RECORD OF PROCEEDINGS

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
RiNo BUSINESS IMPROVEMENT DISTRICT

HELD:

Tuesday, March 12, 2019, at 3:00 p.m. at RiNo Offices, 3501 Wazee St. #109, Denver, Colorado

ATTENDANCE:

The meeting of the Board of Directors of the RiNo Business Improvement District, City and County of Denver, Colorado was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Justin Croft
Sonia Danielsen
Rachel Rabun
Andrew Feinstein
Ari Stutz
Bryan Slekes

Also in attendance were: Tracy Weil, John Deffenbaugh, Amanda Kriss, and Alye Sharp, RiNo Art District staff; Lisa Gedgaudas, Arts + Venues; and Shannon Joern and Will Law, Artspace.

Director Josh Fine was absent, absence excused.

CALL TO ORDER:

Director Croft noted for the record that a quorum was present, and on behalf of the Board, called the meeting to order.

APPROVAL OF MINUTES:

The minutes from the February 12 Board meeting were reviewed by the RiNo BID board via email prior to the meeting. Upon motion duly made, seconded, and unanimously approved, the minutes will be posted on the RiNo BID website.
Mr. Weil reviewed the financials, noting that the BID received $357,000 in revenue from property tax assessments late last week. He noted that the financials are pretty straightforward at this time.

The Board also reviewed the audit report of 2018 financials, to which Director Feinstein clarified that the BID brought in $1.1 million in revenue last year.

The Board voted unanimously to approve the audit.

**BIKE LANES ON BRIGHTON MAINTENANCE AGREEMENT:**

Mr. Weil updated that Board that they’re still waiting on contract from the city for RiNo to manage the snow removal from the Brighton Blvd. bike lanes. However, he noted that RiNo took care of the last couple of snowstorm clearings.

Director Croft clarified that because there’s no contract, there’s no way to get reimbursed as of right now. Mr. Weil said that the BID has also been clearing Walnut for almost a year and have yet to be reimbursed because the contract was never finalized. He added that there will also be a 10% management fee that the RiNo Art District (RAD) organization will keep since RAD staff is administering.

Director Croft added that they should put pressure on the City and the Board agreed that the BID should stop managing the maintenance if the contract isn’t finalized. Director Stutz said the contract should also have a late fee provision.

After a motion for the BID to assign the 10% management fee to the RAD to implement the contract for the snow removal, the motion was passed unanimously by the Board.

**RINO DESIGN REVIEW GUIDELINES:**

Mr. Deffenbaugh presented a request to the Board for an extra $3000 to finalize the design guidelines that the BID has worked on for the past couple of years. Mr. Deffenbaugh elaborated that the graphic design is a bit confusing and hard to read with the main points getting lost. He’d like to use these funds to finish the document from a graphic design perspective. Mr. Deffenbaugh said that he would like to request an additional $7000 for printing costs.

Director Danielsen asked about how many pages, to which John said there are 39. Director Feinstein asked why we need to print it at all, with Director Danielsen adding that it shouldn’t be more than $1000 to print these. Director Feinstein said that if the BID would like to print, they should consider 50 copies to start. Director Croft said the BID already paid another firm for
the graphic design, so he asked if it would be the same firm, or if it would be another. Director Croft asked about the graphic design firm, saying that OTEK [the company who wrote the content of the guidelines] paid Mast out of the total. Director Croft said they should first go back to Studio Mast, and tell them they need to fix it.

Mr. Deffenbaugh brought the current iteration of the guidelines up on the screen. Director Feinstein asked if he could use this to give to developers in the meantime, to which the board agreed this is fine for the meantime. Director Slekes said that he thought it properly conveyed the message, but Director Feinstein said he thought that if John thought it would be better within the additional $3000 that the Board should vote to let them try to make it better. Mr. Deffenbaugh added that it’s possible that Eva could also make some amendments in-house, at which point they wouldn’t need the $3000. **Motion to approve $3000 for Mr. Deffenbaugh to allocate to sprucing up the guidelines.** Mr. Deffenbaugh will send printing budget to the Board once he has bids upon which time they’ll decide on that.

**TRASH + RECYCLING PROGRAM:**

Mr. Deffenbaugh presented an approval paper on a proposed trash and recycling program for the district, noting that he was not asking for funding at this time, just for input. Mr. Deffenbaugh said that he’s been engaging with Site Pieces, a company made up of young-ish entrepreneurs, architects and landscape architects that are now street hardware designers, and that they’re doing a lot of work at no cost. He noted that the images included are the initial look they sent, which includes the RiNo look and corten steel. He added that Appendix B is what they DON’T want, (more standard, but opportunity for customization).

Mr. Deffenbaugh also presented servicing options, including Alpine doing it as a contract. He added that the second alternative was a “day porter” process – smaller trucks picking it up and transporting it to Alpine to finalize. Mr. Deffenbaugh recommends either Alpine picking up directly or having a day porter to transfer to remote storage. He said the day porter option could be cheaper and also allows for more flexibility in can size/shape.

Mr. Weil said that there’s also the option to explore hiriring Day Works for trash pick-up. Mr. Deffenbaugh said he’ll return in June with a proper recommendation and firm costs. He reminded that Board that $95,000 was allocated in 2019 for a trash + recycling program.

