

2006 Longmont City Council Retreat

LDDA PROJECT PLANNING/DOWNTOWN REVITALIZATION

This topic was recommended for discussion by the Longmont Downtown Development Authority and selected by the City Council for the purpose of examining what more can be done to revitalize downtown Longmont. The “Focus on Longmont” strategic planning process identified a focus on downtown as one of the recommended policy directions. In the strategic planning process our citizens placed a high priority on a healthy and vibrant downtown being a key to our community. The policy directions related to realizing the community’s vision for downtown that were identified are:

- a. Promote the downtown area as the cornerstone of Longmont’s identity, serving as a community-wide destination and gathering place for civic, retail, and entertainment uses.
- b. Encourage a mixed-use development pattern with emphasis on incorporating residential uses, so that downtown can prosper in a safe environment.
- c. Foster balanced economic development opportunities that encourage economically viable businesses to locate and prosper in the downtown area and the greater Central Business District.
- d. Continue to strengthen downtown’s role as the civic center of the community so that everyone in Longmont feels welcomed and included in civic activities.
- e. Focus downtown physical improvements to achieve a greater degree of accessibility, pedestrian orientation, and historic awareness.

To assist the Council in reviewing this issue, this paper includes background information summarizing what has been done over the past 20 years regarding downtown revitalization.

I. BACKGROUND

A. DOWNTOWN DEVELOPMENT AUTHORITY

The LDDA was created by the actions of the Longmont City Council and the electorate of the LDDA district in 1982 for the purpose of rehabilitating the City’s downtown commercial core. The board is appointed by the City Council for four-year terms and reports to the Council annually regarding its activities.

B. DOWNTOWN LONGMONT MASTER PLAN

The Downtown Longmont Master Plan was prepared by the Longmont Downtown Development Authority (LDDA) and adopted by the City Council in 1995 as an amendment to the City’s Longmont Area Comprehensive Plan (LACP). The following information is taken from that plan and also includes

details from the DDA regarding its specific efforts to implement the Plan's strategies for downtown revitalization.

Implementation Strategies¹

The strategies of the Downtown Master Plan are oriented toward public and government policies and actions which, in conjunction with the private sector (e.g. property and business owners, developers, investors, etc.), will develop a framework for redevelopment of the downtown. It must be emphasized that no single strategy or recommendation will act as a panacea for downtown redevelopment. Some recommendations may have a more noticeable impact than others; however, all the recommendations have a degree of interdependency and are equally important to the overall success of the plan.

The plan recommends that an annual mission and goal statement be devised, adopted and implemented by the LDDA which addresses the priority problem areas, which, if resolved over time, should provide a healthy, safe, secure, prosperous, and convenient downtown. Such an annual mission and goal statement shall be based on projected available funding, and shall acknowledge forecasted projects and funds of succeeding years. Each annual mission and goal statement shall provide flexibility, allowing inclusion of unexpected opportunities which may arise. Blighted areas and deteriorating structures shall be identified and the mission and goal statement shall include methods of halting and preventing such conditions.

Each year, the City, through a team of its professionals and the LDDA staff, prepares for Council's adoption, a 5-year capital improvement program (CIP). Contained within the CIP are projects being pursued by the LDDA which are intended to carry out the goals, policies and strategies of this plan. Those projects should be reviewed annually by the LDDA to ensure they continue to reflect the plan and the goals, policies and strategies therein.

By bringing together the various assets of people, properties, and financing, the goals of this plan can be met, which should ensure the gradual improvement and revitalization of Downtown. The use of yearly mission and goal statements updated monthly in tandem with annual budgets creates a step-by-step methodology to carry downtown revitalization forward over time.

Financing resources are an extremely important aspect of implementing any improvement program. The LDDA has access to tax increment funding, as well as other sources available through the City, more specifically identified below.

The LDDA has had two tax increment bond issues totaling \$4.15 million. The proceeds of the 1986 issue (\$1.55 million) have been used for projects including the rehabilitation, construction, and installation of certain streetscape

¹ *Downtown Longmont Master Plan of Development, 1995.*, pg 66.

improvements, pedestrian passageways, alleys, parking lots and the “original” street lights.

The proceeds of the 1998 (\$2.6 million) issue were used for traffic improvements including landscaped bulb-outs at intersections, landscaped mid-block safety islands with crosswalks, downtown parking lot upgrades and improvements to sidewalks, lighting, landscaping, street furniture and walkway connections.

