

AURORA URBAN RENEWAL AUTHORITY REGULAR MEETING MINUTES

Date: May 4, 2026

Time: 3:05 pm

1. CALL TO ORDER:

Chairman Mayor Coffman called the Aurora Urban Renewal Authority meeting to order.

2. ROLL CALL: Kadee Rodriguez, Deputy City Clerk

PRESIDING: Chairman Coffman

COMMISSIONERS PRESENT: Bergan, Coombs, Hancock, Horton,
Jackson, Lawson, Medina, Wiles, Watson

COMMISSIONERS ABSENT: Andrews, Baca, Gardner

COMMISSIONERS ARRIVING
AFTER ROLL CALL: Bergan, Coombs, Wiles

OFFICIALS PRESENT: Jason Batchelor, AURA Executive Director
Peter Schulte, City Attorney
Terri Velasquez, Director of Finance
Robin Fleischmann, AURA Manager of
Urban Renewal and Redevelopment

3. APPROVAL OF MINUTES

- 3.a. March 23, 2026, AURA Regular Meeting Minutes
Chair Coffman called for a motion to approve the minutes from the March 23, 2026, meeting. It was moved by Commissioner Hancock, seconded by Commissioner Watson.

There wasn't a call for approval of the minutes.

4. BILLS AND COMMUNICATIONS

No bills or communications were presented for discussion.

5. REGULAR AURA MEETING

5.a. The Point at Nine Mile Station – Project Update and Market Study

Chad Argentar, Senior Redevelopment Project Manager, introduced the project for a status update and discussion of the market study for the remaining acreage at the Point at Nine Mile Station, providing a brief overview of the project's history for the benefit of new board members. The site comprises approximately 21.5

acres of the former Regatta Plaza Shopping Center, built in the 1980s. Following the opening of the Regional Transportation District (RTD) light rail station in 2006, the declining center experienced high vacancy rates and building deterioration, leaving only Key Bank, an older King Soopers and a few other businesses open. Subsequent community planning sessions culminated in the adoption of the Nine Mile Station Area Plan (SAP) and the creation of the Nine Mile Station Urban Renewal Area (URA) in 2013 and 2014 to address blighted conditions.

Mr. Argentar reported that AURA selected Mile-High Koelbel as master developer and executed a Master Development Agreement (MDA) in 2016. Land sales and exchanges continued through 2021. Completed phases included demolition of the old buildings, construction of a new 80,000-square-foot King Soopers, delivery of 22,000 square feet of retail space, and construction of the Point Crossing affordable housing complex alongside the 255-unit market-rate Tempo apartments. AURA is currently modifying the existing redevelopment agreements to support refinancing efforts for the projects. The current focus centers on the remaining 6.2 acres, divided into north and south parcels, still owned by AURA. Due to changed market conditions since the project began, the AURA Board authorized staff in June 2025 to hire a consultant for to conduct a market study on the remaining parcels; Following an RFP process, Leland Consulting Group was retained in November 2025 and completed its market study in April 2026. Staff intend to return to the board in June or July 2026 with items related to the existing agreements and potential proposal for the north parcel.

Ted Kamp, Principal with Leland Consulting Group, outlined the findings of the draft market analysis, prepared with subconsultants Greensfelder Real Estate Strategies for retail and Embarcadero Group for lodging. Mr. Kamp discussed general trade area conditions and specific analysis of the site. The analysis examined an eight-minute drive-time trade area containing roughly 80,000 households, which Denver Regional Council of Governments (DRCOG) data forecasts will add about 500 households per year over the next decade, with nearly half being renters. Median household income in the trade area is lower, at about \$78,000, compared to roughly \$104,000 for the metro area as a whole. While the site benefits from proximity to Interstate 225, Parker Road, Peoria Street, and the Cherry Creek Reservoir, the location faces traffic noise challenges, and the open boundary along the reservoir limits the adjacent rooftop density that supports local retail.

