



20 June 2017 (amended 5 October 2017)

Mr. A.J. Krieger
Town Manager
Town of Erie
645 Holbrook Street
Erie, Colorado 80516

RE: Proposal for Urban Renewal Services

Dear Mr. Krieger:

On behalf of RickerCunningham (RC), Real Estate Economists and Community Strategists, we are pleased to present this proposal to the Town of Erie (the "**Town**") and Town of Erie Urban Renewal Authority (the "**Authority**" or "**TOEURA**") for professional services associated with the preparation of various urban renewal documents. Based on recent discussions, we understand that the Town is considering establishing a new urban renewal planning area west of Interstate 25 (I-25) between Highway 52 and Erie Parkway (herein referred to as the "**Study Area**" or "**Area**"). The purpose for this work is to provide the Town and Authority with documentation necessary to further urban renewal projects in the Area that will eliminate conditions of "blight" and advance identified community goals and objectives.

Representatives of RC are very familiar with conditions in the Area, as well as throughout the community, because of work previously conducted for the Town associated with other urban renewal assignments. We are confident that this will expedite delivery of the work products described herein. As per the Urban Renewal Law of the State of Colorado, Part 1 of Article 25 of Title 31, Colorado Revised Statutes, 1973, as amended (the "**Law**" or the "**Act**"), your immediate need is preparation of a survey (herein referred to as the "**Conditions Survey**" or "**Survey**") documenting the type, location and severity of blighting conditions (as defined therein). Once the Area's eligibility for an urban renewal designation is confirmed, you will need a plan (herein referred to as the "**Urban Renewal Plan**") describing your intentions regarding future public and private improvements in the Plan Area; as well as, documentation of potential impacts (herein referred to as the "**Impact Report**") to all affected taxing entities. Work tasks associated with the preparation of these reports are described as follows.

www.rickercunningham.com

10959 Ashurst Way
Highlands Ranch, CO 80130
ph 303.458.5800



Conditions Survey

Task 1: Property Owner Notification (Optional)

RC can be available to assist with preparing language for a notice to owners of property in the Area that a study is commencing. We can also facilitate identification of the owners and distribution (mailing) of the same. As per the Act, this notification must occur within 30 days of authorizing preparation of the Survey.

Task 2: Data Gathering and Field Investigation

RC will collect information including electronic GIS base map files and aerial photography that shows the location of streets, parcel boundaries, and other features; as well as relevant physical, regulatory, and political data. In addition, we will physically investigate the Area and observe conditions within real properties, public spaces and supporting infrastructure; and document those that are visually observable and which suggest the presence of factors deemed “blight” as defined in the Act. Whereas we do not inspect the interiors of structures unless specifically requested to do so, and only after access has been arranged for by the Town or representative of respective properties; all observations of properties will be made from rights-of-way or other areas on parcels that are commonly accessible to the general public.

Conditions such as building code violations, traffic accident data, and street capacity and design deficiencies which cannot be observed through photography or visual examination, will be investigated by contacting appropriate individuals within various departments of the Town and other public agencies. Regarding the statutory blight factor “g” related to “defective or unusual conditions of title,” due to the cost and time-consuming nature of this type of inquiry, RC will only consider conditions related to this factor unless verifiable information is provided by the Town, Authority, or agent of a property.

Task 3: Base Mapping

RC will prepare a base and supporting maps, along with other exhibits illustrating the location and severity of relevant conditions, using information gathered through completion of the previous work task.

Task 4: Draft and Final Conditions Survey Report

RC will prepare a draft report describing and illustrating conditions in the Area, along with an explanation of whether or not they are consistent with requirements set out in the Act. We will transmit a draft Conditions Survey report to the Town in electronic (PDF) format for review; and upon receipt of comments make any revisions and issue a final report formatted in a manner suitable as either a stand-alone document or attachment to the Urban Renewal Plan.



Task 5: Board Presentation

Once the final document is complete, RC will be available to present the findings at a regularly scheduled meeting of the Authority Board / Board of Trustees. If additional presentations are required, associated fees and expenses will be billed at-cost.

Urban Renewal Plan

Task 6: Plan Boundary Discussion

RC will facilitate a discussion with Town staff and other project representatives to consider the survey findings as they may influence either the inclusion or exclusion of parcels in the proposed Plan Area. We will assist those involved with understanding various advantages and disadvantages, as well as potential impacts on business and property interests in the Plan Area and community at-large.

Task 7: Market Assumptions

RC will conduct an analysis of existing and projected market conditions in an effort to quantify support for land uses and product types proposed within the Plan Area, potential rates of absorption, and project cost and revenue thresholds. Conclusions derived from this work will be used to inform underlying assumptions used in preparing the Impact Reports. (See related work Task 10 below.)

Task 8: Plan Components

RC will review relevant policy, regulating and capital documents which will inform future investment in the Plan Area. With an understanding of market forces, the community's vision, and prevailing controls and standards, RC will define public and private initiatives necessary to arrest adverse conditions and further desired investment. Note: Where possible, supporting illustrations will be taken from existing Town documents (comprehensive and related planning) to ensure consistency with the same.

Task 9: Draft and Final Urban Renewal Plan Report

RC will prepare a draft report describing development goals for the Area, priority capital investments, potential funding sources and strategies, and powers available to the Authority to remedy "blight" and advance projects with a defined public benefit. As per the Act, legal descriptions of the Plan Area and TIF District boundaries (if different) will also be included, and may be contracted for by RC or the Town. (See related work Task 12 below.)

