

1 **Report from LIFT (Littleton Invests for Tomorrow), Littleton’s Urban Renewal Authority,**
2 **to City Council**

3 **City of Littleton, Colorado**

4 **October 22, 2019**

5 **INTRODUCTION**

6 As stated on LIFT’s website, Littleton’s Urban Renewal Authority is charged with revitalizing
7 our community. City Council created LIFT “to involve residents, property owners, potential
8 developers, local businesses, community leaders and city staff to foster community development
9 and redevelopment.”

10 Urban renewal is currently authorized in a northwest portion of the city known as the Columbine
11 Square Urban Renewal Plan. As stated in the Plan, this portion of the city has been designated as
12 “a blighted area under the Act [the Urban Renewal Law of the State of Colorado].” As stated in
13 the Act, “the powers conferred by the Act are for public uses and purposes for which public
14 money may be expended.” Per Sec. 3.0 of the Plan, the purpose of the Plan is to “reduce,
15 eliminate and prevent the spread of blight and to stimulate growth and investment within the
16 Area boundaries.” The Plan goes on to state that “this Amended Plan is in the public interest and
17 necessity, such finding being a matter of legislative determination by the (Littleton) City
18 Council.”

19 In short, LIFT’s job is to help enhance the area identified in the plan, and help it evolve from
20 underperforming to a desirable area for the citizens. In order to clearly reflect the desires of the
21 citizenry, LIFT has sought to learn opinions of residents and businesses of the area repeatedly as
22 visions for the area have clarified. LIFT has sought ideas that respect the area’s history, culture,
23 and strengths while encouraging improved cultural, environmental, social and financial
24 performance.

25 **EXECUTIVE SUMMARY**

26 Lift has been working to determine the best action options to create city and citizen benefit.
27 These options have evolved over time with assistance from council, staff, and community
28 interviews from the Envision Littleton process, as well as urban renewal-specific interviews
29 recently conducted by Economic & Planning Systems (EPS) under joint contract to the City and
30 LIFT.

31 The Board has determined that there are two primary, mutually-exclusive options at this time
32 (the following are not presented in any order of preference.)

- 33 • **Assist developer or developers.** LIFT would utilize LIFT’s Urban Renewal powers to
34 enhance the development of Columbine Square Urban Renewal Area in a way that
35 maximizes city benefits and seeds other area development.
- 36 • **Direct Infrastructure Investment.** LIFT would create infrastructure or other
37 development seeds that will draw a development template for the area, consistent with
38 Envision Littleton and the Comprehensive Plan. An example of this would be to create a
39 Littleton gateway at the entrance(s) to the urban renewal areas south of Bellevue. The

40 goal would be to eliminate fuzzy transitions between cities for drivers and make it
41 impactfully clear to travelers that they are entering one of the top Small Cities in the
42 United States. Building such a gateway would eliminate blight (as required by the Act)
43 and replace it with a statement of Littleton’s economic, cultural and local character.

44 There is additional work to be done for project definition and financing to emerge. Our intent is
45 to create a community-driven model that includes walkability, sustainable development, and
46 live-work-play considerations.

47 **NEXT STEPS**

48 **Columbine Square**

49 The property known as the Columbine Square Shopping Center has been found by Council to be
50 a blighted area and continues to cause particular concern (as reflected in the EPS survey
51 described above) to the businesses of the area. The Board desires to entice the owner/developer
52 to use urban renewal. The Board has been working to establish contact with the owner/developer
53 of Columbine Square, to discuss the possibility of using urban renewal to enhance the
54 development for the benefit of the city, the community, and the developer. Although the Board
55 has not received a clear message from the owner, LIFT will continue to aggressively pursue
56 contact and effective interaction with the land owner, including the possibility of personal visits
57 from LIFT representatives, until a definitive answer about their desire to use urban renewal can
58 be obtained.

59 We must acknowledge that public concerns about urban renewal, and the work of some
60 individuals against urban renewal, may have softened the developer’s desire to move forward
61 until the city and the board’s commitment is affirmed. Council and LIFT need time to continue
62 working to build that credibility and to have our process evolve.

63 **Seed Development**

64 While some seed development concepts were identified in Envision Littleton and its Legacy
65 documents, the Board will work with architects, planners, the neighborhood and business owners
66 in developing those concepts and the approaches that represent the best interests of all.
67 Consultants with the City have spoken to LIFT about the Belleview Corridor and urban renewal
68 area and ways to eliminate blight. LIFT has also heard presentations on Envision Littleton and
69 other initiatives. We have discussed methods to seed infrastructure that can serve as templates
70 within the guidelines and spirit of Envision Littleton.

