STUDY SESSION MEMORANDUM

TO: Members of City Council

FROM: Jane S. Brautigam, City Manager
Bob Eichem, Chief Financial Officer
Mary Ann Weideman, Assistant City Manager
David Driskell, Director, Department of Planning, Housing & Sustainability
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DATE: November 25, 2015

SUBJECT: Study Session – December 8, 2015
- CU Conference Center/ Hotel Update
- University Hill Reinvestment Strategy Update

I. PURPOSE

Staff will provide an update on the University of Colorado, Boulder (CU) hotel/ conference center project and seek City Council feedback on the key issues and city objectives that staff should represent moving forward when collaborating with the university.

Staff is also returning to Council with additional information on public financing options to facilitate the construction of public improvements on the Hill, and how these might apply to public improvements on the 'catalyst' sites in the Hill Commercial Area (HCA). Additional materials will be provided to update the Council on the 2015 Hill Reinvestment Strategy (HRS) accomplishments; the proposed 2016 HRS Work Plan; and the activities of the Hill Reinvestment Working Group (HRWG), which is exploring long-term governance funding mechanisms for ongoing improvements to quality of life and economic vitality on the Hill.

Staff has the following questions for City Council:

CU Conference Center/ Hotel

Does Council have any feedback on the draft goals and objectives for collaboration with the university on this project?

Hill Reinvestment Strategy (HRS)

Does Council wish for staff to explore the public improvements financing and repayment options in greater detail, including an analysis of the financial and legal considerations of using the options to construct public improvements on the University Hill 'catalyst' sites?

Would Council support the City of Boulder serving as a financial partner with the University Hill General Improvement District to facilitate the financing of public improvements on the 'catalyst' sites?

Does Council have any feedback regarding the proposed 2016 HRS Work Plan and the process and next steps of the Hill Reinvestment Working Group?

Background on the CU conference center/hotel project and draft goals and objectives are provided in **Section II.**

Background information on public financing tools for public improvements, and potential 'catalyst' site opportunities is provided in **Section III**. An overview of the 2015 HRS accomplishments and the proposed 2016 Work Plan are provided in **Section IV**. Proposed next steps are outlined in **Section V**.

II. CU CONFERENCE CENTER/ HOTEL

CU has been exploring the potential for development of a CU-affiliated hotel/conference facility for the past two years and had previously focused on a site near Folsom and Arapahoe. The city approached the University to request that the opportunities and challenges, both for the University and the community, be studied at two different sites – the Folsom site (near Folsom and Arapahoe) and the Grandview site (near Broadway and University) before proceeding further. A comparative analysis was undertaken by a consultant team collaboratively chosen and contracted by CU and the city. The results of this analysis were shared with City Council on October 6, 2015 (see https://bouldercolorado.gov/links/fetch/27167).

For the purposes of the analysis, it was assumed that the combined hotel/conference center would include the following:

- Approximately 250 guest rooms;

- Dividable conference and meeting space of 35,000 square feet1 (including "back of house" support space)[1];
- Between 185,000 – 200,000 of total gross building square footage; and
- 400 spaces of parking.[2]

From the city team's perspective, the report highlights some key strengths and opportunities for the Grandview site, including:

- Adjacency to University Hill, the main campus and the Civic Area / Downtown;
- Existing multi-modal connections, including high frequency transit service on Broadway;
- Opportunity to introduce a major "anchor use" that could significantly contribute to the Hill revitalization efforts.

The city team also acknowledges the University's concern about losing a part of the Grandview site for future expansion of academic uses, as well as the site's challenges in terms of height, parking and traffic (though significant challenges are also present on the Folsom site).

While the University has more analysis to perform in order to complete the business and development planning, it did express interest in prioritizing the Grandview site in the exploration of next steps. At the October 6 update, City Council concurred with staff's recommendation to continue to work with the University to address the remaining key issues identified with the Grandview site, including:

- Appropriate parking to support a hotel/conference center in this context;
- Potential for improved connections and access to the surrounding area;
- Potential to incorporate or relocate historic resources; and,
- Optimal size of the facility to meet both the city and University needs.

Draft Goals and Objectives

Staff is seeking council's feedback on the following goals and objectives to frame and guide discussions and collaboration with the University moving forward.

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[1] During follow up conversations with the University and the city, it was determined that the conference space would only need to be 20,000 to 25,000 square feet to meet the needs of the community and University.

[2] 400 spaces was chosen as a starting point for analysis based on standard parking ratios. The actual number needed may be lower when taking into consideration travel demand management options and the availability of additional parking nearby. That analysis will be a key area focus moving forward.

Draft Goals:

- Continue to foster constructive city-university relations and represent larger community goals in the planning and design process.
- Continue to further the community and university benefits of locating a hotel/conference center at the Grandview site.

Draft Objectives:

1. Encourage quality site and building design that fits with and connects to the larger area context.
2. Improve the convenience, function and urban design of multi-modal connections between the Grandview site/CU campus and the civic center area/downtown, and between Grandview and the Hill Commercial Area.
3. Collaborate with the university to conduct additional analyses and co-develop a comprehensive approach to addressing parking and access issues for the conference/ hotel use and adjacent Hill commercial district uses.
4. Facilitate input regarding the facility's size and operation with the aim of ensuring that it meets the broader needs of the community for meeting and event space, and supports the facility's feasibility and success, while recognizing that the project remains a university-led endeavor.
5. Continue to explore opportunities for incorporating the historic church and/or other historic resources as part of the Grandview site's redevelopment plans and re-use for hotel and conference-related functions.
6. Consider potential city investments that would result in community benefits related to the above objectives and analyze appropriate financing mechanisms.
7. Work with the university to facilitate opportunities for public information and input, particularly as they relate to potential city participation and related/adjacent city projects.

CU Conference Center Next Steps

The university's consultants are in the process of completing a financial and economic analysis of the project. If the results of this work conclude that the project is financially viable, the University has indicated that a likely next step would be to issue a formal RFQ/ RFP and subsequent design development in late winter or spring of 2016.

In the meantime, staff will begin data collection and analysis related to the key issues (i.e., parking and access, connections, facility size, and historic resources) and develop a preliminary 2016 work plan in coordination with the University.

Council will be updated through agenda and information items, as appropriate based on specific milestones and staff will work with the University team to develop and facilitate public information updates and appropriate opportunities for community input.

Question: Does Council have any feedback on the draft goals and objectives of the project moving forward?

III. PUBLIC FINANCING OPTIONS FOR PUBLIC IMPROVEMENTS

At the April 28, 2015 HRS study session with City Council, staff was encouraged to examine public financing tools that could facilitate the construction of public improvements on University Hill. Background on the need for targeted public investment on University Hill, as well as an explanation of the unique market conditions and financial considerations of such a small district, is provided below.

Background

In mid-2014, it became apparent that, unless immediate action was taken, the remaining commercial space in the HCA might be converted to market-rate student housing. The city declared a moratorium on all new residential construction and conducted an in-depth analysis and public outreach. One finding was that the HCA has over 100 residential units; approximately the same as downtown Boulder, but within a district one-tenth the size of downtown. As a result, in early 2015, the city changed the zoning in the HCA to prohibit new market rate housing for the purpose of promoting the HRS goal of greater diversity and year-round economic vitality. The modified zoning continues to allow affordable housing, with the idea that this type of residential use has the potential to increase the diversity of residents and customers in the HCA.

During the moratorium, the city's consultant, Economic & Planning Systems (EPS) examined current economic conditions to understand the lack of balance in the HCA. EPS found that:

> The sheer size and market power of the student population has driven the Hill to be predominately student oriented…. There is a limited demand for non-student oriented retail or restaurants, but these retailers may not be able to overcome the stigma of the Hill as a student area and the rental rates that other retailers are able to pay.
>
> Parking is another barrier to non-student oriented retail. The district is not well-suited for a larger number of customers to come in cars from outside the Market Area. While the UHGID does provide two lots with rates and hours that accommodate retail, the parking that supports the Hill is limited to a small number of on-street spaces, a small number of private spaces, the CU owned lot at 13th and Pennsylvania, and the two UHGID lots. The UHGID lots are both difficult to access and not visible from Broadway, 13th Street or College Avenue.

EPS presents the following suggestions for increasing demand for non-student oriented retail:

> Two potential approaches are to increase the number of non-student households or increase the number of non-student visitors to the Hill. There does not appear to be ample buildable land in the Market Area to generate enough non-student households to significantly impact demand. The other approach is to generate demand from visitors.

They list potential strategies to achieve the goal of increasing visitor demand:

- Attract an employment base;
- Increase the quality of retail offerings;
- Increase access and parking;
- Increase visitation to the campus; and/or,
- Increase visitation to existing locations, e.g. the Fox Theatre, a new attraction or an anchor use.

As EPS points out in their report, all of the above strategies require additional parking to succeed. The two UHGID-owned public parking lots located at 12th/Pleasant and 14th/College currently provide a total of 110 off-street spaces to serve HCA customers and employees. Including on-street metered spaces, there are 520 public parking spaces in the HCA, but metered spaces are not viable options for HCA employees who would need to move their cars every three hours, and would also take spaces away from customers.

The need for more parking in the HCA is supported by numerous community surveys, most recently the Hill Employee EcoPass Feasibility Study (February 2015), the Year-Round Hill Resident Retail Preference Survey (March 2015), the HRS Baseline Conditions Report Survey and Focus Groups (July 2015), and the first work shop ("Funding Needs & Priorities") of the Hill Reinvestment Working Group (November 2015). The Hill Employee EcoPass Feasibility Study (see, https://www-static.bouldercolorado.gov/docs/UniHill_EcoPass_Survey_Results_3-2-15-1-201503040933.pdf) found that there are approximately 350 full-time employees in the HCA, 68% of whom commute to the Hill in single-occupancy vehicles (SOV). Although a three-year pilot Hill Employee EcoPass program starts in 2016 (which provides all full-time employees with a free regional bus pass), the city's transportation consultant estimates this will reduce SOV trips only by 15% (based on Downtown Boulder EcoPass usage statistics). This leaves a demand for 202 spaces from Hill *employee*s alone, in addition to the parking EPS suggests constructing to attract *new* customers and visitors to the Hill.

The two UHGID-owned public parking lots at 12th/Pleasant and 14th/ College, respectively, have been identified as 'catalyst' sites that could accommodate the construction of public parking garages. To maximize the number of additional parking that could be supplied on the two relatively small parcels, it will be necessary to construct a majority of the spaces underground and/or partner with the owners of adjacent properties.

Unfortunately, the cost to construct underground parking is expensive. Staff estimates that financing to construct a public parking garage of sufficient size to meet employee and customer demand on University Hill, with interest, would likely result in an annual debt service of approximately $1,000,000. The UHGID property tax, at its current rate of 2.29 mills, generated $33,000 in 2014 – an insufficient amount to qualify UHGID on its own to obtain financing for the garage construction or to support a bond issuance. Therefore, in order for a public parking garage to be constructed on the Hill, UHGID needs a financial partner. This could be a public entity or a private investor, or some combination of both.

Constructing public improvements on University Hill requires two types of financing tools: first, *up-front funding* to cover the cost of constructing the public improvements; and second, *repayment financing* to cover the long-term debt service. Possible options for both are presented below.

Front-Funding Options

Staff has identified the following public financing options for up-front funding of public improvements.

