

**GRAND JUNCTION CITY COUNCIL
WORKSHOP AGENDA**

**MONDAY, JULY 14, 2003, 7:00 P.M.
CITY HALL AUDITORIUM, 250 N. 5TH STREET**

MAYOR'S INTRODUCTION AND WELCOME

- 7:00 **COUNCILMEMBER REPORTS**
- 7:10 **REVIEW FUTURE WORKSHOP AGENDAS** [Attach W-1](#)
- 7:15 **CITY MANAGER'S REPORT**
- 7:25 **REVIEW WEDNESDAY COUNCIL AGENDA**
- 7:30 **PATRIOT ACT DISCUSSION:** The City Council was presented with a request to consider a "Bill of Rights Defense Resolution" [Attach W-2](#)
- 7:45 **GRAND MESA CENTER DEVELOPMENT REIMBURSEMENT REQUEST:** City Manager Kelly Arnold will update Council on this request. [Attach W-3](#)
- 8:10 **WEST SIDE DOWNTOWN AREA PLAN:** Planning Manager Kathy Portner will present options drafted for this area plan. [Attach W-4](#)
- 8:45 **ADJOURN**

This agenda is intended as a guideline for the City Council. Items on the agenda are subject to change as is the order of the agenda.

**Attach W-1
Future Workshop Agenda**

CITY COUNCIL WORKSHOP AGENDAS

**** AUGUST 4, MONDAY 11:30 AM***

11:30 City of Grand Junction hiring practices

12:00 Riverside Bypass update

AUGUST 4, MONDAY 7:00PM

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND REVIEW
FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 STRATEGIC PLAN UPDATE

8:00 FIFTH STREET TRAFFIC CALMING

8:35 DROUGHT RESPONSE MEMORANDUM OF UNDERSTANDING

**** AUGUST 18, MONDAY 11:30 AM***

11:30 Cell towers update

12:15 Cable franchise discussion

AUGUST 18, MONDAY 7:00PM

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND REVIEW
FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 Strategic Plan report from Neighborhood Programs team

8:00 Strategic Plan report from Code Enforcement team

~~SEPTEMBER 1, MONDAY~~ - LABOR DAY HOLIDAY

**** SEPTEMBER 15, MONDAY 11:30 AM***

11:30 Economic development - role of the City

12:15 Strategic Plan Update

SEPTEMBER 15, MONDAY 7:00PM

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND REVIEW
FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 OPEN

BIN LIST FROM CITY COUNCIL RETREAT (June 2003)

1. Need to explain to residents how Council works, e.g. two readings of ordinances, public record issues, how issues are brought forward to Council, how zoning works in our community.
2. Re-visit “Friendly Native” type program
3. Discuss identifying specific uses for property tax, e.g. economic development or infrastructure.
4. City Council meeting with the Parks & Recreation Board
5. City Council meeting with the Riverfront Commission
6. Options for undergrounding existing overhead utilities.
7. Facilities and construction in the rights-of-way ordinance.

**Attach W-2
Defense Resolution**

cc: Kelly Arnold
Sam Wilson
David Bailey
File

INDEPENDENCE EVE
3, JULY, 2003

Dear Counsel, on this, the day before we celebrate our country's bold Declaration Of Independence, we present you with an equally important opportunity to act boldly as an American. We have a date with destiny, whether we like it or not. The only significant question is whether we stand up for our rights as have so many who have gone before us, or if we roll over and act as though we are powerless over our lives.

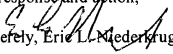
The enclosed Bill Of Rights Defense Resolution (draft) is a measured and appropriate action to take at the City of Grand Junction level. Around the country, over one-hundred municipalities, including three states (Alaska, Hawaii, Vermont) have approved similar resolutions. Bill Of Rights Defense Resolutions now protect over 15 million Americans. Obviously, this is an enormously significant time in America's history, which, however, the major television media has thus far ignored.

We do not have the luxury of being able to ignore the Patriot Act, however. With a stroke of a pen, following a computer glitch, a case of mistaken identity, an intelligence community mistake, or many other seemingly normal events, we could find our legislators in a similarly fearful state, whereupon they pass even more restrictive, more ineffective laws.

