

**CITY OF LOVELAND  
PLANNING COMMISSION MINUTES  
October 14, 2013**

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A meeting of the City of Loveland Planning Commission was held in the City Council Chambers on October 14, 2013 at 6:30 p.m. Members present: Chairman Meyers; and Commissioners Middleton, Massaro, Molloy, Dowding, Crescibene, Krenning, Ray and Prior. Members absent: None. City Staff present: Bob Paulsen, Current Planning Manager; Judy Schmidt, Deputy City Attorney.

*These minutes are a general summary of the meeting. For more detailed information, audio and videotapes of the meeting are available for review in the Community Services office.*

**CITIZEN REPORTS**

There were no citizen reports.

**STAFF MATTERS**

**Mr. Bob Paulsen, Current Planning Manager**, stated that there will be items on the October 28, 2013 Planning Commission meeting; however, there is no meeting on November 11, 2013. The City of Loveland is closed in honor of Veteran's Day.

**COMMITTEE REPORTS**

**Commissioner Crescibene** shared that there was a ZBA Hearing held on October 7, 2013 for a simple setback variance and that the request was approved.

**COMMISSIONER COMMENTS**

There were no comments.

**APPROVAL OF THE MINUTES**

Chair Meyers asked if there were any corrections needed in the September 23, 2013 meeting minutes. Needing no amendments, **Commissioner Prior** moved to approve the minutes. Upon a second by **Commissioner Middleton**, the meeting minutes were approved 7-0, with **Commissioners Crescibene and Ray** abstaining since they were absent from the September 9, 2013 Planning Commission Meeting.

**CONSENT AGENDA**

The consent agenda includes items for which no discussion is anticipated. However, any Commissioner, staff member or citizen may request removal of an item from the consent agenda for discussion. Items removed from the consent agenda will be heard at the beginning of the regular agenda.

Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption by the Planning Commission and acceptance by the Applicant of the staff recommendation for those items.

## **1. Park Lane Addition, Annexation Amendment**

This is a public hearing to consider a legislative action requesting amendment to the Park Lane Addition Annexation Ordinance. The Park Lane Addition was annexed into the City in August of 1977 by Ordinance 1587. The property includes 6 lots within a 4 acre area of land located on the west side of N. Garfield Avenue between W. 41<sup>st</sup> Street and W. 43<sup>rd</sup> Street. The property is zoned B- Developing Business which allows for a number of commercial and office uses by right, and additional uses by special review. The annexation ordinance was approved subject to a condition on the annexation petition that there shall be no building permits issued without a Special Review Site Plan in accordance with Title 18 of the Municipal Code. The applicant is requesting the elimination of this condition.

## **2. Lee Farm 1<sup>st</sup> Subdivision**

This is consideration of a request for an additional two year extension for the approval of the Lee Farm 1st Subdivision preliminary plat. The preliminary plat and PUD Preliminary Development Plan were originally approved by the Planning Commission on August 23, 2010. Section 16.20.020 of the Municipal Code stipulates that approval of a preliminary plat is valid for only 1 year. An initial request for a 2 year extension of the preliminary plat was considered and approved by the Planning Commission on August 8, 2011, extending the validity of the preliminary plat until August 24, 2013. The current request is to extend this deadline to August 24, 2015.

**Mr. Middleton** made a motion to approve the consent agenda. Upon a second from **Ms. Dowding** items one (1), and two (2), on the consent agenda were unanimously approved.

## **REGULAR AGENDA**

### **3. Artspace Lofts Project (Loveland Addition) Site Development Plan**

This is a public hearing and quasi-judicial matter to consider a Site Development Plan (SDP) that was prepared for the redevelopment of property located in downtown directly west of the Feed & Grain building. The project is referred to as the Artspace Lofts which consists of a 30-unit mixed use residential building, envisioned to provide affordable live/work opportunities to artists. The Artspace building would be a 4-story structure designed in concert with the Feed & Grain building in terms of scale and use of exterior materials. The building includes a first floor 1,145 square foot work area/gallery space, for the residents to use in designing and displaying their artwork. The Planning Commission has the responsibility to review this project in relation to the BE zoning district provisions and to render a final decision on the Site Development Plan.