Mr. Kamp reviewed product category development recommendations:

- **Hospitality / Lodging:** The consulting team recommended against hospitality development. While a mid-scale hotel flag could maintain profitable long-term operations, high capital costs render any tier below luxury financially unfeasible, and attracting regional occupancy rates and average daily rates create insufficient revenue per room to attract private capital.
- **Commercial Office:** Office development was not recommended for the

remaining parcels. The regional office market continues to experience occupancy contraction, with trade area vacancies at 20.4 percent compared to an already elevated 18.1 percent metropolitan average; hybrid work arrangements inject underwriting volatility, and the site possesses no competitive advantages for corporate tenancy.

- **Regional Entertainment Districts:** Large-scale destination entertainment uses were evaluated as unfeasible. Successful regional entertainment models require a highly integrated commercial ecosystem and substantial land mass; combining both parcels yields only 6.2 acres, falling short of the 10-to-15-acre threshold required for a self-sustaining destination anchor.
- **Commercial Retail:** The analysis determined that household growth can support a modest inline commercial footprint of up to 20,000 additional square feet focused on necessity-based neighborhood retail, service providers, and neighborhood dining. Proximity to high-wage employment hubs like the Denver Tech Center (DTC) will not yield immediate captured demand, as entrenched commuter corridors favor the Interstate 25 spine over Interstate 225.
- **Ownership Residential (Condominiums / Townhomes):** The consulting team advised against ownership housing. Density for comparable regional townhome properties tops out at 18 units per acre, which would underutilize the land value; direct highway frontage exposes ownership parcels to traffic and sound nuisances that suppress for-sale pricing; and condominium delivery remains constrained by construction defect insurance liabilities across Colorado.
- **Rental Multifamily Residential:** Multifamily rental units represent the clear highest and best use for the parcels. A supply wave of new inventory delivered between 2021 and 2023 caused localized vacancy rates to spike to 10.7 percent in 2025, forcing competing assets like Tempo at Nine Mile to employ temporary lease concessions; however, permitting volumes contracted sharply in 2024 and 2025, allowing the supply glut to clear. Projects commencing design immediately will deliver units in early 2028 into an under-supplied and stabilized rental market.

Leland Consulting Group formally recommended a balanced mixed-income configuration: 250 market-rate apartment units on the north parcel, paired with 65 deed-restricted affordable housing units on the south parcel targeting a 60 percent Area Median Income (AMI) threshold, with a market-rate unit mix tilted modestly away from one-bedroom units toward studios, two-bedroom, and some three-bedroom units to spread risk. Mr. Kamp explained that the affordable phase would serve as a strong candidate for 9 percent Low-Income Housing Tax Credit (LIHTC) financing from the Colorado Housing Finance Authority (CHFA) due to its proximity to high-frequency transit and grocery infrastructure. This configuration satisfies municipal housing diversification goals without distorting regional market rate perceptions, while de-risking the market-rate parcel by isolating low-income demand and raising the baseline rental absorption floor. Mr. Kamp also highlighted the planned small civic park and pedestrian bridge landing zone as a natural incubator for social and entrepreneurial commerce, utilizing

food trucks and pop-up market concepts to establish permanent consumer purchasing patterns and elevate the area's culinary identity.

Commissioner Bergan requested clarification regarding alternatives to ownership housing and retail tax capture. While recognizing that highway-adjacent conditions favor higher-density rentals over for-sale townhomes, she remained concerned by the composition of the current street-level retail, which includes a banking facility, a dental practice, and a single restaurant, noting that sales tax cannot be collected on standard groceries or services. She questioned whether retail additions on the north and south parcels would repeat fast-food footprints and inquired whether AURA legally possesses the authority to mandate two-bedroom unit thresholds or restrict commercial space to tax-generating retail.