<u>Certificates of Participation (COP)</u>

A form of lease purchase, COP is often a good option if funds are needed within a short time frame and current revenues are sufficient to make the annual lease payments. The City of Boulder has used COPs in the past for the public safety building, the East Boulder Recreation Center, and most recently for the purchase of the Boulder Community Hospital (BCH). The use of COPs does not require voter approval, however, City Council could ask for voter approval if it wishes. If the latter path is chosen, the vote must comply with the Taxpayer Bill of Rights (TABOR) requirements and can only be voted on in November, requiring a July/August decision on whether to pursue this financing option.

<u>Citywide Issuance Bonds</u>

Another option is to ask the voters to approve a ballot item in November to allow for the issuance of bonds and make annual debt payments to repay the borrowed money. The bonds can either be paid from current revenues, or voters can be asked to provide for new revenues that would make or help to make the annual debt payments. An important consideration in pursuing a financing tool that requires voter approval is whether the community at-large will support partnering with UHGID to fund a public improvement on University Hill. Recently, Boulder voters have supported several bond issuances for public improvements throughout the city.

Developer Financing

To fund the shared parking facility at Boulder Junction in 2013, the city entered into a Cooperation Agreement with the developer who won the bid to construct a mixed use project on land owned by RTD and the City of Boulder. The developer front-funded the construction of 392 parking spaces, organized as five condominium units, one unit of which (100 spaces) was sold to the city's Boulder Junction Access General Improvement District-Parking (BJAD-P) through a lease-purchase agreement with a seven-year repayment period.

Repayment Financing Options

The second step to financing public improvements is to identify a funding mechanism, or combination of funding mechanisms, sufficient to support the repayment of the up-front funding. In the case of the Hill, the relatively small scale of the district renders many of the available public financing tools insufficient to support the estimated $1,000,000 in annual debt service. It is possible, however, that some combination of tools would be sufficient.

Urban Renewal Authority/TIF (not recommended)

The city of Boulder has been extremely judicious in using Urban Renewal Authorities (URAs) and their tax increment financing (TIF) powers, employing this mechanism only on two previous occasions. First, in the late 1970s, to support the development of the original Crossroads mall, and again in the 1990s to support the construction of a public parking garage related to the 9th Street & Canyon Urban Renewal Plan, which also included the St Julien hotel and the 'civic use pad.' In the latter case, the TIF facilitated the dedication of general fund revenues from sales and use tax, property tax and accommodations tax from the project site toward the repayment of the bond for the duration of the urban renewal plan.

The city is cautious in using TIF because dedicating general fund revenues to a particular project site removes flexibility in dealing with general fund operating costs in future years and when economic downturns occur. Additionally, recent state legislative actions have impacted the use of TIF, requiring a mandatory negotiation process between municipalities and URAs and other taxing authorities in the renewal area. The resulting uncertainty has made it riskier for financial institutions to support TIF financing.

Downtown Development Authority (DDA)

A DDA is a corporate body appointed by the City Council with the power to perform studies, plan and (with City Council approval) implement a plan of development that could be either economic or physical. If an adopted plan includes generating revenue through either a mill levy, sales tax or Tax Increment Financing (TIF), the project implementation can be financed by bonds or advances from the city that are repaid by these revenues. It is possible to craft agreements with the other recipients of property and sales tax within the DDA such that their share of the tax

revenue remains unchanged. The DDA plan can be for multiple sites that are not contiguous; however, there may only be one DDA within a municipality and additional land cannot be added unless those parcels are adjacent to the original DDA. Prior to adoption of a DDA as a funding mechanism, it would be necessary to conduct a comprehensive and in-depth analysis of the project benefit and the broader, long-term financial impacts on the city.

General Improvement District (GID)

A GID is a taxing unit created by and within the city for the purpose of providing and maintaining specified public improvements or services inside the district. It is governed by a commission consisting of five members, appointed by the City Council for five-year terms. In addition to its other powers and responsibilities, GIDs may issue and collect property tax — known as a mill levy — on all taxable property within the district at an agreed-upon rate, and in addition to city and county property taxes. There are three GIDs in the city for parking: downtown, Boulder Junction and University Hill.

The University Hill General Improvement District (UHGID) was formed in 1970 to fund district parking and parking maintenance. Responsibilities were expanded in 1985 to include pedestrian, bicycle, mass transit and aesthetic improvements. The current UHGID mill levy rate of 2.29 is the lowest in Boulder, less than half that of the Central Area General Improvement District (CAGID) and less than a quarter of that levied in the Boulder Junction Access Parking District (BJAD-P). Although the UHGID mill levy alone could not support repayment of the financing to construct public improvements, an increase in the mill levy could help to reduce the amount of funding that would need to be generated through the use of other public financing options. Per Colorado's TABOR law, any UHGID tax rate or revenue increase would require majority support from district electors.

Local Improvement District (LID)

A LID is an agreement between the city and property owners in a specific geographic area to share the cost of a public improvement project. Public improvement projects funded through a LID must provide a specialized benefit to the affected properties. In return for this "special benefit," properties within the district are assessed a portion of the public improvement project's cost, typically paid back to the city in installments following completion of the project. There are two primary routes for establishing a LID: a city ordinance or a petition. The city has the authority, with few limitations, to establish LIDs provided there is a special, demonstrable benefit to the properties assessed. If the LID proposal fails to garner a majority of support from property owners within the proposed district, the city must cover at least 50 percent of the project cost. LIDs have been used at various locations in Boulder, such as West Pearl and Whittier South, to fund street upgrades, including curb extensions, street trees, wider sidewalks, pedestrian crossings and bike lanes.

An important consideration in pursuing either the LID or a GID increase is that any increased costs to the HCA landowners will likely be passed on to the tenants; which, beyond a certain level, may impact the competitiveness of the district with other commercial areas in the city.

Public Improvement Fee (PIF)

A PIF is collected by businesses as a percentage of each sale to finance public improvements within a particular development project. The PIF is not a tax, but rather a private fee. It is not imposed pursuant to governmental taxing power and does not rely on any specific statutory authority, but instead it is established by a covenant that the landowner records against the property or lease agreement between the landowner and tenants. In either case, the businesses within the development are required to collect the fee from customers in each transaction. The revenue stream created by the PIF can be used to support the issuance of tax exempt bonds or to repay a conventional loan. The PIF is flexible in terms of how it is administered, collected, and enforced. There are many PIFs across Colorado, but none in the city of Boulder. Prominent examples include Belmar and Colorado Mills in Lakewood, as well as Centerra in Loveland.

A consideration relative to adopting a PIF is that it is best administered on a project site with multiple tenants leasing from a single owner. It would be very difficult to enforce the covenants across multiple properties with multiple owners.

Dedicated Project Revenues

In three of the public improvement examples mentioned above, the city dedicated general fund revenues to support repayment of the public improvement financing.

- As part of the Crossroads Commons development project, the city entered into a Relocation Agreement with the developers to dedicate the general fund portion (45%) of the project's Construction Use Tax to fund the relocation of a historic train depot from the project site.

- In the CAGID-owned public parking garage as part of the 9th/Canyon URA, after the expiration of the urban renewal plan, the city has continued to allocate a portion of general fund property, sales and accommodations tax revenues to cover the difference between the facility expenses (operations, maintenance and debt service) and parking revenues generated from the facility.

- In the developer-financed Boulder Junction (BJAD-P) public parking garage, the loan repayment is being funded by parking revenues dedicated from the project site, assisted by the city's general fund. When district GID revenues have grown sufficiently, these will be used to repay the general fund.

'Catalyst' Site Public Improvements

When the City Council made improving quality of life on University Hill a priority for its 2014-2016 term, one strategy was to identify potential public investments that could 'move the needle' to promote ongoing private investment in the economic vitality of the HCA. At the April 28, 2015 study session on the HRS, City Council expressed support for staff to explore options for public financing to facilitate public improvements on University Hill, specifically on the 'catalyst' sites identified by the Council's HRS Framework (see, https://www-static.bouldercolorado.gov/docs/university-hill-reinvestment-strategy-framework-1-201506191630.pdf):

- 13th Street CU-owned parking lot;
- Everyday gas station at Broadway/13th Street;
- 14th Street UHGID-owned public parking lot;
- Proposed CU conference center site on the northeast corner of Broadway/University; and,
- Pleasant Street UHGID-owned public parking lot.

These sites are among the most under-developed land in the HCA, and are therefore recognized for their potential to both positively impact the long-term economic vitality of the district and create opportunities for a greater variety of uses. There are currently no plans under discussion for either the 13th Street CU-owned public parking lot or the Everyday gas station. The city has been negotiating with potential development partners on the two UHGID-owned public parking lots, and CU recently expressed a preference for the Broadway/University site as the future location of their proposed conference center (see, **Section II**).

14th Street UHGID-Owned Public Parking Lot

Prior to the March 2015 zoning changes that resulted from the residential use moratorium in the HCA, the city was negotiating with the owner of a property adjacent to the 14th Street UHGID public parking lot. In exchange for the use of the UHGID land, the developer would construct approximately 150 public parking spaces that eventually would be owned and operated by UHGID, and provide access to the spaces from 13th Street to improve the visibility of the parking access on that site. The financing for the project, however, was no longer viable after the zoning was changed to prohibit new market rate housing in the HCA. The developer attempted to re-design the project to accommodate a mix of public parking and 50 units of affordable housing; however, the parking requirements for the affordable housing and other financial considerations made it difficult to proceed with the project.

There are currently no plans for the redevelopment of the 14th Street UHGID lot. It may be advisable, however, to maintain the surface parking in this location if plans for other 'catalyst' site investments move forward in the near term rendering the parking spaces provided in those locations unavailable as a result of construction activity.

Pleasant Street UHGID-Owned Public Parking Lot

The city has been approached by a hotel developer and a partnership of landowners adjacent to the Pleasant Street UHGID lot regarding plans to construct a 155-room hotel with 30,000 square feet of additional retail/dining uses across the combined parcels. The proposal is that if UHGID contributed its land to the project (through a long-term land lease), that the land under the partners' parcels would be available to the district to construct a much larger public parking facility than could be accommodated on the UHGID parcel alone. Preliminary site plans estimate providing close to 250 parking spaces, an increase of 180 spaces over what is currently on the UHGID lot. The parking would be owned and operated by the district.

Question: Does Council wish for staff to explore the public improvements financing and repayment options in greater detail, including an analysis of the financial and legal considerations of using the options to finance public improvements on the University Hill 'catalyst' sites?

Question: Would Council support the City of Boulder participating as a financial partner in the financing options?

IV. 2015 HRS ACCOMPLISHMENTS & PROPOSED 2016 HRS WORK PLAN

A draft HRS Work Plan was presented to City Council for feedback on April 28, 2015. It featured both ongoing city programs and tasks that are intended to be completed within the initial two-year time frame of the HRS. Since the spring, significant progress has been made on several of the long-term HRS Work Plan items, including establishing a baseline for measuring the performance of Hill Reinvestment efforts over the next couple of years and beyond. The proposed 2016 HRS Work Plan includes looking beyond the two-year initial time frame of the HRS, with the assistance of the Hill Reinvestment Working Group (HRWG).

2015 Accomplishments

Progress on the 2015 HRS Work Plan is outlined in the recent Council Action Guide update (see, https://bouldercolorado.gov/commercial-districts/hill-reinvestment-strategy). Accomplishments include partnerships with CU on the HCA banner program and the six 'Hillanthropy' cleanup days; sponsorship of the 'Heart of the Hill' event series; efforts to establish a pilot Hill Employee EcoPass program; and outreach relative to the proposed National Register historic district application that will support the design of a façade improvement program in 2016.

