

LDDA Board Communication

Meeting Date: Wednesday, October 25, 2023

Current Incentive Fund Availability:

Retail Conversion: \$41,587	Signage: \$7,610	DIP: \$477,946	Alleyscape: \$11,089
Residential: \$19,749		TIF: \$3,489,079 (net projected available)	

Agenda Item: Incentive Application - Hotel Longmont

Executive Summary: Hotel Longmont is doing the formal application for its TIF Investment Program incentive. Much of the financial analysis and TIF allocation work was done when the initial incentive package was announced.

Incentive amounts are outlined in the “Purchase and sale and development agreement among the Thrash Group, The City of Longmont, The Longmont General Improvement District #1, and The Longmont Downtown Development Authority for a Boutique Hotel” dated December 8, 2022.

Developer Submissions to LDDA. Subsequent to the Insurable Title Date, Developer shall timely submit to the LDDA a formal application for tax increment financing ("TIF") and supporting materials in accordance with LDDA's requirements under its TIF Investment Program. LDDA acknowledges that Developer will be seeking TIF reimbursement of **not more than \$2,300,000.00** beginning from the first year that TIF is generated from the Hotel Project so long as TIF is statutorily authorized) from 100% of the tax increment generated directly and solely from the Hotel Project, to be used toward eligible improvement costs (excluding soft costs) paid by the Developer and not otherwise reimbursed by the LDDA or the City. This TIF package must be approved by the LDDA Board of Directors and Developer will be required to enter into a facade easement agreement (the "Facade Easement Agreement") generally in the form attached hereto as Exhibit B and grant a facade easement to the LDDA. The amount that Developer receives from the TIF through the Facade Easement Agreement shall be applied to the Funding Cap. Developer acknowledges that the LDDA's consideration of the Facade Easement Agreement will include review and approval of the design of the Hotel.

DIP Grant. LDDA acknowledges that subsequent to Closing, Developer will be seeking a DIP grant (the "DIP Grant") of **approximately \$400,000.00** under the LDDA Development Incentive Program ("DIP"). Eligible costs to qualify for payments from the DIP Grant include public utility upgrades, public improvements, public landscaping and streetscape improvements, building facade improvements, exterior lighting, interior building and fire code related improvements to make retail space restaurant ready ("DIP Eligible Improvements"). Any and all payments or reimbursements made to the Developer for or related to the DIP Eligible Improvements shall be reimbursed once and only once. The DIP Grant shall not exceed the actual dollars contributed to the DIP Fund from the Project for the DIP Eligible Improvements. At such time as Developer submits a formal DIP Grant application, LDDA will review and process such application. The DIP Grant must be approved by the LDDA Board of Directors and Developer will be required to enter into a DIP grant agreement (the "DIP Grant Agreement") with LDDA prior to commencement of construction of the Project. The amount that Developer receives from the DIP Grant shall be applied to the Funding Cap.

Staff is reviewing bids and eligible expenses, including doors, windows, brick work and parking structure expenses.

Recommended Motion: Approve formal TIF and DIP applications.

Agenda Item: Incentive Application - 385 Main St., High Plains Bank

Executive Summary: High Plains Bank purchased 385 Main St. They are relocating one of the signs from another bank location to this new location. The sign design has been approved and it meets the Downtown Sign Design Standards. They are applying for a Sign Grant to fund the relocation costs of moving the sign to the new location. John Creighton is CEO of High Plains Bank and serves on LDDA Board, so staff is seeking Board Approval for this grant. The total cost of the project is \$9,430 and they are requesting 25% reimbursement of \$2,357.50.

Recommended Motion: Approve the Signage Grant for \$2,357.50

Agenda Item: 2024 Events

Executive Summary: Staff has worked with Block Captains and Retail/Restaurants in getting feedback on events. Attached is an event matrix for annual event and marketing opportunities. Overall, smaller, focused events have a larger impact on storefront businesses. Those that get visitors inside the business are more helpful than those that are gathering outdoors, although there is a need for both type of opportunities.

Changes would include not hosting a monthly arts/culture event. In the past few years, efforts outweigh the benefits. The proposal reduces the concert series to one summer kickoff concert.

Staff will work with business owners to apply for a [Retail Establishment Permit](#) to be involved in event collaborations. This permit application will likely not replace a larger event license if we continue to charge for events such as Wine Walk. Additionally, focusing an event similar to our Slope event for the businesses on the north end of the district can be beneficial.

Another focus for 2024 can be increasing DDA support to promote events/activities that are orchestrated by business owners themselves. Looking at tool kits, checklists and in-kind advertising, DDA can incentivize business owners and set expectations for support.

Leveraging collaborative marketing efforts will be important for 2024. Exploring nightlife, specialty holidays and other opportunities can focus outreach efforts.

DDA will follow up with retail/restaurant businesses for more feedback on Monday, November 6.

Event/Marketing Goals in the Master Plan include:

RETAIN AND GROW LOCALLY OWNED AND OPERATED BUSINESSES.

- A. Promote Downtown as the hub for locally owned businesses and support locally owned businesses.
- B. Celebrate Longmont's history and ethnic diversity by identifying and attracting businesses and cultural organizations associated with ethnicity within the community.

MANAGE IMPLEMENTATION OF THE CREATIVE DISTRICT AS A DESTINATION FOR ARTS, CULTURE, AND ENTERTAINMENT.

- D. Create a comprehensive marketing and promotion program coordinated with other Downtown marketing.

COLLABORATE WITH LOCAL ARTS GROUPS TO INCREASE AND ENHANCE CREATIVE, MULTI-CULTURAL, AND ARTS PROGRAMMING AND VENUES IN THE DISTRICT.

D. Curate and promote events that showcase creativity, art, heritage, and culture, and have multicultural appeal.

Staff would like to discuss proposed changes and get direction/expectations for 2024 with the Board.

Agenda Item: Parking Permit Rates for 2024

Executive Summary: At its last meeting, DDA discussed updated parking permit rates for 2024, to encourage different price points for parking throughout the DDA District.

Below, please see proposed rates:

LOTS	Current Price	2024 Price
300 W; 400 E; 500 E; 600 W	\$36	\$36
200 E; RPA	\$20	\$20
Spoke	\$36	\$10 (w/2 months free)

Recommended Motion: Recommend to Longmont City Council they it amends the parking permit rates for 2024 as outlined above.