



### **Fruitdale School – Timeline of Project Milestones**

The Fruitdale School building—now called Fruitdale School Lofts—is located at 10803 W. 44th Avenue. The property was deeded to the Jefferson County School District in 1883, and the first school was built on the site in 1884. This original building was destroyed by fire in the 1920s, after which noted Denver architect and developer Temple Buell designed the existing red brick school building in 1927. Additions on both sides of the building were constructed in the 1950s. The facility served as a public school until 2007 at which time Norma Anderson Preschool was constructed next door, and Jeffco Schools decommissioned Fruitdale.

The Wheat Ridge Housing Authority (WRHA) owned the property from April 2011 until December 2017, but their involvement in potentially acquiring the school dates back to 2007 when it was decommissioned. During their ownership, the Authority explored a variety of redevelopment options and ultimately sought a development partner to repurpose the National Register property.

The timeline below summarizes 10 years of events that ultimately led to the repurposing of the school for 16 residential units.

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- Fall 2007 – Fruitdale is decommissioned as a school in 2007 when the new Norma Anderson Preschool opens on the adjacent property. The east addition of Fruitdale is demolished to accommodate the preschool. Utilities to Fruitdale are disconnected and transferred to the new preschool, and the historic building becomes vacant.
  - Spring 2008 – Jeffco Schools issues an RFP to solicit proposals for the possible sale of the building. WRHA decides to submit a proposal for renovation of the school into residential units.
  - April 2008 – WRHA retains Entasis Group to complete a cost estimate for a possible residential reuse of Fruitdale. WRHA pays Entasis \$22,000 to develop conceptual plans and work specifications. Entasis completes a proposal to renovate the building into residential lofts; the cost for renovation is estimated at nearly \$1.7 million for an average cost of \$188,000 per unit for nine units.
  - Fall 2008 – After exploring financing options, WRHA decides a residential reuse of Fruitdale is not feasible because of the financing requirements associated with

multifamily development. The WRHA notifies Jeffco Schools that the project is no longer considered feasible and the proposal is withdrawn.

- Summer 2010 – The Fruitdale building has remained vacant for three years, and Jeffco Schools contacts Wheat Ridge to see if the City or Housing Authority would like to reconsider purchasing the property before demolition plans are finalized.
- July 2010 – WRHA decides to commission a more detailed market analysis to assess the viability of converting the Fruitdale School into residential units.
- October 2010 – A market analysis is completed by The Genesis Group for a fee of \$4,000. The analysis considers for-sale and for-lease residential units. The results of the analysis again indicate that a residential reuse is not financially viable, particularly given the current economic and multifamily housing conditions. The Housing Authority decides again not to pursue acquisition of Fruitdale.
- November 2010 – WRHA sends a letter to Jeffco Schools indicating they are not interested in purchasing the building.
- February 2011 – The school district prepares the building for demolition. The Mayor, with support from Colorado Preservation Inc. (CPI) staff, approaches Jeffco Schools about the possibility of WRHA purchasing the building to save it from demolition.
- April 2011 – After several months of negotiation, the Housing Authority ultimately purchases Fruitdale School for \$112,000—the same price which Jeffco Schools had already paid for environmental remediation in preparation for demolition. A portion of the new preschool’s playground remains on the land deeded to WRHA.
- Fall 2011 – The interior of the school has deteriorated because of a lack of climate control and a leaking roof during the four years of sitting vacant. WRHA decides to install a new roof, and the building is weatherized for a cost of \$110,000.
- Spring 2012 – Based on an application submitted by CPI, a \$15,000 non-matching grant is received from the State Historic Fund (SHF) for completion of a Historic Structure Assessment (HSA). Slaterpaul Architects is hired to prepare the HSA.
- December 2012 – The HSA is completed and identifies \$2.2 million in deficiencies; these would need to be addressed simply to make the building habitable, without any major interior changes to the building configuration or tenant finish work.
- Spring 2013 – WRHA applies for and receives a second SHF grant in the amount of \$43,000. This includes a required 25% match of \$11,000 from WRHA, and allows for the preparation of construction documents as identified in the HSA.
- March 2013 – After applying for historical landmark designation, Fruitdale School is approved to be included on the National Register of Historic Places and the Colorado State Register of Historic Properties.
- December 2013 – WRHA retains Butler Burgher Group to complete a valuation and market analysis that explores possible reuse options (condos, apartments, office, retail,

industrial, etc.) and quantifies the feasibility of each. The market study assumes that deferred maintenance (\$2.2 million) has already been addressed and considers the renovation costs and stabilized values for each type of land use. The market study concludes that no specific land use is considered a “highest and best use,” and any potential reuse would likely have a funding gap of \$1.5 to \$1.75 million dollars. If redevelopment is desired, the study recommends a partnership with the City. Alternatively, it recommends demolition as the most objective, financially feasible option, although this too would be at a loss given the land value is less than the combined costs of demolition and the Authority’s investment to date.

