

MINUTES OF THE
Lone Tree Planning Commission Meeting
April 22, 2014

Lone Tree Civic Center

1. Attendance

In attendance were:

Martha Sippel, Chair
Dave Kirchner, Vice-Chair
Rhonda Carlson, Planning Commissioner
Gary Godden, Planning Commissioner
Roy Kline, Planning Commissioner
Stephen Mikolajczak, Planning Commissioner
Herb Steele, Planning Commissioner

Also in attendance from City staff were:
Kelly First, Community Development Director
Jennifer Drybread, Senior Planner
Steve Hebert, Deputy City Manager
Torie Brazitis, Management Analyst

2. Regular Meeting Call to Order

Chair Sippel called the meeting to order and noted there was a quorum.

3. Conflict of Interest

There were no conflicts of interest stated.

4. Minutes of the April 8, 2014 Planning Commission Meeting

Commissioner Carlson moved, and Commissioner Steele seconded, to approve the minutes. The motion passed unanimously.

5. Presentations

Comprehensive Plan Discussion Topics: Retail (Pamela Schenck-Kelly from Park Meadows) and Economic Development (Mike Fitzgerald from Denver South Economic Development Partnership).

Ms. Kelly discussed the importance of location when it comes to retailing, and emphasized Park Meadows' good location at the intersection of two major highways. Demographics are also very good in this area. She mentioned that Park Meadows has been successful for 17 years, while other major malls have struggled. Ms. Kelly described the distinguishing characteristics of Park Meadows, including:

- Timeless architecture
- Opportunities for patrons to experience – delight – entertain
- Unique stores and first-to-the-market retailers
- Common areas and amenities
- Catering to “GLMs” – Good Looking Moms
- Opportunities to nourish health through dining, fitness apparel, recreation and sporting goods

She went on to define what makes a healthy community:

- Comprehensive housing for retail workers
- Economic development
- Planning and building (with a development process that is quick, clear, efficient and cost effective)

Ms. Kelly discussed the importance of architecture and signs, and stated that signs will evolve in the future in ways we do not yet understand.

Commissioner Steele expressed concern about the evolution of retail and on-line shopping, and asked how Ms. Kelly sees merchants changing to adapt. She responded that shopping provides an experiential opportunity that on-line retailers cannot offer. Additionally, merchants need good access and it is important to make sure stores are relevant and have good customer service.

Commissioner Steele asked if Ms. Kelly sees a change in the time frame customers shop. She cited a recent survey that showed shoppers stay at Park Meadows an average of 92 minutes - double that of most other retailers. She mentioned that men are hunters and women gatherers when it comes to shopping. Historically women spend longer time shopping than men, but that is changing as women now have more time constraints.

Commissioner Steele stated that the Planning Commission has been learning that seniors tend to buy more services than goods and he asked if Park Meadows will be relevant for seniors. Ms. Kelly stated that the mall will be in trouble if they are not meeting the needs of seniors. She said they are catering to active, innovative seniors through aspects of nourishing and lifestyle. She said the distinguishing thing is to provide an experiential visit as opposed to

fulfilling a need. She also expressed the importance of seniors being able to get in and out of the mall, and that curbside parking helps seniors.

Commissioner Kline was complimentary about the mall, and asked Ms. Kelly what challenges she sees in the future. She cited transportation (and the perception that people believe it is hard to get in and out of the mall) and stated that transportation is not just a Park Meadows or Lone Tree problem. Ms. Kelly stated that some retailers are not addressing the aging population or what people across age groups and lifestyles like. She also felt it is important to adapt the mall physically when necessary and cited The Vistas as an example. She felt it is important to have the capital in some cases to wipe the slate clean [struggling businesses] and start over.

Commissioner Mikolajczak said that shopping is not a social event for him, but that he does like to visit the mall and likes the Vistas, in particular. He said the mix of exciting businesses there keep him coming back. He asked what can be done about transportation challenges, in her opinion. Ms. Kelly stated that there is no easy solution. The intersection of County Line Road and I-25 has always troubled her. Many people were involved in making improvements years ago, and now there are even more entities involved. She also cited the shortage of capital, particularly with so many transportation priorities.

Commissioner Mikolajczak noted the importance of retail in generating revenue for the City and suggested there are other ways to generate revenue. Ms. Kelly responded that retail areas generate revenue for infrastructure, while e-commerce does not. She said that if retail is the driving force, taxing should be considered globally – not just for brick and mortar stores. Mr. Mikolajczak stated that a gas tax might more directly relate to the problem of transportation improvements.

Commissioner Kirchner thanked Ms. Kelly for keeping them informed, and said he shared the concern about the proliferation of e-commerce. Ms. Kelly said that e-commerce started as mail order, so there has always been that component.

Commissioner Steele asked where people come from to shop at the mall? Ms. Kelly stated that the mall has always had a regional draw, with more than 10% of shoppers coming from outside Colorado. She said she embraced regional transportation to bring people from all over.