Performance Measurement: Baseline Conditions Report

One of the initial tasks of the HRS was a baseline conditions report against which future performance could be measured. At the end of 2014, the city contracted with RRC Associates to draft a survey and facilitate focus groups to measure public perceptions of University Hill among Boulder community members in the first year of the HRS. RRC Associates prepared the HRS

Baseline Conditions Report (see, **ATTACHMENT A**) to include both the results of their survey work and the 2014 quality of life and economic vitality metrics provided by city staff.

The survey and focus groups will be repeated in the summer of 2016 to establish public perceptions after one full year of the HRS. Quality of life and economic vitality will be measured using 2015 data.

Proposed 2016 HRS Work Plan

Based on the elements of the Council's HRS framework, the HRS Work Plan contains seven key program areas, as well as the continuation of ongoing programs in the residential and commercial areas of the Hill. The proposed 2016 HRS Work Plan (see, **ATTACHMENT B**) represents a shift toward the implementation phase of many of the programs that were in the planning or exploratory stages in 2014 to 2015. The second phase is intended to approach the HRS goal of 'moving the needle' to achieve year-round economic vitality in the Hill Commercial Area and to achieve quality of life improvements in the residential areas of the Hill most impacted by student activity.

Hill Reinvestment Working Group (HRWG)

The City Council HRS framework includes planning for how to continue efforts to improve quality of life and economic vitality on the Hill beyond the initial two-year time frame of the HRS. In the summer of 2015, staff worked with the City Manager's Office to assemble a representative stakeholder group that will identify long-term funding priorities for Hill reinvestment and review potential governance and funding mechanisms for a recommendation to City Council in early 2016. The resulting Hill Reinvestment Working Group (HRWG) consists of representatives from the following organizations (see, **ATTACHMENT C**):

- City Council;
- CU External Relations;
- University Hill Commercial Area Management Commission (UHCAMC);
- The Hill Boulder business association;
- Responsible Hospitality Group;
- Hill Commercial Area commercial property owners;
- Hill Commercial Area residential property owners;
- University Hill Neighborhood Association (UHNA);
- Residential Service District (RSD) advisory board;
- CU Student Government Community & Neighborhood Relations; and,
- Pan-hellenic and Inter-fraternity Council External Relations.

The HRWG will participate in three workshops facilitated by the city's consultant, Progressive Urban Management Associates (PUMA). The first workshop was held on November 19, 2015

with the goal of identifying and prioritizing funding needs in three programmatic areas that relate to quality of life on University Hill, namely: the Hill Commercial Area (HCA); the Residential Service District (RSD); and Hill Access Management and Economic Vitality.

The group was asked to identify funding needs for activities in the Hill neighborhoods; the HCA; and activities related to district access (e.g. parking, transit and pedestrian/bike facilities). At the end of the workshop, the group voted on which activities were priorities (see **ATTACHMENT D**).

At the second HRWG workshop (tentatively scheduled for January 2016), participants will review potential governance and funding mechanisms to achieve the funding priorities. At the third HRWG workshop (tentatively scheduled for March 2016), stakeholder roles in the new governing structure(s) will be identified.

Question: Does Council have any feedback regarding the proposed 2016 HRS Work Plan and the process and next steps of the Hill Reinvestment Working Group?

V. HRS NEXT STEPS

Depending on feedback from the City Council, staff from the city's Finance Department may explore public improvements financing and repayment options, including an analysis of the financial and legal considerations of using the options to construct public improvements on the University Hill 'catalyst' sites. The goal would be to return to the City Council with this information in the first quarter of 2016.

Staff is working with PUMA to develop options for long-term governance and funding mechanisms that will be presented to the HRWG at the second workshop scheduled for January 2016. The group anticipates bringing forward recommendations for long-term governance and funding mechanisms by the second quarter of 2016.

By the third quarter of 2016, staff will have completed a proposed work plan for Phase Two of the Hill Reinvestment Strategy, to run from 2017-19.

VI. ATTACHMENTS

- Attachment A: Baseline Conditions Report (October 2015)
- Attachment B: Proposed 2016 HRS Work Plan Highlights (November 2015)
- Attachment C: Hill Reinvestment Working Group Overview (November 2015)
- Attachment D: Hill Reinvestment Working Group Funding Priorities (November 2015)

M E M O R A N D U M

TO: Molly Winter, Director of the Department of Community Vitality, City of Boulder
Sarah Wiebenson, Hill Community Development Coordinator, City of Boulder

FROM: Dave Belin, RRC Associates

RE: University Hill Reinvestment Strategy Baseline Conditions Report

DATE: October 29, 2015

The enclosed packet summarizes the results of a multi-tiered research project to document the conditions on University Hill at the start of the multi-year Hill Reinvestment Strategy (HRS). The research consisted of a combination of an online survey, focus groups, and other indicators related to the Hill. The intent is to establish a baseline against which the performance of the HRS can be measured in future years.

The online survey was fielded in the summer of 2015 to a variety of stakeholders, including residents, business owners, University employees, employees, non-resident users, and other groups; a total of 303 survey responses were received. The results of the survey were used to identify issues and concerns that needed further probing, which was done in the focus groups. Three separate focus groups that included a total of 24 participants were held in the summer of 2015 with similar stakeholders. The focus group discussed several topics in detail, including neighborhood livability, variety of restaurants and retail, safety and cleanliness, and desired improvements that would have a positive impact on the Hill. The focus group topics were similar to those on the survey, but in a format that allowed for more discussion and an exchange of ideas. Lastly, the city has provided 2014 data to establish baseline metrics that impact quality of life for the residents of the Hill, namely:

- Nuisance Parties
- Right-of-Way Litter
- Night-Time Noise

Additional data has been provided to look at the economic vitality of the Hill Commercial Area, namely:

- Sales Tax Revenue
- Commercial Occupancy
- Commercial Tenant Mix

The results of the online survey, focus groups and data collection are provided in the following charts and graphs.

Highlights include:

- **From Survey Results**
  - Spending in the Hill Commercial Area is predominantly related to restaurants (about $28 per visit), and little on retail shopping or services.
  - Use of the Hill Commercial is predominantly for eating at a restaurant or picking up food to go.
  - Higher satisfaction was seen for the variety/mix of restaurants and the overall cleanliness of the Hill Commercial Area.
  - Lower satisfaction was noted for overall cleanliness of the Hill Residential Area, the variety/mix of services, and the variety/mix of retail stores.
  - Strong agreement was recorded for the following statements:
    - It is easy of access to the Hill Residential Area
    - I feel safe in the Hill Residential Area
    - I feel safe in the Hill Commercial Area.
  - Mixed agreement/disagreement was noted for a variety of statements, including
    - It is easy to access to the Hill Commercial Area
    - I would bring my family to the Hill Commercial Area
    - The Hill Commercial Area is an attractive place to visit
    - Overall conditions on the Hill have improved in the past year
  - General disagreement was provided for the following statements:
    - It is easy to find public parking lots on the Hill
    - I would like to live on the Hill
    - I would like to work on the Hill

- **From Focus Groups**
  - The prevailing sentiment in the three focus groups was that there have been noticeable improvements in the past two years on the Hill.
  - The factors that most impact the neighborhood livability are noise, cleanliness, and safety. Over-occupancy tends to be related to all these issues, but is not necessarily the issue itself.
  - There was a desire for a greater variety of both restaurants and retail, with the intent to draw a broader customer base than just students and residents of the immediate area.

    - A shared sentiment was that the perception of safety on the Hill changes markedly after dark. Female participants were consistent in their pattern of not walking alone after dark.
    - Parking/a parking garage, outdoor seating for restaurants, more events, more communication/collaborative approaches, and continuing to improve the cleanliness were the most common suggestions for future improvements.

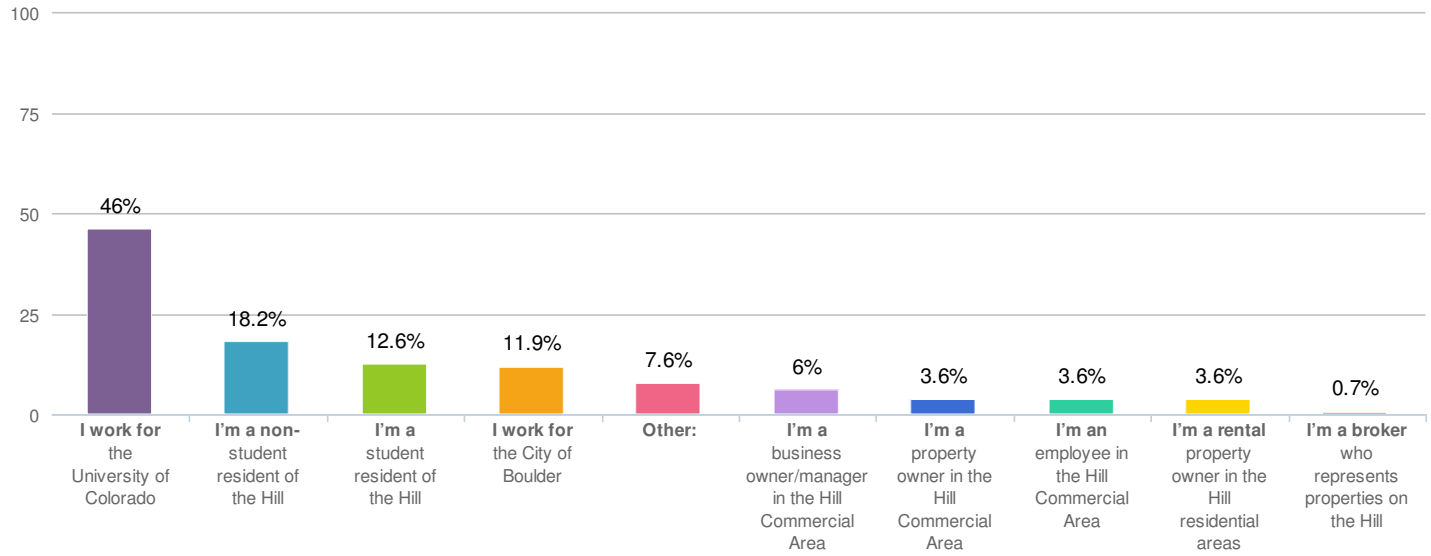
- **From City Metrics**
    - **Quality of Life**
        - The number of parties ticketed, the number of littering tickets, and the number of night-time noise violations by month in 2014 were all highest in the fall, particularly in September.
    - Economic Vitality
        - UGHID Sales tax by month exhibits a peak in August and September.

The online survey, focus groups and city data collection will be repeated in the summer of 2016, at which point a Year One Performance Measurement report will be submitted to the City Council.

