



**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, AUGUST 6, 2012**

- I. **Executive Session**
At 5:30 p.m. in the City Council Conference Room, City Council will discuss a real estate matter (Flood Middle School) pursuant to C.R.S. 24-6-402-4(a).
- II. **Craig Campus Street Vacation**
At 6:00 p.m. in the Community Room, Community Development Director Alan White and Public Works Director Rick Kahm will discuss the Craig Campus Street Vacation.
- III. **Economic Development Incentive Policy**
City Council will discuss economic development incentive policy.
- IV. **City Manager's Choice**
- V. **City Attorney's Choice**

Please Note: If you have a disability and need auxiliary aids or services, please notify the City of Englewood, 303-762-2407, at least 48 hours in advance of when services are needed. Thank you.



M E M O R A N D U M

C O M M U N I T Y D E V E L O P M E N T

TO: Mayor Penn and City Council

THROUGH: Gary Sears, City Manager

FROM: Alan White, Community Development Director ✓

DATE: August 6, 2012

SUBJECT: Craig Campus Street Vacation

Representatives of Craig Hospital approached City staff several months ago about the potential closure of Clarkson Street to accommodate a planned expansion of the hospital. Community Development, Public Works, Utilities, Fire and Building and Safety staff have been involved in meetings concerning this issue.

Craig's proposed expansion meets several needs of the Hospital as explained in the attached presentation. Vacating the right-of-way to accommodate the expansion of the Hospital at this location benefits the City as well. Expansion at the current location retains this nationally renowned hospital and the associated employment within the City of Englewood. One-time building use tax on the expansion is a considerable source of revenue for the City.

Primary concerns with the vacation and subsequent closure include the impact on emergency vehicle access and response times to Swedish Hospital, impacts on non-emergency traffic and circulation patterns in the area, and how those vehicular impacts may impact pedestrian movements and safety in the area. Craig prepared a traffic study to address these concerns.

The traffic study has been reviewed by Public Works and Fire staff members who have indicated there are no significant issues with the closure of Clarkson. Traffic impacts are manageable, however, some of the details of the proposed mitigation measures (signage, etc.) require further discussion. Representatives of Swedish Medical Center have indicated to Craig officials that Swedish does not have a problem with the vacation.

Craig is still in the early phases of design, but to proceed requires an indication from the City that the vacation of the Clarkson right-of-way will be favorably considered by the City. The request to vacate the right-of-way requires formal ordinance approval by City Council at a later date. Staff is requesting direction from Council on the following four items:

1. Consensus from Council for Craig to proceed with their expansion plans that include the vacation of Clarkson Street right-of-way.

2. Does Council want Craig to conduct neighborhood outreach prior to Council formal action?
3. While not required, does Council want to conduct a public hearing as part of the ordinance to vacate the right-of-way?
4. Street vacation requests in the past have been reviewed by the Planning and Zoning Commission to provide a recommendation. Does Council want Planning and Zoning Commission to provide a recommendation?

The expansion of the hospital campus using vacated right-of-way benefits the City as well as Craig Hospital, its patients, and patients' families. Accommodating the request to vacate the Clarkson right-of-way is an opportunity to retain this acclaimed hospital and major employer within the City of Englewood.

Attachments:

Memorandum from Fire Chief Pattarozzi
Letter from RTA Architects
Copy of Presentation



C I T Y O F E N G L E W O O D
F I R E D E P A R T M E N T

MEMORANDUM

TO: Gary Sears, City Manager
FROM: Michael Pattarozzi, Fire Chief
DATE: August 1, 2012
SUBJECT: Meeting with Representative of Craig Hospital

On July 24, 2012, members of the Fire Department staff, along with Public Works Traffic Engineer Ladd Vostry met with Mr. Lee Means from Craig Hospital to discuss the closure of the 3400 block of South Clarkson St. The closure is associated with the proposed expansion of Craig Hospital.

Mr. Means explained the planned expansion of the facility including the street vacation. Fire Department staff made recommendations regarding responses to the facility itself and the emergency department at Swedish Medical Center. Mr. Means agreed with our recommendations and will continue to work with us to resolve any issues.

The Fire Department staff agreed that the proposed vacation of the 3400 block of South Clarkson would not pose any obstacles that cannot be overcome, and would minimize the potential for auto-pedestrian accidents associated with the present configuration of the campus.