**Mr. Troy Bliss, City Planner II**, addressed the Commission and explained that the Artspace project is an important project to the City of Loveland due to the fact that it is initiating development in downtown, and also supports historic preservation efforts, as it relates to the feed and grain building. The City Council is offering an incentive package for this project, with the 1<sup>st</sup> reading held on October 1, 2013 and the 2<sup>nd</sup> reading scheduled for October 15, 2013. The Artspace Site Development Plan (SDP) is proposing a mixed-used development in downtown Loveland, which will be a 30 unit residential building, with a gallery/work space incorporated into it. This project is before the Planning Commission due to its size: proposed development

over 25,000 square feet in the downtown BE zoning district requires Planning Commission consideration.

The proposed project is located in the downtown core character area. The feed and grain building, a prominent structure in Loveland, sits directly east of the property. While future plans will include the feed and grain building refurbishment, the feed and grain building is not part of the Artspace project before the Commission today. To the north is the 4<sup>th</sup> Street corridor, which includes the prominent business and restaurant area of downtown Loveland. The neighborhood includes residential homes, mixed use commercial buildings, and outdoor storage areas.

The Artspace project is on a 3/4 acre site that includes a re-plat, a vacation of right-of way, and the SDP. The site, including the feed and grain building, has been designated as a historic property. Artspace is currently going through the process to amend the historic designation so it only applies to the feed and grain. That action has received a unanimous recommendation of support from the Historic Preservation Commission and will be before the City Council on October 15, 2013 for consideration. Additional components of the project include an incentive package for Artspace that City Council will consider on 2<sup>nd</sup> reading, also at the October 15, 2013 meeting.

Property owners within 300 feet of the proposed site were notified by mail. Although a neighborhood meeting was not required for this effort, Artspace chose to host an open house on October 9, 2013 to address any concerns or questions. Several neighbors attended the meeting, and staff received no complaints regarding this project.

**Mr. Bliss** explained there are two main concerns with the Artspace project. The first issue is parking. Since this project is not included in the General Improvement District (GID), there are specific parking standards in the municipal code that apply to the Artspace project. Included in the Artspace SDP, is an Alternative Parking Compliance Request, to allow for a reduction in the number of required parking spaces for this project. The parking demand of a 1 to 1 ratio for onsite parking will be met. Staff is supporting the Artspace parking proposal.

The second item of concern has to do with the design. As noted in the BE zoning district requirements, there are design conditions for downtown projects that ensure conformity to the historic nature of the downtown area. Staff concurs the building is not what you would typically see in the area, given that it is modern in its appearance. **Mr. Bliss** stated the proposed design of the building ties in with the feed and grain, not only in terms of scale, but also the with the use of materials. Based on the actual location of the property, being on the fringe of the downtown core area, staff felt the type of design being planned is appropriate.

Staff is recommending approval of the Artspace Site Development Plan, subject to conditions listed in the Staff report.

In closing, **Mr. Bliss** shared that he received a question from another Commissioner concerned about the proposed property, and how it relates to the recent flooding in Loveland. The question specifically asked if there would be any FEMA floodway remapping efforts that would impact this development. **Mr. Bliss** assured the Commission that the proposed Artspace property was not previously in the floodplain and explained that the flood traveled within the anticipated

floodway. No FEMA remapping efforts are planned throughout Loveland city limits.

**Mr. Jason Kopecky, ABO Group Project Manager** thanked the Commission for the opportunity to answer questions regarding the Artspace project. He explained there is a mix of unit types in the project consisting of studio, and 1 to 3 bedroom units in the 37,925 square foot, four story building. There will also be two accessible units for a total of 30 units. He explained that while the shared gallery space is not open to the public, tenants can use the space to host gallery events and openings. **Mr. Kopecky** shared that roughly 12% of the typical Artspace tenants make their living solely from the sale of artwork; however this does not mute their passion for art.

**Mr. Kopecky** explained that the zoning code requires two parking spaces per unit, which would total 60 spaces. The SDP is proposing 30 on-site parking spaces. The justification letter explains that the parking demand seen in other Artspace locations are much less than the 2 to 1 ratio requirement. A study for the New Urbanism Quick Facts states, that only 21% of renting households own more than one car; 22% of renting households do not own a car; and 26.5% of urban households with incomes below \$20,000/year do not own a car. In addition, Gallery Flats, the most recent mixed-use apartment project in downtown Loveland, was granted a 0.71 to 1 parking ratio.