The DDA also used \$350,000 of TIF revenue for infrastructure at the 6th Avenue Plaza/Village Place development.

With the recent vote to authorize more tax increment debt from the DDA there has been \$142,693 approved for use along with \$45,000 from the Downtown Parking Fund for the cost of the St. Stephen’s pocket park.

Beginning in 1986, a Development Incentive Program (DIP) was initiated where an amount equal to certain City permit fees, paid by any developer, is deposited to a fund specifically for upgrading of public improvements within the district. Projects funded by this method are ongoing rather than part of a specific annual work program. Since its inception, over \$980,000 has been provided to the LDDA to be used to assist in financing revitalization efforts. In 1993, the LDDA established the “Façade Renovation Design and Cost Estimation Program” which pays for the time of a downtown architect to work with a building owner/tenant to prepare design and cost estimates for renovation of the building façade. Fifty-two properties have benefited from this program, ranging from the OUR Center’s landscaping, Park Hotel’s façade improvements, and Roosevelt Place’s streetscape improvements. A complete list can be obtained by contacting the DDA office.

Additionally, since 1984, over \$1,065,500 of Community Development Block Grant money has been used for commercial revitalization in the form of landscaping improvements to the alleyways and loans to businesses to assist in eliminating specific areas of slum or blight as well as improving building facades in downtown Longmont. Over 30 buildings have been renovated, including both simple renovations and historic renovations. These include the Firehouse Art Gallery, the OUR Center Childcare building (formerly the Old Post Office), the Trojan (now Longmont) Theater, the Elks building, the Oddfellows building, Lucille’s, and most recently the Quilter’s Studio. In addition, since the loan funds must be matched with private funding, over \$750,000 of private investment has been made in the LDDA area as a direct result of the CDBG funding.

In 1992, the LDDA submitted petitions to the City Clerk requesting the formation of a Business Improvement District (BID) in the downtown area. The LDDA Board opted to pursue the formation of a BID because, under state statute, such a legal entity has greater powers than a DDA allowing it to conduct promotion and marketing, business recruiting and event coordination as well as funding other operating costs for the downtown area. After holding a public hearing, and

finding that the petitions filed were sign and presented in conformity with state statutes, the City Council passed Ordinance O-92-66 creating and establishing the Downtown Longmont Business Improvement District and approving an operating plan and budget therefore. The budget was dependant on the approval of a mill levy by the authorized voters of the LBID area. On December 9, 1992, the election to approve a mill levy to generate \$40,000 annually (almost 2 mills) failed in a vote of 129 against and 84 for. The LBID still legally exists but, since it has no funding, is dormant. Documentation from 1992 related to the BID is included as Attachment C to this paper.

C. Hyett-Palma Downtown Plan-Overview²

Through the National League of Cities (NLC), and in order to assume a more aggressive role in the area of downtown enhancement, the City Council, in 1997, retained the consultant Hyett-Palma group to prepare a plan to guide the LDDA and the Council, working in partnership with local business owners, property owners and concerned citizens, in rethinking ways to “rebuild” the downtown. The Action Agenda for Downtown Longmont included two sets of recommendations. These recommendations were specifically designed so that the community’s vision and downtown’s market opportunities could be attained.

The first set of recommendations was that a *Development Framework* should be used to guide the overall revitalization and development of Downtown. The second set of recommendations offered a *Course of Action* for local implementation that was anticipated to be implemented by a variety of existing downtown organizations, agencies, and constituents.

The primary emphasis, prior to 1997, in the Downtown Longmont enhancement effort was placed on infrastructure improvements, including streetscape, traffic calming, parking and pedestrianization. As a result, the private sector responded by investing more in Downtown Longmont’s businesses and buildings. Recent building improvements and business openings have been substantial – much more so than in the past.

In 1997, lender confidence was very strong in Downtown Longmont. The local lending institutions in the community generally believed that Downtown Longmont was a good investment and were more than willing to lend funds for the acquisition of real estate and improvement of properties in Downtown. That same year, the LDDA began to move in a new direction and started being proactive in marketing available financial incentives, thereby, stimulating further private sector improvements throughout Downtown Longmont. The Hyett/Palma plan recommended that this approach be continued.

The Hyett/Palma plan stated that “the time has come to redirect the emphasis of the LDDA by focusing on the areas of economic development and marketing,

² *Downtown Longmont Market & Analysis & Action Agenda, 1997*, Hyett-Palma, National League of Cities.

and stressing a stronger partnership to implement the recommended Action Agenda.”