SMITHGROUP JJR

PRESENTATION TO ENGLEWOOD CITY COUNCIL
Vacation of Clarkson R.O.W. for Craig Hospital

August 6, 2012 – Study Session

History of Craig:

Since 1956, Craig has treated nearly 29,000 patients with SCI and TBI, and has treated more patients with SCI than any other single facility in the U.S. At any given time Craig has approximately 55 inpatients with SCI and 30 patients with TBI, for a total of approximately 450 inpatients per year, and 3,000 outpatient discharges per year. Craig is regarded as a premier national center of excellence in the marketplace and each year patients and families come to Craig from 47-48 states. Craig has been ranked by *U.S. News and World Report* for 23 consecutive years. Craig is accredited by Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and has twice received the prestigious Magnet® Recognition- in 2005 and 2010.

The Craig campus consists of two inpatient hospital buildings with 93 licensed beds, an outpatient clinic program, a PEAK Center Wellness and Fitness Center, a 47-unit Family Housing and Outpatient Housing facility, and a 3 story parking garage. Craig has approximately 576 full time equivalent staff, and approximately 200 additional part-time and on-call staff.

Craig Hospital – Expansion Project Scope:

The purpose of this major project is to ensure Craig Hospital remains a top level care provider with cutting edge facility capabilities and amenities for Patients and Family members. Craig is recognized as a World Class Care Rehabilitation Center of Excellence which requires ongoing development and upgrades to stay competitive in the national and international markets. That said, adding more beds is not the goal or outcome for this project. Instead, moving to all Single Occupancy Rooms, rearranging organizational relationships throughout the facility, increasing the program space for Outpatient Therapies, PEAK rehabilitation, and allowing all departments to expand staff and work areas are the focus. These revisions and additions will allow the staff, patients and family members to experience even better care, more controlled facility environments and accommodations that help remove the stress of serious rehabilitation.

Existing – 85 bed, 215,000 SF facility
New Addition – 91 bed, 300,000 SF facility
Remodel 110,000 SF as part of this project

R.T.A., Inc.
19 S. Tejon Street, Suite 300
Colorado Springs, CO 80903

ph 719-471-7566
fx 719-471-1174

Request for Vacation of the Clarkson Right of Way between Girard and Old Hampden Avenue

Justification for Vacation Request:

1. Patient, Family and Staff pedestrian safety –
 - a. Extremely high number of Disabled pedestrian/Vehicle conflicts daily
 - i. 647 vehicles at AM/PM peak times (Mid-block)
 - ii. 153 pedestrians crossings at AM/PM peak times
many in wheelchairs (Mid-block)
2. Unification of Craig Hospital Campus
 - a. Severely reduces hospital organizational efficiency
 - b. Divides this major hospital campus in half
3. Strengthening of the New Medical District Boundaries
 - a. Unify Swedish 600 stall parking garage with main campus
 - b. Plenty of off street parking for all so no impact to neighborhoods
 - c. Reduces overall Pedestrian/Vehicle exposure for entire district.
 - d. Eliminates casual traffic through the Medical district.

Potential Mitigation of Closure impact on Emergency Vehicle Routes:

We have had and will continue to have Swedish Leadership and Emergency department, Englewood Fire Department and EMT services all heavily involved in design decisions relevant to this closure. These meetings have resulted in the following potential mitigation action items which will be further evaluated by staff and Craig representatives.

1. Eliminate parking on West side of Emerson between Girard and Old Hampden Avenue
2. Eliminate parking on South side of Girard between Emerson and Swedish Central Utility Plant
3. Provide control/camera Fiber Conduit from Broadway to the intersection of Old Hampden Avenue and Logan
4. Improve the 3 pedestrian crossings on Old Hampden Avenue between Clarkson and Logan with lighted pedestrian crossing signage.
5. Add emergency vehicle remote control of intersection lighting at Girard and Clarkson
6. Reduce the intersection width at Clarkson and Girard to reduce Pedestrian crosswalk distance
7. Provide revised signage at Emerson/Old Hampden Avenue, Clarkson/Old Hampden Avenue, Clarkson/Girard, Emerson/Girard to provide clear wayfinding to the Swedish Hospital Emergency Entrance.

