fit and benefits of potential investments and to make recommendations to the P3 Board on proposed activities. It includes criteria that apply to all P3 activities as well as criteria tailored to each district.

Qualitative Investment Filter		
All P3 Districts		
• Which P3 Objectives and Strategies does this investment advance? • What conditions of blight are removed or reduced with this investment? • What elements of the investment offer a compelling opportunity and/or catalyst for other development? • How well does the investment fit with the desired character of development in Parker?		
<i>If the investment meets the general criteria above in a sufficient manner, it should be evaluated specifically for its given URA district location below:</i>		
Parker Central District	Cottonwood District	Parker Road District
• Will the investment help bring activity and vibrancy to the heart of Parker? • Is the investment mixed use, or does it support establishment of a wider mix of uses amongst its surroundings? • Does the investment advance Parker Central's arts and cultural district niche?	• Does the investment help diversify the mix of uses within Cottonwood? • Does the investment enhance access or character within this important gateway? • Does the investment improve connectivity to surrounding neighborhoods?	• Does the investment bring new jobs within targeted industries in this district? • Does the investment help streamline access to and from Parker Road? • Does the investment help elevate development quality in this district to match other areas of our community?

Note: Please refer to the P3 Strategic Plan for complete up-to-date information.

V. INCENTIVES

As of the date of this policy, the Authority may provide four (4) categories of assistance within Urban Renewal Areas. These include: Tax Increment Financing, Infrastructure Cost Participation, Relocation Assistance, and Other Miscellaneous Tools and Strategies. Any assistance request will be reviewed against the criteria listed above and the goals of the applicable Urban Renewal Plan.

Assistance offered by the Authority is not intended to replace other financing from private or public sources. Rather, it is intended to bridge funding gaps which may be created by the difficult and sometimes costly nature of infill development. Following is a description of the incentives that the Authority may provide to encourage development and redevelopment within approved Urban Renewal Areas. The total value of the incentives will only be available at a level not to exceed the incremental dollars generated by the planned investment as determined by the Authority through review of the redevelopment project's performance, except in extraordinary instances when the redevelopment project provides a significant benefit to the community. Proprietary financial information provided by the applicant and identified as proprietary will be kept confidential.

The Authority's participation in an undertaking or activity allows for the realization of a project that would otherwise not be feasible. As a result, the Authority may require a share of the project's economic success. Subject to each project's specific circumstances, the Authority will negotiate an interest in a project's investment return. Such interest may include a share of annual cash flow and / or a percentage of cash flow from a sale or refinance of the project in the future.

A. Tax Increment Financing (TIF) – Public Participation

Tax Increment Financing (TIF) allows the Authority to utilize tax revenues generated by new development to assist projects that provide a public benefit. Eligible project costs may include (but not limited to): property acquisition, environmental remediation, historic preservation, demolition and site preparation, life safety systems, installation of infrastructure and amenities, and other public improvements.

The tax increment is derived from the difference in assessed value between the year in which the area and TIF was formally established by Town Council (known as the "base year") and each subsequent year (as adjusted annually by the Assessor or the Authority), for a period not to exceed 25 years. The increment is generated by real and personal property tax revenues resulting from increases in assessed values due to redevelopment efforts, as determined by the Douglas County Assessor.

The financial needs of a project will be determined based upon the nature and extent of any gap resulting from total project costs and the amount of revenue that can be generated by the project through a determined period of time (e.g., stabilization), and the extent to which the project advances the goals of the Urban Renewal Plan. A market rate of return on the private investment will be assumed. Based on the project information provided, Authority staff will determine the extent and nature of the Authority's participation in the project. The amount of TIF revenue made available to projects will be negotiated on a case-by-case basis and considered relative to those factors and goals described in this Policy's criteria (Section II). The amount of financial assistance and the terms for the provision of that assistance will be incorporated into an agreement between the property owner and the Authority. Approval of the financial assistance agreement will be subject to action by the Board of the Authority.

