GRAND JUNCTION, COLORADO MINUTES OF THE SPECIAL MEETING OF THE CITY COUNCIL

MARCH 18, 1993

The City Council of the City of Grand Junction, Colorado, convened in special session the 18th day of March, 1993, at 12:30 p.m. in the City/County Auditorium at City Hall. Those present were Jim Baughman, John Bennett, Bill Bessinger, Bill McCurry, Paul Nelson, Conner Shepherd, and President of the Council Reford Theobold. Also present were City Manager Mark Achen, City Attorney Dan Wilson, and Acting City Clerk Sandra Glaze.

Council President Theobold called the meeting to order.

CONSIDERATION OF PURCHASE OF MATCHETT PROPERTY FOR REGIONAL PARK - REJECTED

President of the Council Theobold stated that the City Council had met at a regular meeting on March 17, 1993, at which time the meeting was adjourned to Executive Session to discuss property negotiations. Council had anticipated that those negotiations would be suspended for one week at which time City Council would come back on March 25, 1993, to complete negotiations. During the March 17, 1993, Executive Session it became apparent that it was unnecessary to prolong negotiations for a full week. Therefore, the special meeting was called for today. The media has been informed of this meeting and as a courtesy the City Council candidates have been notified also.

President Theobold stated that approximately one year embarked on a Parks Study to explore the future of parks in the Valley. Approximately six months ago the preliminary stages began by negotiating and attempting to find a location for a Regional Park. Things have progressed over the past few months. It was decided that a 200 acre site would be required. Several sites were considered and has now been narrowed down to one site. City Council then began to pursue negotiations and attempt to arrive at a price for that site. City Council agrees unanimously that there is a need for a Regional Park in this community.

The last offer on the site was discussed during last night's Executive Session.

President Theobold explained the negotiation process. One area that was being considered is the Matchett Property which is over 200 acres located at 28 Road and Patterson. Two other sites are located at the west end of the community and still retain possibilities. He explained that part of the reason that property negotiations are discussed in executive session is because when people know who is interested in their property, sometimes the price goes up. In the best interest of the taxpayers, City Council would like to get the best price rather than the "government rate."

When Council reached the decision to negotiate with the Matchetts there was still a very strong majority, with the exception of Councilman Bessinger, that this property was the best site in the Valley. It then became a matter of reaching a negotiated price on the property. That is where the negotiations began to stall. The problem is the City Council knew the price going into the negotiations had been \$10,000/acre. Financial decisions to

pursue that site were based on that price as well as considerations of location, etc. At \$10,000/acre the City had to go through appraisal to then justify and defend that price. The first appraisal had only one comparable sale of that size which was several miles away at the far end of the Redlands. The appraisal figure was approximately \$4,000/acre. Council's feeling was that a piece of irrigated farmland on Patterson Road near 28 Road, virtually surrounded by development, does not compare to a similar sized piece of property several miles away that is arid, and is not surrounded by development. Council decided to reevaluate the appraisal and look at it based on a collection of smaller parcels. Matchett property is a collection of smaller parcels. An appraiser for the Matchetts came up with an appraisal price of approximately \$6500/acre. The City made an offer of \$6500/acre which was rejected. The Matchetts had an offer on the table for the subject property for \$10,000 or \$11,000/acre. That then became the impetus to make a decision quickly. The Matchetts said they now have this offer, and if the City does not respond by April 2, 1993, they would have to accept the other offer to purchase. At that point there was no longer a Council majority that was willing to pursue the purchase the property.

Councilmembers Theobold, Shepherd, Nelson felt that over the long term the price paid was not as critical as acquiring the property and taking into consideration that over a period of 20, 30 or 50 years, the value would not be directed at the price paid per acre, but rather that the City would now have a major park facility in the center of town.

Councilman McCurry still strongly favored the site, but was concerned about the price and could not support a purchase at that price. He was also uncomfortable having to make a rush decision because of the deadline.

Councilman Baughman similarly was uncomfortable with the price, especially in light of the appraisals. He could not support pursuing things any further.

Councilman Bennett was uncomfortable with the price of between \$1 and \$2 million. He was concerned about where the Development Funds would come from for the development of the park.