Director Danielsen asked if the GID should be paying for trash cans/removal on Brighton Blvd.? She also asked if Mr. Deffenbaugh has been talking to anyone else besides Alpine, to which Mr Deffenbaugh said not yet; utilizing just Alpine for now was for illustrative purposes. Director Danielsen also asked about if there are any companies that own and empty the trash cans so we don’t even have to buy them. Director Croft said that trash cans aren’t the way to create an
identity for themselves and he and Director Danielsen agreed that function is more important than aesthetic.

Mr. Deffenbaugh said he’s just asking the board to approve the project objectives at this point. He said he’s hearing that the Board doesn’t want them to be prominent, but also not “bleh”, so he will look toward some sort of middle ground. The Board reassured Mr. Deffenbaugh that they’re on the same page with the middle ground and Mr. Deffenbaugh will explore the options presented above.

Director Croft said the objectives should say it’s also a way to do social good as well as environmental good, like employing homeless, etc. He noted that this should be a part of every project/program.

Director Croft added that we should strike the compost idea because it will be contaminated too easily.

**PARKING + MOBILITY STUDY:**

Mr. Deffenbaugh noted that he has a call with Directors Stutz and Croft tomorrow at 1 PM. They haven’t sent the draft yet because they’re “getting it right” – getting it tomorrow at noon and they’ll talk through. He said he’ll get internal comments together to get back to Nelson\Nygaard after that.

**ARTSPACE:**

*Shannon Joern + Will Law*

Ms. Joern began with an update on where Artspace is on their three-year effort thus far to bring Artspace to RiNo. Her update included the following:

In 2014, Denver Arts and Venues reached back out to do a more customized scope/feasibility focused on North Denver, and it was clear that there was a real need for live/work space for artists. She clarified that they’re a non-profit development model; they assemble finance and funding so affordable rents cover operations long-term. Part of this process after demonstrating feasibility is finding the right site, which they found in Westfield.

So, for last three years:

Mid-2016: MOU with Westfield
2017: Phase one of Westfield’s project began construction (currently under construction including a 5000-seat music venue) Artspace was moved to the first phase.
Director Feinstein clarified that Artspace typically owns the land themselves. He then asked about who the typical land-seller is? Mr. Law replied that 2/3 of Artspace’s work is done in low land value/blighted areas; often got the land is acquired for $1 to catalyze growth from a municipality or foundation. The other 1/3 is high land value areas – established communities like NYC, Seattle, Minneapolis – where land is expensive but affordable housing is a priority. He noted that system in Denver is “emerging” but not established, as there’s been explosive growth, whereas in other cities, they grew incrementally with time for adequate affordable housing policy to be established.

Ms. Joern continued that they then got busy with a finance model, noting that the “tried and true” model included a 9% tax credit allocation from the state. However, CHFA was clear that there was a five-year minimum before another award would be given out since they just gave one to the 38th and Blake station affordable housing project. Ms. Joern noted that State LIHTC was also not viable. Therefore, she stated that they decided to go with the 4% Affordable Housing Bond model and create a concept for 85 affordable live/work units all between 30-60% AMI with 3,000 SF of community program/exhibition space. She noted that the total budget is approx. $30M with more debt than they typically like to have. She added that DURA became a big part of the conversation with a $5.5 M portion of the budget, but that DURA agreed to $5.5M to Artspace only, with $0 to Westfield. DURA also would force Westfield to sell to Artspace for a reduced rate. As a result, Westfield, under investor pressure, could not reserve the land for Artspace and released it to another commercial partner. Mr. Law added that Westfield really wanted it to make it work, but they just couldn’t due to the strict requirements by DURA.

Ms. Joern finalized the summary by saying that there is currently no viable site in RiNo. She added that it’s critical that available land and purchase is no more than $1M. She clarified that CHFA is still not viable for years and that the current gap on the 4% model she overviewed is big at at least $5-6M.

Director Croft asked how this would look different in a more mature market, to which Mr. Law said they’ll often subsidize land acquisitions straight up; Denver just hasn’t had time to develop some of these strategies – politics are different, but changing rapidly, but there just currently isn’t the depth in those resources.

Director Feinstein asked if there’s anything RiNo can do, or is this just an update, to which Mr. Law said it would probably take a benefactor with land.
Director Feinstein asked if one of the park buildings is a possibility? Mr. Deffenbaugh said it seems like they’d be sacrificing some of the park and its own important uses for affordable housing, but it seems there could be a better solution through other land options in RiNo.

Mr. Law added that it’s possible the 4% could increase to fill some of the $5-6M gap.

Director Feinstein asked if they’ll continue looking in RiNo, to which Mr. Law said that the deal with Westfield isn’t completely dead, just in its current iteration, and that they will continue to explore sites in RiNo.

Director Croft asked about OED, to which Ms. Joern said that OED and DURA are still interested, they just need more conversations.

Director Feinstein said a solution could be to find a site then utilize a few developers’ affordable offsets into that site – they would just write checks to subsidize the project. Director Feinstein asked if Artspace could get back to them with their minimum square footage requirement.

Mr. Weil said that Artspace will also be at the Art District Board meeting on Tuesday, to which Mr. Law said that they can come to any meeting if it’s beneficial since they’re located here in Denver.

**ADJOURNMENT:**

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the RiNo Business Improvement District.

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Secretary to the Board