There is nothing in this draft resolution that is at all controversial, unless you do not wish to see our country turn back to the laws and rights as spelled out in the Constitution of The United States of America. Please take the time in the next few days to do some research, then let's immediately get to work on enacting it. The single greatest resource online to study this resolution is at "www.bordc.org" although "www.conservative.org" is an eye opener as well, especially the fact that this well known conservative union has openly begun working with it's sometimes nemesis, the ACLU on passing resolutions.

As always, I am available for direct questions and any suggestions you may have. Please feel free to contact me, Eric L. Niederkruger, at 255-0369, or e-mail me at "theswoozler@yahoo.com".

Time is of the essence and we, the Grand Junction Bill Of Rights Defense Committee appreciate your prompt response and action,


Sincerely, Eric L. Niederkruger

Bill Of Rights Defense Resolution (Draft)

Whereas, the City of Grand Junction has a long and distinguished history of protecting our citizen's civil rights and civil liberties; and

Whereas, the City of Grand Junction houses a diverse population, whose contributions to our community are vital to it's character and function; and

Whereas, the City of Grand Junction recognizes the sacrifices of our military veterans, our active duty and reserve personnel; and

Whereas, the City of Grand Junction commits to uphold the civil rights, civil liberties, and all privileges secured to it's citizens by the Constitution of the United States of America; and

Whereas, several acts and executive orders have been enacted at the Federal level, including the U.S.A. Patriot Act, that threaten several fundamental rights and liberties, to wit:

- * Freedom of speech, religion, assembly, and privacy; and
- * The rights to counsel and due process in judicial proceedings;
- * Protection from unreasonable searches and seizures;

All of which are guaranteed by the Constitution of the United States of America, and it's Bill Of Rights;

Therefore, we the City Council of Grand Junction, Colorado, acting in the greatest spirit and history of our community and our country, do hereby request that:

1.) Local law enforcement continue to preserve and defend our residents' freedom of speech religion, assembly, and privacy; rights to counsel and due process in judicial proceedings; and protection from unreasonable searches and seizures, even if requested, encouraged or authorized to infringe upon these rights by any Federal law enforcement agencies acting under new powers granted by the U.S.A. Patriot Act, or orders from the Executive branch;

2.) Federal and State law enforcement officials acting within the City work in accordance with the policies of the Grand Junction Police Department, and in cooperation with the same, by not engaging in or permitting detentions without charges, racial and/or religious profiling;

3.) The U.S. Attorney's office, the office of the Federal Bureau of Investigation, and the Colorado State Police report to the Council of the City of Grand Junction regularly, and in accordance with the extent and manner in which they have been acting under the U.S.A. Patriot Act, new executive orders, or "COINTELPRO"-type regulations, including the disclosure of the names of any detainees held in Grand junction, or of any resident of Grand Junction who has been transferred and incarcerated elsewhere;

4.) Our United States Congressional Representatives and Senators monitor the implementation of the Act and Orders cited herein and actively work for the repeal of the parts of the U.S.A. Patriot Act and other new orders and acts that violate our fundamental rights and liberties as stated in the Constitution of the United States of America.

**Attach W-3
Grand Mesa Center Request**

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA						
Subject		Grand Mesa Center Development Reimbursement				
Meeting Date		July 14, 2003				
Date Prepared		July 10, 2003			File #	
Author		Mark Relph		Public Works & Utilities Director		
Presenter Name		Kelly Arnold		City Manager		
Report results back to Council		X	No		Yes	When
Citizen Presentation		X	Yes		No	Name Jay Timon, AIG Baker
x	Workshop		Formal Agenda			Consent
						Individual Consideration

Summary: AIG Baker has made a formal request to address the City Council concerning their request for the City to reimburse them for engineering and construction improvements related to their Grand Mesa Center project on Highway 6 & 50.

Budget: No funds have been allocated for their request.

Action Requested/Recommendation: City Council discussion and direction.

Attachments:

- Memorandum dated July 10, 2003 from Mark Relph, Public Works Director addressed to City Council. (Attachment #1)
- Exhibit A (July 11, 2001 City Council meeting minutes)
- Exhibit B a copy of a letter dated January 5, 2003 from Cindy Enos Martinez to AIG Baker.
- AIG Baker request titled "Partial Reimbursement Request for Redevelopment related Frontage Road and Intersection Improvements at Hwy 6/50 and 24-3/4 Road", dated July 9, 2003 (Attachment #2).

Background Information: AIG Baker has made a formal request to address the Council at the July 14 Workshop regarding their request for City participation in their Grand Mesa Center project in the amount of \$211,000. Staff has provided a memo (Attachment #1) that explains some of the history and background with the project. Also attached is the formal request from AIG Baker (attachment #2).