~*~*~*

Final Uni Hill Survey Summary Report - Graphs Only

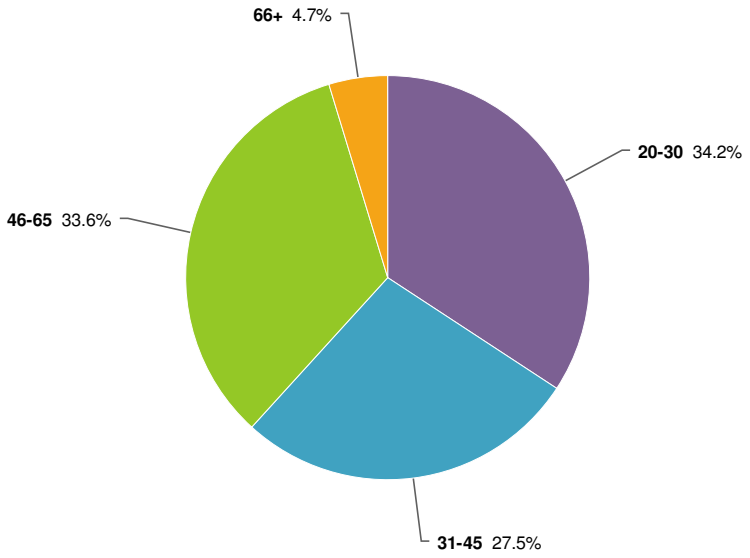
1. Which best describes your relationship with the Hill? (Check all that apply to you)



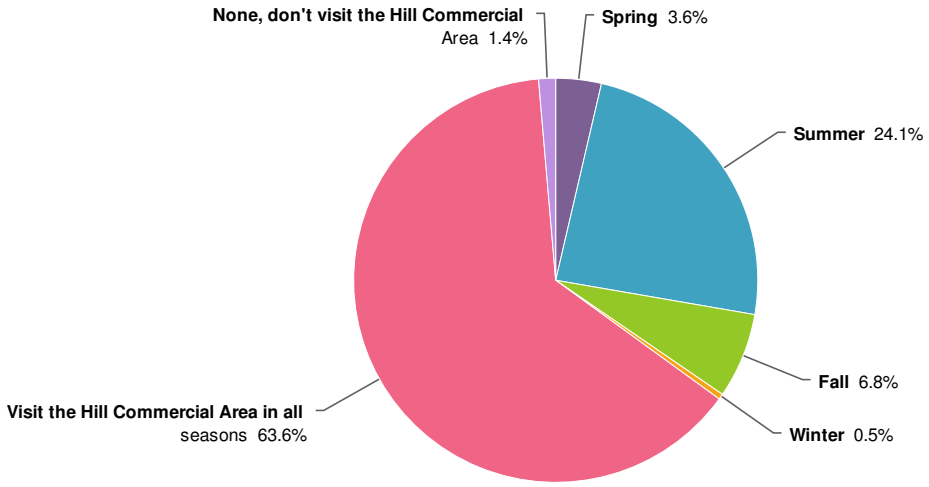
Responses "Other:"	Count
Left Blank	283
Boulder resident who cares about the Hill	1
Campus pastor at CU who works on the hill.	1
City Tax Payer	1
Conven tion and Visitors Bureau	1
Customer Of Hill Businesses	1
Former student resident of the Hill	1
I am a CU student that frequently visits businesses on the Hill	1
I am a City of Boulder resident	1
I am a property owner but do not live in the Hill Commercial Area as we live on Lincon Place	1
I am a property owner who lives in my home on the Hill (not in the 'commerical' area.	1
I am a student and avoid the hill	1
I am a student who visits the hill	1
I eat there sometimes.	1
I work for the University of Colorado Student Government.	1

Responses "Other:"	Count
I'm a student, and I go to the hill to socialize and shop or eat	1
Student at CU Boulder	1
Student residing in Boulder but not on the Hill	1
Support Hill businesses	1
Tourist from visit	1
University of Colorado Student coming in from East side of Boulder	1
i pass through the Hill everyday on my run	1
student nonresident of the Hill	1

2. What is your age range?



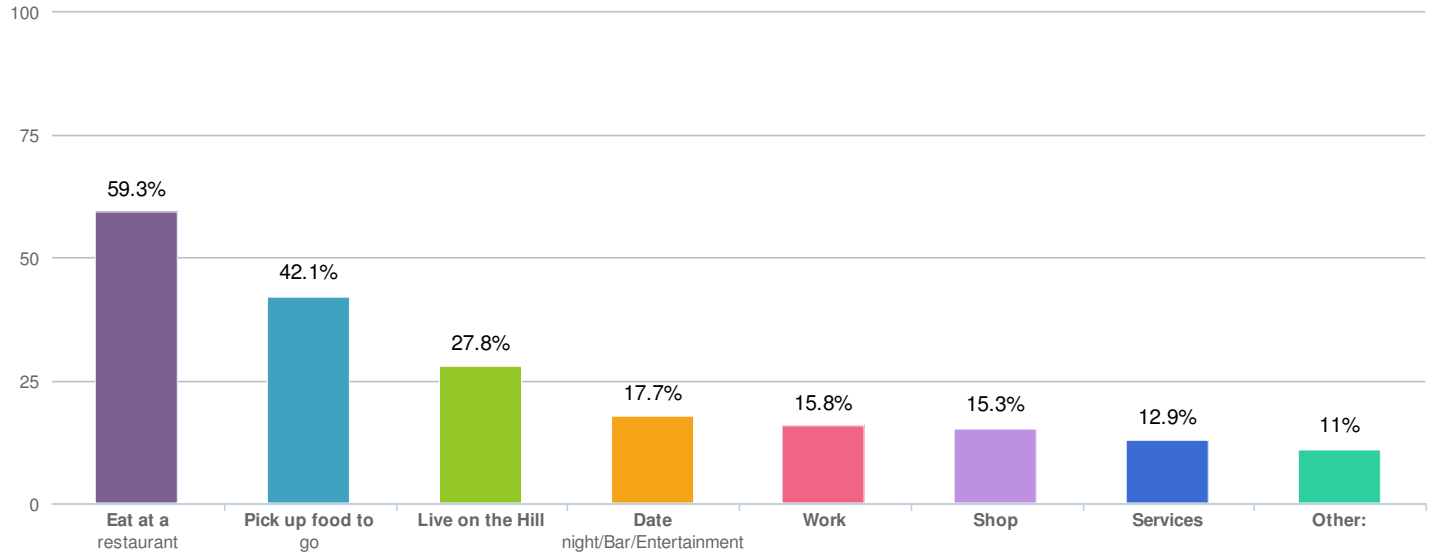
4. Is there a time of year in which you visit the Hill Commercial Area more frequently?



6. If you entered an amount for 'Other' in the previous question, please specify what that spending was for:

Count	Response
1	Baba Ghanoug @ Smelly's
1	Coffee
1	Drinking beer, eating food
1	Drinks/snacks at convenience store.
1	Food and drink at Starbucks. The amount varies from day to day.
1	N/A
2	Parking
1	Restaurant/food
1	Show at the Fox
2	Starbucks
1	haircut
1	n/a
1	nothing spent on 'Other'
1	parking g
1	show at the fox
1	sorry -- nothing!

8. What is the primary reason you come to the Hill Commercial Area? (Check all that apply)



Responses "Other:"	Count
Left Blank	284

Responses "Other:"	Count
Bicycle through on way to Broadway path	1
Check on properties	1
Coffee	3
Go for a Walk on my Lunch Break	1
Innisfree Coffee Shop	1
Live music at the Fox	1
Need food while I am working.	1
Pass through Hill on way to work	1
Pick up rent checks from tenants	1
Post office when it was there	1
Visit Albums on the Hill	1
check on property	1
close to work	1
coffee	1
networking/business	1
park	1
parking	1
to support the Hill, also enjoy being there	1
yoga	1

9. Agree/Disagree (1 to 5). Please rate your level of agreement or disagreement with the following statements, using a scale from 1 to 5, where 1 means, “Strongly Disagree” and 5 means, “Strongly Agree.”

	1=Strongly Disagree	2	3	4	5=Strongly Agree	X=Don't know	Responses
Overall conditions on the Hill have improved in the past year	16 6.1%	29 11.0%	80 30.4%	58 22.1%	17 6.5%	63 24.0%	263
I feel safe in the Hill residential areas	6 2.3%	36 13.7%	56 21.3%	79 30.0%	69 26.2%	17 6.5%	263
I feel safe in the Hill Commercial Area	6 2.3%	26 9.9%	39 14.8%	102 38.8%	77 29.3%	13 4.9%	263
The Hill Commercial Area is an attractive place to visit	23 8.7%	56 21.3%	76 28.9%	78 29.7%	25 9.5%	5 1.9%	263
It is easy to access the Hill Commercial Area	22 8.4%	41 15.6%	41 15.6%	77 29.4%	74 28.2%	7 2.7%	262
It is easy to access the Hill residential areas	6 2.3%	14 5.3%	49 18.6%	82 31.2%	88 33.5%	24 9.1%	263
I would bring my family to the Hill Commercial Area	36 13.7%	41 15.6%	50 19.0%	61 23.2%	64 24.3%	11 4.2%	263
It is easy to find the public parking lots on the Hill	60 22.8%	71 27.0%	48 18.3%	43 16.3%	15 5.7%	26 9.9%	263
I would like to work on the Hill	84 32.1%	57 21.8%	38 14.5%	33 12.6%	28 10.7%	22 8.4%	262
I would like to live on the Hill	107 41.0%	44 16.9%	21 8.0%	38 14.6%	40 15.3%	11 4.2%	261

10. Satisfaction (1 to 5)Please rate your level of satisfaction with the following attributes of The Hill, using a scale from 1 to 5, where 1 means, “Poor” and 5 means, “Excellent.”

	1=Poor	2	3	4	5=Excellent	X=Don't know	Responses
Overall cleanliness of the Hill Commercial Area	25 9.5%	55 20.8%	78 29.5%	81 30.7%	12 4.5%	13 4.9%	264
Overall cleanliness of the Hill residential areas	21 8.0%	82 31.3%	75 28.6%	48 18.3%	11 4.2%	25 9.5%	262
Variety/Mix of retail stores	40 15.2%	73 27.7%	84 31.8%	35 13.3%	11 4.2%	21 8.0%	264
Variety/Mix of restaurants	23 8.7%	57 21.6%	75 28.4%	69 26.1%	25 9.5%	15 5.7%	264
Variety/Mix of services	33 12.5%	75 28.5%	69 26.2%	38 14.4%	12 4.6%	36 13.7%	263

Uni Hill Focus Groups Summary Report
July 2015

Three focus groups were convened on July 22 and 23, 2015 at Grace Lutheran Church on University Hill in Boulder. The topics of the groups were related to current and future issues on the Hill – recent changes on the Hill, livability, retail and restaurant mix, sense of safety, cleanliness, and improvements that would have the greatest impact on the future of the Hill.

Focus group participants were recruited through groups and associations involved with the Hill, such as the neighborhood association, the management commission, the University of Colorado, City of Boulder employees, and other groups, as well as individuals who have had perspective and involvement over time. Thus, the participants were a mix of residents of the neighborhood, property owners, CU employees and grad students, and other interested people.

Three groups were held over the two days, with a total of 18 participants. This memo briefly summarizes the feedback from focus group participants.

Change over time

The prevailing sentiment in the three groups was that there have been noticeable improvements in the past two years on the Hill. Specifically, the cleanliness of the commercial area and the level of communication from the City, particularly Sarah Wiebenson's involvement, were noted as improvements in the past two years.

Neighborhood livability

Residents of the hill like the neighborhood and like being able to walk to the commercial area for many purposes. The factors that most impact the neighborhood livability are noise, cleanliness, and safety. Over-occupancy tends to be related to all these issues, but is not necessarily the issue itself. Comments about non-local landlords were also made. These issues have not changed much over time according to the residents of the neighborhood and little consensus was reached about what to do about them. Some suggested that the City needs to enforce regulations already on the books – about noise, shoveling snow, occupancy limits, etc. Others favored talking directly with renters about their behavior and the impacts it has on full-time residents.

Retail/restaurant variety

The decline in the variety of retail and restaurants was noted by most participants in the groups. The lack of variety in restaurants and the low quality/cheap nature of many of the restaurants was a concern. There was a desire for a greater variety of both restaurants and retail, with the intent to draw a

broader customer base than just students and residents of the immediate area – to bring in people from other parts of Boulder and Boulder County.

