



**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
TUESDAY, SEPTEMBER 7, 2010
COMMUNITY ROOM
6:00 P.M.**

- I. **Water Delivery Obligation Agreement with Aurora**
Utilities Director Stu Fonda and Attorney David Hill will discuss the water delivery obligation agreement with Aurora.

- II. **Non-Emergency After Hours Service Call Charges**
Utilities Director Stu Fonda will discuss the non-emergency after hours service call charges.

- III. **Museum of Outdoor Arts/Place - 6:30 p.m.**
Rodney Lontine and Cynthia Madden-Leitner from the Museum of Outdoor Arts and Chris Valesco from Projects Linking Art, Community and Environment (PLACE) will discuss the Arts Community Project.

- IV. **City Manager's Choice**
A. Financial & Administrative Services Director Frank Gryglewicz will provide a review of the 2011 Budget changes based upon the August 30th Study Session. Information will be available at the Study Session.

- V. **City Attorney's Choice**

COUNCIL COMMUNICATION

Date October 4, 2010	Agenda Item	Subject Intergovernmental Agreement with the City of Aurora Regarding Water Delivery Obligations
INITIATED BY Utilities Department	STAFF SOURCE Stewart H. Fonda, Director of Utilities	

COUNCIL GOAL AND PREVIOUS COUNCIL ACTION

None.

RECOMMENDED ACTION

The Englewood Water and Sewer Board, at their July 7, 2010 meeting, recommended Council approval of the Intergovernmental Agreement Regarding Water Delivery Obligations between the City of Englewood and the City of Aurora.

BACKGROUND, ANALYSIS, AND ALTERNATIVES IDENTIFIED

In the 1980's, the cities of Thornton and Westminster applied in Water Court for extra water to fill a big enlargement of Standley Lake. The extra diversions could have potentially harmed Englewood because it could have caused calls from downstream senior rights on the South Platte, and those calls would have shut down some of Englewood's senior diversions.

On October 10, 1990, a settlement agreement was made whereby the City of Thornton and Westminster would deliver raw water to Englewood at one or more of Englewood's points of diversion on the S. Platte River. The water to be delivered varied depending on amounts diverted to Standley Lake. Deliveries were to be a minimum of 75 acre feet and a maximum of 375 acre feet. Deliveries averaged 238 acre feet per year and came from Thornton's South Park water rights. The settlement provided minimal water in drought years and maximum water in wet years. While it was a very valuable settlement, the lack of deliveries in drought years reduced the value.

The delivered water was to be reusable as consumptive use water, which could be captured and reused to extinction.

In 1998 Thornton applied in Water Court to provide the water in wet years from a 1998 right at Chatfield Reservoir. Under the application, Englewood was required to re-use the water in order to perfect Thornton's application, which was not practical. Englewood opposed the application, low key, for 11 years. During that time, Thornton did not advance the issue in Water Court. On November 21, 2003 Aurora purchased all of Thornton's water rights originally decreed in Park County. The application was included in Aurora's purchase of water rights from Thornton.

As a result of pressure on Aurora from the Water Court to proceed, and Aurora's desire to keep its consumptive use water, an agreement was reached. The essence of the agreement is as follows.

Aurora will deliver 509 acre feet of single use water every year, in both drought and wet years. In extreme drought conditions, if Aurora runs out of single use water (which is very unlikely), Aurora can provide a lesser amount of consumptive use water. In such drought conditions, Englewood can actually reuse the consumptive use water. The water will be delivered between July 1 and August 15, which will make it easy for Englewood to sell it to Centennial. This amounts to an additional 271 acre feet per year, plus the original 238 acre-foot average has been rendered reliable in a drought year.

Thus the agreement will provide water in a fixed and predictable amount during drought, fortunately during the driest summer months. The water would be quite useful to Englewood if there is a severe drought like the one experienced in 2002. Also, it would help Englewood meet its quota for delivery to Centennial.

FINANANCIAL IMPACT

The market price for the 271 acre feet of additional water is approximately \$10,000 to \$20,000 per acre foot for a total amount between \$2,710,000 and \$5,420,000. The true increase in value is more than that, since the 238 acre feet previously received is made reliable in drought years. The additional deliveries to Centennial should enable the price of water sold to Centennial to ratchet up in 2013.

Englewood has long retained David Hill and his firm to represent Englewood and ensure that historical patterns of diversions are protected, and that new diversions by others are lawful and non-injurious. This favorable settlement is a product of that work.

LIST OF ATTACHMENTS

Bill for Ordinance
Intergovernmental Agreement Regarding Water Delivery Obligations

**INTERGOVERNMENTAL AGREEMENT REGARDING
WATER DELIVERY OBLIGATIONS**

This Intergovernmental Agreement ("IGA") is made and entered into this ____ day of _____, 2010, by and between the City of Englewood, Colorado, a municipal corporation of the County of Arapahoe, whose address is 1000 Englewood Parkway, Englewood, CO 80110 ("Englewood"), and the City of Aurora, Colorado a municipal corporation of the counties of Adams, Arapahoe and Douglas, acting by and through its Utility Enterprise, ("Aurora"), whose address is 15151 E. Alameda Parkway Suite 3600, Aurora, CO 80012. Together these two entities shall be referred to herein as the "Parties."