Top Priorities – Action Agenda

The following projects were recommended in 1997 by the Hyett/Palma plan to be undertaken at the earliest possible date in order to enhance Downtown Longmont. Without the implementation of these projects, Hyett/Palma felt the economic future of Downtown Longmont would be severely impaired.

1. ***Proactive business retention, particularly one-on-one counseling***
The LDDA Board of Directors initially agreed with this goal, however, did not feel this was a top priority. The direction in the first five years was to design and build a new streetscape and to work on creating a better mix of businesses downtown. In 2005, the Board identified business retention as a high priority in its budget request for 2006. Funding for a Communications & Outreach Specialist position was requested with business retention being one of the areas of increased emphasis as a result of adding such new resources.

2. ***Aggressive marketing of Downtown and the overall enhancement effort***
The marketing efforts are limited by the operating budget of the LDDA. In better budget times it is the hope of the LDDA to create a marketing package similar to the Longmont Area Economic Council's brochures in recruiting businesses to come downtown. The document could be used by the LDDA office and commercial realtors. Again, the incentive programs help with the marketing efforts. The DIP (Development Improvement Program) doubled in requests since the streetscape project was undertaken. The LDDA has awarded over \$350,000 in mini-grants since 2000, and \$1,056,987 since 1986.

3. ***Completion of physical streetscape improvements in the Downtown Core District***
The streetscape was completed in 2001 with traffic calming devices including bulb-outs, medians and mid-block crosswalks. It also included new lamps, benches, trash receptacles and flower pots. Downtown Longmont received a national award from the American Landscape Architectural Society for its streetscape design.

4. ***Completion of traffic and parking improvements***
All recommended changes from the Ballofet traffic study were completed. The City also created a special Downtown Parking Task Force that recommended several improvements to the parking meter arrangement that has assisted in addressing a few parking problems. Currently, the City and the LDDA have partnered to conduct a study for developing a mixed use parking facility.

5. **Aggressive recruitment of additional businesses**

The LDDA Executive Director works closely with commercial realtors in assisting interested businesses to locate downtown. Again, an active marketing campaign would help in this area.

Current City Actions—In addition to the above items recommended from the Hyett/Palma plan the City of Longmont has also initiated several efforts that complement the LDDA's efforts in downtown revitalization.

1. **Flour Mill Redevelopment** – The City Council approved a redevelopment plan prepared by the Buchanan/Yonushewski Group that called for a mixed use, transportation oriented development for the 3 acre site that is owned by three different individuals. Since Council's approval and support of the mixed use development plan, staff has identified available incentives that would be necessary to implement the plan. The property owners have partnered with a developer who is finishing a proforma that will reveal the financial gap that would need to be filled by the City and the LDDA to determine if a redevelopment project is viable. This information should be ready for the Council's review at the retreat. There is more information on this subject in another retreat paper dealing with redevelopment plan implementation strategies.
2. **Urban Renewal Authority** – This issue is the subject of another retreat paper that identifies the status and next steps associated with implementing the urban renewal plan. This plan, if adopted, would provide several incentives for property owners to redevelop consistent with transportation oriented development principles that would take advantage of the future RTD FasTracks commuter rail station locations at the Flour Mill and the Sugar Factory respectively.
3. **Main Street Redevelopment Planning** – This project is also being discussed in another retreat paper as an opportunity for the City to encourage redevelopment of the portion of Main Street north of Longs Peak Avenue to 17th Avenue. The plan identifies several catalyst sites that appear to be the prime redevelopment opportunities for property owners to pursue. The City is being asked to implement numerous programs in support of mixed use development along this critically important commercial corridor. The other retreat paper is intended to assist the Council in determining which strategies should be implemented and what resources are necessary.
4. **Longmont Area Comprehensive Plan (LACP) supports mixed use development** – The updated LACP along with the new development code encourages mixed-use development along Main Street and allows significant flexibility to accommodate such development. Although no true

mixed use project has emerged downtown or along Main Street, there have been several areas that have redeveloped without requesting public assistance even in a relatively soft commercial market.

II. FINANCIAL BACKGROUND

Staff has provided supporting information on LDDA financial resources to City Council, most recently in early November. That information has been updated slightly along with some other related financial information and included as Attachment A and Attachment B to this paper.

III. POTENTIAL REVITALIZATION PROJECTS AND EFFORTS

The following is an accumulation of projects or efforts that have been identified over the past fifteen months by the LDDA Board. While some of these efforts have been discussed more than others they all are currently in a status of not being considered to be fully funded at this time.

