

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY

March 3, 2014 – Noticed Agenda Attached

Meeting Convened: 1:00 p.m. in the City Auditorium

Meeting Adjourned: 5:05 p.m.

Council Members present: All. Staff present: Englehart, Moore, Shaver, Romero, Schoeber, Camper, Hazelhurst, Watkins, Valentine, Tice, Guillory, Prall, Moberg, Portner, Rainguet, and Tuin.

Agenda Topic 1. Legislative Update

Revenue Supervisor Elizabeth Tice highlighted bills of interest. Although not yet introduced, there is a bill that is being drafted that expands the presumptive eligibility of firefighters for worker's compensation claims to include heart and circulatory conditions. CML is planning to oppose the bill. It will have a financial impact on the City and will apply to all firefighters who have been on the job more than five years.

The Business Person Property Tax Credit bill has bi-partisan support and will allow a State income tax credit for five years for businesses that owe \$25,000 or less. This will affect approximately 650 businesses in Grand Junction.

Other bills mentioned and discussed briefly included HB 1007, agricultural burns and fireworks, HB 1034, wine packaging, SB 017, agricultural water for irrigation, as well as another possible ballot issue on water law, a construction defect bill (not yet introduced), a bill about enterprise zones, and the on-line sales tax.

Agenda Topic 2. Economic Development/Visioning/Capital Plan

The discussion began with Ms. Tice reviewing economic indicators – including natural gas prices, drill permits, construction permits, foreclosures sales and filings, real estate transactions, and the labor market.

Next Ms. Tice distributed the latest sales tax revenue report which showed a decrease in both sales and use tax. She provided several possible reasons for the decline.

City Manager Rich Englehart then referred to the National League of Cities document provided to the City Council (*The Role of Local Elected Officials in Economic Development*) and reviewed some of the factors a company would take into account when considering relocating and what the role of the local government should be. Relocation factors would include: workforce, geography, quality of life, and costs. The role of the local government includes providing infrastructure, such as utilities, transportation, and available land; controlling the cost of doing business by making the jurisdiction business friendly; ensuring a low tax burden; providing incentives; and investing in the quality of life by providing public safety, infrastructure, recreation/culture/entertainment, and tourism.

City Manager Englehart then identified the City's partners in economic development as the State, the County, and a number of community partners. Both the State and the County impact the infrastructure and regulatory environment as well as play a role in providing tools such as incentives, grants, tax credits, and workforce.

Regarding the redrawing of the Enterprise Zones, mentioned in the Legislative Update, Deputy City Manager Tim Moore advised that the matter will be delayed until next year at the State level but the City will continue to be engaged in the process.

Councilmembers mentioned Industrial Development Inc. (IDI), the School District, the Manufacturers Council, the Visitor and Convention Bureau, and the Airport as additional partners that should be listed.

City Manager Englehart then reviewed the Economic Development (ED) Priorities identified in the 2011 ED document: collaboration with the partners, input from local business, a strengths, weaknesses, opportunities, and threats (SWOT) analysis, and defining goals. These priorities have been accomplished and the goals for Mesa County were determined as: become an epicenter for energy innovation, create and promote a community brand, and support growth of existing businesses.

City Manager Englehart noted some of the accomplishments toward these goals. Energy innovation includes having a CNG filling station and using CNG in fleet vehicles. The utilization of the methane gas from the Persigo Plant is still in the works. The City also made a trip to Houston to visit their innovation center. Regarding the branding, elements of the City's branding efforts are as a baseball city, as a bicycling destination, agri-tourism, and the improvements in the downtown.

Changes made in order to promote existing businesses include discussions around tax policy relative to the business personal property tax and a variety of sales tax exemptions adopted including beetle-killed tree products, collector coins, aviation parts and components, Colorado magazines, sales by schools, and most recently vending machine sales. A number of items supported or funded by the City for existing businesses include the City's GIS system, on-line development submittal software, community alert system, support for the Incubator, and the contribution toward the "maker space" at the Incubator site. There have also been a number of changes made to the planning process. He asked Deputy City Manager Moore to elaborate.

Deputy City Manager Moore identified a number of changes that have been made to the Development Code that save applicants time in getting their project through the application process: no more public hearing requirement at final plat; the Director has discretion to make administrative adjustments; the adjacency rule which allows for a zone change without the accompanying Comprehensive Plan change where the adjacent zone is the same; elimination of the preliminary plan step for Planned Development (they will have an outline development plan and then a final plan step); Director discretion on non-conformancies; and the availability of electronic submittals. All of these process changes save weeks in the processing time.

Although there have been positive comments on these changes, due to the slowdown in development, the changes have not been put to a lot of use yet. These changes make Grand Junction a lot more flexible than other cities.

In addition, the City created the Economic Development Division which works directly with inquiries relative to new development or existing business expansion. A website with a number of helpful tools and links has been created. Mr. Moore asked Greg Moberg of that Division to elaborate.

Mr. Moberg explained the type of information available through their Division including: assistance in the use of a site (they stop short of designing the project); a vacancy inventory for businesses looking for locations; access to a number of mapping and graphics programs; assistance with challenges a developer may be facing; links to the different departments and agencies the company may need to contact; and outreach to community partners on the tools and resources available.

In conclusion, City Manager Englehart stated the priorities are still the same: public safety, infrastructure, and economic development. He is seeking direction from the Council on where to focus going forward and the right balance for the City as far as involvement in economic development.

Comments from Councilmembers included: availability of broadband and cell phone coverage is critical; a desire to discuss economic development with Grand Junction Economic Partnership (GJEP) and their marketing strategy; a way to get participation from the wineries in marketing even though they are not in the City proper; seek grants for business development; and pursue the 29 Road interchange.

It was noted that the fact that Grand Junction has a Comprehensive Plan is an added incentive to industries looking to locate here. The development of a business park was also discussed.

Most of the discussion centered on marketing and prospecting for new business. The five areas of focus for GJEP were discussed with the suggested additions of arts and culture, manufacturing, and any type of safe industry, not limiting the possibilities. Hiring a contractor to promote Grand Junction was also discussed.

City Manager Englehart noted that the discussion leads into the visioning and capital planning. He is hearing that improving infrastructure and the quality of life are still important with public safety being of the utmost importance. He said the missing piece seems to be the marketing to industries aspect. He said he will set up a meeting with GJEP and Staff will look for grant possibilities for business development. As far as helping existing businesses grow, that falls under the economic gardening concept.

Due to time constraints, Board Reports and Other Business were not addressed. There was no further business and the meeting adjourned.

**GRAND JUNCTION CITY COUNCIL
WORKSHOP**

**MONDAY, MARCH 3, 2014, 1:00 P.M.
CITY AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

- 1. Legislative Update**
- 2. Economic Development/Visioning/Capital Plan**
- 3. Board Reports**
- 4. Other Business**