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Craig Hospital: Addition and Renovation Project



Englewood City Council Presentation

Craig Hospital: Addition and Renovation Project

PRESENTATION TO ENGLEWOOD CITY COUNCIL *Vacation of Clarkson R.O.W. for Craig Hospital*

August 6, 2012 – Study Session

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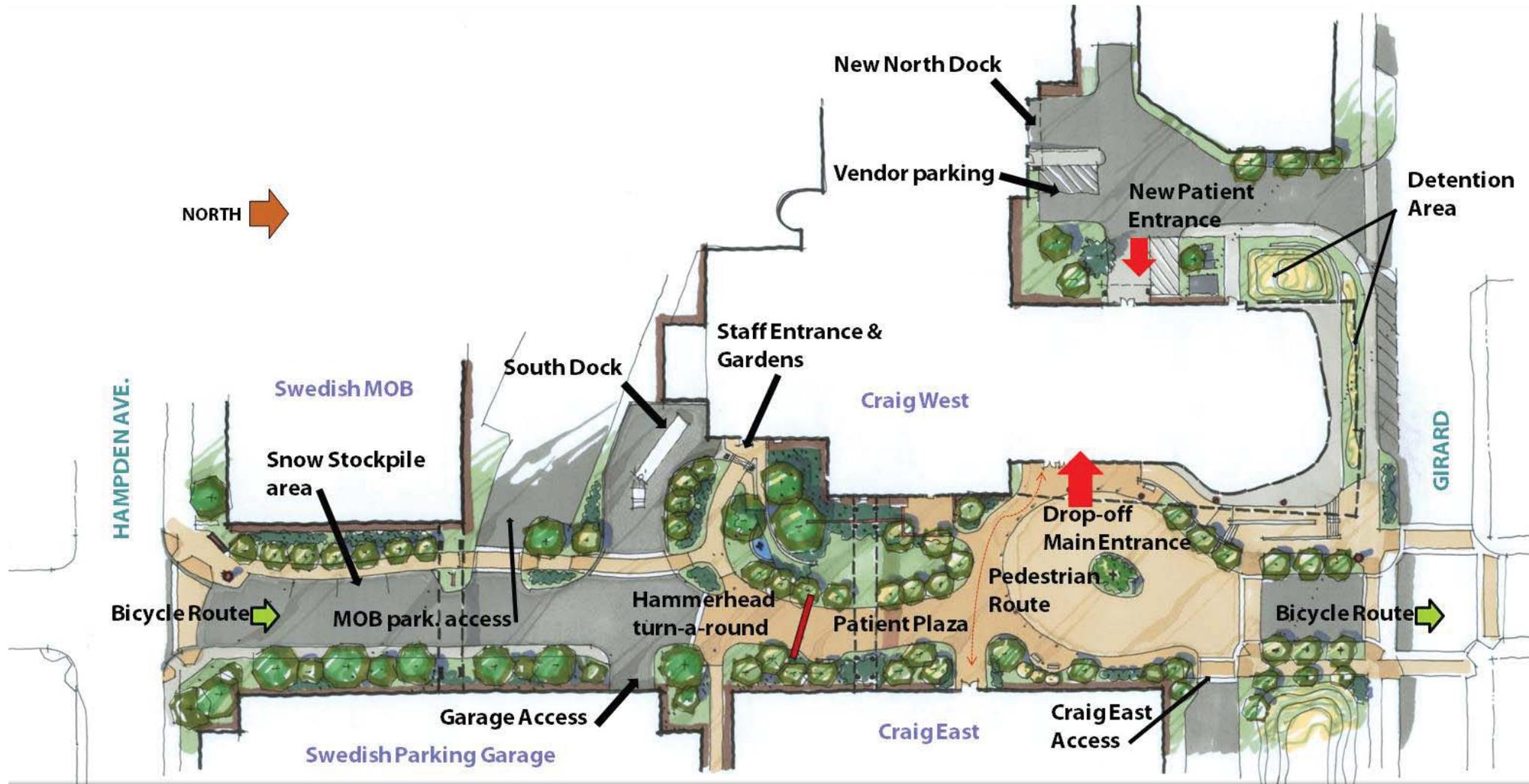
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Craig Hospital: CRAIG MASTER PLAN