To help mitigate parking concerns, **Mr. Kopecky** shared the plans to have diagonal parking, versus parallel parking, around the building. In the surrounding three block area, there are approximately 300+ parking spaces and several parking lots that are under construction.

When looking at potential building designs back in 2011, the Artspace design team, along with the architect, worked to ensure the end result would be successful for the adaptive reuse of the feed and grain building in the future. It was explained that the feed and grain building was an inspiration for the new building, and the architect applied materials to the new building design that would complement the feed and grain building.

**Commissioner Dowding** questioned if residents are screened for their artistic qualities. **Mr. Kopecky** responded that it was his understanding that preference would be given to applicants who could demonstrate a commitment to their art. **Ms. Dowding** asked if a non-handicapped resident rented the accessible unit, would they be able to utilize the reserved handicapped parking spot. **Mr. Kopecky** stated that was unsure of the solution, but would be happy to follow up with and provide a response.

**Ms. Dowding** also expressed apprehension about the possibility of hazardous or toxic materials being used. **Mr. Kopecky** replied that hazardous or toxic materials are not allowed in the building, and also pointed out that the building will be fully equipped with sprinklers.

**Ms. Felicia Harmon, Artspace Project Liaison**, commented that she has had the opportunity to tour other Artspace projects across the country. She explained that Artspace has strict rules prohibiting the use of flammable or caustic materials. She also clarified that the selection process for interested applicants will be screened by Artspace in conjunction with the Loveland Housing Authority, as well as a group of local artists. In addition to a background check, applicants will

be vetted to ensure they are income eligible, and must be able to demonstrate a commitment to their craft. They will not be judged on the quality of their art.

**Ms. Dowding** went on to say she thought the color pallet of the building was saturated and jarring to the eye. Although she agreed the Commission does not get to choose the color, she asked Artspace to reconsider the burnt orange color that is part of the color scheme. She also stated that the Artspace building was so intensely modern that it didn't feel like it should be next to a historic building. **Mr. Kopecky** responded that the color choices could be revisited.

**Chair Meyers** asked if the plans were to redesign the feed and grain in "reversed engineering" versus designing the Artspace Lofts around the character of the downtown area and its current color scheme. **Ms. Harmon** explained that the State Historic fund requires Artspace to look at original colors from the feed and grain building when making decisions about restoration. The colors selected should be complementary.

**Commissioner Krenning** asked what the renovation plans are for the feed and grain building. **Ms. Harmon** stated that the feed and grain received a grant from the State Historic Fund as well as Artplace America, a national arts funding consortium, for stabilization and restoration. She shared that phase I of restoration on the feed and grain building will not finish the building reconstruction. Phase I will add life and safety upgrades as well as stabilization.

**Mr. Krenning** questioned how much money had been raised, thus far, for the feed and grain restoration. **Ms. Harmon** responded that the total private sector contribution goal is \$1.5 million. To date, \$800,000 has been raised toward that goal.

**Mr. Krenning** asked if all the money for the feed and grain was privately donated or if public funds were used as well. **Ms. Harmon** clarified that the State Historic Fund is a governmental agency; however most of the money raised to date has been from private contributions and national grant sources. **Mr. Krenning** asked how much the State Historic Fund contributed to the fund. **Ms. Harmon** said the state contributed \$200,000.

**Mr. Crescibene** shared that over many decades, the feed and grain building was constructed piece by piece as it was needed, and believes it's a travesty to emulate the Artspace building around this design. He stated that the Artspace building was unattractive and wouldn't improve the downtown area. He went on to say that he felt the feed and grain should have been torn down once it closed for business.

**Mr. Crescibene** also questioned the provision in the staff report which stated that, "if a resident wanted to host an event open to the public, they would be allowed-but it would be for a special event, not just for the general public to visit on a regular basis." He asked what would stop residents of the building from hosting special events 3 or 4 times a week. **Mr. Kopecky** explained that the doors to the space would not be open to the public. **Ms. Harmon** added that special events would require approval from all residents prior to being approved, and stated the frequency of special events would most likely occur 1 to 2 times per month.