1. TIF Allocation Guidelines

For general Authority guidance, the following target ranges have been identified for proposed undertakings and activities:

- Up to 50% of specific site-generated TIF in the Cottonwood District,

- Up to 70-75% of specific site-generated TIF in the Parker Central District
- Up to 80-90% of specific site-generated TIF in the Parker Road District,

It should be noted that each proposed undertaking or activity will be evaluated on its individual merits and needs. The Authority reserves the right to determine greater or lesser TIF assistance award than the above TIF Allocation Guidelines.

The Authority may elect to provide assistance by reimbursing specified project costs from the future tax increment generated by the proposed project, or by providing funds for eligible project costs from other funding sources available to the Authority.

B. Public Infrastructure Cost Participation

The Authority will cooperate with other public agencies to identify priority public infrastructure capital projects, within each Urban Renewal Area. The Authority will evaluate the most appropriate funding source for these public infrastructure improvements, in order to assure that public funds are spent in a fiscally prudent and transparent manner.

The Authority may elect to contribute funds to a capital project not on the priority list if a desirable redevelopment project is imminent and requires these public improvements in order to be successful.

C. Relocation Assistance

The Authority will provide relocation assistance to those individuals, families, and business concerns which will be displaced by an urban renewal project. The amount of relocation assistance will be determined on a case-by-case basis, consistent with the requirements set forth in the Urban Renewal Law and the adopted relocation policies of the Authority.

D. Miscellaneous Other Incentives

In order to accomplish the mission and goals of the Authority, the Authority may develop other incentives that further a particular Authority or Urban Renewal Area goal. Other incentives include:

i. Local Grants

The purpose of this incentive is to reimburse private property owners for specific improvements, such as, but not limited to, exterior renovations, landscaping, fire protection, and accessibility improvements. As of the date of this Policy, the Authority had not yet identified a funding source or eligibility criteria for a grant program.

ii. Low Interest Loans and Revolving Loan Pools

The purpose of this incentive is to provide funds to property owners at a lower rate of interest compared to conventional loans for improvements, such as, but not limited to, exterior renovations, landscaping, fire protection, and accessibility improvements. Loan pools spread risk across multiple funding entities and can be assembled with private,

public and quasi-public dollars. As of the date of this Policy, the Authority had not yet identified a funding source or eligibility criteria for any loan programs.

iii. Predevelopment Due Diligence

The purpose of this incentive is to provide property owners and developers with market, financial, design, engineering and other related information in an effort to both educate them about opportunities and to minimize pre-development expenses. As of the date of this Policy, the Authority had not yet identified a funding source or eligibility criteria for a program.

iv. Land Transfer

The Authority may make available publicly-owned lands within and outside of urban renewal areas for undertakings and activities which advance the goals of applicable urban renewal plans. Additionally, the Authority may initiate the development of publicly-held land as a joint venture with private developers. The Authority may also exchange publicly-owned property to private interests, or acquire and transfer land where appropriate and necessary to facilitate consolidation of properties and/or clear title inconsistencies. Criteria and process to be followed when determining eligibility are as outlined in Section IV.

VI. REQUEST FOR PUBLIC PARTICIPATION SUBMITTAL REQUIREMENTS

The Authority may provide financial assistance for suitable undertakings and activities facing extraordinary expenses. Among meritorious undertakings and activities, the Authority will consider the quality of materials and consistency with prevailing policies, standards and regulations. While individual undertakings and activities will address the elimination or reduction of conditions identified in the Urban Renewal Plan, it is anticipated that the extent and nature of the Authority's participation will vary by undertaking or activity and location. A property owner or developer requesting financial assistance shall participate in a pre-application meeting with PAR Staff and make one (1) comprehensive submission for review by the Authority (see flowchart below). The submittal, shall include the following:

1. Narrative Description of Development Concept: Provide a narrative description of the redevelopment, its size, nature and location of the proposed land uses, urban design and architecture.
2. Description of (Re)Development Team: Provide a narrative description of the project's team, including:
 - Key team members, along with contact information including email, telephone, names, and general description of redevelopment project responsibilities.
 - Decision makers among the project team, and who specifically the Authority would negotiate.
 - Key team members' relevant development experience.
 - Legal entity undertaking the redevelopment project, and the legal relationships between the redevelopment project team members.