A common theme across all three focus groups in relation to restaurants was for a neighborhood brew pub – the Mountain Sun/Southern Sun came up in all three focus groups. Another theme was the desire for outdoor seating or rooftop patios to take advantage of the nice summer weather and generate more interest in dining on the Hill. Other suggestions for types of restaurants and retail uses included a bagel shop, a deli, a small grocery store, an ice cream shop, office space (particularly for non-profits or artists), and other uses that would attract customers beyond students.

Feeling of safety / cleanliness

A shared sentiment was that the perception of safety on the Hill changes markedly after dark. Female participants were consistent in their pattern of not walking alone after dark. Males did not share this concern. The level of safety did not appear to be changing, either positively or negatively, in the recent past. However, cleanliness was generally seen to have improved in the past couple of years, although it is still an issue.

Future of the Hill

Focus group participants were asked for suggestions that would have the greatest positive impact on the future of the Hill. Parking/a parking garage, outdoor seating for restaurants, more events, more communication/collaborative approaches, and continuing to improve the cleanliness were the most common suggestions.

Questions were brought up about the plan for the Boulder History Museum.

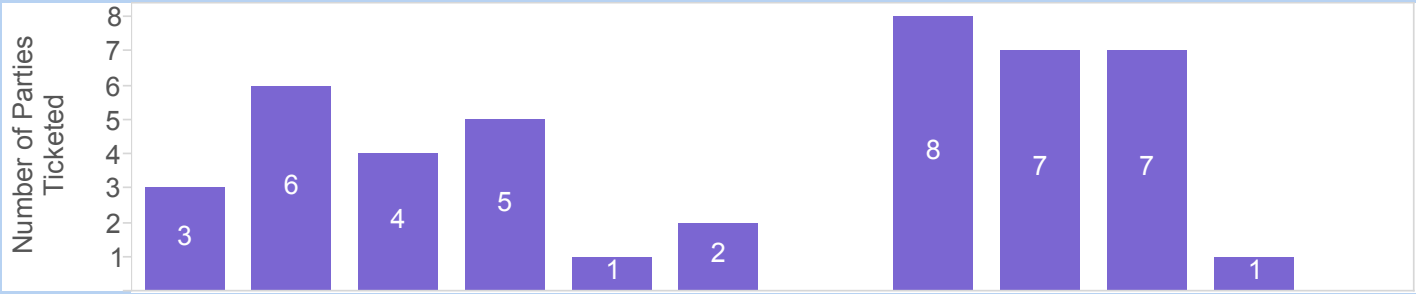
Other Topics

Suggestions and comments that were not necessarily a consensus but were noteworthy include:

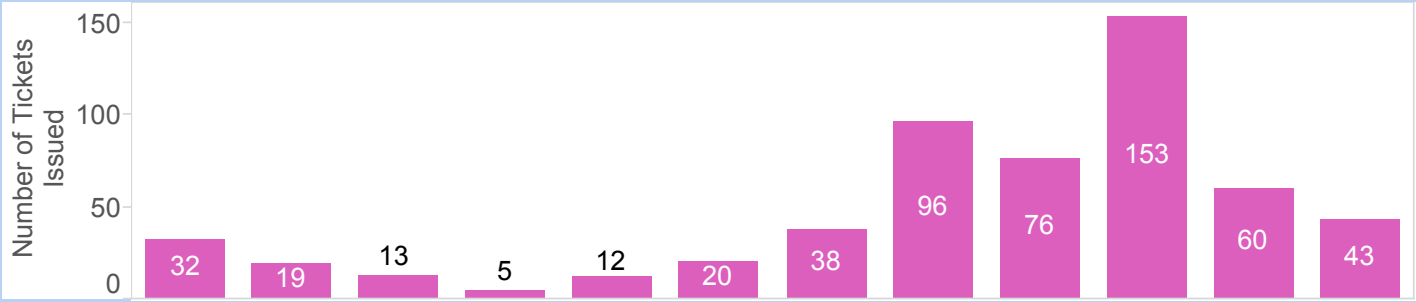
- The idea of closing 13th Street, either temporarily as an experiment or permanently, to activate the outdoor space and provide greater outdoor seating for the restaurants.
- Working with property management and landlords about over-occupancy and the issues it creates.
- Several noted that they used the post office in the Colorado Bookstore and wondered if there would be one in the new Walgreens.
- Building a better community by working together in a collaborative way with different stakeholder groups so that everyone's perspective is heard.

Boulder University Hill 2014 Performance Measurements

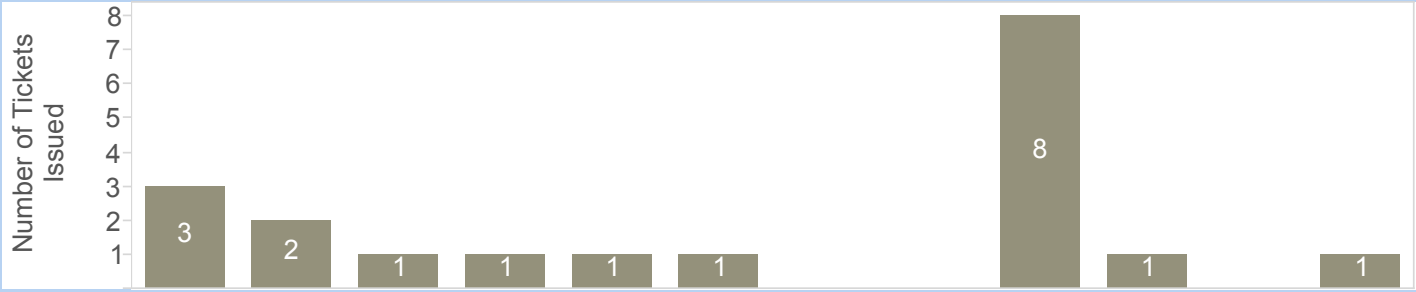
Nuisance Parties - Number of Parties Ticketed by Month



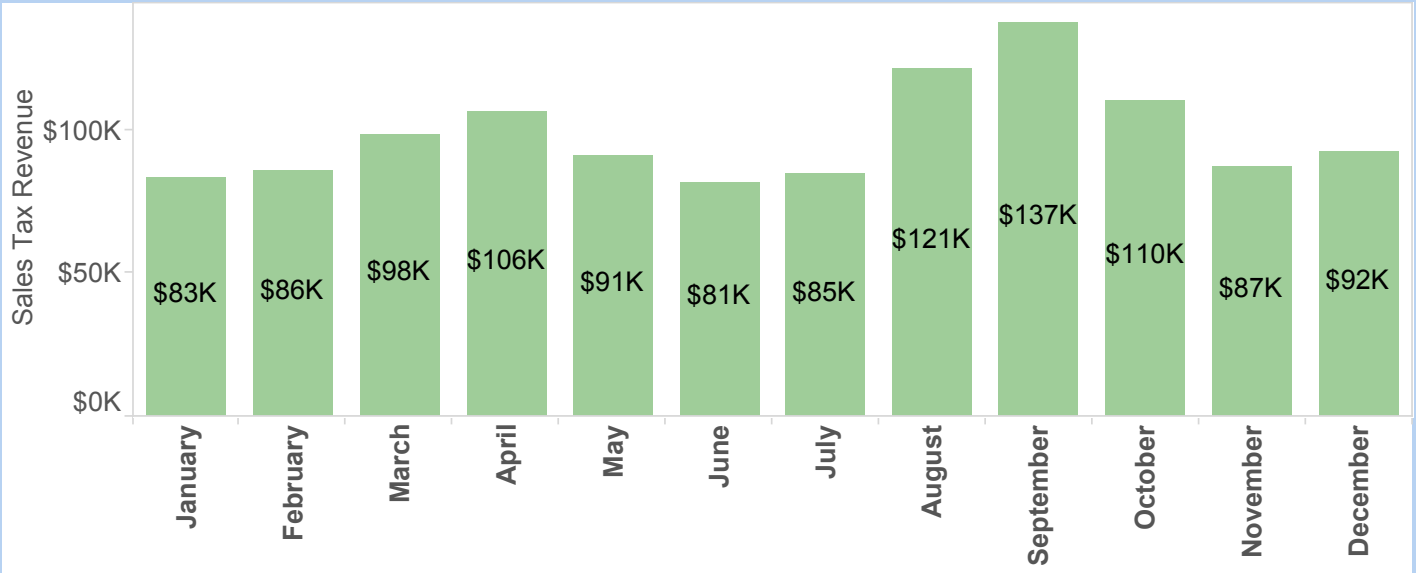
ROW Litter Tickets & Trash Violations - Number of Tickets Issued by Month



Night-Time Noise Violations (11pm - 7am) - Number of Tickets Issued by Month



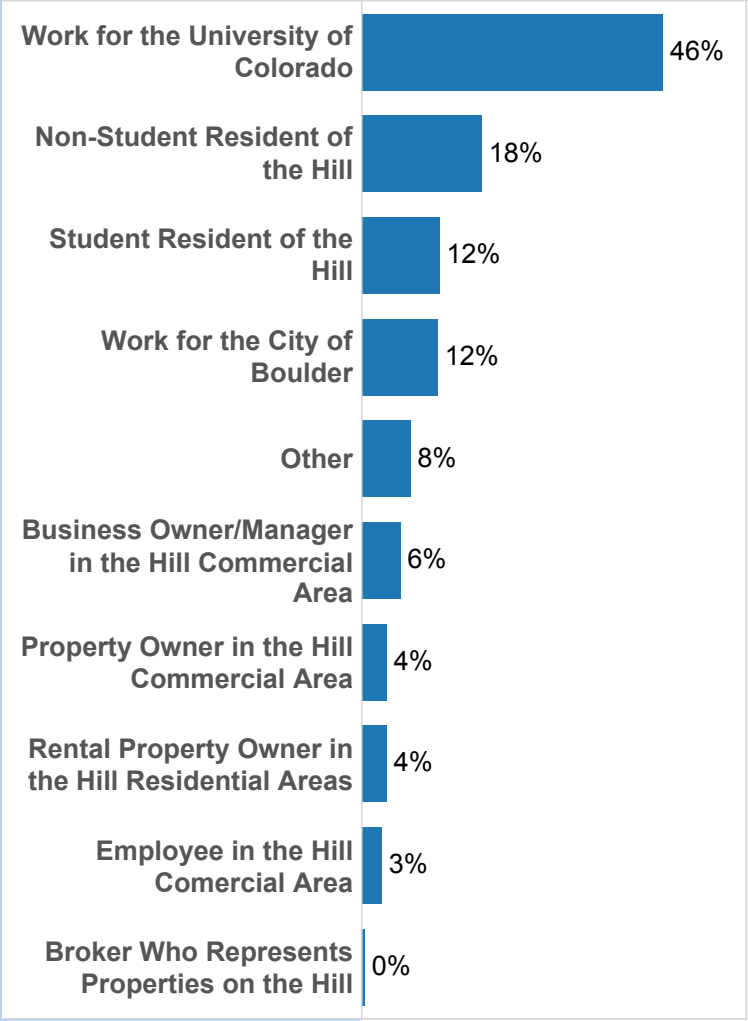
UHGID Sales Tax Revenues by Month



RRC ASSOCIATES

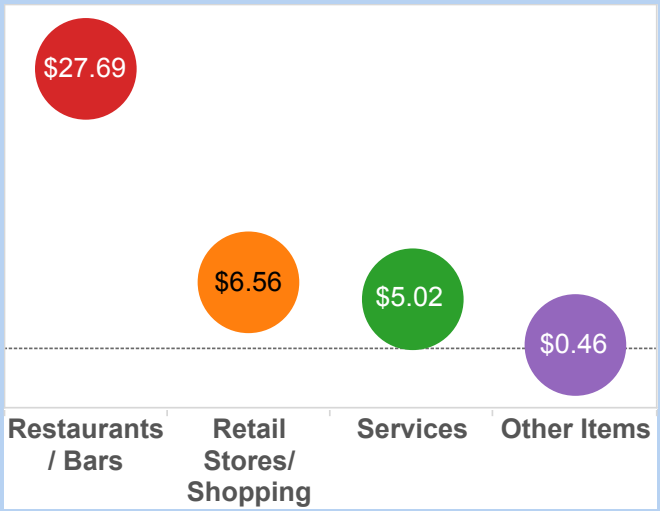
Boulder University Hill 2015 Perception Survey Results

