

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
THURSDAY, OCTOBER 10, 2013  
248 SOUTH 4<sup>TH</sup> STREET  
7:30 A.M.

PRESENT: Jodi Coleman-Niernberg, Les Miller, Shane Allerheiligen, Martin Chazen, Kirk Granum, Stephan Schweissing,

ABSENT: Jason Farrington, PJ McGovern, Kevin Reimer,

STAFF: Harry Weiss, Aaron Hoffman

GUESTS: Rich Englehart, John Shaver, Bennett Boeschstein

CALL TO ORDER: Jodi called the meeting to order at 7:31 a.m.

APPROVAL OF MINUTES: Minutes for September 26, 2013, were not available and will be reviewed at the next meeting.

2014 OPERATING AND CAPITAL BUDGETS: Harry distributed the 2014 draft budget for the 103 fund and explained some of the changes he would like to make.

**Revenue:** There is a small increase in the 5 mill levy for 2014. Other income includes the outdoor dining leases as well as various street vendor permits and parking garage income. The Legends donation represents Doug and Jamie Simons' donation of \$20,000 towards the Enstrom sculpture.

**Expenses:** The City has a contract with Nuisance Animal Control for downtown pigeon control. This cost is split between the Parks Department and the DDA. All of AOTC and Legends operating expenses are under Special Events. There has been no labor expense designated to AOTC for the last two years. Harry would like to add \$6,000 in 2014 to this line item for contract labor to manage the AOTC exhibit. Legends operating expenses are for the installation ceremony, donor plaque, invitations, booklets, etc.

**Labor and Benefits:** As a result of the recession, a few years ago the City cut salaries by 2-3% and the DDA froze salaries. Diane's compensation has been frozen for the last 5 years, and new salaries have been established when hiring Harry and Aaron. Last year, the City implemented a 1.5% market adjustment in salary, and tentatively approved another 1.5% for this year. Harry requests the Board's direction for salary adjustment this year, either a minimum of a COLA or a market adjustment. Rich suggested DDA look at the market survey the City undertook to evaluate the competitiveness of DDA salaries and consult with HR about the adjustments the City is implementing for City staff. Les asked how Diane's position compared others in the City – she is comparable to a Senior Administrative Assistant. He thought it was fair to follow the lead of what the City has done for similar positions. Stephan assumed that she has performed well and is a good employee; Harry responded that he's very happy with Diane's performance. Stephan was surprised she's stayed without a raise for 5 years. Harry will check with the City's Human Resource Department and their latest market study.

Marty asked why \$125,000 was budgeted for “Land Improvement” in 2013 but not for 2014. Harry replied that the \$125,000 was a “plug number” for the DDA’s taking title to White Hall from the City, but that has been superseded by the deal to exchange the Avalon parking lots for White Hall, so the \$125,000 will not be expended.

**Fund balance:** Of the \$600,000 in the 103 fund balance, approximately \$100,000 is restricted for the Legends project. The DDA has roughly \$500,000 available in our fund balance that might be a source of funding for a business recruitment program. Marty asked if that's in the charter of the DDA; Harry replied that the DDA by statute can undertake economic development activity as well as capital improvements. The BID is specifically authorized to undertake business recruitment, so the Board will have options as to how best to implement a recruitment program.

**203 Fund:** Harry pointed out that 10% of his labor and benefits is allocated to fund 203 reflecting his time working on capital projects. At present there are 3 applicants in the pipeline for the facade improvement grants next year. Façade grants are limited to \$10,000 per parcel. Harry has budgeted \$50,000 for this line item. Stephan explained that the 503 Colorado building (façade grant applicant) is owned by his family and that he would recuse himself from the budget decision for façade grants for next year as a potential conflict of interest.

The biggest budget item in 203 is \$250,000 for White Hall. Marty asked about the fund balance in 203. Harry replied 203 has both TIF-restricted bond proceeds and unrestricted funds such as the proceeds of the sale of the Schiesswohl building.