- Clearly describe the equity and / or fee nature of the redevelopment project team's investment and return expectations in the redevelopment project.
3. **Redevelopment Project Fact Sheet:** The Applicant shall provide a redevelopment project fact sheet indicating the following data and information (as applicable):
 - a. Gross Building Area:
 - b. Housing (number of units, average square footage, and type (rental or for sale)):
 - c. Restaurant Space (SF):
 - d. Office Space (SF):
 - e. Retail Space (SF):
 - f. Other Space (SF), such as research and development or institutional:
 - g. Parking Requirements:
 - h. Building Height:
 - i. Floor Area Ratio:
 4. **Advancing the Criteria and Goals of the Authority:** Include specific statements indicating how the development concept advances the criteria and goals set forth in *Section II. Redevelopment Project Criteria & Goals*, of this document.
 5. **Conceptual Design:** Provide a conceptual design which is generally consistent with applicable Town of Parker codes and standards. The conceptual design shall consist of drawings showing elevations and perspectives. Additional descriptions of color, material and size of structures, and landscaping along with renderings of the proposed redevelopment project are encouraged.
 6. **Redevelopment Project Pro Forma:** The Applicant shall provide information in the form of a Summary Pro Forma to indicate the economic basis for the request. The purpose of this information is to demonstrate the economic feasibility of the proposed development and shall be in such detail as necessary to indicate feasibility relative to costs, income and any financial "gap". Proprietary financial information that the applicant determines to be confidential should be clearly identified. The Authority will provide a sample pro forma form that reflects the level of detailed information to be submitted. The pro forma information may vary depending on the nature and cause of the gap as described by the applicant. The applicant is expected to site the source and background supporting documentation used to develop the capitalization rate and vacancy rate. Following is a general list of the type of information that may be required; the Authority may require additional information to document a financial "gap":

Required information to be submitted within the Development Pro Forma*:	
Development Information & Redevelopment Project Costs	
• Development Square Feet (RSF, GSF) by use type • Floor Area Ratio • Project Financing structure (senior debt, subordinate debt,	• Parking Cost • Hard Costs (incl. contingency) • Soft Costs • Operating Start-Up Costs • Financing and Carrying Costs

- equity structure, etc.) - Competent evidence of land value	Total Project Cost (@ Build-Out)
Operating Revenues and Expenses	
- Rentable Square Feet - Efficiency Scheduled Gross Rent - Vacancy and Credit Loss	- Effective Gross Income - Operating Expenses - Net Operating Income
Return Metrics, Financial Gap and Exit Information	
- Amount of Funding Assistance Request - Project Margin / Financial Gap (\$ and %) - Development team's return hurdle, target return, and relevant comparable information on return expectations. - Exit strategy assumptions (including cap rate, buyer profile, etc.)	

**The pro forma should reflect metrics over time and should be submitted in *.xls electronic file format to facilitate the Authority's review.*

Other required information:

- Preliminary projections from the development team on the amount of incremental property taxes, sales taxes, or other revenues that will be generated by the redevelopment project and how that compares to the level of revenue necessary for the reimbursement of costs by the Authority.
- If available, letter of interest from potential tenants or buyers within the project.
- If available, letters of support from adjacent property owners, or other interested parties demonstrating community support for the proposed redevelopment project.

