

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, OCTOBER 24, 2013
248 SOUTH 4TH STREET
7:30 A.M.

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

ABSENT: Shane Allerheiligen

GUESTS: John Shaver, Rich Englehart, Bennett Boeschenstein

STAFF: Harry Weiss, Diane Keliher

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

APPROVAL OF MINUTES: Stephan made a motion to approve the minutes of the September 26th meeting; Kirk seconded; Stephan made a motion to approve the minutes of the October 10th meeting; Les seconded; minutes were approved.

DDA BOUNDARY EXPANSION UPDATE: Harry met with City Council in work session concerning the inclusion of City-owned parcels in the DDA district. Sam Susuras and Jim Doody were absent. Phyllis Norris raised concerns about potential disposal parcels and whether the decision to include those in the district should be left to a future buyer. There was a general feeling that the inclusion of Emerson Park was not compelling at this time. The Council asked that the maps be revised to enumerate the different parcels, and bring the topic back to the next workshop for review by the entire Council. Marty suggested offering incremental options; starting with logical parcels first and then branching out. Bennett added that there were three council members that were ready to go ahead with the proposal except for Emerson Park. Bennett seems to think a lot of council members don't understand the concept of re-development. Marty stated that he couldn't get consensus and that is why he asked for another meeting. Jodi asked if the property owner could petition to be taken out of the DDA. Kevin said it works both ways. Stephan asked if the DDA makes recommendations or policy regarding inclusions. John replied that the petition has to come in front of the DDA board for approval. Harry met with Doug Simons and Bruce Milyard and they are going to voluntarily add their parcels to the DDA.

ADOPTION OF 2014 BUDGET: Harry put together a summary chart of how monies flow in and out of the DDA funds along with citations of the state statutes. This summary reflects the fund balances as of October 15, 2013. He broke out the unrestricted and restricted funds; Fund **103** (DDA Operating) has an unrestricted fund balance of \$500,000 and a restricted fund balance of \$100,000 for the Legends project. Fund **109** (Tax Increment) is the "escrow" fund where tax increment revenues are held until they are authorized and transferred to the 611 Fund for debt payment; after this year's bond payment is made, there will be approximately \$420,000 left in the 109 fund that we could access through a debt instrument. Fund **203** (Capital Improvement) holds the remainder of bond proceeds for the Avalon project with an additional \$230,000 unencumbered. Fund **611** (Debt Service) is where TIF dollars are transferred for authorized debt service. John explained that with the possibility of changes in property assessments or sales tax revenue, it was decided to have a reserve in place. Marty raised concern whether Amendment 66 would change the state's funding formula for local schools and prompt District

51 to change their 100% TIF commitment. Harry said he was not aware any provision in Amendment 66 that specifically addressed the funding formula.

Harry consulted with Jodi and Les as well as the Human Resources department of the City regarding staff salaries. The City conducted a 2012 market survey of salaries. PJ asked what percentage of the survey is private sector and which is public sector. Rich said there were 11 municipal and 35 private entities. The survey is conducted every other year and in 2012, the Chamber was involved in establishing the charts. The City has various types of employees in Administration, Fire, Police, I.T., etc. They looked at high end and low end salaries and took the middle figure. Rich feels that it is a fair evaluation. Jodi feels that it is appropriate to adjust salaries that have been frozen for the last several years. Normally, Harry makes recommendations within the standard budgeting process regarding staff compensation of the employees under his supervision, and the Executive Committee makes a recommendation to the Board concerning any salary adjustment of the DDA Director. In this instance we have brought up the topic of raises on a more piecemeal basis. Les formally recommended a 2.38% raise for Diane to bring her position to market and consistent with City guidelines.

Harry would like to establish protocol regarding his yearly review. Marty asked what the City policy is. Rich explained that an executive committee is formed to evaluate the employee with specific performance criteria. Bennett feels there should be clear performance criteria. Marty suggested an executive session to set future goals and evaluate the performance of the Executive Director.

Harry added that next month the second DDA meeting falls on Thanksgiving Day and typically the meeting is cancelled. However, if the board feels the need to meet, the date can be adjusted for the second meeting.

AVALON UPDATE: Rich, Bennett, Robin Brown and Harry are meeting with Tom Gougeon, President of the Gates Foundation, which is considering a \$200,000 grant request for the project. Gates likes to be a "closer" for projects. Stephan and Shane attended the last Avalon Foundation meeting and their board is continuing to work hard. They are going to be delivering a check for \$150,000 to the City in November. There was a mix-up about when checks were to be delivered to the City. John stated that payments are to be made quarterly to the City. Stephan said they are an optimistic group and are continuing to engage in fundraising activities. They will soon have a thermometer to show the progress of their fundraising. Stephan feels the DDA's role is to monitor the Foundation rather than actively fundraise.

The Avalon Foundation has been soliciting small foundation grants and is now looking to Coors and Gates foundations for bigger grants. Les said he had read in the newspaper that there is a \$600k gap, but if you go on the website, it looks like the gap is \$900k. Rich said the Foundation is \$614,000 short of their million dollar challenge. The remaining \$300,000 is needed to fund the \$7.6 million project. Stephan feels people are excited by the construction.

The DOLA request will be presented for formal review on November 13th. It will be a video call rather than a face to face meeting. Stephan said the Foundation raised a concern that DOLA funding might be misconstrued as being sufficient to complete the project and possibly impede their donations. Bennett said the more people involved the better whether large donations or small.

ADJOURN: Les made a motion to adjourn; Kirk seconded; the board adjourned at 8:30 a.m.