**Commissioner Molloy** stated that he liked the design of the proposed building. He pointed out that it was affordable housing, and considering the budget for the project, the building had an aesthetically attractive design. He requested an additional handicap space be added for off-street parking for special event traffic. **Mr. Kopecky** agreed to the request and stated there were plans to do so already.

**Mr. Molloy** asked if there would be a potential future connection from Artspace across the railroad tracks. He inquired if that could be accomplished sooner than later, since the limited parking would result in more pedestrian traffic.

**Commissioner Prior** explained he felt the Artspace project put the cart before the horse. Future plans call for the feed and grain to be a part of the overall project, however there are no conceptual plans for the feed and grain available for the Commission to review. He would like to see the two projects merge in a complementary fashion. He felt the video representation did not show a concept that “merges” the two projects. **Mr. Kopecky** shared that the original video did include more complete graphics of the feed and grain, but it was removed since the feed and grain is not in the scope of this Site Development Plan.

**Mr. Prior** asked for clarification regarding the Planning Commission role in decisions related to the conformity of downtown buildings. **Chair Meyers** explained that the Planning Commission’s mission is to ensure conformity with the surrounding area to the overall city design. **Mr. Prior** stated he would like to see the overall project to ensure it is cohesive with the whole downtown area.

**Mr. Prior** also expressed concerns regarding parking and asked **Mike Scholl, Economic Development Manager**, to share his opinion of the plans for parking, given his experience in working on other, similar projects in downtown. **Mr. Scholl** shared that he had no issues with the current level of parking downtown. Artspace will have a 1 to 1 ratio, which should be sufficient for the planned use. In addition, the city is adding a parking lot, inclusive of 35 additional public spaces. He does not feel that Artspace will have a negative impact on downtown parking.

**Mr. Prior** went on to ask **Mr. Scholl** if he believed that Artspace fits in with the downtown design plan. **Mr. Scholl** responded that the overall project is very much consistent with the overall strategic plan to improve and revitalize the downtown area. It also will help achieve the goal of improving the residential density in downtown. He pointed out that a big piece of the strategic plan is to improve the art and culture in downtown, and Artspace is a large part of that effort.

**Mr. Middleton** asked **Mr. Paulsen** if the Artspace project was going before City Council on Tuesday October 15<sup>th</sup>. **Mr. Paulsen** explained that the Planning Commission had final authority on the Site Development Plan; however any decision could be appealed to City Council.

**Mr. Middleton** asked **Mr. Molloy** if he would like to make a pedestrian crossing over the railroad tracks a condition for approval of the SDP. **Mr. Scholl** stated that in order to add a pedestrian crossing at 3<sup>rd</sup> street, the city would have to give up two access points somewhere else in the city to the BNSF railroad.

**Mr. Middleton** questioned the condition in the staff report regarding public improvement construction plans, and asked **Mr. Bliss** if that was the parking lot at Railroad Ave. and 4<sup>th</sup> Street. **Mr. Bliss** stated that public improvement construction plans included in the staff report addressed issues serving the project site with water, sewer and storm drainage. The adjacent parking lot is not part of the submitted plans.

**Mr. Krenning** questioned if he understood that 12% of the residents of Artspace would be artist. **Mr. Kopecky** clarified that all of the residents of Artspace would be required to demonstrate their commitment to their art, however only 12% of the Artspace tenant population typically earns all if its income from the sale of their artwork. **Mr. Krenning** asked whether or not Artspace was an income limited housing project, and wondered if calling it housing for artists was a way to gather support for the project.

**Ms. Harmon** responded that 12% of artists in the Artspace tenant population make their entire living from the sale of their art. However, the residents of an Artspace project are chosen because they engage in their artwork on a regular basis. The goal and charter of Artspace is to assist the residents to make more of their living from their art. **Mr. Krenning** asked if that goal could be achieved, in part, because they would be living in subsidized housing. **Ms. Harmon** stated that only income eligible applicants would be allowed to reside at Artspace, which would also provide them with a workspace in which to do their art.