Mr. Kamp responded that the parcels are ideally positioned for limited-service dining and coffee footprints on the morning commute side of the corridor, and suggested the site could act as an anchor concentrating the scattered network of diverse ethnic restaurants currently operating across the trade area.

Mr. Argentar clarified that because AURA retains fee simple ownership of both parcels, the authority maintains control over who the land is sold to and what requirements and restrictions would be placed directly into redevelopment agreements as conditions of land conveyance.

Jean Rustad, Director of Planning and Business Development, cautioned that while AURA can legally dictate taxable retail covenants, previous phases featured tax-generation requirements that local market conditions ultimately failed to sustain. Ms. Rustad added that staff will conduct deeper pro forma financial modeling to ensure any embedded leasing mandates remain economically realistic while maximizing reinvestment returns.

Chairman Mike Coffman asked whether the retail concepts were envisioned as ground-floor space beneath the residential structures. Mr. Kamp confirmed that ground-floor retail is appropriate for portions of the north parcel matching Mile-High Koelbel's core competencies but cautioned against excessive suburban first-floor retail mandates, noting that non-specialized residential developers frequently leave mixed-use storefronts vacant.

Commissioner Hancock emphasized the critical need for a definitive destination anchor in Ward 4, which lacks any dedicated cultural draw outside of the Stampede venue. She recalled that the Chinese New Year festival attracted 6,000 visitors to the immediate vicinity and noted that the incoming Havana Night Market is projected to draw an average of 3,000 attendees per event, demonstrating clear localized capacity to support vibrant community gatherings. Commissioner Hancock suggested that the intersection of Parker Road and Peoria Street adjacent to transit warrants a smaller-scale market format, in the spirit of the Stanley Market, to serve as a micro-business incubator, generating the pedestrian activity and human observation required to mitigate unhoused populations and safety challenges.

Commissioner Lawson stated that staff must prohibit additional fast-food footprints, noting that the immediate area is already oversaturated with fast-food operations such as Popeyes and Taco Bell. She recommended prioritizing distinct culinary operators, such as specialized sushi establishments, and suggested integrating neighborhood convenience concepts or modern bodegas into the ground floor of the transit-adjacent apartments to serve daily light rail commuters and hotel patrons.

Mr. Argentar responded that staff is open to any tenants capable of activating the space, noting that the area surrounding Dartmouth is only half built and that a central plaza is planned between the pedestrian bridge and Dartmouth, with the goal of activating all four corners with the best available tenants.

Ms. Rustad clarified that major corporate grocery operators like King Soopers utilize restrictive real estate covenants prohibiting competing food-sales footprints within a designated radius, which staff will need to audit.

Commissioner Horton requested the rationale for excluding condominiums from the formal housing recommendations.

Mr. Kamp explained that the condominium conclusion was borderline; the team did not recommend against condominiums but lacked the local comparative track record required to recommend them with confidence. While projects are envisioned for the Havana Street corridor, insufficient sales data exists to support an unconditional recommendation.

Commissioner Horton emphasized that the City of Aurora possesses an abundance of single-family options and traditional townhome layouts but suffers from a shortage of high-quality condominium stock for first-time homebuyers. As a resident who frequently utilizes the Nine Mile facility for daily commuting, she strongly recommended incorporating for-sale condominiums into the master development plan to empower urban homeownership and foster long-term economic contributions to the corridor.

Chairman Coffman inquired about the strength of the existing retail at Nine Mile. Mr. Kamp responded that the retail is performing well based on foot traffic tracking data, with King Soopers performing above average for its chain and no performance red flags. Chairman Coffman observed that some vacancies have persisted since the beginning, particularly on the first floor. Mr. Argentar acknowledged that the retail has never been fully leased, noting that COVID slowed leasing and that minimum taxable sales requirements in certain agreements, including for an approximately 3,000-square-foot commercial corner at the market-rate apartments, have led owners to hold space vacant to maintain compliance.