- March 2014 – WRHA publishes a Request for Interest (RFI) to solicit reuse proposals from the development community.
- July 2014 – Three proposals are received in response to the RFI, and the Housing Authority selects a proposal from Mountain Phoenix Charter School for an expansion of their charter school into Fruitdale. A purchase and sale agreement is executed in October.
- January 2015 – After several months of due diligence, the charter school terminates the purchase and sale agreement.
- February 2015 – The Housing Authority offers another RFI respondent, Hartman Ely Investments (HEI), an opportunity to present their redevelopment proposal.
- April 2015 – HEI presents a preliminary reuse proposal to WRHA and is granted an exclusive four-month period to conduct due diligence. At this time the redevelopment included potential agricultural and commercial uses.
- September 22, 2015 – HEI presents an updated \$6 million redevelopment proposal to WRHA. The Authority approves a motion directing staff to negotiate a purchase and sale agreement (PSA) with HEI. They also direct staff to complete pre-development tasks including a land swap with the school district, necessary land use entitlements, and removal of the reverter clause.
- October 5, 2015 – City Council reviews a mixed use development proposal for Fruitdale and discussed the project’s funding gap.
- November 6, 2015 – The PSA between WRHA and Fruitdale School Partners (FSP) is recorded.
- November 24, 2015 – WRHA passes motions authorizing their financial participation in the amount of a \$170,000 grant and a \$400,000 loan and directs staff to negotiate and execute a development agreement.
- January 11, 2016 – City Council discusses a revised residential-only development proposal for Fruitdale, the updated project pro forma, and a possible public private partnership.

- January 12, 2016 – WRHA holds a special meeting to complete a comprehensive review of the residential redevelopment proposal and ratifies their direction to execute a development agreement for a 100% residential project.
- February 8, 2016 – City Council approves Resolution 15-2016 supporting the redevelopment of Fruitdale School, authorizing financial participation in the amount of a \$1.925 million loan and \$470,000 grant, and approving the term sheet for the project.
- February 22, 2016 – City Council approves Resolution 17-2016 approving the development agreement for the project and authorizing a loan up to \$2.115 million and a grant of \$470,000.
- March 16, 2016 – The Development Agreement between FSP, WRHA, and the City is recorded.
- March 17, 2016 – WRHA and Jeffco Schools execute and record a land swap agreement.
- April 1, 2016 – An application is submitted to the State Historic Fund for a potential \$175,000 grant.
- April 7, 2016 – Planning Commission approves WRHA’s application for a subdivision on the property.
- April 22, 2015 – The order for default judgment quieting the title is recorded, removing the school-related reverter clause.
- May 6, 2016 – Jefferson County Community Development provides a letter of support, committing \$680,000 in HOME funds for the project.
- May 9, 2016 – City Council approves WRHA’s application for a zone change on the property from A-1, C-1, and R-3 to Mixed Use-Neighborhood.
- June 8, 2016 – WRHA and Jeffco Schools execute bargain and sale deeds completing the land swap which enlarges the Fruitdale property to the north and returns the preschool playground to the school district.
- June 9, 2016 – The approved subdivision plat is recorded.
- June 20, 2016 – The National Park Service and History Colorado (state historic preservation office) approve the redevelopment proposal making the project eligible for approximately \$925,000 in federal historic preservation tax credits and \$1,000,000 in state tax credits.
- July 2016 – HEI selects The Abo Group, a Lakewood-based architectural firm, to begin final construction drawings. Soon after, HEI selected Palace Construction as the contractor for the project.
- August 4, 2016 – Staff is notified that the project is not awarded an SHF grant.
- August 16, 2016 – WRHA and HEI host a community meeting and publish a project update in the Connections newsletter.

- August 2016 – HEI secures a written commitment from a St. Louis based bank to purchase the State historic preservation tax credits (over half of the total tax credit amount) at a better syndication rate than projected in the project’s pro forma (90% vs 85%).
- September 2016 – HEI receives a letter of interest from a Denver real estate group to purchase about half of the federal historic preservation tax credits (HPTC) at an 80% discount rate.
- September 19, 2016 – HEI submits a site plan application for review.
- September 30, 2016 – Xcel approves the project’s ground-mounted solar array for the Solar\*Rewards program and associated tax credits and extends the completion deadline to April 2017.
- October 3, 2016 – An application is resubmitted to the State Historic Fund after consultation with their staff for a potential \$200,000 grant. Awards will be announced in February 2017.
- October 25, 2016 – HEI submits a building permit application for review.
- October 25, 2016 – The Housing Authority receives an update on the status of the project, including completed tasks and project costs and financing. The Board expressed support for staff to negotiate final refinements to the Development Agreement that was originally approved in early 2016.
- November 7, 2016 – At a study session, City Council receives an update on the status of the project, including completed tasks, projects costs, tax implications, and new terms for the City’s \$2.115 loan which could extend the payback period.
- November 2016 – Staff works with the City Attorney’s office and a third-party financial advisor (Economic and Planning Systems) to improve the final terms of the public private partnership.
- November 28, 2016 – City Council reviews and approves the Amended and Restated Development Agreement.
- November 29, 2016 – WRHA reviews and approves the Amended and Restated Development Agreement.
- December 9, 2016 – The Housing Authority and developer close on the property.
- December 15, 2016 – A celebration of the sale and repurposing is held at the school, and abatement and construction begin shortly thereafter.
- February 1, 2017 – The project is awarded a grant from the State Historical Fund in the amount of \$198,512 which will fund critical exterior restoration work that the project would otherwise not be able to afford.