

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
THURSDAY, JULY 11, 2013  
248 SOUTH 4<sup>TH</sup> STREET  
7:30 A.M.

PRESENT: PJ McGovern, Les Miller, Jason Farrington, Kirk Granum, Shane Allerheiligen, Martin Chazen

ABSENT: Jodi Coleman-Niernberg, Stephan Schweissing, Kevin Reimer

STAFF: Harry Weiss, Diane Keliher

GUESTS: Bennett Boeschstein, John Shaver

CALL TO ORDER: Les called the meeting to order at 7:30 a.m.

APPROVAL OF MINUTES: Les introduced the two new DDA board members; Kirk Granum who works at Interiors etc. and Shane Allerheiligen, owner of A Robin's Nest of Antiques. Jason made a motion to approve the minutes of the June 27<sup>th</sup> meeting; Marty seconded; minutes were approved.

RATIFICATION OF AVALON DEVELOPMENT AGREEMENT: At its previous meeting the Board approved a resolution authorizing disbursement of grant funds for the scope of work defined as Option B; that resolution was a condition precedent to the ratification of this development agreement. This three-party agreement memorializes the terms of the project, the rights and responsibilities of the partners, and the precise role of the DDA. The Avalon Theatre Foundation (ATF) ratified the agreement yesterday morning. The agreement will be presented for ratification by City Council at their next council meeting.

A typo was noted in Section 11 referring to MHG as the construction manager. It should be FCI. Marty stated that in section 2 subsection C, there is no reference to the schedule or timeliness of ATF transfers to the City. Nor are there financial controls of ATF or inspection of their accounts. Marty also mentioned that in section 5 part B it should be all three parties that have a right to inspect the documents. In section 9 there is no time limit or provision for any shortfall regarding the fundraising efforts of the ATF. Marty is uncomfortable with no guarantee of performance. That issue is between the City and the ATF. The DDA's contribution is not contingent upon the ATF's fundraising efforts. John said there will be a supplemental agreement between the City and ATF that will include the schedule of transfer of payments to the City, and any provisions that may be implemented for the assignment of major grant commitments or large pledges by the ATF to the City. The accumulation of small donations will be managed by ATF with quarterly transfers to the City. John said the agreement was structured to capture the major characteristics of the relationships among the parties while anticipating supplemental documents that specify provisions like the schedule of transfers. Marty expressed a preference for those supplemental documents to be included as exhibits attached to the agreement.

PJ reminded everyone that our recommendation to Council was to authorize the lesser Option C scope of work so as not to rely on additional fundraising by ATF and risk holding the bag for additional expense. Bennett added that this is a work in progress and that the City is working hard on applying for various grants. Bennett said that having the agreement in place will help with grant solicitation.

Marty would like to wait until we see the agreement between the City and the ATF that incorporates a timeframe and schedule of payments as well as breaking out the project into two phases. PJ made a motion to approve the agreement as written with Marty's suggestions with final review by the DDA board and signature to be executed by Les; Marty seconded contingent upon seeing the agreement before it is signed; motion carried.

The DDA currently has two seats on the ATF board. Harry feels there is no compelling reason for the DDA to have two representatives on the ATF. Marty is concerned that we need the communication with the ATF and ongoing monitoring of their fundraising efforts. Harry will continue to attend ATF meetings as staff liaison and Shane agreed to be the second DDA representative on the ATF board for the meantime, taking the place of Peggy Page. The DDA board affirmed Shane as the new representative and reaffirmed its intention to maintain two members on the ATF board.

CHET ENSTROM LEGENDS SCULPTURE: In April, the Legends Committee came to the board to solicit a \$10,000 donation for the Chet Enstrom sculpture. The Board deferred consideration of the funding request pending the Committee's completion of the RFP for the commission. Karen Jobe Templeton has been selected as the artist based upon a submission costing \$ 47,000. There is some discussion of adding a second figure to the piece which would add \$22,000 in expense. The Committee is now asking for the Board to authorize the contract commissioning Templeton for the amount of \$47,000, and to make a final determination concerning the funding request.

The Legends fund balance has about \$55,000 of unrestricted funds net of current liabilities and projected expenses associated with the Prinster project. There is also \$5,700 worth of remaining pledges. The Enstrom family has committed \$20,000 to the new project leaving the Committee with about \$80,000 to work with. This existing fund balance is more than sufficient to fund the commission, and the additional pledges will cover associated expenses. Over the years the DDA has contributed approximately 12% of all Legends funds raised, which would constitute about \$7000 of the unused fund balance. Harry recommends that the Legends program utilize the funds it has already accrued prior to the DDA contributing any more funds, and that the Board authorize the contract for \$47,000 encumbering the existing funds for that amount. Kirk feels the program is taking up too much space on Main Street and that it should not be part of the Art on the Corner exhibit. Harry will be having a large conversation regarding AOTC in August. PJ made a motion to authorize the DDA's Executive Director to enter into the agreement with Karen Jobe Templeton to begin the Enstrom sculpture with the funds that are available in the Legends fund balance; Marty seconded; Kirk opposed; motion approved.

SPLASH PAD IMPROVEMENTS: Harry received an email from Rob Schoeber, Parks Department, regarding a plan to modify the splash pad area with the installation of a large concrete planter along the north edge. Harry has reservations about the plan; it is more complicated than a fence and does not offer any abatement of the sun exposure problem. His recommendation is to extend fencing as a means of containment and investigate less expensive, incremental modifications to provide some shade to keep folks from congregating under the storefront awnings. PJ would not like to spend any more money improving the fountain area such that it creates more congestion. Marty agrees and would like to fix it for now and maybe move it to a more appropriate location in the future. Shane asked if the DDA has liability issues. Harry explained that the splash pad is owned by the City of Grand Junction and is covered by CIRSA.

WHITE HALL: The DDA and the City have talked about an exchange of property for White Hall to conserve the DDA's money for improvements. Harry would like to exchange the parking lot in back of

the Avalon for White Hall. This would also provide additional leverage and match for the DOLA grant. The assemblage of the parking lot with the Avalon also enhances the prospects of future divestment of the property by the City. Under state law, a sale for cash requires full appraisals which would be a costly and challenging process. A direct exchange is not subject to fair market value evaluation and could be determined on each entity's basis. Harry is researching how much the DDA has invested in those parking lots. PJ gave a brief history of the project to the two new board members. Harry added that there was never a deal made and he needs direction from the board to make a deal. There was discussion of fair market vs. basis method in property exchanges. The board recommended that Harry move forward with researching the potential exchange of properties.

UPDATES: There will be an AOTC forum on August 27<sup>th</sup> to discuss the future of the program. Harry will send out more information by email.

Harry has a meeting with the Sonoran Institute this afternoon to discuss White Hall and its downtown housing potential.

The DDA received complaints about the 4<sup>th</sup> of July Parade due to the political content of the Mesa County Patriots entry, which some attendees found offensive and disturbing. The BID steering committee will meet and bring suggestions for parade policies back to the board.

OTHER: Kirk agreed to be the liaison to the DTA board.

ADJOURN: Jason made a motion to adjourn; PJ seconded; the board adjourned at 9:10 a.m.