RECITALS

On October 10, 1990, Englewood entered into an agreement with the City of Thornton ("Thornton") and the City of Westminster ("Westminster") in settlement of certain litigation then pending in the Colorado Water Court (the "Settlement Agreement"). The litigation involved Cases Numbered 86CW397, 88CW267, 89CW129 and 89CW132, District Court, Water Division One.

The Settlement Agreement obligated Thornton, and under certain circumstances Westminster, to provide raw water to Englewood at one or more of Englewood's points of diversion on the South Platte River. As security for the performance of these obligations, Englewood acquired a profit a prendre from Thornton binding three water right priorities then owned by Thornton that historically were associated with the McDowell Ranch in Park County.

On November 21, 2003, Aurora purchased from Thornton all of Thornton's water rights originally decreed in Park County. In connection with this purchase, Aurora agreed to assume the obligation under the Settlement Agreement to deliver water to Englewood.

On December 31, 1998, Thornton initiated a conditional appropriation of water intended to meet a portion of the water delivery obligations to Englewood under the Settlement Agreement. The 1998 appropriation was included in Aurora's purchase of water rights from Thornton, and the application to adjudicate this appropriation in the Water Court for Division 1, in Case No. 98CW458 was dismissed by Aurora on April 21, 2010.

The Parties seek to simplify the existing obligations under the Settlement Agreement in a manner that is mutually beneficial.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Purpose: The purpose of this IGA is to define new obligations, directly between Aurora and Englewood, which will supercede and replace the water delivery obligations created by the Settlement Agreement. This IGA constitutes Englewood's consent to the assignment of the Settlement Agreement requested by Thornton on or about April, 2003, as well as an amendment of the Settlement Agreement with respect to water delivery obligations. Except for those provisions of the Settlement Agreement which require or describe the delivery of water to Englewood, the obligations of the Settlement Agreement shall survive this amendment.

2. Volume: Aurora agrees to deliver to Englewood or Englewood's lessee five hundred and nine (509) acre feet per year of "single use water," which shall mean water that cannot be recaptured or reclaimed for reuse or successive use after the initial use of the water. However, in a year in which Aurora has insufficient single use water available, it may deliver three hundred thirty nine (339) acre feet of "fully consumable water," which shall mean water that may lawfully be recaptured or reclaimed for reuse or successive uses until fully consumed. Further, Aurora may deliver a combination of single use and fully consumable water, in which event the total volume of Aurora's obligation will be calculated by determining what percentage of Aurora's total delivery will be comprised of single use water and what percentage will be comprised of fully consumable water and multiplying the maximum volumes set forth above for each type of water by the respective percentage. To the extent Aurora delivers fully consumable water, Englewood or its designee shall have the right to recapture and reuse any return flows resulting from the initial or any subsequent use of such water. The water delivered by Aurora may be derived from any water right it owns or controls at the time of such delivery, provided that the water meets the legal requirements set forth herein.

3. Timing and Rate of Delivery: Aurora's delivery of water pursuant to this IGA will begin July 1 of each year, and will be completed by August 15 of that year. The rate of delivery will be 6 cfs except that, in any year the daily delivery rate may be increased by mutual agreement of the Parties, which will be binding only for the remainder of that year. If neither Englewood nor its designee is able to take delivery of the water during all or a portion of the time Aurora is seeking to deliver it, Aurora's obligation will nevertheless be reduced at the rate of 6 cfs, or the alternate rate agreed upon for that year. Englewood shall give Aurora twenty four hours advance notice if it is unable to begin, or to continue, taking such deliveries. Using the notice provision set forth below, the Parties may designate and revise email addresses for the communications regarding deliveries contemplated by this paragraph.

4. Location of Delivery: Aurora will deliver the water required by this IGA at the High Line Canal headgate, or at Chatfield Reservoir. If not diverted at the High Line Canal headgate, Englewood or its designee may divert the water through any of the ditches served by the Chatfield Reservoir Ditch Outlet Manifold, or may instruct the Water Commissioner to release the water through the Chatfield Reservoir river outlet for diversion at such downstream point as

may be selected by Englewood. It shall be the obligation of Englewood or its designee to obtain the right to use the diversion and carriage structures through which the water is actually diverted. Deliveries shall be measured at the High Line Canal headgate if diverted at that location, otherwise deliveries will be measured at the exit flume or flumes serving the City Ditch, the Nevada Ditch or the Last Chance Ditch, to the extent Englewood elects to divert the water through those structures, or at such downstream point of diversion as Englewood or its designee may employ. Englewood or its designee shall be responsible for transit losses, if any, assessed on such water if the delivery point is below the Chatfield Reservoir Ditch outlet manifolds described above.

