

**GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY**  
**July 21, 2014 – Noticed Agenda Attached**

Meeting Convened: 5:06 p.m. in the Administration Conference Room

Meeting Adjourned: 8:06 p.m.

Council Members present: All except Boeschstein. Staff present: Englehart, Shaver, Moore, Finlayson, Tice, Moberg, Meyeraan, and Tuin.

---

Agenda Topic 1. Streamlining Processes and being Business Friendly

City Manager Englehart introduced this topic. He advised that there are four basic discussion points; supporting existing businesses, broadband wireless opportunities, economic development incentives, and marketing opportunities.

- Goal – Supporting Existing Businesses – the goal is to be proactive and business friendly. Deputy City Manager Tim Moore reviewed the action steps for this discussion point. The first action step is to review and update the Zoning and Development Code. A process has begun utilizing Councilmembers McArthur and Boeschstein, the Planning Commission, and about five people from the community who use the Code to review recommendations for changes to the Code. They are only looking at the chapters that affect economic development. They will bring two chapters at a time for Council to review at various workshops. They are specifically looking at Form Base Zones, vacation home rentals, and canopy lighting for fuel stations. A timeline for the process was distributed with adoption of the changes anticipated for December. Councilmember McArthur pointed out that it is a tough process because there are so many entities involved and what they really need to look at is a one stop shopping situation to streamline the process to make it easier on the applicant. He specifically mentioned how the current process has multiple engineers reviewing each project.

Deputy City Manager Moore said another action step is to continue to partner with commercial realtors to include available properties on the Geographical Information System (GIS) – the commercial real estate piece on the GIS needs work. He said there is a meeting with commercial realtors on July 22<sup>nd</sup> to see what the City could do to get more opportunities to help the realtors. Management and Legislative Liaison Elizabeth Tice advised that one of the problems is that the information has to go through Grand Junction Economic Partnership (GJEP) in order to get posted to the State's website. Also the State's website has unreliable information because they have no demographic information for Mesa County. There is a nationwide real estate information website subscription available which Grand Junction could list properties but the problem is getting the information efficiently from the realtors. City Manager Englehart said that the goal is to promote

economic development around the valley including all the partners so everyone is successful.

### Agenda Topic 2. Information Technology Infrastructure Opportunity

- Goal – Infrastructure – support and facilitate access and expansion of important technological infrastructure in the City. City Manager Englehart said that the City's broadband and wireless is very important for the City to be productive and competitive. Deputy City Manager Moore said for this action step they will continue to map cell phone coverage and work with service providers to address deficiencies in coverage around the community. Information Technology Director Jim Finlayson said that they have a mobile application installed and are able to track which towers and how many towers are hit by the City vehicles and are collecting 100 to 150 points each day per vehicle to determine where the deficiencies are.

Deputy City Manager Moore said that the next action step would be to identify core commercial and industrial areas in the City and work with providers to identify broadband capabilities and needs in these areas. He said that they have identified core areas as industrial parks with vacant land which include out by the airport, the Bookliff Technology Park, Air Tech Park, the Colorado Mesa University site at 29 and D Roads, and a small industrial park at 27 ½ Road. Some have fiber in some fashion and they are working primarily with Century Link and some with Charter to improve the infrastructure by pulling broadband in.

Council President Norris asked about the area around 22 Road. Ms. Tice and Deputy City Manager Moore said that is an area that would be important to look at because it is a great area for some additional industrial facilities.

Information Technology Director Finlayson said that Charter and Century Link have fiber along the I-70 main thoroughfare which runs through the valley, so the capacity is there for the City to tap into it.

Councilmember Susuras asked if this is a private/public endeavor where the City could profit. Ms. Tice said the City cannot by law make a profit on it without a vote of the citizens. The City however can partner with the private industry. City Attorney Shaver said that there is a State Statute that does not allow the City to provide the broadband and the City cannot compete without a vote from the citizens. There was more discussion on what the City can do to help the private industry to be able to provide broadband to the citizens and help economic development.

