



TOWN OF ELIZABETH

PATRICK G. DAVIDSON, TOWN ADMINISTRATOR

TO: Honorable Mayor, Mayor Pro Tem, and Board of Trustees
FROM: Patrick Davidson, Town Administrator
DATED: April 17, 2024
SUBJECT: Possible Request for Proposals (RFP) Regarding the Gesin Lot

BACKGROUND

On November 24, 2009, the Town of Elizabeth acquired the property located at 165 South Main Street, and commonly known as the "Gesin Lot". The lot is approximately .688 acres (29,980 square feet) in overall size and is currently zoned Downtown District. The northern boundary of the lot is State Highway 86, the Eastern boundary of the lot is Main Street, the Southern Boundary of the lot is Broadway, and the Western boundary of the lot are private property holders.

The property has previously served as a gas station, grocery, video rental, restaurant, and laundromat among other ventures. After acquisition by the Town, the property was subjected to two (2) environmental remediation projects. The first project involved the excavation, removal and remediation of fuel tanks on the location. The second project involved the remediation of asbestos on location, as part of a larger demolition project.

During the Town's time of ownership, it has been used occasionally and seasonally for small vendors, food vendors, the Friday Night Markets, Elizabash, the Walk-n-Talk, and the Mayor's Tree Lighting. While the Town issues permits for events held on the Gesin Lot, it merely offset a portion of the electricity and staff costs associated with any event at this location.

Since 2014 there have been various approaches for the sale and development of the Gesin Lot. These proposals have included a movie theatre, commercial development, and possible residential development. Between 2014 and 2017 the lot was listed for sale through a real estate firm, with no particular interest. In 2017 there was an interest in using the property to create a private-public partnership for a potential arts-based live/work project. The property was most recently under an option contract for development by a group from Parker, Colorado. This option contract lapsed in 2022 without a final project being selected by the Board. The most recent proposals were entertained by the Town Board of Trustees in 2022, which would have placed between 13-15 commercial units on the property.¹ This proposal failed to garner the required votes to move forward with development.

¹ Staff obtained a fair market analysis for the property in 2022. Due to a possible real estate transaction, and financial negotiations, the information should not be shared at this time in order to potentially maximize the sale price.

ANALYSIS

As noted during the February 10, 2024, Vision Meeting, the development of Main Street for Elizabeth has changed. The Town is working to complete the Main Street Streetscape Project, which will encompass changes in the sidewalks, roadway, parking and accessibility in the Downtown. This project will be in its final engineering stages soon, with anticipated bidding to take place in Spring/Early Summer 2024. In 2023 the Town acquired 444 South Main to provide necessary parking for the Running Creek Park event space. The design work for this parking lot will be completed this Spring for construction and completion in 2024. The Town is working to install a public restroom facility as part of the 444 South Main parking lot in 2024. Additionally, in 2023 the Town removed the houses across from Town Hall, thereby opening up additional parking within immediate walking distance of both Main Street and the Gesin Lot. Completion of this lot is anticipated in the 2025 budget.²

In addition, there are private business ventures occurring on Main Street, which will increase commerce in the Downtown District. Continued progress is being made on Main Street Station with anticipated groundbreaking to potentially occur as soon as late 2024. Additional business and property owners on Main Street are likewise looking to improve and expand their operations in the upcoming years.

Several members of the current Board of Trustees have expressed an interest in looking to development of the property at this time, within this new environment. As mentioned by Attorney Hoffman during a prior meeting, one way to look at the development of the property is through a Request for Proposal (RFP). The RFP would allow the Board to generally dictate and control the development of the property but remove the Town as a developer as a whole. In other words, it provides some guidance to a developer who is interested in the property, without directly controlling major aspects of the development.

As an example, the Board could control the height or number of stories to the building; require that it contain a restaurant; mandate storefronts on the first floor, and housing on the second floor; or any combination thereof. The key for a developer is that the more conditions that are mandated in the RFP, the more difficult the project becomes to complete. As such there is a need for a balance to be struck between the overall needs and wants of the Town vs. the marketability for the developer for the finished product.

Zach Higgins has reached out to the Colorado Department of Local Affairs (DOLA), and they would be able to work with the Town in developing an RFP for the Gesin Lot which would provide opportunities for the sale of the lot and encompass the desires of the Board of Trustees. DOLA would allow us to make use of up to eight (8) hours of their consultant's time in order to create the RFP. From Staff and the Board's purposes, this would mean that the Board would need to

² These items have all be previously identified as community needs within the 2009 Elizabeth Community Revitalization Study, the 2015 Downtown Strategic Plan, the 2017 Arts Market Study, the Town's 2018 Market Analysis and Opportunity Assessment, the 2019 Comprehensive Plan, the 2022 Historic Preservation Survey Results, and the 2023 Elizabeth High School Community Survey Results. As such, the sale/development of the Gesin Lot is entirely consistent with the revitalization and strategic planning processes that began over fifteen (15) years ago.

streamline what it would consider requirements for development, to present to the consultant for the creation of the RFP. However, this should be relatively easy to complete in a timely complete.

STAFF RECOMMENDATION

Staff recommends that the Board strongly consider the use of an RFP to market the Gesin Lot for possible marketing and sale. With the anticipated completion of the 444 Main Street parking lot, the build-out of the Main Street Streetscape, and related projects the time is ideal to market and potentially sell the property. It is also understood that even after the RFP process, should the Board decide to retain the property, that option remains available.

The Town's Main Street Board of Directors encourages the Board of Trustees to consider this option for the development of the Gesin Lot. As the Trustees are aware, for many of the Downtown merchants, the development of this lot is the next appropriate step in the overall renewal and development of the Downtown and of Main Street.

The Historic Advisory Board shares an interest in the development of the Gesin Lot but are most concerned that the final build-out appropriately addresses the historic buildings in the immediate area. It is reasonably believed that the overall RFP can take into consideration architectural and design styles from neighboring properties, without sacrificing its own final design.

BUDGET CONSIDERATION

The only costs for this is Staff's time and the Board's time to ultimately reflect on the finalized RFP and to determine if the Board would want to move forward in the process. There are no direct budgetary costs in this process at this time.

ATTACHMENT(S)

None.