Commissioner Watson raised concerns about the recommendation to add 250 market-rate apartment units, noting that the market study itself projected the

existing apartment supply would be absorbed by 2028 and questioning the wisdom of adding units into that same window without considering alternative uses. He observed that some businesses are relocating to other states, that the original project plan contemplated an office building at this location, and that the authority should preserve commercial optionality. Commissioner Watson identified the area's core challenge as low resident wages and a lack of high-paying jobs, noting that the multifamily strategy depends on outside shoppers from the Denver Tech Center and Greenwood Village, and recommended that the board consider the true economics of the area before defaulting to additional apartments.

Chairman Mike Coffman concluded the item by noting that the site's underlying zoning is designed to maximize high-density transit-oriented residential development.

Outcome: Based on the discussion, staff will work with the master developer on an updated proposal for high-density transit-oriented residential development with retail for Plazas 2 and 4 and look for ways to activate the proposed central plaza.

5.b. Colorado Science and Technology Park (CSTP) Tax-Exempt Land Sale – Post Chapel

Jason Batchelor, AURA Executive Director and City Manager, introduced a resolution to modify a land transfer authorization regarding the historic Post Chapel. Under Section 2.01(d) of the 2008 Public Finance and Redevelopment Agreement (PFRA), the Fitzsimons Redevelopment Authority (FRA) is prohibited from conveying property to any tax-exempt entity without the formal written consent of AURA. The 3,400-square-foot chapel sits on a 0.23-acre parcel at the intersection of East Montview Boulevard and North Scranton Court, having originally served as a house of worship for the Fitzsimons Medical Army Garrison until base closure in 1999. In November 2025, the AURA Board approved Resolution 2025-05, consenting to convey the property to a non-profit for a nominal consideration of one dollar under the mandate that the facility operate exclusively as a non-denominational meditation and prayer space.

Mr. Batchelor reported that the prospective purchaser, the Post Chapel Preservation Foundation, rejected the non-denominational restriction, choosing instead to utilize the facility for traditional church services. The transaction was consequently restructured into a fair market value transaction backed by an independent property appraisal. The buyer remains a tax-exempt non-profit organization, meaning the parcel will remain non-taxable, but the FRA will now receive full market rate proceeds. Mr. Batchelor requested that the board rescind the 2025 resolution and authorize the market-rate transaction, allowing the innovation campus master plan to advance while leaving localized use restrictions to the master development authority.

Commissioner Hancock inquired about the long-term protections for the facility.

Mr. Batchelor responded that the purchasing foundation intends to operate traditional services and confirmed that the chapel is advancing through formal historical landmark designation processes, which would guarantee that the original 1942 structure cannot be demolished.

Peter Schulte, City Attorney, delivered a legal opinion endorsing the restructuring. Mr. Schulte stated that a true fair market value transaction allows the non-profit full operational autonomy in compliance with federal, state, and local statutes, and advised that moving away from strict municipal use restrictions presents a superior legal framework that insulates AURA from potential constitutional or civil challenges while protecting public interests.

Commissioner Bergan requested information regarding the land area surrounding the chapel.

Mr. Batchelor clarified that the physical footprint is highly constrained and that a stipulation embedded in the contract of sale provides that the chapel possess no dedicated parking on-site.

Chairman Mike Coffman called for a formal motion to adopt the resolution. It was moved by Commissioner Coombs and seconded by Commissioner Lawson.

VOTE ON BOARD RECOMMENDATION:

Voting Aye: Commissioners Coffman, Bergan, Coombs, Hancock, Horton, Jackson, Lawson, Medina, Watson, and Wiles

Motion passes to adopt Resolution AURA R2026-04

6. ADJOURNMENT

Chair Coffman adjourned the meeting of the Aurora Urban Renewal Authority at approximately 3:56 p.m.



Mike Coffman, Chair

ATTEST:



Jason Batchelor, Executive Director/Secretary