Craig Hospital: CLARKSON PLAZA / MASTER PLAN



Englewood City Council Presentation

Craig Hospital: Addition and Renovation Project



WEST BUILDING – 4 STORY CONCEPT:

BASEMENT:	38,354 SF
FIRST FLOOR:	54,500 SF (13,700 SF NEW)
SECOND FLOOR:	41,700 SF
THIRD FLOOR:	42,700 SF (14,800 SF NEW)
FOURTH FLOOR:	42,700 SF (ALL NEW)

TOTAL (w/o Penthouse):	219,954 SF
TOTAL NEW AREA :	84,900 SF
TOTAL EXISTING AREA:	135,054 SF

EAST BUILDING – MINIMAL REMODEL	
EAST BUILDING:	76,868 SF

Total West + East building: 296,822 SF

Gross Building Area

Craig Hospital: Addition and Renovation Project



EXISTING

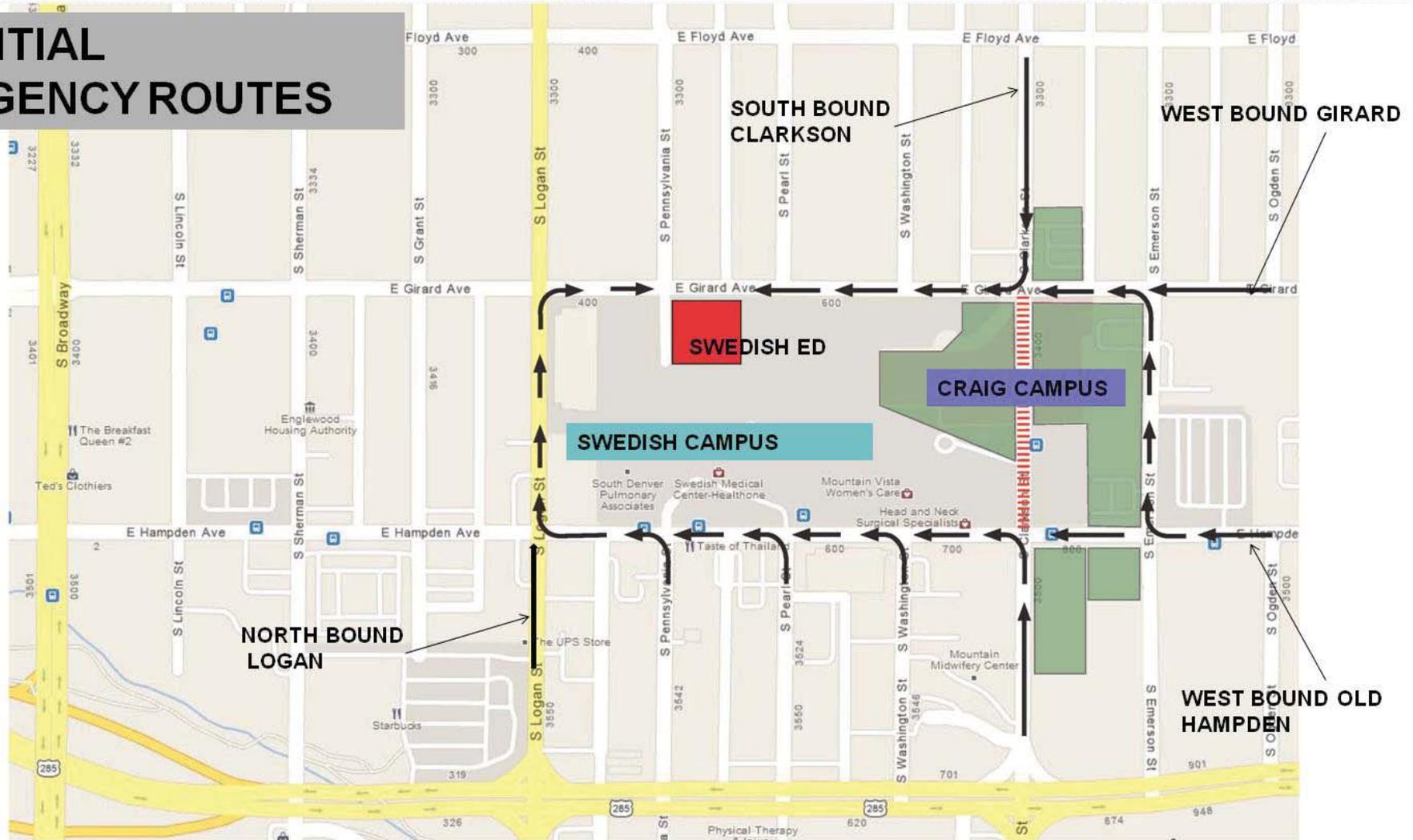


NEW

Existing axon vs. new axon

Craig Hospital: CLARKSON CLOSURE

POTENTIAL EMERGENCY ROUTES



Craig Hospital: CLARKSON CLOSURE

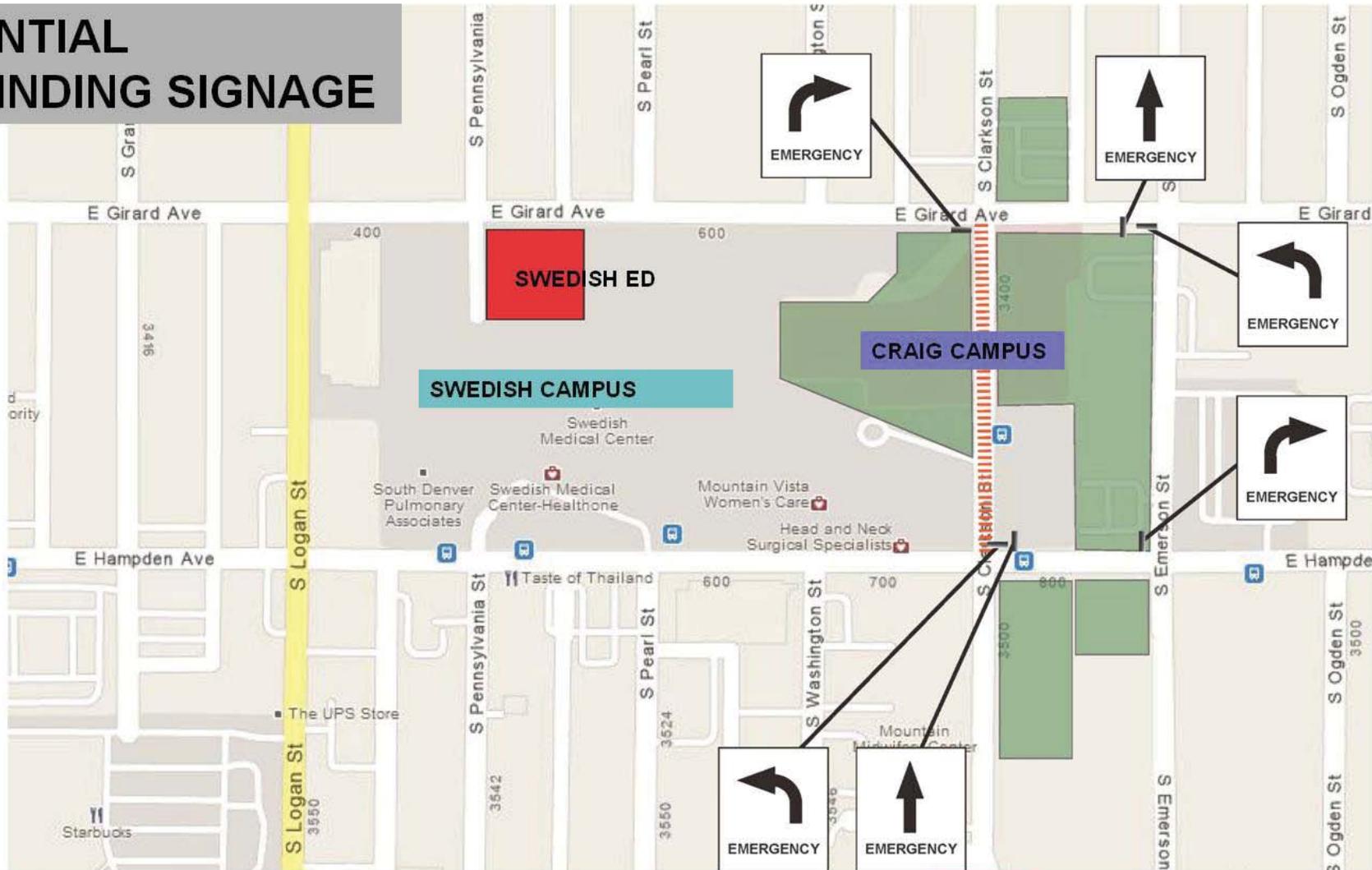
**POTENTIAL ELIMINATION
OF ON-STREET PARKING**



Englewood City Council Presentation

Craig Hospital: CLARKSON CLOSURE

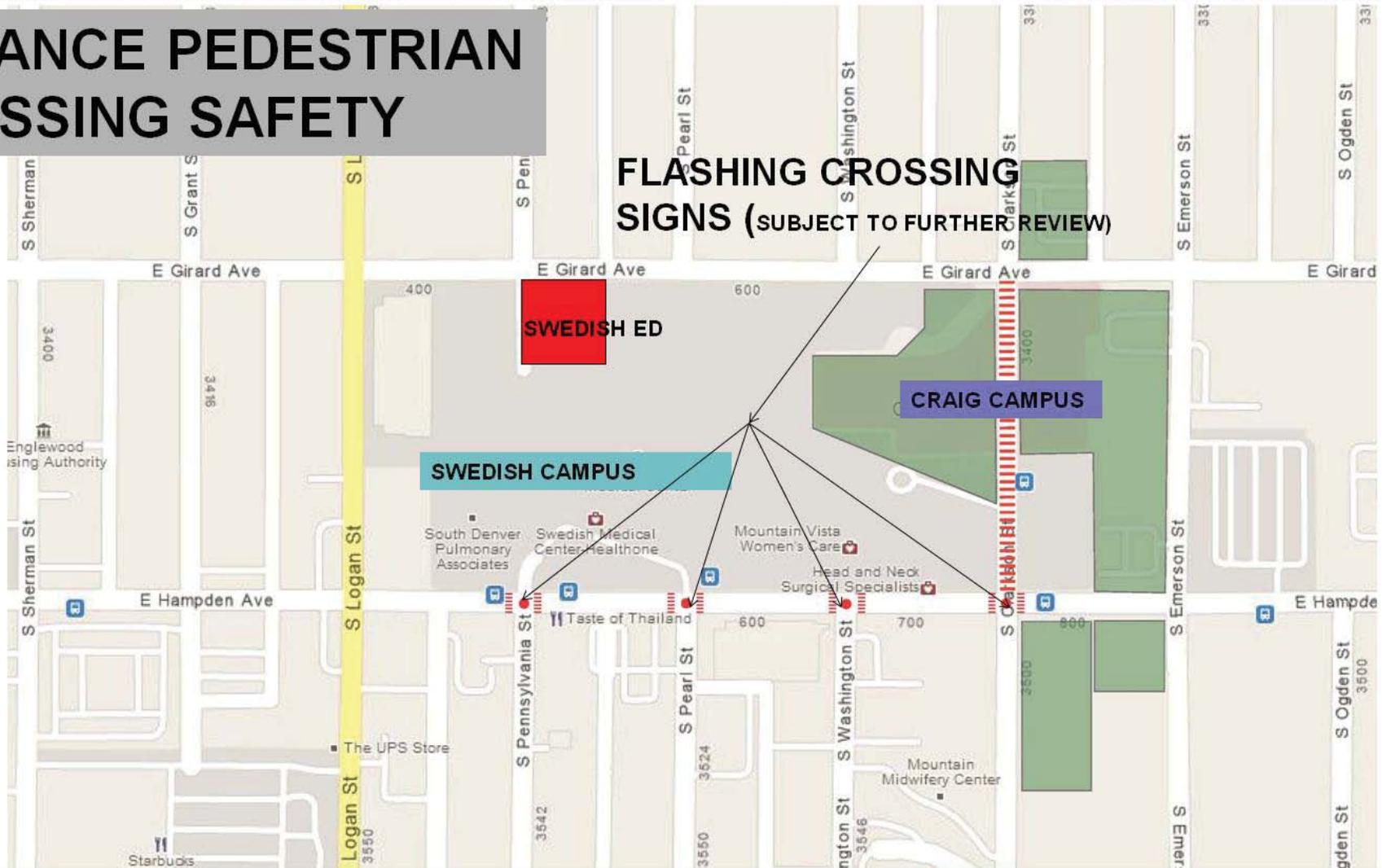
POTENTIAL WAYFINDING SIGNAGE



Englewood City Council Presentation

Craig Hospital: CLARKSON CLOSURE

ENHANCE PEDESTRIAN CROSSING SAFETY



Craig Hospital: Addition and Renovation Project



Board of Directors Retreat – June 22, 2012

Craig Hospital: Addition and Renovation Project

• QUESTIONS



Englewood City Council Presentation

Hammes Company



SMITHGROUP JJR

GEJOHNSON
CONSTRUCTION COMPANY



Memorandum

City Manager's Office

To: Mayor Penn and City Council Members

Through: Michael Flaherty, Deputy City Manager
Alan White, Community Development Director