Councilman Bessinger did not like the site. He also expressed some concerns about the cash flow.

It was moved by Councilman Shepherd and seconded by Councilman Nelson that the purchase of the Matchett property at \$10,000 per acre for 139 acres at a total purchase price of \$1.39 million be approved.

Councilman Shepherd stated that the cost of \$10,000 per acre is too much to pay for the land. He was displeased with the negotiation process and the unwillingness by the seller to negotiate. They remained firm in their price. They did not attempt to negotiate. Mr. Shepherd still feels there is room to negotiate. The Matchetts have a contract on the table that will require payment of fees to brokers. They can revalue that land for considerably more and give the City some credits. They could give the City some credits that, in terms of tax purposes to them, would benefit them substantially. But they were continually unwilling to look at possible scenarios that could benefit both the City and themselves.

Councilman Shepherd has heard criticism about the purchase of a regional park by candidates for Council, by people who are advocating the purchase instead, first and foremost, of neighborhood parks. Neighborhood parks are a part of the Master Plan. The purchase of a regional park is not ignoring the necessity for neighborhood parks. It is saying there are limited opportunities for purchase of large parcels adequate for regional parks. There is far more flexibility for neighborhood parks and those needs can be addressed by subsequent City Councils. Mr. Shepherd also experienced personal anguish related to deadlines and related to ego. Mr. Shepherd stated that as an outgoing Councilman, he dearly wanted to leave the legacy to the community in terms of the future, in terms of providing for the needs of our community's quality of life in the future. He apologized for not being able to do that if today's vote rejects the current offer.

Instead of paying \$10,000 an acre for 219 acres, he felt an artful and workable compromise is to settle for fewer acres. Expressed in his motion is a compromise to reduce the acreage and purchase 139 acres at the asking price. He was not comfortable with the price, but he asked that Council weigh the future against the negatives.

Councilman Bessinger stated that he has not agonized over the price of this acreage because he was opposed to this site from the beginning. He felt it is in the wrong place. He has been concerned about how it would be financed. He felt a package stating what is to be purchased, the purchase price, what is to be placed on the property, etc. be taken to the voters. Mr. Bessinger really believes that 24 Road is the right place for a regional park. It can be accessed by I-70. There could be a complex, not just a park, where the infrastructure could be used and not have to place new sewer lines, new water lines, new utilities, new parking lots every time a facility is added (baseball field, swimming pool, recreation center, etc.). He feels the location at 24 Road would serve all the City residents and not just those residing in the northeast area of the City.

Councilman Bennett felt the location at 28 and Patterson Roads is a good location for a regional park. This site could run any where from \$1 million to a full blown complex of \$50 million depending on where the cut-off comes in the Parks Master Plan. This City Council has not discussed where the funds will come from. The Parks Board, lead by its Chairman Keith Mumby, assured City Council that the Parks Board was ready to lead the charge on this project to help this community to pass a tax increase to fund this project. Mr. Bennett wished to leave a legacy behind, but it was a legacy of not putting this community in debt by passing a bond issue for millions of dollars. He is in favor of calling a vote of the people.

Councilman Nelson concurred with Mr. Shepherd's previous statements. He wished to add that by not going ahead with the purchase today, or soon, of the Matchett property, future Councils are absolutely guaranteeing:

- 1. That the regional park will cost more;
- 2. That the property will be more difficult to acquire because you will have to obtain several different parcels to assemble that much acreage;

3. That it won't happen until much later;

City Council Minutes

-4-

March 18, 1993

In the meantime the need for soccer fields and baseball fields that are needed now will go unmet. Mr. Nelson continues to be in support of the purchase of the Matchett property.

Councilman Baughman stated that the Matchett property was a good choice of location for a regional park. His concern was the vast difference in the appraisals offered by the seller.

A roll call vote was taken on the foregoing motion with the following result:

AYES: NELSON, SHEPHERD, THEOBOLD

NO: BENNETT, BAUGHMAN, MC CURRY, BESSINGER.

The President of the Council declared the motion lost.

ADJOURNMENT

Upon motion by Councilman Bessinger, seconded by Councilman McCurry and carried, the meeting was adjourned.

Sandra Glaze Acting City Clerk