71 **Future Project Preparation**

72 LIFT has discussed the longer-term task of developing preliminary work for other potential
73 urban renewal areas. While the trigger for assessing additional areas may include the success of
74 Columbine Square URA, we are confident that there may be other opportunities to benefit the
75 city through the proven financing tool of urban renewal.

76 **Financing**

77 The Board has identified several financing options should a project move forward and have
78 communicated with financial institutions who have expressed an interest in working with LIFT
79 to develop an effective financing package. As we move forward, we may consider a Request for

80 Information (RFI) from financial service providers to determine their level of interest and/or
81 capabilities as part of the process development.

82 LIFT currently holds about \$150,000 in unrestricted cash with prospects of receiving \$80-
83 \$100,000 per year for the next 19 years. In current terms, that could translate into assistance of
84 roughly \$1.7-\$2 million, enough to act as a catalyst for a project that would not have to be paid
85 from city budgets. (Any such prospects are subject to the extension or repayment of LIFT's loan
86 from the city, mentioned below.)

87 LIFT can also issue revenue bonds, which are backed by TIF from the specific project. The
88 amounts of the bonds would be dependent on anticipated income.

89 Property owners could establish a metro district with Council's approval. The combination of
90 LIFT's TIF, along with a metro district, and the property owners agreeing to a Public
91 Infrastructure Fee (PIF) would be a powerful tool and incentive for developers to deliver a result
92 that benefits the city, developers and community at large.

93 LIFT may also consider guaranteeing a portion of a developer's debt. The debt would need to be
94 related to urban renewal authorized expenditures but could be a significant incentive.

95 LIFT has a loan currently outstanding to the city which is due by December 16, 2019, which the
96 parties should agree to modify and extend.

97 **Non-Project Intervals**

98 The Board has contemplated that, should there be long intervals without urban renewal projects,
99 LIFT would continue to refine practices and procedures for future projects. Such procedures and
100 practices, which define the steps that must be taken by all parties, help the City prevent costly
101 delays and missteps when projects arise.

102 **Specific Challenges of LIFT**

103 Most of the city's boards and commissions utilize rotating member terms and the assistance of city
104 staff in a manner that assures the preservation of institutional knowledge and process. However,
105 the entire LIFT board has turned over its membership since 2017 with limited guidance or such
106 institutional knowledge. While the board knew the expressed goal (to remedy blight), the board
107 spent much time reviewing the requirements and establishing administrative practices in
108 anticipation of an incoming project. In the past few months, the board has transitioned from
109 administrative-heavy meetings to opportunity exploration and analyzing the best course and
110 benefit for urban renewal in Littleton. The results of that transition are discussed above.

111 The Board requests that City Council take a lead in coordinating between Council, the Planning
112 Commission and LIFT. Due to the amount of capital involved in urban renewal projects, council
113 and the board should develop a process that fine tunes the project sooner rather than later and
114 assures that the steps of all the cooperative bodies are timed as closely as possible, resulting in a
115 dovetailed approach. It is in everyone's best interest to avoid late-term project rejection. Due to
116 the need for coordination, we request that City Council lead that interdepartmental process
117 establishment.

118 The development of a unified approach is also necessary for LIFT to put a proper urban renewal
119 application in place that will delineate the pathway from concept to construction.

120 Our path and opportunities will be further clarified if Envision Littleton is successfully adopted.
121 While we have worked under the assumption that it will be passed, we should not proceed far
122 into the planning stage until Envision Littleton is final.

123 **CONCLUSION**

124 Urban renewal is a complex process. The first key to success is to work continuously with the
125 people who live and work in the area and to be sure the area's strengths and culture are preserved
126 and enhanced, while responding to the area's challenges and quirks. This process takes time and
127 an open, thoughtful blending of past and future considerations. It also requires the coordination
128 and integration of City Council, Planning Commission, staff, LIFT, financing, the community,
129 and land owners. The authority must care for local interests in a symbiotic way with that of land
130 owners, some of whom may be from out of the local area. This requires an involved, thoughtful
131 planning process.

132 In recent months, the board has worked to define its structure and work, identify development
133 options, decide on responsibilities within the board, and identify financing capabilities.

134 The Board is moving toward the delivery of meaningful, effective urban renewal efforts that will
135 considerably enhance the city as a whole. We are committed to that task and ask for your
136 continued support.

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