**Mr. Krenning** went on to ask if **Ms. Harmon** agreed that there was a need for affordable housing in Loveland. Upon **Ms. Harmon's** agreement, **Mr. Krenning** questioned why the project is getting special attention because it is Artspace, and why not just offer affordable housing to the general community who work in the downtown area. **Ms. Harmon** stated that the Artspace charter looks to provide affordable housing for people who happen to be artists based on their mission to bring art into a community, allowing artists to start making more of their living producing art. The goal is to bring activity, culture and more traffic to the downtown district.

**Ms. Harmon** reiterated that the Artspace project fits into the strategic plans for revitalization in downtown, driven by the Office of Creative Sector and the Economic Development Department.

**Mr. Krenning** stated that when the project was first pitched, it was presented as a redevelopment of the feed and grain, which would include housing, along with mixed uses. He stated that the project presented before the Commission tonight is a stand-alone housing development, with an artist flair, and the feed and grain building is not being addressed. He was concerned that the Artspace project did not speak to the long term plans for the feed and grain building. He went on to express concern that the feed and grain building could remain in its current status into the unforeseen future.

**Ms. Harmon** explained that the feed and grain building is intended to be a shared community space. She assured the commission that the refurbishment plans for the feed and grain are in the conceptual phase, but there is a solid commitment to continue as fundraising allows. She stated that Artspace has a well-deserved reputation for turning both their commercial historic buildings, along with their housing spaces, into ongoing successful projects.

**Mr. Krenning** asked if Artspace owned the feed and grain building. **Ms. Harmon** shared that Artspace has a contract for purchase of the entire site, which includes the feed and grain and the proposed site on which the lofts will be built. The scheduled closing date is mid-November. **Mr. Krenning** asked if the sale was contingent on the SDP approval. **Ms. Harmon** explained the sale would move forward regardless of the outcome of tonight's meeting. **Mr. Krenning** stated he felt that Artspace would have a vested interest in moving forward with the feed and grain building if they owned the property.

**Mr. Krenning** shared that during his time on the Planning Commission, there have always been complaints about access to parking in the downtown district. He felt that the Commission was being asked to consider a new project where the parking does not meet city standards. He said he understood that there is a parking deficit downtown and that building a new parking lot would not in itself offset the parking requirements of Artspace.

**Mr. Scholl** stated that regardless of the size of a community, parking always is an issue in revitalizing downtown areas. He explained that downtowns tend to be denser developments and stated that in this instance, the downtown parking is not necessarily a parking problem, but a parking management issue. The most critical need in downtown is long term parking for employees who work in the area. He stated that residential parking is not an issue and that Artspace would not be adding to the long term parking woes facing employees. He felt that the 1 to 1 ratio at Artspace would be adequate for residential use. **Mr. Scholl** explained that efforts to provide long term parking have somewhat been addressed, but issues still remain on the north end of downtown.

**Mr. Scholl** explained that in an 8 block area, there is enough parking to supply two Super Wal-Mart's with parking, which represents a couple of thousand spaces. He stated that those spaces included on street parking, and public parking lots. **Chair Meyers** stated that in some case, those spaces would require up to a  $\frac{3}{4}$  mile walk to the desired destination.

**Mr. Scholl** said that perception of parking problems downtown were understood, however most parking lots in the downtown area are virtually empty on a weekday evening. He stated that if the city asked developer's to invest in parking, which is a significant expense, it needs to be clear that the demand is at a certain threshold that would support that sort of investment. He stated that he would be more concerned if there were no complaints about parking, which would signal that people did not have a desire to patronize downtown businesses. He agreed that parking is a delicate issue in downtown.

**Mr. Bliss** clarified that the primary factor that drove Current Planning to believe that the 1 to 1 ratio at Artspace is sufficient, was based upon the data that was provided from other Artspace projects around the country, including Minneapolis and Illinois. **Mr. Bliss** pointed to page 77 in attachment 1 of the staff report, and shared an excerpt from the BE zoning, specifically figure 18.24.080-1 of the municipal code, which identifies primary pedestrian corridors downtown. It shows the Artspace building will be located directly south of one of the prominent pedestrian corridors. It includes the north/south sidewalk that runs along the west side of railroad and goes up to West 4<sup>th</sup> Street. Based upon location, Planning believes that the pedestrian corridors will link people to many vital parking areas throughout downtown.