Marty requested more information about how the DDA and BID monies flow through the various funds. Shane was curious about oversight of those cash flows. Harry offered to prepare a chart explaining the sources/uses and flow of funds for the next Board meeting. Marty asked if there's a net fund balance in 109; Harry replied it would be about one million but wanted to double check. Marty asked if we can borrow against 109 monies, or would there be a debt coverage problem if the DDA tried to borrow against that. Harry’s sense is that the debt service coverage is provided on a year to year basis by the annual gross TIF revenues that are projected in the fall for the coming year, but that excess funds accumulated from prior years would be accessible.

#### UPDATES:

There are a few **DDA boundary expansions** going to City Council for consideration. The City Public Safety Complex is composed of 8 parcels, two of which are in the DDA boundary. The property is being replatted as a single parcel, but the County Assessor will not allow only a portion of a parcel to be in the district – it needs to be all or none. There are odd lots along Riverside Parkway and adjoining/in Las Colonias Park that are being proposed for inclusion as well. Harry has also suggested including Emerson Park to strengthen the DDA's position on what may happen with I70B and CDOT. While the immediate question concerns City-owned lots, Harry has also identified two privately held parcels that are strong candidates and is speaking with those owners about voluntarily petitioning for inclusion.

John Shaver estimated the issue would come to Council in November. Rich suggested running it by Council earlier at a readiness meeting when Harry is going to be there to discuss the Parade of Lights parking restriction. Marty asked why the parcels weren't included in the past; John Shaver replied that it's essentially the way that maps had been drawn in the past and this was mainly a housekeeping item.

Some years ago the DDA undertook a **way-finding** program along Horizon Drive and 24 Road entrances. The 2<sup>nd</sup> component of that project was pedestrian signs on Main Street which were never implemented. The current issue is that the Museum of Western Colorado is looking for greater way-finding to their site. Harry will be looking at that more closely with Peter and the Museum Staff.

A **steering committee** for a downtown housing study is being put together. Harry attended a state housing meeting in Vail yesterday.

**Co-working spaces** downtown is something that's been of interest to CMU and the Business Incubator. This is another project that may be on the radar for the DDA. Rich said that the City has allocated some money for the Incubator to undertake such a project. Harry said it might be a "step-up" facility for businesses graduating out of the Incubator.

The President of the **Gates Foundation** is coming on the 24<sup>th</sup> for a tour the Avalon as a potential grant project.

#### OTHER BUSINESS:

Shane asked what he should be reporting to the DDA board as a member of the Avalon board. Harry asked him and Stephan to "tag team" on what they find out at Avalon board meetings. Rich explained that the complete project goal is \$8.2 million. The Avalon Foundation is \$600k short to meet the additional \$1 million needed to be raised. He doesn't want any other grants (DOLA, etc.) to be misinterpreted as funds that the Foundation does not need to raise any longer. Naming rights may be a gap-filler. Rich does not want to have to go to Council and ask them to fill the gap, rather that is be filled by the community.

Shane is concerned about backlash that might come from the public on the project when it's done. He feels the design may be too modern for some folks. Bennett agreed it was a concern. There are lots of comments going round now as far as things as simple as lighting fixtures. Bennett emphasized that we do need private money. Council made it clear that we want the project to be private/public venture. It is not correct that the Symphony can't perform there; smaller concerts can be presented there. Kirk Gustafson has been involved in meetings. Bennett is working on a marquee sign. Jodi agreed it would be useful to be updated on what is happening with the Avalon project.

Bennett mentioned that the Grand Junction Railroad Depot is on the market again. This may be good opportunity for the DDA and City to get involved. The "Save the Depot" group got a structural assessment of what it would take to rehabilitate the building (about a million dollars). That study is still viable. The City and DDA may be able to purchase, restore, and flip it. Suggested uses are hotel,

transport center, art gallery, restaurant, etc. Jodi mentioned it may be good spot for visitor center/DDA office/trails committee. Bennett added that there are lots of European tourists who use Amtrak.

ADJOURN: Shane moved to adjourn; Les seconded; the board adjourned at 8:30 a.m.