

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, SEPTEMBER 26, 2013
248 SOUTH 4TH STREET
7:30 A.M.

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

ABSENT: Kevin Reimer

STAFF: Harry Weiss, Diane Keliher

GUESTS: Bennett Boeschstein, Rich Englehart, John Shaver

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

APPROVAL OF MINUTES: Jason made a motion to approve the minutes of the September 5th meeting; Marty seconded; minutes were approved.

CITY OPTION TO PURCHASE 137 N. 5th (SNAP PHOTO PROPERTY): The City holds an option to purchase the property located at 137 N. 5th Street. That option, which begins October 1, lasts for a year and allows the City to purchase the property for fair market value. The City is not really interested in the property at this time. The DDA owns the western end cap (2 lots). Rich understands that the DDA would prefer to divest its properties, but wanted to know if the board might be interested in this particular property. HR Adventures (PJ) controls the site and leases the building to Snap Photo, but it is not a long-term lease.

PJ offered a brief history of the property. In 1999, PJ addressed City Council regarding parking issues in the downtown area perceived or real. The DDA initially wanted to build the parking garage on Colorado Avenue. The assemblage of ground for the parking garage ultimately ended up on Rood Avenue. The DDA acquired the Commercial Federal Bank and Valley Office Supply to accommodate construction. Harold Stalf suggested moving the garage to the middle of the block with two end caps that could be developed into retail or housing or a combination of both. DDA and PJ swapped 20 surface parking spots for parking garage spots. Harold then wanted PJ to develop the east end cap but PJ felt the market wasn't ready so he gave the option to the City.

There is contamination on the site and even though it has been pumped, it has not been determined to be clean. There is also the complicated issue of what appraisal method would be appropriate to determine a price. The option is available to the City for the coming year. Stephan would like to keep the option open, and revisit the subject in late spring 2014. Stephan doesn't want to buy a problem. Jason would like to see the previous development plans. Les respects PJ's perspective about the property not being ready for market. John will put it on the Council calendar to review again in Spring 2014.

WACHOVIA BANK PROPERTY: Since City Market dropped their offer on the building, Wells Fargo has dropped their price. Harry has been approached by the VCB, Colorado National Monument Association and Grand Valley Trails Alliance about a consolidated downtown visitor and information center. Harry suggested a possible strategy of relocating the DDA office and other relevant agencies to the site. His

vision is a downtown visitor center staffed by VCB volunteers. The DDA's occupancy costs at Whitman School run approximately \$18,000 a year, and the Wachovia building currently produces \$14,000 in property taxes per year including TIF. With revenue from other entities renting space, it might be close to a "wash". If DDA were to go forward, it should be on the basis of a bargain sale with Wells Fargo capturing tax benefits and/or Community Reinvestment Act credit.

Rich added that there is parking available in the Two Rivers Convention Center parking garage. Bennett said it's a good location and idea. He mentioned the downtown Moab recreation/visitor center. He thinks it would be a great thing for downtown. Harry described the visitor center in Durango that also promotes the college. Jodi agreed that other groups have approached the DDA with the idea of combining efforts. Stephan feels it is an important parcel and the DDA should be concerned about what happens to the building. Marty asked about the status of the building to the north, Marconi Auto Sales; Harry reported that it is owned by the Schiesswohl family and that he has inquired with their attorney about their interest in selling. Jodi thought there was a problem with the building. Jason likes the strategic location. Marty warned that the DDA would become a landlord offering low rent. Marty feels we are forcing the issue to gain control of the building. Harry will pursue potential partners and come up with an operating plan for the board to look at.

Rich stated that Peter Booth has approached City Council regarding the Museum area, and cautioned that the development of a visitor center facility at the Wachovia site would come at some expense to the Museum block and Whitman Park. He suggested there may be other strategic options such as the bus station. Harry acknowledged that the Wachovia site is somewhat more opportunistic than strategic, though it is an important gateway entrance to downtown.

CITY MARKET FUEL CENTER: The requested variance for 100% increase in lighting was denied by the Planning Commission, and CDOT has concerns about the proposed southbound left turn from 1st to White Avenue. City Market is continuing to pursue the site.

OTHER: Harry is exploring opportunities to use Whitman Park for events – "low-hanging fruit" opportunities to begin to shift the activity in the park from transience to other community uses, thereby shifting perceptions about the "lost" nature of the space. He has spoken with the organizers of the Thanksgiving Day Turkey Trot 5K race, and they are considering it depending upon the logistics if the race. He has also approached the Fire Department about outdoor training/exercise in the park. Marty asked about the status of the boarded-up building to the west of the park. The owner lives in Minton, CO, and has previously been approached by DDA without success. Catholic Outreach has discussed that location for a homeless facility.

Harry received the preliminary certification of value for the DDA district from the Mesa County Assessor which showed an unexplained substantial increase and as a result a big jump in the TIF. He is working with the Assessor staff to verify the calculations.

ADJOURN: Stephan made a motion to adjourn; Les seconded; the board adjourned at 8:15 a.m.