5. Use and Storage: All water delivered by Aurora must be decreed to allow municipal uses and storage.

6. Profit a Prendre. Aurora acquired the three McDowell Ranch priorities referenced above subject to the profit a prendre previously granted in favor of Englewood. Said profit a prendre is not affected by the execution of this IGA.

7. General Provisions.

a. This writing constitutes the entire IGA between the Parties and supersedes all prior written or oral agreements, negotiations, representations, and understandings of the Parties with respect to the subject matter contained herein. However, this IGA does not modify or supersede any other previously executed agreement between these Parties, relating to matters other than those described herein.

b. This IGA may be amended, modified, changed, or terminated in whole or in part only by written agreement duly authorized and executed by the Parties hereto.

c. The Parties agree that this IGA may be enforced in law or in equity for specific performance, injunctive, or other appropriate relief, including damages, as may be available according to the laws of the State of Colorado. It is specifically understood that, by executing this IGA, each party commits itself to perform pursuant to the terms hereof, and that any breach hereof resulting in any recoverable damages shall not thereby cause the termination of any obligations created by this IGA unless such termination is requested by the party not in breach hereof.

d. Venue for the trial of any action arising out of any dispute hereunder shall be in the Arapahoe County District Court.

e. This IGA is intended to describe the rights and responsibilities of and between the named Parties and is not intended to, and shall not be deemed to confer rights upon any persons or entities not named as parties, nor to limit in any way the powers and responsibilities of Aurora, Englewood or any other entity not a party hereto.

f. If any portion of this IGA is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either party or as to both Parties, the remaining

portions of this IGA will remain valid and binding on the Parties. Further, the Parties will immediately enter into negotiations to restore as nearly as possible any portion of this IGA held to be invalid or unenforceable.

g. Neither Aurora nor Englewood may assign its rights or delegate its duties hereunder without the prior written consent of the other party.

h. This IGA and the rights and obligations created hereby shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns if any are allowed.

i. Waiver of breach of any of the provisions of this IGA by either party shall not constitute a continuing waiver of any subsequent breach by said party of either the same or any other provision of this IGA.

j. This IGA may be simultaneously executed in any number of counterparts, each one of which shall be deemed an original, but all of which constitute one and the same IGA.

k. Headings and titles contained herein are intended for the convenience and reference of the Parties only and are not intended to confine, limit, or describe the scope of intent of any provision of this IGA.

l. Unless otherwise stated herein, any notices, demands, or other communications required or desired to be given under any provision of this IGA shall be given in writing, to be delivered personally, or sent by certified or registered mail, return receipt requested, postage prepaid, to the following:

To Aurora: Director of Utilities
City of Aurora
15151 East Alameda Parkway, Suite 3600
Aurora, Colorado 80012

With copy to:
Austin Hamre, Esq.
Duncan, Ostrander & Dingess, P.C.
3600 S. Yosemite Street, Suite 500
Denver, Colorado 80237

To Englewood: Director of Utilities
City of Englewood
1000 Englewood Parkway
Englewood, CO 80110

With copy to:
David G. Hill, Esq.

Berg Hill Greenleaf & Ruscitti LLP
1712 Pearl St
Boulder, CO 80302

or as to such other addresses as either party may hereafter from time to time designate by written notice to the other party in accordance with this paragraph. Notice shall be effective upon receipt.

m. If any date for any action under this IGA falls on a Saturday, Sunday or a day that is a "holiday" as such term is defined in Rule 6 of the Colorado Rules of Civil Procedure, then the relevant date shall be extended automatically until the next business day.

n. This IGA and its application shall be construed in accordance with the laws of the State of Colorado.

o. To the fullest extent permitted by law, the Parties hereto waive the right to a trial by jury in any action brought under or in any way related to this IGA.

p. In the event of any litigation, mediation, arbitration or other dispute resolution process arising out of or related to this IGA each party agrees to be responsible for its own attorneys' and other professional fees, costs and expenses associated with any such proceedings.

q. The Parties agree they drafted this IGA jointly with each having the advice of legal counsel and an equal opportunity to contribute to its content. Consequently, the rule of construction to the effect that ambiguities are to be construed against the drafter shall be inapplicable in the event of any dispute as to the meaning of provisions herein.

r. The obligations of Aurora under this IGA are the sole obligations of the City of Aurora acting by and through its Utility Enterprise and, as such, shall not constitute a general obligation or other indebtedness of the City of Aurora or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City of Aurora within the meaning of any constitutional, statutory, or charter limitation. In the event of default by Aurora or failure to meet any of its obligations under the terms of this IGA, Englewood shall have no recourse against any of the revenues of the City of Aurora except for the net revenues of the water utility system available therefore in the City of Aurora Utility Enterprise water fund, or any successor enterprise fund, remaining after payment of all expenses relating to the operation and maintenance and periodic payments on bonds, loans and other obligations of the City acting by and through its Utility Enterprise. Notwithstanding anything herein to the contrary, nothing in this IGA shall be construed as creating a lien against any revenues of the Utility Enterprise or the City.

