



April 30, 2015

Broomfield Urban Renewal Authority, Broomfield, Colorado

Addendum to September 19, 2014, Civic Center Request for Qualifications and Proposals

Of the comments received from the community to date, two key recurring themes have emerged. The first is that many residents want to see local retail and other businesses have a prominent role in the developed project. They want to see a strong local presence among the businesses in the Civic Center. The second is that many residents believe that the amount of new residential development in the project should be minimized and limited to what is necessary for the project to work. Some residents have expressed opinions that there should be no new residential development in the Civic Center.

To address these concerns, the two proposing groups are requested to submit narrative responses to the following:



Real Capital Solutions - Response

1. What is the strategy to be used by the development team to attract and retain local businesses?

Marcel Arsenault, CEO & Founder of Real Capital Solutions, has a saying that real estate is more about people than it is about buildings. Real Capital Solutions understands the intimate ground-level efforts required to attract and retain local businesses, and our track record in Broomfield substantiates that claim.

A marquee development with the prestige of 1st & Main will undoubtedly attract interest from businesses large and small, local to national. The question is what sort of environment does the City of Broomfield want within the town's "heart"?

While Real Capital Solutions understands the desire to foster local businesses at 1st & Main, what must be understood is that the financial viability of attracting solely young and growing local businesses does not equate to the same profitability as filling a development with national, strong credit tenants. The underlying concept is that the creditworthiness and national prestige of a tenant drives the valuation of an occupied building. One only has to look as far as the recently-developed Broomfield Town Center to decipher what type of development is the most profitable for the developer. It is Real Capital Solutions' strong desire to take a very different approach to 1st & Main than its peers down the road, but we also hope that the City and County understands the impact on profitability and is willing to creatively fill any potential financial gap for taking a more community-minded approach 1st & Main.

Real Capital Solutions has already begun conversations with numerous local businesses in an effort to attract several "crowd favorites" to anchor the project, and we will advance these discussions to the contract stage upon our award of the project.

2. Please provide examples of projects completed by the development team in which local businesses have located and continue to do business.

Real Capital Solutions has a proud history in the City of Broomfield of attracting and retaining small, locally owned businesses. Look immediately north of 1st & Main and you'll find Villager Square, a property purchased by Real Capital Solutions that was a largely vacant and blighted eyesore. Today, Villager Square is a vibrant and attractive hub of commerce on Broomfield's 120th Avenue corridor. Real Capital Solutions has repeated this success across numerous municipalities statewide and nationally, and we will replicate this thoughtful tenant selection at our project at 1st & Main.

3. What strategies have been used with these prior projects completed by the development team to attract and retain those local businesses?

The process of attracting, selecting, and retaining a thoughtful mix of local business is in many ways more of an art than science. The idea isn't to blindly fill a project with local businesses, but more so to carefully craft a thoughtful mix of vibrant and desirable businesses that will feed off each other to make 1st & Main an attractive morning, noon, and night town center. The anchors should be lovable, locally owned businesses that garner community patronage from their reputation. These anchors should not simply be a handful of restaurants that make this a "restaurant row" from 5-8pm, leaving storefronts dark and streets empty the rest of the day. Instead, our team will source an eclectic and dynamic mix of retailers, restaurants, and offices to make this a true "town center". Direct calls to our "wish-list" anchors will cement the corners of 1st & Main, and selective screening of in-line tenants will ensure the optimal mix of businesses ranging from quaint to vibrant, young to old.

4. What is the benefit to the Civic Center of new residential uses?

Rarely in the history of urban planning has a "town center" with a true "heart" neglected a residential component. For those of us who remember downtown Denver before the completion of Coors Field and the subsequent inflow of residents occupying the central business district, you may recall the feeling of downtown turning to a "ghost town" after the sun set. Restaurants would close and the streets would take on an eerie if not unsafe feeling. Residents bring an irreplaceable vibrancy to any town center and will create a sense of "ownership" at 1st & Main. They add culture, activity, and ultimately drive sales to the businesses that will call this site home. They also "activate" the public spaces which ultimately makes the development more desirable for non-residents. The sight of people walking their dog down the street, carrying their groceries home, and walking to work will bring legitimacy to Broomfield's new town center.

5. What is the approach to be used by the development team to determine how many and what type of new residential units should be proposed for the Civic Center?

For one, our team values the "Broomfield Way" and we have already begun the process of soliciting resident feedback as a major determinant of the programming of the Civic Center site. It was clear from the response at our first community meeting that the majority of residents are not looking for high-density, 4-story rental homes, but instead a mix of residences that skews in the direction of ownership rather than rentals. That said, 1st & Main needs to be an inclusive community and not turn its back on a major component of its resident base, renters. Through thoughtful design and massing, we believe that the City and County can proactively incorporate desirable rental housing that looks and functions like any for-sale community would, yet addresses the fact that not all residents of this community can afford to purchase their own home. As to the number of residential units at 1st & Main, our opinion is that the physical constraints of this site preclude a large-scale housing development that is typical of many suburban communities including Broomfield. Instead, we envision streets lined with 2-3 story townhome-style residences at a human scale, mitigating concerns of Broomfield residents of towering 4-story elevator-style buildings. The exact mix of for-sale homes versus rentals will likely mirror the Broomfield average, with around 2/3 of the residences for-sale and 1/3 for rent, and we feel the market is strong enough to support both housing preferences.