Relationship with the Hill

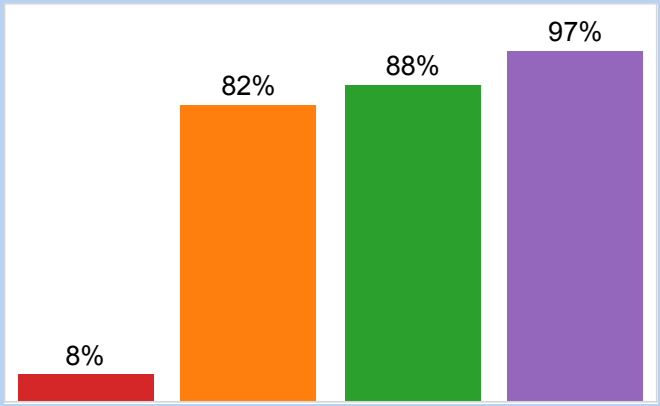


Money Spent During Last Visit to the Hill

Average Amount Spent

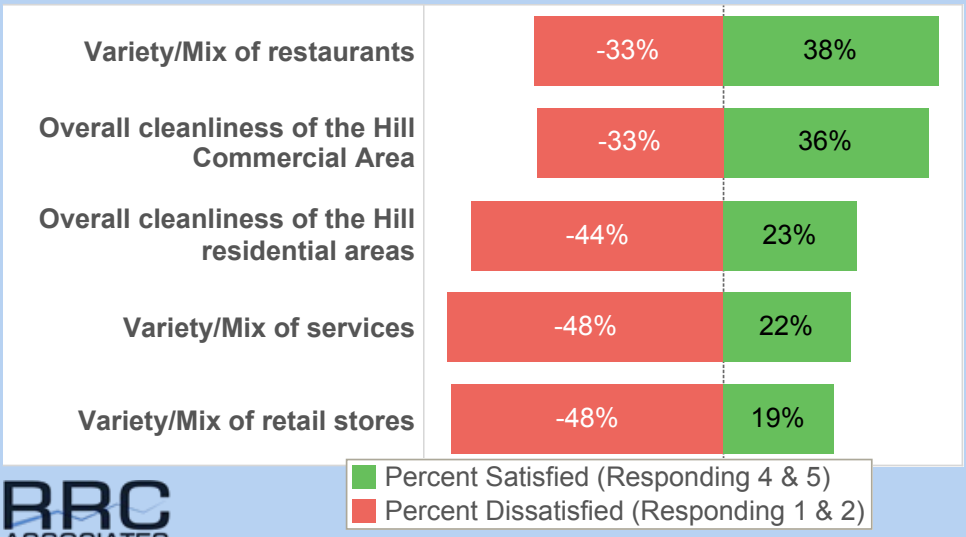


Percent Responding "None"

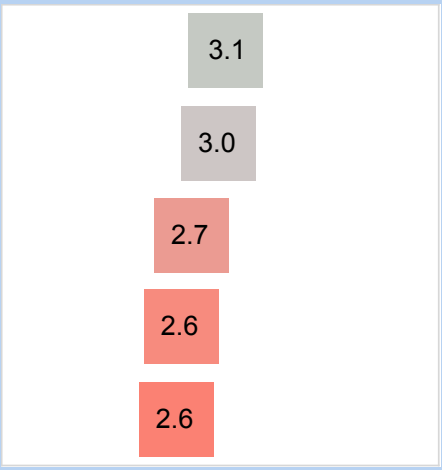


Satisfaction with Attributes of the Hill
(1=Poor, 5=Excellent)

Percent Satisfied vs. Percent Dissatisfied



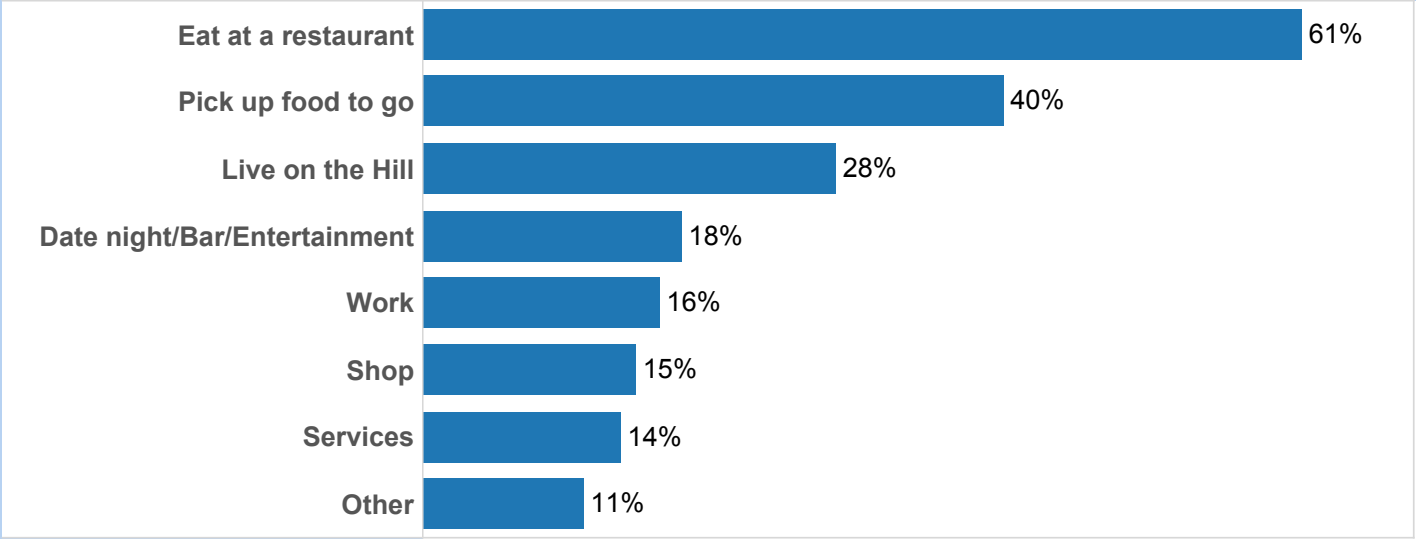
Average Rating



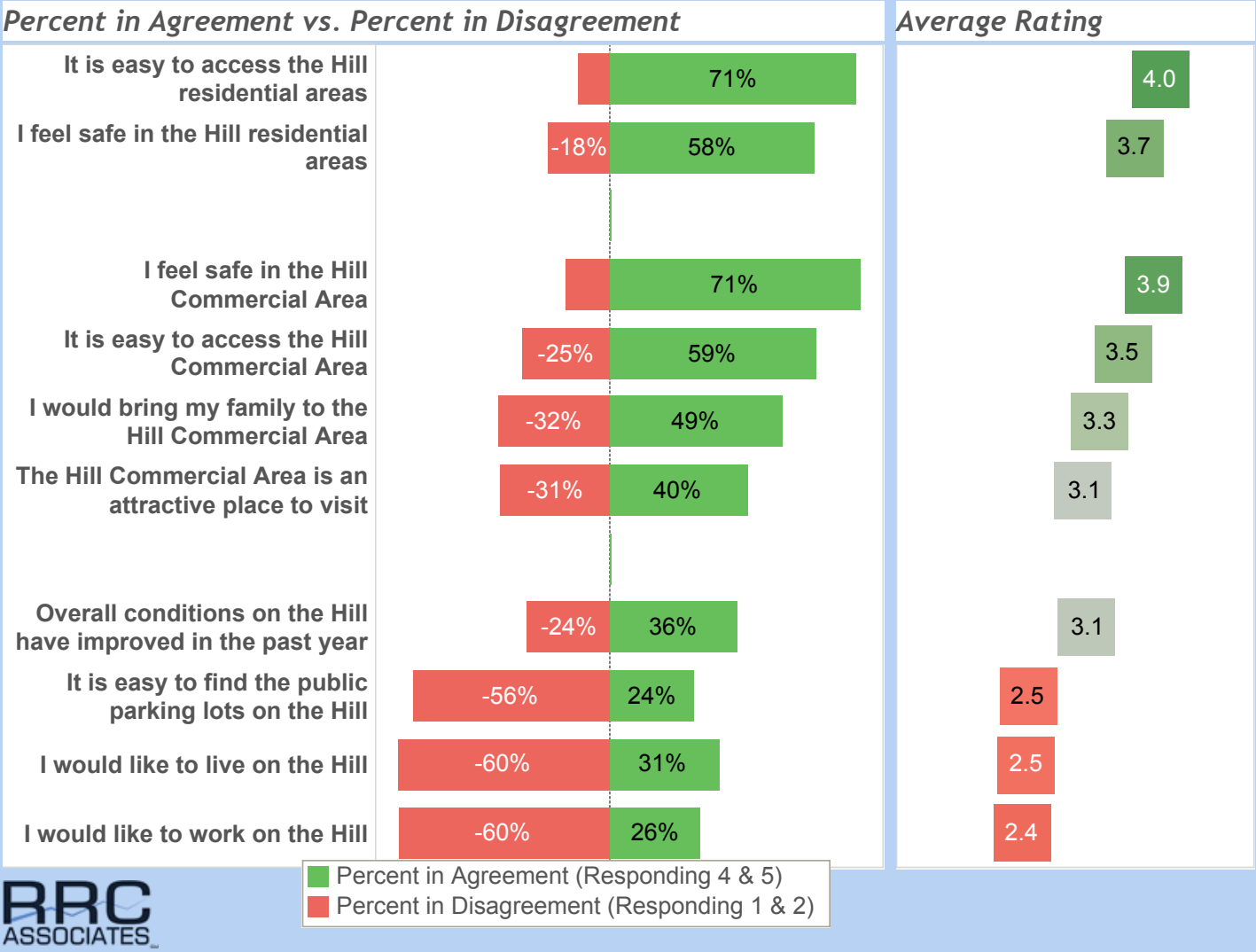
RRC ASSOCIATES

Boulder University Hill 2015 Perception Survey Results

Primary Reason for Going to Hill Commercial Area



Level of Agreement with Statements about the Hill
(1=Strongly Disagree, 5=Strongly Agree)



RRC ASSOCIATES

ADDENDUM: PROPOSED 2016 HRS WORK PLAN

Based on the elements of the Council's Hill Reinvestment Strategy (HRS) framework drafted in 2014, the HRS Work Plan contains seven key program areas, as well as the continuation of ongoing programs in the residential and commercial areas of the Hill. The proposed 2016 HRS Work Plan represents a shift toward the implementation phase of many of the programs that were in the planning or exploratory stages in 2014-15. The second phase is intended to approach the HRS goal of 'moving the needle' to achieve year-round economic vitality in the Hill Commercial Area and to achieve quality of life improvements in the residential areas of the Hill most impacted by student activity.

1. Pilot Residential Service District (RSD)

The RSD was established in 2014 as a pilot program in the residential areas immediately adjacent to the HCA. The scope of the pilot was based on a trial effort in 2011 to establish whether consistent litter removal in the public right-of-way in the areas most affected by student activity would help to ease neighborhood town/gown relations.