RC will transmit the draft Urban Renewal Plan report to the Town in electronic (PDF) format for review, and upon receipt of comments make any revisions and issue a final report for consideration by the Erie Board of Trustees.

Impact Reports

Task 10: Tax Increment Analysis and Impact Reports

Working with Town Staff, RC will define a land use and product program for the Plan Area / TIF District through build-out. Using cost, revenue and absorption assumptions developed through completion of Task 7 above, we will estimate incremental revenues (real and personal property, sales and other municipal taxes) resulting from new investment, along with the cost to remedy conditions of blight, and complete eligible improvements. The impact of these to relevant taxing entities including Weld County, will be documented in separate reports. (See list of taxing entities in the second footnote below.) As per the Act, an impact report must be received by all affected taxing entities within 30 days of the date of the public hearing.¹ If requested to do so, RC will be available to assist with presentation of this information to relevant audiences.

Task 11: Property Owner and Business Interest Notification (Optional)

RC can be available to assist with preparing language for a notice to owners of property and business interests in the Plan Area that a public hearing is scheduled to consider adoption of the Urban Renewal Plan and the collection of incremental revenues. If requested to do so, we can also assist with identifying the names and addresses of these entities and distributing the notices to them. As per the Act, notice must be received by the interested parties and appear in the newspaper of general circulation for the municipality within 30 days of the date of the public hearing.

Task 12: Legal Description(s)

According to the Act, a legal description of the Plan Area and TIF District (if different) must accompany the Urban Renewal Plan and be prepared and certified by a licensed surveyor. If the Town does not have access to these services, RC can contract for them, but only with your written consent to do so. Fees associated with preparation of any legal description(s) are not included in the estimate for RC presented below.

Task 13: Commission and Board Presentations

Once all final documents are completed, RC will be available to present the findings to the Erie Board of Trustees during a published public hearing. If any additional presentations are required, associated fees and expenses will be billed to the Town at-cost.

¹ Legislation is pending regarding notification requirements to affected taxing entities; therefore, fees associated with this task could change.

Urban Renewal Project Financial Examination

Task 14: Sensitivity Analyses (Optional)

Representatives of RC will be available to assist representatives of the Town's Finance Department with quantifying the economic, fiscal and financial impact of various decisions related to the inclusion or exclusion of certain properties and their improvements (existing and planned), as well as capture of incremental revenues. In this regard, we will work with you to determine basic static assumptions, as well as variables to be tested.

Work Products

Work products to be delivered to the Town include:

- Draft and Final Conditions Survey and Supporting Maps
- Draft and Final Urban Renewal Plan
- Impact Reports for Taxing Entities
- Synthesis of Key Market Assumptions
- Language and Illustrations for Public Notices (Optional)
- Meeting and Public Hearing Presentation Materials
- Informational Materials (as requested)
- Legal Description(s) (Contract for Services)
- Financial Model and Economic Assumptions (Optional)

Timing

While the timeframe for completion of this work will ultimately be influenced by the availability of public officials to receive and consider the findings and recommendations; we do not anticipate it exceeding **12 weeks**. This schedule assumes the timely delivery of information and data requested during the Survey phase of the assignment, and the prompt review of all reports and transmittal of any comments for editing.

Fees and Expenses

Fees associated with completion of the major work elements described above are outlined as follows and based on the hourly rates for the professionals involved. Expenses associated with the provision of 15 bound color copies of the final



documents to the Town, and attendance at meetings specified herein, are included in this estimate. Expenses associated with data purchases; and reproduction of presentation, informational and public notice materials will be charged at-cost, but are not expected to exceed 15% of fees.

Major Work Elements:

Conditions Survey	\$10,000
Urban Renewal Plan	\$10,600
County Impact Report	\$7,500
Additional Taxing Entity Impact Reports (\$750 each) ²	TBD
Sensitivity Analyses (Task 14) (Optional)	Time-and-Materials ³
Legal Description(s)	TBD
Notifications (Optional)	n.a.

Hourly Rates:

Anne B. Ricker, Principal	\$185 ⁴
Bill J. Cunningham, Principal	\$185
GIS Mapping	\$105

Invoices will be issued twice monthly. The final invoice for any outstanding balance associated with incurred professional fees and expenses will be submitted with the final documents and due and payable upon their delivery.

Summary

Thank you again for your request and consideration of this proposal. We would welcome the opportunity to work with you and the Town in furthering the community’s economic and redevelopment objectives. If you have any questions about our approach, timing or fees, please do not hesitate to contact us at 303.458.5800. In order to initiate our services, please sign below and return a signed

² 15 Districts impacted by properties in the Survey Area include: Town of Erie, Weld County, School District RE1J- Longmont, Mountain View Fire, High Plains Library, St. Vrain Sanitation, Northern Colorado Water (NCW), Left Hand Water, Central Colorado Water (CCW), Central Colorado Water Subdistrict (CCS), RTD, Boulder Valley Conservation, Summerfield Metro #2, Erie Corporate Center Metro #3 and 232 Metro District.

³ We would propose billing against a not-to-exceed amount of \$5,000.

⁴ 2017 rates.



electronic copy to either Anne Ricker or Bill Cunningham. Both are authorized to execute an agreement on behalf of Ricker|Cunningham.

Sincerely,

Ricker|Cunningham

Anne B. Ricker
Principal
anne@rickercunningham.com

Bill J. Cunningham
Principal
bill@rickercunningham.com

Accepted By:

Mr. A.J. Krieger
Town Manager

Date