s. Subject to the terms and conditions in this paragraph, no party to this IGA shall be liable for any delay or failure to perform under this IGA due solely to conditions or events of Force Majeure, specifically: a) acts of God, b) sudden actions of the elements such as floods, earthquakes, hurricanes, or tornadoes, c) sabotage, d) vandalism beyond

that which can be reasonably prevented, e) terrorism, f) war, and g) riots; provided that, A) the non performing party gives the other party prompt written notice describing the particulars of the occurrence of the Force Majeure; B) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure event or condition; and C) the non-performing party proceeds with reasonable diligence to remedy its inability to perform and provides weekly progress reports to the other party describing the actions taken to remedy the consequences of the Force Majeure event or condition. In the event of a change in municipal (or other local governmental entity), state or federal law or practice that prohibits or delays performance, the obligation to seek a remedy shall extend to making reasonable efforts to reform the IGA in a manner consistent with the change that provides the Parties substantially the same benefits as this IGA; provided, however, that no such reformation shall increase the obligations of any of the Parties. In no event will any delay or failure of performance caused by any conditions or events of Force Majeure extend this IGA beyond its stated term. In the event any delay or failure of performance on the part of the party claiming Force Majeure continues for an uninterrupted period of more than three hundred sixty-five (365) days from its occurrence or inception as noticed pursuant to this IGA, the Parties not claiming Force Majeure may, at any time following the end of such one year period, terminate this IGA upon written notice to the party claiming Force Majeure, without further obligation by any of the Parties.

IN WITNESS WHEREOF, the undersigned Parties have caused this IGA to be executed the day and year first written above.

**CITY OF AURORA, COLORADO,
ACTING BY AND THROUGH ITS
UTILITY ENTERPRISE .**

Edward J. Tauer, Mayor
ATTEST

Date

Debra A. Johnson, City Clerk

Date

APPROVED AS TO FORM FOR AURORA:
Acting by and through its Utility Enterprise

Christine A. McKenney
Assistant City Attorney

Date

Austin Hamre
Special Counsel

Date

STATE OF COLORADO)
) ss
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2010, by Edward J. Tauer as Mayor, and attested to by Debra A. Johnson, as City Clerk, acting on behalf of the Utility Enterprise of the City of Aurora, Colorado.

Witness my hand and official seal. _____
Notary Public

My commission expires: _____

SEAL

CITY OF ENGLEWOOD

James K. Woodward, Mayor

Date

ATTEST:

Loucrishia A. Ellis, City Clerk

Date

APPROVED AS TO FORM FOR ENGLEWOOD:

David G. Hill
Special Counsel to the City of Englewood

Date

COUNCIL COMMUNICATION

Date September 7, 2010	Agenda Item	Subject Non-Emergency After Hours Service Call Charge
INITIATED BY Utilities Department	STAFF SOURCE Stewart H. Fonda, Director of Utilities	

COUNCIL GOAL AND PREVIOUS COUNCIL ACTION

RECOMMENDED ACTION

The Englewood Water and Sewer Board, at their July 7, 2010 meeting, recommended Council approval, by resolution, of the charges for non-emergency after hours service calls.

BACKGROUND, ANALYSIS, AND ALTERNATIVES IDENTIFIED

The Utilities department has no fees in place to recover expenses when customers request an on-call, after hours employee to respond to a non-emergency situation. Administration staff encourages customers to have the service performed during regular business hours, but periodically the customer insists on an evening or weekend appointment.

Utilities technicians have been called out after hours for non-emergency situations such as routine plumbing repairs, locating curb stops or turning on a service that was turned off for non-payment. The proposed charges would apply to non-emergency calls only, not situations that can cause damage from water or sewer lines.

The Board has authority pursuant to Amendment XX of the Colorado Constitution and 31-35-501 et seq. C.R.S., but there is no reference to the charge for after hours calls in the ordinances.

The form has been approved by the City Attorney's office.

FINANCIAL IMPACT

A fee of \$150 for the first hour and \$75 per hour after would be billed to the property for non-emergency, after hours Utilities Department service calls. The resident requesting the service call would have to sign an "Acknowledgement of After Hours Service Call Charge" form before services are rendered.