The RSD consists of two contracts supported by the General Fund and managed by the Department of Community Vitality (DCV). The first contract is with the Bridge House organization's Ready-to-Work (RTW) program, which provides a supervisor and two crew members to pick up litter in the public right-of-way on Friday, Saturday and Sunday mornings. These three mornings were identified as when neighbors typically witness the biggest problems with litter form the night before. The second contract is with Prop Maintenance, which coordinates the RSD program for the city, including removal of the trash bags collected by RTW crew members and documentation the number of bags of litter collected to measure the impact of the program. The RSD Coordinator also communicates with the Boulder Police Department's Code Enforcement Division about which addresses are generating the most litter.

The Community Vitality Department hosts monthly meetings to discuss the RSD program and its impacts with a group of community members, including representatives from the Boulder Area Rental Housing Association (BARHA) and the CU Off-Campus Housing Office.

At the April 28, 2015 HRS study session with City Council, staff presented preliminary data on the RSD program demonstrating that the RTW crews were picking up an average of 10 bags of trash per day. Data from October 2015 showed increased trash collection, with an average of 14 bags of trash per day.

The two-year pilot RSD expires at the end of 2016. The Department of Community Vitality (DCV) will evaluate the impact of the program in 2016, and the Hill Reinvestment Working Group (HRWG) will discuss potential funding mechanisms to continue the program if there is interest in doing so after the 2016 program evaluation.

2. Quality of Life Improvements

A key goal of the HRS is to improve the 'quality of life' on the Hill for its residents and businesses. This can be interpreted in a number of ways, but the focus of the HRS quality of life efforts are town/gown relations and health and safety programs.

University of Colorado (CU) Partnerships

In 2015, the city entered into two partnerships with CU organizations to improve quality of life in both the Hill Commercial Area (HCA) and the RSD. In the HCA, the CU administration has agreed to design and fund street banners that call out the unique history of CU and the Hill, working toward establishing a 'pride of place' over the next three years.

Image 1. Sample CU Banners in the HCA (October 2015)

On an ongoing basis in both the HCA and RSD, the city and CU students from the Volunteer Resource Center, Residence Life, Restorative Justice and the Inter-Fraternity Council (IFC) and Pan-hellenic come together to complete 'Hillanthropy' cleanup projects that are overseen by the Department of Community Vitality. In 2016, plans include a major cleanup of the HCA in May; a major cleanup of the RSD in August; and a cleanup of the Columbia Cemetery in the fall.

The city and CU also continue to partner on the Addressing Alcohol Concerns Together (AACT) Coalition with the Municipal Court; the party registration program and the 'Walk This Way' program with the CU Off-Campus Housing Office; and student orientation programs with the University Hill Neighborhood Association (UHNA).

Neighborhood Pedestrian Lighting Improvements

In 2014, Boulder residents voted to approve a temporary sales tax known as '2A' to support a wide variety of 'community, culture and safety' improvements. One of the three projects funded by the 2A tax is the installation of new pedestrian-scale lighting along key night-time pedestrian corridors throughout University Hill. The corridors were identified by community members as particularly dark at night, and they are well-used by students accessing the downtown commercial district. The staff project management team is currently preparing final design plans, with construction slated to begin in late spring of 2016, after CU move-out week.

Neighborhood Policing Program

In 2015, a main goal for the Boulder Police Department was to "redefine" its approach to Community Policing. Staff issued a community survey and conducted community outreach through meetings and events to gain feedback about how well the department is serving community needs and where improvements could be made. The 500 survey responses demonstrated a common theme that the community would like to have a closer, collaborative problem-solving relationship with the Police Department.

A pilot Neighborhood Policing Area (NPA) model was initiated in the University Hill Neighborhood. Defined as the area between 9th street and Broadway, and Baseline to Arapahoe, University Hill was divided into 10 NPAs with one Impact Officer assigned to each. This summer, the officers spent a full shift (10 hours) walking through their NPAs, going door-to-door to introduce themselves to community members and build a problem solving relationship. The NPA officers provide their work cell phones to citizens who contact them with problems so that they can be a continuing resource.

Since summer 2015, Impact Officers have worked with University Hill community members to solve a number of problems. In one situation on 10th Street, the Impact Officer worked with other members of the Boulder Police Department to address a situation where an elderly home owner was concerned with the number of transients that had been invited by one of her tenants to stay there. In another situation on Grandview, the Impact Officers of two adjacent NPAs worked together to address problems with frequent nuisance parties at several student rental apartments. They talked with the tenants and initiated a plan to issue citations for any future violations. The complainant citizens were very pleased with the outcome.

In 2016, the Impact Officers will spend at least two days walking through their NPAs to continue their outreach to University Hill residents and business owners. The program will also expand to the northwest portion of the city.

Bear-proof Commercial Dumpster Requirement

In summer 2015, the city's urban wildlife coordinator and members of the communications staff began reaching out to the businesses and property owners in the HCA to encourage them to obtain bear-resistant dumpsters. This included attending meetings with The Hill Boulder business association. The goal of the outreach was to inform businesses that beginning in 2016 they will be cited and fined for not using bear-resistant dumpsters as part of the enforcement of the bear-protection ordinance. Both commercial buildings and multi-family buildings are subject to the ordinance, which the city will being enforcing on June 15, 2016. Outreach material emphasized the importance of properly using the dumpsters and how to obtain them from waste management companies such as Western Disposal. As of the end of September 2015, more than 150 bear-resistant dumpsters have been distributed.

3. Private Property/Streetscape Improvements

As reported at the April 28, 2015 study session with City Council, two community surveys identified the *appearance* of the HCA as a deterrent to visiting more frequently. Comments included "Some buildings are very unattractive and need better lighting and maintenance," and "We would be more inclined to go if it wasn't so dirty. It feels dirty and full of empty retail spaces." Despite an occupancy rate of almost 100% (there are currently only two retail vacancies in the HCA), the perception is of a district in need of revitalization. City staff in 2016 will spear-head efforts to both promote private investment in the Hill through National Register Historic District tax credits, and to create more attractive public spaces, such as enhanced alleys, a landscaped 'event street,' and irrigation to support the longevity of the existing street trees.

Façade Improvement Program – National Register Historic District Nomination

In an effort to promote private property owner engagement with improving the attractiveness of the HCA, staff will explore best practices and tools to make it easier for property owners to invest in façade improvements. One tool being considered requires significant advance planning but also offers valuable benefits to property owners. A National Register Historic District designation allows owners of 'contributing' properties within a district to apply for state and federal tax credits to offset the cost of improvements to the exterior of their buildings. The district is formed only if the nomination is accepted by the Keeper of the National Register and if a majority of owners within the district do not object to the designation.

In the summer of 2015, a mailing went out to all HCA property owners with an offer to meet with Preservation Planning and Community Vitality staff to discuss a National Register nomination as a means to help fund façade improvements. Staff met with the owners of 13 out of the 30 commercial properties within the Hill Commercial Area, and conducted a public open house on July 15, 2015 with a member of the State Historic Preservation Office to answer questions about the tax credits and associated design review process. An application for a determination of eligibility was submitted to the state in September 2015. The State's National Register Eligibility Committee met on October 28, 2015, and recommended that the proposed University Hill district is eligible under Criterion A-Social History as a long-standing place for students, protests, and other community events. It was also deemed eligible under Criterion A-Commerce for the long-standing association of commercial businesses operating in the district. Staff is in the process of hiring a historic preservation consultant to prepare the National Register nomination, which is anticipated to be submitted in early 2016.

Alley Enhancement Master Plan

Staff intends will move forward in 2016 with exploring a program to enhance certain alleys in the HCA to create more attractive pedestrian environments. In particular, the alley that connects the middle of 13th Street to both Broadway and College Avenue offers an opportunity to improve pedestrian access throughout the HCA, and possibly create additional outdoor dining

opportunities. The alley between the future 'event street' at 13th Street and Pennsylvania Avenue and the public parking on Pleasant Street is another opportunity to improve what could become a key pedestrian corridor within the district.

'Event Street'

One of the capital improvement projects to be funded by the 2A 'community, culture and safety' sales tax is the reconstruction of a half-block of the HCA at 13th & Pennsylvania Avenue. In 2014, the city funded a temporary 'parklet' in the same location, offering an attractive public seating area for visitors to gather. A follow-up survey identified that, although there was demand for a public gathering space in the HCA, community members did not like that the parklet took up three parking spots in one of the busiest areas of the district.

The city issued an RFQ in July 2015 for a landscape design firm to create a space at 13th & Pennsylvania that is open to vehicular traffic most of the time, but can convert to a pedestrian-only 'event space' as needed. The three finalist firms were asked to submit preliminary concept designs for the space, which were posted online and at a Hill business at the end of August. Members of the public were asked to submit comments on the designs, and to identify what design elements they would or would not like to see in the final design.

The firm of Russell + Mills Studios was selected in September 2015 based on their demonstrated ability to create small-scale, durable, user-friendly public gathering spaces. They will spend the next few months interviewing key stakeholders to develop a preliminary design that will be presented to the broader public for feedback in the spring of 2016.

Tree Irrigation

Another project funded by the 2A 'community, culture and safety' sales tax is the installation of a tree irrigation system in the HCA. Providing a consistent water supply for HCA landscape plantings will improve the appearance of the district and allow for the addition of enhanced landscape design in the future 'event street' area at 13th & Pennsylvania. At the request of Hill businesses, the installation is scheduled during the school year, rather than in the summer months when business is already negatively impacted from the departure of the student customer base. The project has gone out to bid and construction is scheduled to begin in winter 2015-16.

4. Multi-Modal Access Improvements

A key element of the HRS Framework was to enhance multi-modal access to the Hill. Widespread demand for additional parking will be addressed through both encouraging greater use of public transit by Hill employees, enhanced inter-modal facilities, expanded car sharing programs, and efforts to build a public parking garage.

Pilot EcoPass Program

At the study session with City Council on April 28, 2015, staff presented the findings of a University Hill EcoPass Feasibility Study, which confirmed that there is a sufficient number of employees in the HCA (460 full-time equivalent) to qualify for a district EcoPass program. The study also found that a majority of these employees (58%) were driving alone and finding less than optimal parking solutions, including walking five or more blocks from unrestricted neighborhood parking zones or parking at the metered spaces in front of their businesses and moving their vehicles several times a day. The city's consultant, Fox Tuttle Hernandez, estimates that making an EcoPass available at no cost will reduce drive-alone commutes by 15%.

In preparation for a 2016 start, staff is currently drafting an EcoPass contract with RTD that will be funded in part by GO Boulder. The pilot program will provide all full-time HCA employees with a free bus pass that may be used throughout the region. The pilot program is planned to run for three years, from 2016-2018.

Funding has been set aside to evaluate the usage of the EcoPass by Hill employees after its first and second years. Evaluation of the program will also be considered in light of the results of the recently completed update to the Boulder Valley Employee Transportation Survey.

Enhanced Inter-modal Facilities

At the September 2015 meeting of the University Hill Commercial Area Management Commission, staff was asked to explore options for adding new bicycle parking to HCA transit nodes, and to compile a list of questions for RTD and the city's Transportation Department regarding improvements to the HCA bus shelters. Staff has identified areas where additional bicycle parking can be accommodated and new facilities will be added after the HCA tree irrigation is installed. Staff will continue to communicate with representatives from RTD to identify possible additional improvements to the Hill's bus shelters.