7. Financial Capacity of the (Re)Development Team:

- A description of the financial capability and capital resources of the project team to complete the project. Information provided must be in a form acceptable to the Authority, and may include documents such as:
 - Audited financial statements of an affiliate of the development team
 - References from lenders
 - Fund prospectus or offering statement
 - For publicly held entities: most recent 10K and 10Q forms
 - For LLCs, LLPs, S-Corporations or similar entity structures:
 - Last three years tax returns
 - Member, partner, or shareholder financial statements (must exceed 66% of ownership of proposed redevelopment entity).

8. Participating Interest:

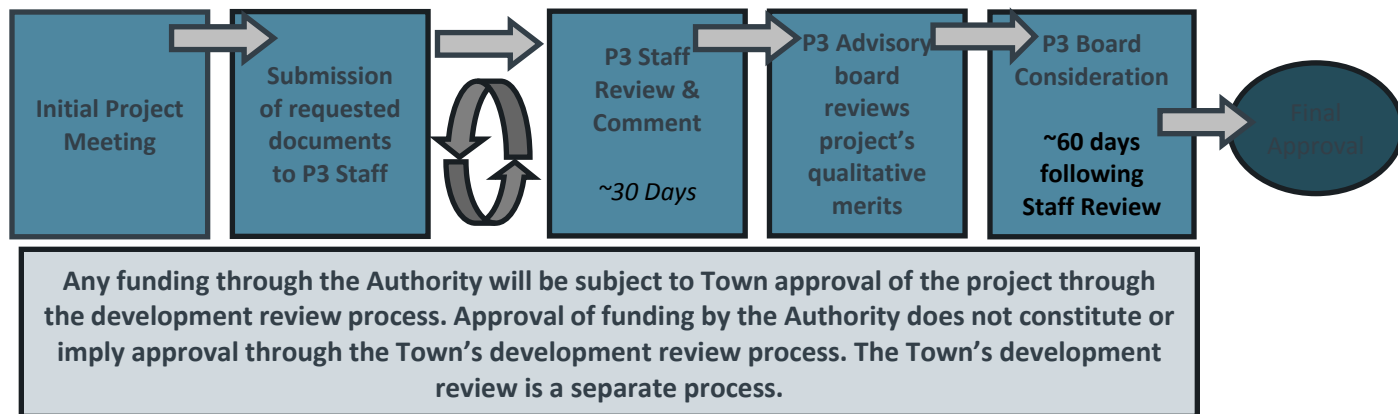
- Provide proposed financial sharing arrangement with the Authority
 - Include both a method and specific proposed measurement approach.
 - May be calculated on annual cash flow, NOI after debt service, return on invested equity, etc.

Note: Please see Section X below for information on protecting confidential information from

being disclosed under Colorado Open Records Act, C.R.S § 24-72-200.1 *et seq.* (the “Open Records Act”).

VII. REQUEST FOR PUBLIC PARTICIPATION PROCESS

The process is intended to run concurrently with Town of Parker Development Review Processes, but may occur prior to submitting an official development request if adequate documentation can be submitted to allow the Authority to fully understand the request.



VIII. DEVELOPMENT OR REDEVELOPMENT AGREEMENT

A successful request for public participation will result in a Development Agreement or Redevelopment Agreement that memorializes the reimbursement of tax increment to the applicant, subject to meeting key benchmarks. Also as a part of this process, the agreement may require the investment partners to provide specific information on the performance of the undertaking or activity as part of the redevelopment project. Any receipt of additional information beyond the requirement of the agreement will be appreciated, but not required. Access by the Authority to this information will assist in staying current on market conditions and expectations among different geographic and market sectors, as well as provide the basis for refinements to the Policy and the Authority's decision-making parameters for participation in future projects.

IX. AUTHORITY'S EVALUATION FEES AND COSTS

Applicant agrees to pay the Authority's 3rd party review costs, including but not limited to financial underwriting or conditions studies, or other third party review costs the Authority determines, in its sole and absolute discretion, are necessary to adequately evaluate a proposed undertaking or activity. These costs may be waived or included as an eligible cost at the Authority's board's discretion. Refer to Exhibit A for the Authority's fee schedule.