LIST OF ATTACHMENTS

Resolution
Acknowledgement of After Hours Service Call Charge form

Service Call Charge – After Hours.doc

City of Englewood Water and Sewer Department

ACKNOWLEDGEMENT AND
AUTHORIZATION FOR AFTER HOURS
SERVICE CALL CHARGE



I _____ the owner or occupant of
_____, Englewood, Colorado, am the
person legally responsible for the water and sewer bills at this address. I understand and agree
that:

- 1) I have contacted the City of Englewood's Water and Sewer Department for the purpose of having their personnel come to my house during non-business hours, business hours being 8:00 AM to 4:30 PM, Monday through Friday, holidays excluded.
- 2) The purpose for my call is not an emergency. I could have the Water and Sewer Department personnel come to my home during normal business hours, but it is more convenient for me to have them come during non-business hours.
- 3) I understand that there is a charge of \$150.00 (one hundred fifty dollars) for a non-emergency, after business hours visit to my home.
- 4) I agree to pay the \$150.00, which will be added to my regular water bill as a special charge.

Owner or Occupant

Date

Nature or reason for the after hours, non-emergency call:



Memorandum

City Manager's Office

TO: Mayor Woodward and Members of City Council

THROUGH: Gary Sears, City Manager

FROM: Michael Flaherty, Deputy City Manager

DATE: September 1, 2010

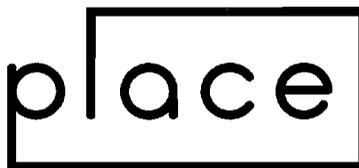
SUBJECT: Museum of Outdoor Arts/PLACE - Englewood Project

Cynthia Madden-Leitner and Rodney Lontine of the Museum on Outdoor Arts and Chris Valesco of Projects Linking Art, Community and Environment (PLACE) will discuss the results of the preliminary feasibility study conducted in Englewood in June and next steps towards the potential development of a PLACE project in Englewood.

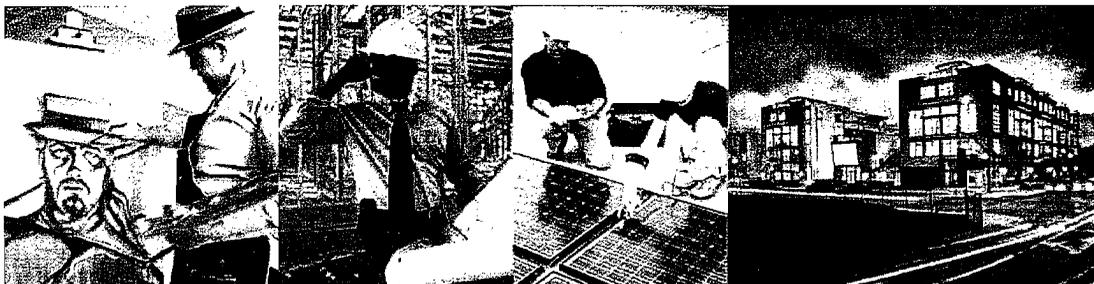
I have attached an August 30, 2010, PLACE Internet release on the proposed MOA project along with a summary of the PLACE preliminary feasibility study. I have also attached some additional background material on Chris Valesco and PLACE.

You're receiving this email because you requested information about PLACE's Colorado MOA Project.

You may [unsubscribe](#) if you no longer wish to receive our emails.



Projects Linking Art, Community & Environment



PLACE News

September 2010

Dear Michael,

Thanks for your interest in PLACE and our emerging efforts in Colorado. The next two weeks are important ones for our continuing work in Colorado, and could very well determine if we move to the next step.

Tomorrow, September 1, PLACE will be traveling to the City of Lakewood to discuss the possibility of a new sustainable community for the arts there. PLACE recently completed a \$65 million solar artist village at the request of the City of Ventura. The city provided PLACE with the initial seed money of \$1.5 million. PLACE used that money to create the WÄV (photo below).



PLACE's WÄV Project (a sustainable arts community) in Ventura, California

Then on Tuesday, September 7, PLACE will be traveling to the City of Englewood to meet with city leadership and the Museum of Outdoor Arts (MOA) to discuss moving forward with our efforts there. PLACE recently completed a preliminary feasibility study in Englewood at the request of MOA.

The vision in Englewood is to build a sustainable, zero-carbon, zero-waste community for artists and arts-friendly businesses, affordable to everyone, powered by the sun, wind and earth, and created together with the people (that means you). PLACE will join forces with MOA and the community to build the world's first E-Generation™ community; a transit-oriented development (TOD) including green and affordable live/work space for artists and other creatives, for arts-friendly businesses, for green industries, permanent supportive housing and market-rate housing-both rental and for-sale-education space, green space, micro-agriculture to grow organic food, solar homes, green theaters and galleries, and more.

Please get involved if you think our vision would be important for the Cities of Lakewood and Englewood. Let us know how you think we can do a better job of understanding and meeting the community's goals. Or send a message to leaders in Englewood, Lakewood, or the MOA to let them know your thoughts.

We cannot do it without you. PLACE is deeply committed to a community-driven approach. We want the community involved in every aspect of this effort. Your support and your feedback will determine whether or not we move forward with a groundbreaking project, and how that vision will take shape.