Expanded Availability of Car Sharing Programs

In 2014, the city provided community members with access to the local non-profit car sharing service, eGo, at the UHGID 14th Street public parking lot. In 2015, the city was approached by two additional car sharing programs about possible opportunities to establish their operations throughout Boulder. The city has granted Zipcar a space on the 14th Street UHGID lot as well, and staff will continue in 2016 to explore the feasibility of providing the car sharing services with on-street spaces on the Hill and citywide as part of the citywide Access Management and Parking Strategy (AMPS).

5. Public Art & Events

Another key element of the HRS Framework was to integrate the arts into the HRS Work Plan. Funding for additional public art on the Hill will be provided through the 'community, culture

and safety' sales tax (a one-time allocation estimated at $70,000) and there are proposals for funding mechanisms that specifically would support ongoing temporary public art installations and activities. The two programs that will be a part of the 2016 HRS Work Plan relate to the Community Cultural Plan and the 'Heart of the Hill' event series.

Community Cultural Plan

The anticipated completion of the multi-year effort to update the city's Community Cultural Plan in 2016 coincides with the timing of the construction of the 'event street' in the HCA and the 2A 'community, culture and safety' tax funding for additional public art on the Hill. The final plan is anticipated to also include increasing public art in the neighborhoods.

'Heart of the Hill'

In 2015, staff worked with The Hill Boulder business association and Grenadier Advertising, a Hill business, to develop a year-long slate of events and an associated marketing campaign. Grenadier contributed approximately $50,000 in pro bono branding and design work to set the foundation for ongoing promotions for the district. In 2016, it is anticipated that UHGID will continue to sponsor the event series, and that successful events like 'Hilltoberfest' and 'Light the Hill' will return.

6. Long-term Governance and Funding Mechanisms

One of the key elements of the HRS Framework is to identify long-term governance and funding mechanisms for the Hill after the initial time frame of the HRS, which expires in 2016. The Hill Reinvestment Working Group that was formed in November 2015 will participate in three workshops facilitated by Progressive Urban Management Associates (PUMA) to develop a recommendation to Council by the second quarter of 2016.

7. 'Catalyst' Sites

The UHGID-owned public parking on Pleasant Street is one of five potential redevelopment or 'catalyst' sites being examined by the city for their potential to positively impact the long-term economic vitality of the HCA. The five 'catalyst' sites are:

- 13th Street CU parking lot;
- Everyday gas station at Broadway/13th Street;
- 14th Street UHGID-owned public parking lot;
- Proposed CU conference center site at Broadway/University; and,
- Pleasant Street UHGID-owned public parking lot;

These sites represent the most under-developed land in, or adjacent to, the district. There are currently no development plans under discussion for either the 13th Street CU-owned public

parking lot or the Everyday gas station, although in the past year commercial investors have contacted the city with interest in pursuing developments on these sites.

14th Street UHGID Public Parking Lot

For several years, the city has been negotiating with the owner of land adjacent to the UHGID-owned 14th Street public parking lot to determine the feasibility of a joint venture that could provide the district with an underground public parking garage. After the March 2015 conclusion of the HCA residential use moratorium, the zoning was changed to no longer allow market rate residential uses in the district. Following the zoning change, the private land owner no longer considered the project to be viable, despite efforts to re-design the project to include affordable housing instead.

Proposed CU Conference Center at Broadway/University

Progress is being made on the feasibility of a CU conference center on the northeast corner of Broadway/University. In October 2015, CU indicated that the University Hill location was preferable to an east campus location; however, many considerations have yet to be explored. A Hill location could provide benefits to the community in terms of supporting the revitalization of University Hill; providing much-needed meeting space for both small and large events; and connecting to city investments in the Civic Area.

Pleasant Street UHGID Public Parking Lot

Complementing plans for a potential conference center, a partnership of Hill landowners and a development team has proposed a 155-room hotel project (with an additional 30,000 square feet of retail/dining) on the land on the southwest corner of the same intersection at Broadway/University. The team has approached the city about including the UHGID-owned Pleasant Street public parking lot. Conceptual site plans estimate that combining the parcels would allow for the construction of 247 public parking spaces that would continue to be owned and operated by UHGID.

The current UHGID Pleasant Street surface parking lot contains 65 spaces that are a combination of metered parking spaces and long-term parking permits. Providing additional parking for Hill employee and visitors has been identified as fundamental to achieving year-round economic vitality on the Hill. An interdepartmental staff team is currently looking at potential funding mechanisms to support the construction of the proposed public parking garage.

Attachment C: HRWG Overview

HILL REINVESTMENT WORKING GROUP

November 19, 2015

Workshop #1: Long-term Governance and Financing Mechanisms

Background and Objectives

- Council adopted the Hill Reinvestment Strategy (HRS) for 2014 to 2016
  - Goal of creating a self-sustaining way to continue beyond that time frame.

- The Hill Reinvestment Working Group (HRWG) formed in mid-2015 to participate in three facilitated workshops to **identify governance and funding mechanisms to continue Hill improvements** beyond the initial time frame of the HRS.

HRWG Members

- *City Council:* Lisa Morzel & Andrew Shoemaker
- *CU External Relations:* France Draper
- *UHCAMC:* Cheryl Liguori
- *Hill Commercial Area Property Owners:* Mark Heinritz and John/Bill Ellwood
- *Responsible Hospitality Group*: Jake Hiersteiner
- *UHNA:* Tracy Jennings, Lisa Nelson, Callie Weiant
- *CU-Off Campus Housing:* Suzanne Stafford
- *RSD/BARHA:* Caldwell Sullivan
- *CUSG:* Adli Ahram
- *IFC/Panhellenic:* Megan Allen

Hill Reinvestment Strategy (HRS)

- Multi-year, collaborative effort to improve quality of life on the Hill. **2014 to 2015 HRS accomplishments:**
  - Hired Hill Community Development Coordinator;
  - Initiated regular communication with 'University Hill Stakeholder Update';
  - Rezoned Hill Commercial Area (HCA);
  - Improved cleanliness through Ready-to-Work program;
  - Expanded Code Enforcement and maintenance staff;
  - 'Heart of the Hill' established;
  - Pilot Hill Employee EcoPass program;
  - Negotiations for potential public parking garages;
  - Staff team exploring financing tools for parking garage;

Hill Reinvestment Strategy (HRS)

- **2014 to 2015 HRS accomplishments** cont.:
  - Outreach regarding proposed National Register historic district & façade improvement;
  - Funded tree irrigation & construction of a public gathering space;
  - Funding for enhanced pedestrian lighting in RSD;
  - CU partnerships: HCA banner program & 'Hillanthropy' cleanups;
  - Survey & focus group to establish baseline conditions to measure future performance;
  - Surveys to establish neighborhood retail preferences & outreach to broker community.

2016 HRS Work Plan

- **Seven key program areas:**
  - *Residential Service District*
    - Evaluate two-year pilot program
  - *Quality of Life Improvements*
    - Implementation of commercial bear-can requirement
    - Installation of pedestrian lighting improvements in RSD
  - *Building/Maintenance Improvements*
    - Submit National Register Historic District nomination
    - Draft façade improvement program
  - Initiate Alley Enhancement Master Plan process*Multi-modal Access*
    - Start Hill Employee EcoPass Pilot Program
    - Coordinate bus shelter improvements
    - Improve pedestrian and bicycle access

2016 HRS Work Plan

- **Seven key program areas cont.:**
  - *Public Art and Events*
    - Community Cultural Plan integration
    - Continuation of Heart of the Hill event series
  - *Long-Term Governance and Funding*
    - HRWG Workshops #2 & #3 to Identify Governance/Funding Mechanisms & Stakeholder Roles
    - Recommendation to Council in Q2
  - *'Catalyst' Sites*
    - Continue to negotiate on the two UHGID parking lots
    - Continue to investigate options for public financing

Current Governance/Funding

- **Hill Commercial Area (HCA)**
  - *UHGID:* parking and streetscape maintenance
    - Local property tax assessment = $33,000/yr. in 2014
    - General Fund transfer in from meter revenues
  - *UHCAMC:* policy recommendations to Council
    - Advises on UHGID budget, no additional funding
  - *The Hill Boulder:* advocacy and marketing
    - Event revenues and ad sales

Current Governance/Funding

- **Residential Service District (RSD)**
  - *UHNA:* town/gown efforts and advocacy
  - *CU Off-Campus Housing:* town/gown efforts and student services
  - *RSD Committee:*
    - General Fund allocation for two-year pilot = $98,000/yr.

Current Governance/Funding

- **Access Management & Economic Vitality**
  - *Access Management & Parking Strategies (AMPS)*
    - General Fund allocation for citywide AMPS, managed by Community Vitality
  - *HRS/Hill Community Development Coordinator*
    - General Fund allocation for Hill Coordinator activities = $40,000/yr.
  - *Interdepartmental Collaboration*
    - Transportation
    - Planning, Housing and Sustainability (PH&S)

Funding Needs & Priorities

- Studies and surveys in the past decade have identified funding priorities for the **Hill Commercial Area** (HCA)**, Residential Service District** (RSD) and **Access Management & Community Vitality**.

- The first workshop of the HRWG will confirm the **funding priorities** and remove/add needs or ideas.

- Size of the district makes it difficult to achieve sustainable funding for capital improvements. The HRWG will also explore **local financing tools for public improvements,** e.g. public parking garages.

Hill Neighborhoods

- Funding Priorities
  - Enforcement (noise, litter, over-occupancy)
  - Litter removal (esp. weekends)
  - Town/gown relations

Hill Commercial Area

- Funding Priorities
  - Streetscape maintenance (trash/graffiti removal, sidewalk power-washing)
  - Marketing and events
  - Advocacy/tenant attraction

Access Management & Community Vitality

- Funding Priorities
  - Transportation Demand Management programs, e.g. EcoPass, bike & car sharing
  - Improved pedestrian, bike, bus, car facilities
  - Provision of sufficient parking to meet customer/employee/resident demand
  - Long-range planning
  - District-wide marketing/branding/PR

Next Steps

- November 19th – HRWG will confirm/modify list of funding needs & priorities
- PUMA will draft options for governance/funding mechanisms to pursue the priority activities over the long-term
- Workshop #2 will review governance/funding mechanisms
- Workshop #3 will review stakeholder roles in future governance entities
- In Q2, HRWG will make recommendation to City Council.
- Recommended option(s) may require election, requiring July/August decision to be on November 2016 ballot.

Hill Reinvestment Working Group (HRWG) – Workshop #1 – Issues and Priority Concerns

Facilitated by Progressive Urban Management Associates - 11/19/15

	I. Hill Neighborhoods		II. Hill Commercial Area (HCA)		III. Access & Economic Vitality
12	**Preserve a Balanced Neighborhood** - Investment property trend - Mixed options/affordability - Retain permanent residents - Grad students - Families	9	**Aesthetics** - Freshen - Improve - Incentives	12	**Provide Sufficient Parking** - Availability - Cost - Management - Commercial District
9	**Enforcement (noise, litter, over-occupancy)**	8	**Anchor Tenant** - Diversify beyond students	8	**Improve Safety** - Lighting/Alleys - Transients - Policing - Alcohol - Underage drinking
2	**Aesthetics – Incentives**	4	**Identify Markets to Attract** - CU Adults		
2	**Litter Removal (especially weekends)**	1	**Streetscape Maintenance**		
1	**Town/Gown Relations**		**Marketing & Events**	3	**District Wide Identity/PR** - Family markets
	Landlord Accountability		**Advocacy/Tenant Attraction**	1	**Long Range Planning**
			Street Décor - Holiday Lights		**TDM Programs, e.g., Eco Pass**
					Improved Bus/Bike/Pedestrian Facilities
					Transit Options/Routing