X. COLORADO OPEN RECORDS ACT

Information provided to the Authority may be a public record subject to public disclosure pursuant to the Colorado Open Records Act. Financial Information identified and marked as Confidential by the applicant may be exempt in accordance with the Colorado Open Records Act.

Any financial information submitted that the applicant desires to remain exempt from Colorado Open Records Act should be provided separately, bound and clearly marked as follows:
“Confidential Commercial and Financial Information – Exempt From Public Disclosure in Accordance with the Colorado Open Records Act.”



Parker Authority for Reinvestment Study Session Memorandum

TO: Authority Board Chair and Members

FROM: Weldy Feazell, Redevelopment Manager
Jason Rogers, Deputy Community Development Director

DATE: June 11, 2018

SUBJECT: PAR Building Discussion

ISSUE:

The 2018 PAR budget includes \$175,000 for the demolition of the building located at 19801 E. Mainstreet. There are two options for building and site demolition, as well as the timing for demolition work that need to be addressed.

FISCAL/BUDGET IMPACT:

2018 budget \$175,000

BACKGROUND:

The PAR owned building at 19801 E. Mainstreet has been vacant since early 2017, with most of the utilities disconnected at the site. The utility services that have been disconnected include the water service for irrigation of the on-site landscaping and street trees along Mainstreet and E. Victorian Drive. There is approximately \$6,000 budgeted for expenses and insurance in 2018, which include the bare minimum utilities still active for the alarm systems, prevention of frozen pipes and building insurance.

In preparation for redevelopment of the site, PAR's 2018 Budget included \$175,000 for building and site demolition.

PAR staff with the assistance of the Public Works staff contracted the necessary environmental tests to identify if any environmental hazards existed with the building. The environmental testing identified a small amount of asbestos (approximately a square foot) contained in a material used as pipe sealant in the mechanical room. Staff is working to determine the requirements for handling this small amount of material during building and site demolition.

Public Works staff has identified two options for the demolition of the building and site. The estimated time frame to demolish the building, remove the materials from the site, and restore the site to an acceptable condition is approximately four to six weeks.

Option 1: Removal of Building and Parking Lot

Option 1 would remove the building, landscaping around the building and the parking lot. The streetscape Mainstreet and Victorian would remain in place including sidewalk and street trees. This option would make the site pad ready for redevelopment with removal of the pavement and utilities stubbed closer the right-of-way or at the main.

Option 2: Removal of Building only

Option 2 would remove the building and landscaping around the building. This option would keep the parking lot and adjacent sidewalk intact. Option 2 would leave the site partially ready for redevelopment. The parking lot would have to be removed and utility stubs moved prior to redevelopment. To that note, after the building is demolished, there would not be an immediate power source to maintain the parking lot lights. The electricity could be rewired with new conduit from the parking lot lights to the transformer located in the far northeast corner the property. The additional cost for the rewiring is unknown and would have to be identified during the contracting process.

Demolition Timing: Early November

To avoid disruption of the events that are already scheduled for Downtown, staff believes that demolition should occur in early November. This would allow the Farmers Market to complete their 2018 season and have the majority of the site cleaned up prior to the Carriage Parade. Demolition of the building earlier is possible; however, it will take a minimum of two months for gas utility service to be disconnected at the main.

Next Steps:

After the identification of the demolition options and timing, the next steps for staff are:

1. Confirm handling of minimal asbestos;
2. Confirm location of utility stubs with Parker Water and Sanitation and other utilities;
3. Bid the project and finalize project cost;
4. Finalize demolition schedule; and
5. Communicate to the public as part of the My Mainstreet Project

RECOMMENDATION:

Staff recommends Option 2 for demolition.

REQUESTED DIRECTION:

Staff requests direction on demolition options for the site.

ATTACHMENT:

None