

LDDA Board Communication

Meeting Date: Wednesday, February 28, 2024

Current Incentive Fund Availability:

Retail Conversion: \$29,114	Signage: \$6,542	DIP: \$547,166	Alleyscape: \$11,089
Residential: \$19,749		TIF: \$4,531,099 (net projected available)	

CONSENT AGENDA ITEMS:

1. a. Approval of Board Meeting & Retreat agenda
1. b. Approval of January 24, 2024 Board Minutes
1. c. i. Approval of City and Longmont Downtown Development Authority Intergovernmental Agreement
1. c. ii. Approval of General Improvement District (GID) and Longmont Downtown Development Authority (LDDA) Intergovernmental Agreement

Executive Summary: Annually, the LDDA enters into Intergovernmental Agreements (IGAs) with both the City of Longmont and the Longmont General Improvement District #1 (LGID). Links are provided for both.

Minor changes were made, including updating dates, clarifying events, updating City departments and financial figures. This year, LDDA will receive \$11,500 for holiday lighting from the City of Longmont, an increase of \$6,500 over 2023.

If approved, IGAs will be on the agenda for the March 5 City Council Meeting.

1. d. 516 Main Incentives – Retail Conversion and Façade Grants

The property owner of 516 Main St. is applying to renovate the front space of the building for a new restaurant. The renovations include dividing the building into two spaces, building a new corridor to the back of the building/alley side, upgrading electric, plumbing and bathroom, new flooring, cabinets, storefront, and metal awnings on front of building. They are requesting \$22,500 for the Retail Conversion and \$17,785 for the Façade Renovation. They have a signed lease for the front space. Total eligible Retail Conversion costs are \$121,416 and \$71,140 for the Façade Renovation. The Total project cost is \$252,260. Their financials were approved by the Finance Committee and we are awaiting approval from LEDP for their match to the grant.

Motion: Approve the Retail Conversion grant for \$22,500 and the Façade Renovation grant for \$17,785.

New Business:

4. a. Granary – Tax Increment Financing (TIF) Investment Program and Façade Renovation (DIP) Grant

Executive Summary:

Project overview: After the initial Board review of The Granary project, 320 Granary has presented its bids and eligible expenses for the project. As part of the TIF/DIP programs, eligible expenses include all exterior façade updates/additions, the public plaza, as well as hood systems and other code related investments to make the space restaurant ready.

Applications were included in your [December packet](#).

Staff has reviewed costs and funding amounts. ([see eligible expenses](#)) The Finance Committee has reviewed the loan commitment.

Funding Proposal: 320 Granary Owner LLC is requesting the maximum amount allowed under these programs. The adaptive reuse of this historic building takes a great amount of cost and effort. It preserves a piece of Longmont's heritage but needs to be completely rehabbed for today's use. This building has been vacant for more than 10 years.

The project strongly supports the program goals listed below:

- Promote/support private development
- Exciting, active, vibrant downtown, creating an 18-hour, 7-day economy
- Grow the employment base and improve diversity of businesses
- Showcase Longmont's abundant local creativity and culture, increasing the sense of place in the district
- Enhance the viability of the downtown by providing a desired use or mix of uses
- Environmentally restorative, responsible and accountable
- Design projects that ensure a well-connected and easily accessible downtown environment
- Historic character – enhance and honor what is here

TIF Investment Program Funding

The TIF Investment funding level is typically determined using three main factors:

1. 10% of the total value of improvements as determined by the Assessor's valuation;
2. Supportable tax increment funds generated by the project (up to 25% contribution for residential and up to 50% for commercial) and;
3. The total amount of eligible features for façade improvements and public improvements in the right-of-way.

Longmont Downtown Development Authority

**TIF Investment Program and DIP Worksheet Summary
Financial Summary**

Project Name	Granary Food Hall & Commercial	
Project Address	320 2nd Avenue, Longmont CO	
Proposed Uses	Food Hall and Commercial	
Total Building Square Feet	28,064	
TIF Investment Program		
TIF Investment Program Funding Guidelines Criteria		
1. 10% of the total value of improvements as determined by Assessor's valuation		
	Total Value of Improvements	\$11,950,000 from Boulder County Assessor Estimate of Value
	10%	\$1,195,000
2. Supportable tax increment funds generated by the project		
	Annual tax increment generated	\$2,699,289 Assumes 50% of commercial for 25 years \$107,972 At 50% less base amount
3. Total amount of eligible features for façade improvements		
		\$846,601 From Eligible Features worksheet
<i>Note: LDDA typically funds the lowest of the three factors above</i>		
Staff Recommendation		
	Total amount of Eligible Features for Façade Improvements	\$846,601
Development Incentive Program (DIP)		
	Estimated amount	\$134,451 From DIP Estimate Worksheet
Public Investment Summary		
	TIF Investment Program	\$846,601
	DIP	\$134,451
	Total Public Investment	\$981,052
	Total Private Development Cost Estimate	\$13,521,703
	Public Investment % of Total Development Cost	7%

Staff recommends we award the full amount of eligible Façade Expenses - \$846,601 through the TIF Investment Program. These dollars will be repaid to 320 Granary LLC, each year, as increment is generated.

Façade Renovation Funding (DIP):

DIP: As part of the Redevelopment & Reimbursement Agreement (RRA) in 2015, the Board authorized 100% of the DIP fees paid into the South Main Station apartment project be reimbursed to the developer at CO of the project. Staff recommends that the Board consider the same, allowing for 100% reimbursement of any DIP fees paid to the LDDA for reinvestment in this project.

Staff evaluated the project based on the [scoring matrix](#) and recommends approval.

Board Recommendation:

Move to approve a TIF Investment Program Award of \$846,601 and a Façade Grant Award equal to the amount of money paid into the LDDA DIP fund for this project, projected to be \$135,000.

7. a. Agenda Item: Longmont Creates Contract for Services

Executive Summary: In the past few years, the Longmont Creates organization has built a strong board and engagement with the Creative Community. Partnering with Front Range Community College and other Creative Organizations, a successful Creatives Retreat was held in January. Earlier in 2023, the first-ever

Longmont Arts Week was held. Creative Happy Hours continue to bring more than 50 community members each event.

This year, it is our time for the Creative District recertification through the State of Colorado, With strong leadership and growing momentum, now is the time to start transitioning management of the Creative District to Longmont Creates.

Staff worked with the Longmont Creates Board Chair to develop a contract for services. The attached contract includes transition of management and implementation of the Longmont Creative District to Longmont Creates, with the LDDA continuing to partner and assist in these efforts.

Funds are available from the Arts District allocation in the LDDA's Construction Fund.

Board Recommendation: Move to approve Contract for Services with Longmont Creates for \$20,000 for management of the Longmont Creative District.