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Family feud stymies 16th St. Mall projects

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People who frequently walk the 16th Street Mall may not know the Cook family, but they know their rundown real estate in the city's center.

A legal fight within a wealthy Denver family is part of the delay in redeveloping several prominent downtown properties, according to family members' allegations in court documents.

The Cooks' holdings include the largely vacant Fontius Building at 600-616 16th St. and a portion of the land on which a gutted 31-story high-rise sits at 1616 Glenarm Place.

Denver-based apartment developer RedPeak Properties has the Glenarm building under contract. The company wants to reopen 30,000 square feet of retail space and construct 330 upscale rental units.

But to the chagrin of city officials and property developers eager to revitalize the east end of the 16th Street Mall, deals on any of the Cooks' joint real estate holdings can't close until the family settles some of its differences.

Harry Sterling and Eric Jonsen, lawyers representing the opposing family members, said their clients are trying to reach a settlement before the case heads to trial in May. The attorneys declined to comment further.

RedPeak Properties has agreed to pay three owners of the Glenarm property a total of \$20.8 million. The money is sitting in an escrow account until a probate judge approves a plan to disburse a portion of it among the feuding Cook relatives.

According to court records, sisters Marcie Gelfond Boxer and Monica Gelfond don't like the way their uncle, Robert Cook, and cousin, Gary Cook, have managed the family's money and real estate investments. The women essentially are seeking a financial divorce from their relatives. They want a judge to dissolve family trusts and investment companies over which Robert and Gary Cook preside.

The sisters allege that both men have mismanaged assets in part by allowing the Fontius building to deteriorate "at a time when the surrounding area was redeveloped profitably." They also accuse the men of improperly withholding money from them and of inappropriately approving a payment to Gary Cook in excess of \$750,000 for his efforts in the late 1990s to renegotiate a ground lease involving the Glenarm property.

According to court documents, that lease fell through when a former owner of the building lost the property in foreclosure. The women say Gary Cook should reimburse the trust that controls their stake in the Glenarm property.

The women also allege that after their mother died in 1988, Robert Cook wrongfully collected assets that included a \$500,000 life-insurance policy on their mother. In court filings, Robert Cook claims his nieces weren't entitled to those assets because a trust established for him and his deceased sister was structured so that he would be the sole beneficiary in the event of his sister's death.

According to court records, Gary and Robert Cook also claim that they consistently explained their money-management strategies to the sisters in writing and verbally. The men filed a countersuit, alleging the women have "intentionally and wrongfully interfered" with the Cook family's ability to operate, manage and sell its assets. They are asking the court to award them and various Cook trusts and management companies unspecified damages.