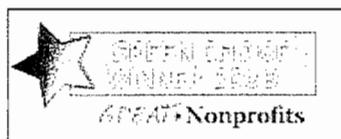


PLACE
612.309.3889

About PLACE

PLACE® is an ethical nonprofit development organization that builds sustainable communities for cities.

Thank you to all who support our charitable work.



PLACE - The art of sustainable communities

Minneapolis
100 Portland Avenue South, Suite 100
Minneapolis, Minnesota 55401
612.309.3889

Ventura
175 South Ventura Avenue
Ventura, California 93001
805.641.0400

London
2-6 Cannon Street

PLACE Goes Forward With MOA Colorado Project

PLACE has completed its preliminary feasibility evaluation for the Museum of Outdoor Arts (moaonline.org) in Englewood, Colorado.

A warm thanks to our hosts at the Museum and the many community members and officials we met during our evaluation. It was an honor for PLACE to be invited into the heart of your community to ask difficult questions and brainstorm with you about creating a truly transformative process for development. MOA is already inventing new and inspired ways to think about spaces (see [MOA's Element House](#)), and they are turning their talents to thinking about new artist intentional communities.

The MOA vision is to create the world's first E-Generation™ project, PLACE's leading-edge, zero-carbon, zero-waste community for artists, creative businesses and more. Imagine an entire green community with affordable live/work space designed for artists, space for new small businesses, apartments, for-sale spaces, coffee houses, galleries and cafes, and all powered by renewable energy. After an evaluation process including research, site visits, focus groups and a public forum, PLACE gave MOA's vision high marks. Based on the evaluation, **MOA will go forward with PLACE** and the next steps in the creation of the project soon. From all of us at PLACE, we could not be more thrilled.

The first public meeting in June (many more to come) was packed, and the enthusiasm, experience and talent were on full display. And our focus groups demonstrated the kind of leadership that can accomplish any endeavor.

We did our best to meet as many of you as possible during our three-day visit, but we know we missed many of you. Please accept our apologies for not getting to you. We hope to meet with more of you soon.

We want to include everyone in the creation process. Please join our mailing list to receive updates on the MOA Colorado Project: [Join The MOA Colorado Project Email List](#). And join our online discussion about the project at our discussion forum by clicking here: [Join the MOA Colorado Project Discussion](#).

And stay tuned. We'll need all of your best imagination to create a place unlike any other in the world.



Englewood Intentional Arts Community Project

Goal

To create a sustainable arts community in Englewood using leading edge E-Generation technology. Such technology has the potential to make this project an international model for net zero energy consumption, zero-carbon, and zero-waste communities.

Lead Developers

PLACE (Projects Linking Art Community and Environment), a Minnesota based 501C3 Corporation with experience in creating eco-friendly arts based communities while maximizing municipal resources. Museum of Outdoor Arts, a Colorado nonprofit corporation with experience in integrating the arts into commercial developments with the intent to form a synthesis of arts, architecture, and landscape.

Feasibility Study

In order to launch the project, the Museum of Outdoor Arts hired PLACE to conduct a preliminary feasibility study from June 28 to June 30, 2010. Activities: Site visits, focus groups (leadership, financial, eco housing, arts) and a community forum.

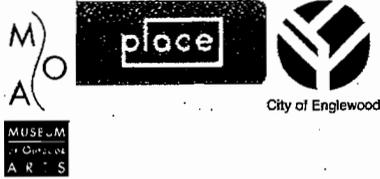
Sites

Iron Works
Martin Plastics
Flood Middle School
Kent Place Site
QTC Site
McLellan Reservoir

Results

- Concept: does the collective vision make sense - High probability of success
- Market: what is the demand for the community - High probability of success
- Sites: are potential sites available and practical - High probability of success
- Funding: can the project be funded, built and operated - Normal probability of success
- Leadership: most important factor - High probability of success
- **OVERALL PROJECT – Normal/High, more high-end probability of success**

Every site could be workable, but the preferred site would be Flood Middle School



Scope

The community will be created based on input from several sources including Englewood, MOA, PLACE, local architectural and design talent, and the community itself via public forums. It is

The planned One Hundred Million Dollar (\$100,000,000) Englewood community will feature the following:

- Live/work space for 50-70 artists
- Housing for homeless persons and families
- Theater space
- Gallery space
- Sculpture garden
- Commercial retail space
- Community studio space
- Market rate housing units / Element House ® (mid and/or high end)
- Community artistic outreach, e.g. first Fridays, educational programs, performances
- Onsite green industry
- E-Generation™ Zero-Carbon, Zero Waste Community
- Gold or platinum LEED certification (Leadership in Energy and Environmental Design)
- Tie ins to local businesses as well as art, education, transportation, environmental organizations throughout the region, e.g. NREL, USGBC, CORE Colorado, RTD, DRCOG, Rocky Mountain Institute, Englewood Public Schools, local colleges and universities, artist communities, districts and schools

UK Live/Work Network Interview

PLACE was graciously invited to attend the "Tomorrow's Properties Today" conference in London this past year. The Live/Network interviewed Chris Velasco about PLACE and its programs. The transcript of that interview is presented here.