1. Parking structure – Mixed Use Development

This project has been under design during the latter half of 2005 and will return to the City Council for further consideration in 2006. While the LDDA does have some TIF revenue available to put toward this project, it is still considered partially funded as the City has not identified resources to put toward the effort. The project could be a collaborative effort between the LDDA, City and/ or private developer. As a possible mixed use development it also presents the potential of meeting other identified projects or efforts for revitalization of downtown.

2. Special District Study

The LDDA requested funding of \$60,000 in the 2006 budget for this effort but it was not funded. The goal of the study would be to locate a means to secure funding that would provide much more flexibility in spending on efforts such as marketing.

3. Business Recruitment/Development

This effort could include the development of recruitment materials; prospect development efforts; attendance at trade shows; and advertising efforts. This type of effort was identified above as #2 and #5 on the priorities from the Hyett/Palma Action Agenda. The LDDA requested funding of \$25,000 in the 2006 budget for this effort but it was not funded.

4. Business Retention

This is another effort that the LDDA proposed to take on in 2006 in their budget request. It would include business retention efforts through business seminars; business roundtables; public relation efforts; and the development of retention materials. It is included above as #1 on the priorities from the Hyett/Palma Action Agenda. The request for \$15,000 in 2006 was also not funded.

5. Community Relations

The LDDA requested \$10,000 in the 2006 budget for this effort which would include special events, advertising efforts and commencement of Heart of Longmont merchant meetings. It also was not funded.

6. Communications and Outreach Specialist

This effort would involve the addition of an FTE to coordinate a business retention program, Heart of Longmont merchant meetings, event coordination, promotional activities, and to develop a "Keep Downtown Beautiful Program". The LDDA requested \$62,300 for this position in the 2006 budget and it was not funded.

7. Create a Public Gathering Place

This is a concept of creating some sort of plaza which would be used as a public gathering place. It has been included in some of the proposed scenarios for the parking garage but does not necessarily need to be tied to that project. An outdoor plaza could also be designed by closing off an avenue on either side of Main Street. A public gathering place was identified as a high priority in the "Focus on Longmont" strategic planning effort.

8. Bring an anchor downtown

This concept would utilize public funds to either provide the incentives or necessary public improvements to lure an anchor to the downtown. An anchor development could be a retail establishment, a retail center or even a hotel. Other cities have seen revitalization occur through the addition of an anchor to their downtowns. Burlington, Vermont added a Filenes department store; Boulder has a Borders book store in a mixed use parking structure; and Appleton, Wisconsin has a hotel and performing arts center.

9. Gateways

Create a gateway to the entrance of the downtown district. Gateways could include signage, monuments or landscaping.

10. Develop 3rd and Main Street with the Historic buildings on the corners

This effort would be to identify a look that would complement all four buildings on the corners.

11. Develop an indoor mall or outdoor plaza

A large building downtown could be acquired to develop into a small indoor shopping center with small boutiques and cafés. This could be viewed as a small retail business incubator.

IV. Discussion Questions

In reviewing the history of actions and strategies taken by the LDDA, the recommendations of the Hyett-Palma Action Agenda, and the current potential actions and projects that have been identified two key needs or conclusions can be drawn: There is a need for additional financial resources to accomplish any of these efforts and there needs to be a means to legally provide services like marketing and business recruitment, development and retention. In light of these needs the following questions should be asked:

- 1) With limited LDDA financial resources, does the City Council wish to assign a higher priority on any of the above projects and efforts or eliminate any from further consideration?
- 2) Does the Council and the LDDA Board wish to revive the dormant Downtown Longmont Business Improvement District to provide the marketing, business recruitment, business development and business retention efforts downtown?
- 3) The LDDA requested funding from the City for 2006 for a number of efforts which were not funded. With limited General Fund dollars and increasing demands on those dollars (such as public safety) does the City Council wish to consider new resources such as a) an increase in the LDDA mill levy; b) a new mill levy for the Downtown Longmont Business Improvement District (BID); or c) proposing a sales tax for downtown revitalization efforts?
- 4) Does the Council or LDDA Board require any information to assist each group in assessing how well the goals identified in the Hyett/Palma and LDDA Master plans are or are not being achieved? Vacancy rates, available space, new space constructed etc., are examples of such information.
- 5) Should the Council and LDDA collaborate on the mission and goal statements that are prepared annually as a way to discuss the future year's work program?