From: Darren Hollingsworth, Economic Development Manager

Subject: Incentive Policy Recommendations

Date: August 1, 2012

A draft Economic Development Incentive Policy is attached for City Council review and consideration. The document is based on material provided by staff to City Council during the study session of July 2, 2012 and the direction that Council provided to staff at that time.

At the request of City Council, staff presented the outline of incentive options and Council's comments and recommendations from the July 2 study session and asked ACE to review and provide feedback on this important economic development initiative.

The ACE membership approved by motion the following recommendation to City Council:

To offer an incentive to all new businesses that generate sales tax in the form of a 50% rebate of all sales tax paid for five years. The application will be in the form of a one page document and the program should be handled administratively.

Below is a summary of the ACE's points of discussion:

1. What types of projects should be considered eligible?

Any

2. What source of funds should be used for incentives? (What should be rebated?)

Sales Tax

3. What should the incentives be used for by the business? (What is the purpose of the incentive?)

Give the incentive to support the businesses Return on Investment.

4. What do you want to achieve with incentives?

Decrease the vacancy rate.

5. ACE's guiding philosophy:

Providing this incentive is of no cost to the City. It's incremental and not money the City would have received.

Staff Comments:

The ACE committee was provided Council's comments to staff regarding incentives from the July 2 study session. However, ACE's recommendation is not consistent with Council's direction in a number of instances. First, Council's direction was to develop a policy with guidelines that defines eligible projects for Council consideration on a case-by-case basis, and be justified with a cost benefit analysis. ACE's recommendation does not establish criteria, other than sales tax generation, for granting incentives. ACE was clear in stating that any and all sales tax generating businesses are automatically eligible for a 50% sales tax rebate for a period of five years under their recommendation. Council also directed the establishment of a policy to assist businesses or developers of desirable projects in overcoming barriers that would otherwise be prevented from going forward without public assistance. ACE's recommendation does not set this threshold or require justification of need from the business in order for them to collect the incentive.

Because ACE's recommendations are inconsistent with the direction provide to staff by City Council, staff did not include the ACE recommendations in the Economic Development Incentive Policy as presented. However, if Council wishes to incorporate all or portions of the ACE recommendations in the policy, staff will revise the policy accordingly.

Attachment: Draft Economic Development Incentive Policy

DRAFT

Economic Development Incentive Policy City of Englewood

Goal Statement

The City of Englewood is supportive of business attraction and development-related projects and is committed to supporting new opportunities to diversify the local economy. Englewood strives to provide for the fiscal health of the community by creating mechanisms to assist targeted businesses, priority development sites, and projects that enhance the quality of life and fiscal condition of the community.

Intent/Purpose

- Create a tool to assist economic development efforts
- Foster diversification of economic base, including expansion of retail sales tax base
- Assist in attracting desired businesses and development to City
- Assist in redevelopment or reuse of priority redevelopment sites

Eligible Uses of Incentive Funding

- Improvements to public infrastructure that benefit a larger area or the public at large, including but not limited to: street improvements, traffic signalization, sidewalks or trails, water and sanitary sewer lines, storm sewer lines, drainage improvements, water quality improvements, or electrical or natural gas lines.
- Costs incurred in eliminating features that detract from the surrounding neighborhood or render a site difficult to redevelop, such as undergrounding electrical lines, removal of environmental contamination, removal or relocation of utility substations or other facilities, or demolition or renovation of structures that are obsolete or in poor condition.
- Costs incurred in providing public spaces, landscaping, or elements of streetscape beyond that required by ordinances of the City.