**Mr. Krenning** said that while he respected the effort Planning did, he recalled the same discussion when Lincoln Place was built downtown. He questioned if there was a parking study done at Lincoln place with respect to the number of parking spaces for occupants of the building. **Mr. Scholl** stated that Lincoln Place has 300 parking spaces, 50 of which are designated for retail use. That leaves 250 spaces available for 200 units. The city has had recent discussion with Lincoln Place requesting leasing of 20-30 extra parking spaces because of the surplus of parking. There has been reluctance on the part of Lincoln Space to give up those spaces because they market them to customers as an amenity.

**Mr. Krenning** explained that he is not comfortable with granting another waiver on the parking requirements in the city.

**Chair Meyers** stated that the demographics of Loveland do not match up with Minneapolis or Chicago; by classification those are big, eastern cities. **Chair Meyers** questioned **Mr. Bliss** how late the COLT bus service runs into the evenings. **Mr. Bliss** responded that he was unaware of the bus schedules. **Chair Meyers** shared that he has had discussion with many people in the downtown area expressing concern about the distance they need to walk when visiting downtown. Because of those distances, they tend to gravitate to other areas of the city that provide ample parking.

**Chair Meyers** questioned if staff had discussions with business owners on 4<sup>th</sup> Street and the surrounding area about the allocation of parking spaces, and how it impacts their businesses, especially during evening hours. He asked if business owners were asked what impact there would be if Artspace had an event and there was not adequate parking, and how the overflow parking would impact their business. **Chair Meyers** stated he has had discussions with business owners, and parking is a huge issue in the downtown area. He corrected **Mr. Scholl**'s claim that parking in downtown Loveland is mainly a problem during weekday hours.

**Chair Meyers** said he did not believe the Commission should waive the 2 to 1 parking requirement. He also stated he believed the colors of the proposed Artspace building were striking, and shared that he did not like the way they look. Finally, he explained that he did not like the shape of the Artspace building.

Regarding the issue of 12% of artists making their living selling their art, **Chair Meyers** stated that looking at the standard industry codes for the creative sector, he said it included video game developers, not unlike a Mark Zuckerberg, or Bill Gates, and he questioned if someone with a similar background would qualify to live in the Artspace building. **Ms. Harmon** replied that applicants for Artspace would have to be income eligible in order to be accepted for tenancy. She agreed that the creative sector definition of artists is broad. **Chair Meyers** queried **Ms. Harmon** to explain how broad the definition is. **Ms. Harmon** responded that all disciplines within the standard industry codes were applicable.

**Commissioner Massaro** shared that he was in disagreement regarding the parking concerns. He stated that although more parking downtown is needed, he believed the 1 to 1 parking ratio at Artspace would most likely be adequate. He said the color of the building could be discussed, but overall, he liked the design. He explained that having an art community in downtown would be

an asset to Loveland as a whole. **Mr. Massaro** excused himself from the dais and left the meeting due to a scheduled conflict.

**Mr. Crescibene** questioned **Ms. Harmon** about the feed and grain goal to raise \$1.5 million towards the completion of the entire project. **Mr. Crescibene** asked how that dollar amount was arrived at. **Ms. Harmon** explained that the feed and grain team worked with KL&A Engineers in Loveland, and arrived at that figure, which will cover the first phase cost of the project. **Ms. Harmon** clarified that the entire project, including Artspace, is \$8.9 million dollars.

**Commissioner Ray** stated that he was also concerned about the parking. He shared that the Artspace building has a feel of a quasi-commercial function, and while the 1 to 1 ratio addresses the parking concern for tenants, it doesn't account for parking for patrons coming to special events. He shared that he also felt there is little if any transition to the surrounding housing in terms of architecture.

**Mr. Bliss** responded that this project represents redevelopment of the downtown district, and obviously there would be constraints in terms of size of the property. While attempting to be compatible with surrounding buildings, staff felt the building was appropriate on the property and pointed out there is a 20 foot space in the alley between the building and neighborhood houses, and another 10-15 foot space to the nearest house.