Visionary live/work developer Chris Velasco is the president and executive director of Minneapolis-based PLACE, a non-profit organisation hired to create award-winning sustainable communities from inception to occupancy across the US

'We only work by invitation,' says Chris Velasco. 'We don't go out looking for opportunities. It's important that we have the full focus of the community's leaders on a project for it to succeed, and I don't think we'd have as much standing or credibility if we approached a community saying "we'd like to do this".'

PLACE is approached and hired by county and city governments, non-profit organisations, foundations and, occasionally, individuals to plan, design, fund and build sustainable, mixed use communities. For the Working Artists Ventura (WAV) project, the City of Ventura came to them with what seemed an impossible task.

'They told us "property values in our downtown area going up by 25 per cent per year and the artists, who are our number one economic engine, are being priced out of town",' he says. 'We'd like you to create affordable live/work space for them that will be insulated from any effects of the market, as well as a mixed-use community with arts-friendly creative businesses where the artists can work and which will attract foot traffic so the project becomes a destination. Oh, and we'd like it all to be green.'

However tall an order that may originally have seemed, the project broke ground at the start of this year, following the award of \$22m worth of low income tax credits. Sourcing - and combining - funding streams is one of the areas where PLACE excels.

OVERLAPPING AGENDAS

'One of the ways that we try to make the impossible project possible is to look at the overlapping agendas inherent in a mixed use, mixed income project,' he says. 'There might be affordable housing money that can help make your project happen, or arts money, community development money, historic preservation money or environmental design money - all of these different pots that would be insufficient in themselves but not if you combine them. You can stitch them together into a proper financing instrument for a major project like this.'

It seems like an obvious solution but it remains very much the exception, he believes. 'I think we're probably the only organisation of our kind in America that combines the arts, social justice and environmental design in one non-profit package.'

MARKET RESEARCH

Rigorous market research is also a pre-requisite for PLACE projects. 'We surveyed about 18,000 artists for WAV and discovered that the vast majority of them were low income households, so we decided that one of the primary sources of funding we could use was affordable housing money, so the community will include supported housing for low-income families.'

WAV will be completed next summer and will even have its own hybrid car sharing scheme. 'It's a very complicated project to construct and it will take a good 18 months to get it ready for occupancy,' he says, 'but it will have an internal, inexpensive and efficient transport infrastructure - all those things end up enhancing the whole live/work cycle as opposed to just creating spaces to live and work in.'

So what was his route to becoming a live/work pioneer? 'I had dropped out of a graduate medical program to be a musician, but I was making nothing,' he says. 'A friend of mine was creating a live/work project for artists and wanted it to be a cooperative, and he asked me to be involved because he thought I was an expert on cooperatives. I told him I was in a food co-operative but that was all - I didn't know anything about housing. He said 'well, you're the only person I know who knows anything about co-operatives. You're hired.'

FROGTOWN

Chris helped put together the co-operative - the Frogtown development in St Paul, Minnesota ([link to feature here](#)) - before moving into it as a musician and becoming president for two terms. 'I learned about every aspect of creating a successful residential co-operative - how to fund, design and operate it and all the legal requirements,' he says. 'It gave me a real depth of knowledge, and from that point on I continued to work creating live/work spaces.'

The opportunity to head up PLACE allowed him to build on what he had learned in developing artists' communities and go further, to create communities that were both environmentally and economically sustainable, as areas colonised by artists often become victims of their own success. Districts across the US, Europe and beyond have fallen victim to the 'SoHo effect' where the very people that projects were designed to help are priced out of their own communities.

MIXED INCOME

'That was one of the challenges that the City of Ventura had specifically hired PLACE to sort out,' he says. 'It isn't just with artists, although that's very noticeable. There is an economic osmosis where, if a community has a good revitalisation plan then it attracts higher income households who raise the property values and the people responsible for the revitalisation to begin with are priced out of their community. That's one of the reasons why we're dedicated to mixed income communities.'

'Because we're non-profit, we can actually use the market to have a stabilising effect, rather than the usual destabilising one,' he continues. 'As a non-profit steward of a community we can use a kind of economic judo to take positive revenue streams from the market components of a project and use them to nourish the components that need to be affordable. It's a revenue balancing effect - we harness what's best about the market and use that to support what doesn't happen naturally, but serves an important public good.'

This savvy use of the market leads PLACE to focus on rental or retail projects, depending on local circumstances. 'There are different funding sources out there that have a waxing and waning quality to them,' he says. 'We try to figure out what the opportunities are for funding and match those with the community's goals. In this case the goals were high ceilings and natural light – the kind of things that make for an expensive project, but they wanted it to be affordable. The best resources out there to match that led us to create a good deal of rental.'