Mr. Steele asked if “GLM” is the primary customer they cater to, who is second? Ms. Kelly stated that it is women ages 15-25. Men are also important shoppers and make up about 30% of shoppers, and are less tolerant to issues such as poor customer service. Commissioner Carlson suggested maybe the emerging demographics would bring a growing population of “Yummies” (young

urban males) to the mall. Ms. Kelly responded that they tend to live and shop more in urban areas such as Highlands or the Cherry Creek area.

Mike Fitzgerald described Denver South Economic Development Partnership (DSEDP) as a 30-year old organization, originally made up of ranchers and property owners. It helped initiate FasTracks and light rail. It has a small mill levy that funds the organization, generating about 4 million annually. DSEDP provides matching funds with other jurisdictions to pay for improvements including landscaping along the highway corridors. DSEDP focuses their efforts on transportation improvements and economic development. They received a grant from DRCOG to do a corridor study and to gauge infrastructure demands over a 5-25 year period.

Mr. Fitzgerald stated that local leaders are very engaged here, and mentioned the unparalleled pristine quality of development in this area. He said it is important to maintain the qualities of this area to ensure it remains the epicenter for growth. Denver used to be a “flyover”, but in the last 30 years it has become the epicenter thanks to DIA, sports, culture, parks, roads, trails, transportation, business parks, Centennial Airport, etc.

Mr. Fitzgerald stated that DSEDP serves the area from Belleview Road to the Town of Castle Rock and from Santa Fe Drive to Parker Road. There are 20,000 businesses and many Fortune 500 companies in this area, in addition to 25 business parks and 300,000 employees. He stated that this area generates 30% of the total income earned in the State.

Mr. Fitzgerald said that they focus on business retention, and listen to the needs of businesses in the area. They work with local governments and other economic development organizations. He stated that this area has a reputation as having the highest level of coordination between public and private entities who understand and facilitate growth, and it is important to keep that going. Moderate politics are also important to getting the big projects done. Good access to DIA is also important.

Commissioner Mikolajczak asked whether the State has appointed a “water lord”, as he had heard about recently. Mr. Fitzgerald answered that this is part of the Governor’s Task force and that this person will travel the State to develop a water strategy. He expressed that they need to make plans for water infrastructure and not abdicate that responsibility. However, water supply in this area is made somewhat difficult by the 15 water districts in this area charged with providing water supply. They try to bring these interests together to ensure there is adequate supply for development here. He said they do not rely on State or experts when developing a water strategy. He said that 3% of water supply in the State is used by the energy industry, 8% for development, and 80% for agriculture (agriculture only contributes 2% to the economy in the State, but it is the food base).

Commissioner Mikolajczak asked what the likelihood is of RTD completing all the light rail extensions. Mr. Fitzgerald responded that it is likely they will complete the system, but the timing of that is the issue. He added that until there is a Federal Transportation bill, the State need to be creative. RTD is committed to finishing the project.

Commissioner Mikolajczak recalled how Boeing chose not to come to Colorado because of housing costs and traffic congestion. Mr. Fitzgerald responded that aerospace is still doing well in this area. Commissioner Mikolajczak stated that traffic is a real concern, and light rail is key to alleviating that.

Mr. Fitzgerald stated that they have a high-quality work force here. Surveys of the work force age 25-45 found that they are highly educated; have \$70,000+ salaries; they like to live in areas where they can walk to light rail; like multi-family development; want to live in mixed-use communities; and may not own a car. He added that Lone Tree is at the epicenter of development, and that success begets success. It is important to tend to the needs of those companies carefully.

Mr. Kirchner inquired about the impact of the "construction defect" litigation issue. Mr. Fitzgerald said that it has reduced development of that type [condos] from 20% 5 years ago to 2% today along the Front Range. It has also created a downward pressure, raising rents, and preventing young people from buying into this market and preventing older people from downsizing. He said it has had a destructive and obstructive impact. Many people are working to pass legislation to correct the problem, but he is not sure how it will end with only a short legislative period left.

Mr. Steele asked where funding comes for DSEDP. Mr. Fitzgerald responded that it comes from a 4% mill levy on commercial real estate (a tax voted on by businesses). Mr. Steele asked if there were any plans for interchange enhancements south of County Line Road. Mr. Fitzgerald stated that some businesses own and maintain the areas around the interchanges. In other cases they encourage cost-sharing to pay for the improvements when possible.

Steve Hebert added that the City is working in partnership with the Park Meadows Metro District and TMA to make landscape improvements at the C-470 and Yosemite interchange, but it has been a challenge working with CDOT. He added that they are also working on improvements to the bridge across C0470 at Quebec Street as well. The City is aware of the issue, and we will see improvements on the corridor in the not-so-distant future.

6. Adjournment

There being no further business, Chair Sippel adjourned the meeting at 7:45 p.m.

These minutes have been reviewed and confirmed by

Martha Sippel (name), on 5/21/2014 (date)