**Mr. Ray** asked if any of the residents to the west or south of the alley voiced any concern about the conformity of the building in the neighborhood. **Mr. Bliss** replied that staff had not received any complaints from neighbors regarding the feathering or height of the building. Staff did hear from an adjacent resident questioning if they would still have access to the alley once the vacation of right-of-way was granted. Staff assured him that he would.

**Mr. Ray** questioned **Mr. Bliss** if it was his perception that proceeding with the Artspace project would add to the qualitative value of the adjacent properties. **Mr. Bliss** replied that looking at the block as a whole, there is little question that it is a unique area in old town Loveland. There is a mix of commercial, residential and old vacant buildings. He stated his belief that the Artspace building would complement the motif of the area.

**Mr. Paulsen** added that staff had to rely on the work that was done in defining the BE zone. He stated that there was a great deal of analysis in terms of feathering and reducing heights. He explained that the Artspace structure, as proposed, doesn't have a great deal of feathering or transition, but said over time it would be expected that more projects similar in nature would be constructed in the downtown core area. **Mr. Paulsen** said that staff looked to see if this project would be allowed in the BE zone and made the determination that it was.

**Chair Meyers** asked who in the neighborhood received notification of the project. **Mr. Paulsen** shared that the notification area was 300 feet from the property lines. **Mr. Kopecky** stated that notice was sent to approximately 40 property owners.

**Mr. Ray** shared concern with the colors as well and stated that the last City of Loveland project before the Planning Commission, residents testified that they didn't like the new Rialto building

claiming it stood out compared to the surrounding buildings. He stated people also expressed dislike for the color pallet of the Brinkman building.

**Mr. Molloy** pointed out that Artspace did account for an additional 76 parking spaces that could be used for special events. Regarding the color scheme, he felt that the colors chosen, along with the design, matches similar buildings in old town Fort Collins. He added that promoting new development in the downtown area was the goal for revitalization. The point of revitalization is to encourage more people to live and visit the district.

**Mr. Ray** stated that 77 parking spots, many of which are street parking, are already accounted for in the city. The parking lot that is being proposed, and the one being used, is being used every day.

**Ms. Dowding** stated the architect might want to rethink the golden orange color for the proposed Artspace building.

**Chair Meyers** asked about the \$8.9 million dollars that will be needed for the entire project, \$1.1 million of which will be used for the feed and grain. Of those amounts, **Chair Meyers** asked how much the City of Loveland has contributed. **Mr. Scholl** responded that the City Council has approved a \$300,000 subordinate loan at 1.75% over 30 years. The city also contributed \$550,000 for pre-development costs; including a waiver of the materials use tax, the total package offered by the city is valued at \$921,000.

**Chair Meyers** asked if **Ms. Harmon** had an estimated cost of the feed and grain, beyond the \$1.1 stabilization costs. **Ms. Harmon** stated that beyond phase I, there is no other design work completed.

**Ms. Judy Schmidt, Deputy City Attorney**, stated that in the feed and grain incentive agreement that was approved by City Council, it contained a commitment by Artspace to proceed with the feed and grain within a pre-determined timeframe. Within two years of receiving a CO for the Lofts building, Artspace has an obligation to proceed forward with the feed and grain reconstruction. **Mr. Scholl** clarified that the 24 months was for completion of phase I.

**Mr. Scholl** shared that the city will have a subordinate deed of trust on the feed and grain property. **Mr. Krenning** asked what would happen if Artspace were to default on the agreement. **Mr. Scholl** explained that because tax credit deals are very complicated, the rates of default are nearly microscopic.

**Mr. Krenning** asked for a break following the public hearing.

**Chair Myers** asked for a show of hands from citizens interested in testifying at the public hearing. **Chair Meyers** opened the public hearing. Not seeing any citizens wishing to testify, the public hearing was closed.

At the request of the Commission, a 15 minute recess was called.

At 9:00 p.m., the meeting resumed.

**Ms. Dowding** stated she could live with the design of the building, but not the colors. She stated she could tolerate the parking issues, and said she thinks the modern feel to the building would be okay, and possibly start a trend in downtown Loveland.