Economic Development Criteria - Eligible Projects

- Retail developments or expansion of existing retail uses that will generate sales tax.
- Office or manufacturing uses creating or adding jobs.
- Underrepresented or desirable retail establishments (e.g. table-service restaurants, electronics and clothing stores)
- Residential projects that demonstrate benefit to the community, develop on underutilized sites or within one mile of a light rail station
- Other projects deemed by City Council to be unique, advantageous, or desirable additions to the community
- A determination of whether the project would proceed if the incentive is not provided.
- Incentives are not intended to unduly enrich an individual developer or business or to create an unfair advantage.

- A statement from the business or developer to verify the need for the incentive in terms of ‘why this investment is necessary to foster the development or business activity.’

Cost Benefit Analysis

- Staff will provide a cost benefit analysis for any incentive agreement. The three components of a cost benefit analysis are:
 - Identify direct benefits: The true measure of project value includes all property taxes, sales and use taxes, impact fees, licenses and permit fees.
 - Calculate impact of the project. Direct costs are matched against direct revenues. If costs exceed revenues, the desirability of the project needs further analysis. If the direct revenue exceeds costs the analysis can help identify the break-even point by determining the number of years it will take for the project to payback the incentives and other public costs.
 - Identify direct public costs: In addition to the costs of incentives, all other direct costs associated with the project are totaled to include infrastructure costs, utility, increased fire, police and any other public expenses associated with the project.
- The break-even point or payback period of the proposed incentive will be estimated.
- Impact of the project on existing Englewood businesses will be analyzed.

INCENTIVE TYPES

Coordinated Development Approach

The City of Englewood is committed to providing exceptional customer service and ensuring that its applicants experience a quality development process. All projects are eligible for a formal in-person Development Review Team (DRT) meeting, in which the responsible City departments provide comments, suggestions, and recommendations prior to formal permit submittal to ensure an efficient and effective process.

Sales Tax Reimbursements

The City may consider a share-back or partial reimbursement of the incremental City collected portion of retail sales tax generated from the project. All proceeds of a sales tax reimbursement must be utilized for purposes outlined under “Eligible uses of incentive funding.”

Sales tax rebates shall not exceed 50% over the term of the agreement (with a maximum rebate to be determined by cost/benefit analysis) of the actual incremental increase in sales tax revenue generated by the use or site.

Building Use Tax Reimbursements

The City may consider reimbursement of construction and equipment use tax generated by the development of a project. All proceeds of the use tax reimbursement must be utilized for purposes outlined under “Eligible uses of incentive funding.”

Building use tax rebates shall not exceed 50% (with a maximum rebate to be determined by cost/benefit analysis) of the actual use tax collected.

Furniture Fixtures and Equipment Use Tax Reimbursements

The City may consider partial or full reimbursement of the use taxes paid for furniture fixtures and equipment generated by a project. All proceeds of the use tax reimbursement must be utilized for purposes outlined under “Eligible uses of incentive funding.”

Rebates of up to 100% (with a maximum rebate to be determined by cost/benefit analysis) may be given for furniture, fixtures and equipment use tax.

Tax Increment Financing

The City may consider utilizing Tax Increment Financing (TIF) through the Englewood Urban Redevelopment Authority (EURA) only after an urban renewal area has been established. The City will only consider utilizing TIF for projects that are unique, significant in magnitude, and have considerable regional benefit.

Reduction in Fees

The City may consider offsetting all or a portion of the development fees for commercial or residential projects that meet the goals and objectives of the Comprehensive Plan and Sub-Area Plans (if applicable), and provide a unique and quality project in terms of product type, tenant mix, and overall physical environment.

Rebates of up to 100% (with a maximum rebate to be determined by cost/benefit analysis) may be given building permit fees and development application fees.

The City of Englewood is supportive of economic development and redevelopment related projects. City Council will consider financial incentives to support economic development and redevelopment activities on a case-by-case basis. The incentives outlined in this policy are provided at the sole discretion of City Council and are not to be considered an entitlement for any eligible or otherwise qualified project.