Ms. Tice referred to a map which shows the State's tracking of broadband capabilities throughout the State. She pointed out that Denver and the I-25 corridor to Colorado Springs and Pueblo have high broadband capabilities but the I-70 corridor west has very

poor broadband capabilities. The State provides that information to a National website which tracks broadband and wireless service levels nationally. The western slope is not competitive. Staff referred to a table which compared broadband and wireless capabilities across the west and nationally. Grand Junction was obviously deficient in comparison. The State's biggest focus is no service areas, not underserved areas such as Grand Junction. It has been identified as a priority under Council's leadership to take steps to improve broadband capabilities. Ms. Tice said one of the first tasks is to put together a Communications Master Plan which would look at existing infrastructure, projected technical demands, a growth pattern, and find efficiencies working with partners such as the School District and Charter. The private industries are very supportive of having such a plan. They want to know where the need is and where they can capitalize their assets.

Mr. Finlayson said that the providers like seeing the broadband capabilities report because it helps them to identify the priorities and be involved with the Plan and processes. Mr. Finlayson said that the Plan will need to accommodate the fast moving and changing of technology and be more directional and not specific to the technology. It needs to be flexible to accommodate the changing technology. There are several ways the City can approach the Plan; one is if the City had the resources to do the Plan, however the City does not that type of expertise; the second way is to contract with a consulting company; the third way would be to contract with some of the tower leasing companies who bill out to the cellular companies for profit. They lease municipal lands to put the towers up and they create a revenue sharing agreement with the local government. Mr. Finlayson explained the broadband capabilities that the citizens are experiencing within the City. One of the bigger issues is the affordability of broadband as it is very expensive.

City Manager Englehart advised Council that the purpose of bringing this to Council was to see if this is the right direction and if the Communication Master Plan is something they would like to pursue. The City's focus for Economic Development is really on the business/industry side. Businesses really want to see the broadband improved and wireless will come along with it. Council requested Staff to move forward and bring some information back.

Another action step is to review potential tax policies and incentives that relate to broadband and cellular infrastructure. Ms. Tice advised Council that there were a couple of State bills this year affecting broadband and telecommunication needs. One is tax incentives where the State freed up one million dollars and is offering sales and use tax rebates on broadband equipment. The State is targeting no service areas outside municipalities to get broadband out to as many places as possible, particularly areas with a population of 30,000 people or less.

City Manager Englehart said that with the 2015 budget process, they would like to come up with City driven incentives in the Master Plan. City Attorney Shaver said that the Master Plan could model the State Statute and modify it to meet the City's needs.

Deputy City Manager Tim Moore said that two other action steps under infrastructure are 1) to assess properties owned by Industrial Developments Inc. (IDI) to see what improvements can be made to make them more marketable, and 2) research current demand for business parks in Grand Junction and seek grant opportunities to develop business parks. They will be meeting with IDI in August to see what is available and what can be done with those properties. Deputy City Manager Moore advised that they are looking at forming partnerships with the State, CMU, etc. for matching funds and then applying for grants to conduct a Compressed Natural Gas (CNG) Cluster Study to analyze what types of businesses are needed to support the CNG industry. Ms. Tice added that they are seeing “clusters” of entrepreneurs, incubators, and research and educational institutions which would support economic gardening and networking. City Council directed Staff to move forward on this.

### Agenda Topic 3. Economic Development Incentives

- Goal – Incentives – Continue to explore opportunities and review requests to assist the business community through tax policies, financing options and financial incentives. The action steps that were discussed were to evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development, continue to discuss and evaluate a business personal property tax exemption or refund program, and continue to review local, state and federal data looking for economic development trends. Ms. Tice provided the history of Urban Renewal Authorities. They were created as a way to finance slum and blighted areas for redevelopment projects throughout the entire City. There are a lot of problems and challenges to the process, such as it is TABOR exempt and it can limit Council’s annual budget discretion to react to immediate and long term situations. There was discussion regarding the pending petition for an Urban Renewal Authority put forward by the North Avenue Association. Ms. Tice advised that through the research they have done, they have found that the financial incentives that work are grants for improvements that stay in the community, revenue sharing agreements with new businesses or developers (an alternative to an Urban Renewal Authority), tax rebates and refunds, and cash and real estate. Some alternative incentives, which are less risky, are work force development, permitting and planning processes, research and data, infrastructure improvements, and networking and promotion. Ms. Tice reviewed the top ten site selection factors put out by Area Development Magazine which include skilled workforce, location, labor cost, occupancy and construction costs, telecommunication infrastructure, available buildings, corporate tax rate, state and local incentives, union activity, and energy availability and costs. Ms. Tice advised that a Façade Improvement Grant Program could be an idea for a North Avenue project. It is a matching grant program for businesses to improve the exterior of their businesses. Councilmember Chazen advised that the DDA does have a Façade Improvement Program which they put money away for that. City Council discussed this being a bigger program, not just for facades, but for buildings.