**Mr. Prior** reiterated that he cannot approve the project without a stipulation for Artspace to demonstrate how the Artspace Lofts and feed and grain will co-exist in unity. He shared that he was somewhat okay with the 1 to 1 ratio for parking, but would encourage Artspace to consider a 1.25 to 1.5 ratio.

**Mr. Crescibene** stated that he did not like the look of the building, and that it did not fit in downtown. He also said that if Loveland wanted affordable housing, why should the city discriminate and provide it to people in the arts. He would like to see affordable housing for everyone who needs it. He said that a vote for Artspace is a vote for the feed and grain building. He believes the feed and grain building should be torn down because it would be a waste of money to repair it. He shared that he would be voting no on the project.

**Mr. Krenning** explained that his concerns about parking were more than he could overcome to vote in favor of the project. He felt the politically correct thing to do would be to vote in favor of the project, but felt that if it wasn't associated with art, there would be no doubt the Commission would vote against it. He said the project as proposed doesn't meet the parking requirements. **Mr. Krenning** said he would not be inclined to vote in favor of the project based on the parking concerns. He asked that Artspace bring plans back before the Commission in one, complete project, which includes the feed and grain building.

**Mr. Krenning** shared the he felt a responsibility to the downtown businesses, especially those which operate after 5 p.m., to protect them by not adding to what is perceived as a parking problem.

**Mr. Molloy** stated that he felt the parking situation would be fine as presented, and felt the Artspace project is a step in the right direction the city is trying to take with revitalization efforts downtown. He believes the building fits in the selected location very well. He did say there is concern about the unknowns in relation to the feed and grain building. He explained that the Historical Preservation Committee would have final say over that issue.

**Mr. Ray** said that he does support redevelopment in the downtown district. He imparted that he would also like to see the entire project include the feed and grain building. Until the feed and grain is factored in, he felt it would be difficult to know what the parking impacts would be.

**Mr. Ray** explained that **Mr. Krenning's** statements echoed true to him as well and felt that if this project was not an art project brought before the Commission, it would be voted down across the board, due to the unknowns. He stated that he would vote against the Artspace project. He finished by thanking the staff for their efforts on the project.

**Mr. Prior** articulated that he is totally in support of the project overall, but the concerns brought up during the meeting need to be addressed prior to approval.

**Chair Meyers** stated that this project has risks associated with it, and felt it is the Planning Commission's responsibility not to take that risk on behalf of the city. He explained that until the Commission has an integrated view of the total project, he felt this project was extremely high risk in terms of the view of the downtown area.

**Chair Meyers said** he felt that if the feed and grain building took off it would have a tremendous impact on the existing business in downtown during the evening hours. He stated that if Artspace went forward and had a special event in their gallery space every night, then it could bring additional 15-20 cars to downtown, each evening. He agreed that if it wasn't an art project, the Planning Commission would not consider its approval if it didn't meet the parking standards.

**Chair Meyers** also agreed that affordable housing is needed in the community and needs to be addressed for a lot of people. He believes the project has some merit, but needs strong adjustments. He shared he would be voting against the project due to the level of unacceptable risk.

**Mr. Middleton** moved to make the findings listed in Section IX of the Planning Commission staff report dated October 14, 2013 and, based on those findings, approved the Artspace Site Development Plan subject to the conditions listed in Section X, as amended on the record. Upon a second from **Ms. Dowding**, the motion was denied 8-0, with Bob Massaro absent from the vote.

**Ms. Schmidt** explained that as a procedural matter, it is important to note that the decision of the Planning Commission is appealable to the City Council. In order to trigger that appeal, the Planning Commission needs to adopt written resolution of the findings and conclusions. Rather than trying to create those tonight, one option is to provide a draft for Planning Commission consideration at the next meeting.

**Chair Meyers** asked **Ms. Schmidt** to take the lead and create a draft of the findings and conclusions, and the Planning Commission would review them at the next scheduled meeting on October 28, 2013.

## ADJOURNMENT

**Commissioner Middleton** made a motion to adjourn. Upon a second by **Commissioner Prior**, the motion was unanimously adopted and the meeting was adjourned.

Approved by:



Buddy Meyers, Planning Commission Chairman



Kimber Kreutzer, Planning Commission Secretary