COMMUNITY ENGAGEMENT

PLACE could never be accused of applying a 'cookie cutter' model to its projects, but what is applied each time is the process of community engagement. 'We distil the goals of the community and match their needs with existing opportunities for funding,' he explains. 'That's a process we can repeat over and over.'

A key lesson learned in all of this is the importance of thinking ahead and really knowing your market. 'Development tends to be driven by fad rather than foundation,' he says. 'People hear the latest thing is green housing and then you get a glut of that. As agents of a municipality we have to be a lot more careful because we're reflecting the goals and values of the city or county. We have to find a niche that is not seen as competing with what the private market place does best, but supports it and helps fill in the gaps of what they do. That way we're welcomed by the private development community, rather than setting ourselves against it.'

The PLACE formula is clearly a winning one, but how far has live/work now permeated mainstream consciousness in the US? 'It's a recognisable part of the market place and we're going to see it continue to expand,' he says. 'But you shouldn't just create live/work space because you think everyone who lives in will take advantage of it, but rather because everyone who lives in it could take advantage of it. It will influence the design of those communities much more than it actually manifests itself there.'

SUB-PRIME FALLOUT

So where does the fall out from the sub-prime crisis and potentially severe economic downturn in the US leave live/work? Will people be less likely to take a risk on something seen as relatively new and untried, or will it become more attractive simply because it makes economic sense?

'I think the sub-prime crisis will see people looking for economies of scale, and live/work does that very well,' he says. 'WAV is more than live/work, it's an entire lifestyle that we're trying to promote about how you commute, shop, play and relate with other people in the community as well as how you work.'

OPPORTUNISTIC BUYING

The economic downturn will also lead to a good deal of opportunistic buying up of properties, he believes, which will to some extent tread on the toes of live/work developers looking for cheap deals. 'Even though there is a sub-prime crisis there is a profusion of private capital and people are going to grab these opportunities - I don't think we're going to be able to look to those distressed properties for live/work opportunities. But I think

affordable live/work will enjoy a larger percentage of the development activity out there, because it's boosted by a weak economy - affordable live/work spaces can become almost a buffer in the economy because they create construction jobs and cut the cost of living. There's something to be gained from both weaknesses and surges in the economy if you're paying attention.'

So what are the keys to making your project a success? 'What developers often do is look at a development in a very sterile, removed way' he says. 'They don't want to get their hands dirty talking to the community. You won't get any uptake like that. You absolutely have to root it in the community, because the more they take ownership of a new development - particularly one seen as cutting edge - the more people will be excited about moving in to it and being part of an experiment about new ways to live and work.'

And, as would be expected of someone at the vanguard, he is truly evangelical about the potential of live/work to improve the way we live. 'We want to make sure each project is a success because that's a positive thing for the 21st century in terms of how we live, work, interrelate and commute - all these things that shifted in response to the automobile in the last century,' he says.

'If we're going to shift back to something that makes more sense on a human scale then we have to make sure that doesn't get blown out of the water by bad ideas and bad press. We need to see what it looks like when it's done properly, with forethought and planning and the best execution. No one asks whether or not it was well planned and well executed when something fails - they just say "live/work doesn't work, and here's an example."

ENVIRONMENTAL CONTROVERSY

But surely the environmental benefits of live/work can help silence the naysayers? 'That's a conversation that's only just beginning,' he says. 'People cite studies that debunk the environmental benefits of live/work, such as you make more car trips if you work at home rather than drive your car to a workplace and leave it there all day. There hasn't been a proper discussion about these studies, and it also needs to include building fewer buildings and needing fewer resources. I'm convinced of the environmental value of live/work but that's not a broadly held concept yet.'

He cites Ventura's parking code, which would have required PLACE to create more space for cars than for people. 'We told them that people in this community would be able to have fewer automobiles than their statistics indicated because of the car sharing programme, access to mass transit, a walkable downtown and no commute. All of the things they'd normally have to plan for in terms of traffic and highways and commuting, they don't have to. It's been pretty new information to them.'

PUBLIC DISCOURSE

So having been at the cutting edge for so long, what's his vision for the future of PLACE? 'I'd like a network of live/work projects around the world, and to create some models that have enough influence to actually change the way we look at planning and building

communities – to ask questions that have needed to be asked for a long time and foster a public discourse about those things.

‘In the US, development is one of the most disempowering things,’ he continues. ‘It requires the kind of capital that 95 per cent of the population have no access to, and that capital can change the political discourse in a community. The wielders of it ask for exceptions to the rules, so suddenly there’s this massive homogenous development there with traffic and pollution and all the rest of it. People have no say over something that probably affects their daily life more than anything the president would do. I would like to be part of a movement that changes those things.’