There was discussion about the Business Incubator and the legislation for the overhaul of the Enterprise Zones, which will not happen until 2016. This addressed the next action step to review grants, loans, and financing opportunities through Colorado Office of Economic Development and International Trade. Ms. Tice said that they would also like to market some of the existing tax incentives that the State offers such as Investment Tax Credit, Job Training Tax Credit, Business Facility New Jobs Credit, Vacant Building Rehabilitation Credit, Colorado FIRST and Existing Industry, Job Growth Tax Incentives, and Advanced Industries. Ms. Tice talked about the Business Personal Property and the new Colorado Income Tax Credits. She also reviewed vendors compensation (the amount of money that cities allow sales tax customers keep as payment for their collection and reporting responsibilities) and the number of Home-Rule cities that allow it and at what rate. There was discussion about looking at putting a cap on or eliminating the vendor compensation and using the savings towards economic development. City Attorney Shaver said that the vendors compensation is by ordinance but it can be changed. Putting a sunset on the ordinance will cause it to be reviewed periodically. City Attorney Shaver also made note that the businesses on North Avenue could voluntarily change the caps for the vendors compensation and, by agreement with the City, the funds could be used for projects or other opportunities that they want.

#### Agenda Topic 4. Economic Development Marketing

- Goal – Marketing – Identify and Coordinate Efforts of Economic Development Partners. Ms. Tice reviewed the great strengths the City has to market; tax policies, workforce development, inexpensive labor, and community assets. The weaknesses are the current investments in marketing which are not much and the Web presence.

City Manager Englehart introduced Mistalynn Meyeraan from the Visitor and Convention Bureau who is part of the restructuring and reorganizing and is working with Ms. Tice and Ms. Rainguet on the marketing aspect.

Ms. Tice advised that they have also been collaborating with other economic development partners to focus on collaborative marketing to immediately deploy an improved internet presence utilizing website upgrades for economic development and use search engine optimization. Future considerations could be a marketing consultant, printing online advertisements, and site selector relationships. There was discussion about the website, what needs to be included on it, accountability, and the control of the website. Ms. Tice said they will bring back specific ideas for a marketing consultant and site selection to City Council.

#### Agenda Topic 5. Board Reports

This item was tabled.

Other Business.

City Manager Engelhart informed Council that CMU is looking for a letter of support for a DOLA grant application for their library. The City will also be submitting a DOLA grant application and DOLA advised that it wouldn't be competing if the City is supporting someone else. City Council is in favor of a letter of support but would like to see a letter from CMU supporting the City's grant application as well.

City Manager Englehart also advised that Colorado Municipal League (CML) is looking the City's CML legislative representative. Council discussed whether or not it should be the Mayor. Council President Norris said she will think about it and let City Manager Englehart know.

With no other business, the meeting adjourned.

**GRAND JUNCTION CITY COUNCIL  
WORKSHOP**

**MONDAY, JULY 21, 2014, 5:00 P.M.  
ADMINISTRATION CONFERENCE ROOM  
250 N. 5<sup>TH</sup> STREET**

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

- 1. Streamlining Processes and being Business Friendly**
- 2. Information Technology Infrastructure Opportunity**
- 3. Economic Development Incentives**
- 4. Economic Development Marketing**
- 5. Board Reports**
- 6. Other Business**