MEMORANDUM

TO: City Council, Kelly Arnold
FROM: Mark Relph
RE: Grand Mesa Center
DATE: July 10, 2003

CC: Dan Wilson, Bob Blanchard, John Shaver

Purpose:

The purpose of this memo is provide some background on the issue of the Grand Mesa Center and their request for a \$211,000 City subsidy to their project, plus provide some response to the issues raised in their material they have submitted for the July 14, 2003 City Council Workshop.

Background:

Below is a summary of the significant events relating to the Grand Mesa Center and their request for financial participation:

The Preliminary Plan for the Grand Mesa Center Subdivision was approved on December 4, 2000.

In March of 2001, AIG Baker inquired with City staff about the concept of creating a special improvement district as a way to pay for some of their infrastructure costs that other property owners would be benefiting. Several alternatives were discussed for the next couple of months, but the major requirement that was communicated to AIG Baker was that the SID would require the majority of the property owners to vote in favor of the district.

The Final Plan for the subdivision was approved by City Council in May 2001.

In June of 2001, the discussion with AIG Baker peaked over the issue of financial relief in order for them to close on the property and move forward with the construction of the project. AIG Baker began with a \$900,000 cost over budget, but after working with City staff over a series of construction issues (e.g. landscaping, building façade & materials, etc.) the number was eventually reduced to \$211,000.

On July 3, 2001, a formal request from AIG Baker was submitted requesting the City to: 1) pay for utility fees, transportation studies, offsite traffic signal improvements all of which totaled \$66,000; 2) create a City funded special improvement district (SID) for improvements that benefit the Grand Mesa Center and surrounding properties. All of this was necessary from AIG Baker's perspective in order to reach their goal of reducing their costs to \$211,000. This was originally proposed as an executive session for Monday, July 9, 2001, but Council elected to have the discussion as a regular item at the Wednesday, July 11 Council meeting.

In the day or two leading up to the July 11th City Council meeting, AIG Baker began to realize that their request may not be approved by Council. Therefore, on July 11th, AIG Baker addressed Council at the meeting and read a letter from Mr. Milton Smith, president of the company. In summary, the letter stated AIG Baker was going to proceed with the project, but wanted consideration of the \$211,000 request as part of City's future infill and redevelopment policy. A copy of the meeting minutes is attached (exhibit A).

In preparation for the July 11th Council meeting, I prepared a memo dated July 10, 2001 to City Council addressing some of the incentive issues raised by AIG Baker. A copy of that memo is attached within the materials AIG Baker has recently submitted for this workshop (Attachment 2).

On July 12, 2001, AIG Baker did proceed with the closing on the properties and began construction shortly thereafter.

In September of 2001, staff approved a request by AIG Baker to credit any excess Transportation Capacity Payments (TCP) against the second phase of the Grand Mesa Center. The value of the credit was approximately \$51,000.

On November 18, 2001, AIG Baker made another request for a SID. The City Manager relayed this information to Council on November 29 with Public Works analysis, and again the direction was only if the all of the adjacent property owners supported the SID. The value of the SID improvements was estimated at \$280,000, of which the adjacent property owners would have to pay approximately \$69,000. AIG Baker did not pursue the SID any further.

On January 6, 2003, the then Mayor, Cindy Enos-Martinez, sent a letter to Mr. Milton Smith responding to their October 31, 2002 request to expeditiously adopted an infill and redevelopment policy so that their \$211,000 request could be considered. The Mayor's letter in summary stated that it was the Council's schedule to adopt the policies sometime in the first quarter of 2004. A copy of the letter is attached (exhibit B).

Response:

The numbered comments on pages 1 and 2 of AIG Baker's submittal lists a series of issues mainly related to safe ingress and egress of traffic. The City's development process requires specific engineering criteria (TEDS) be met based upon the traffic being generated by the development as well as existing conditions. In this case, the developer also had to meet Colorado Department of Transportation (CDOT) requirements for access. The improvements constructed were necessary if this development was to occur at this location.

It appears that AIG Baker's main point is that by making the frontage road public, it limits them in access options for the out parcels and perhaps more importantly, allows adjacent parcels to utilize the improvements they constructed without any compensation. From staff's perspective the frontage road must be public for several reasons. Over the course of time many of the existing frontage road access points must

be redirected to eliminate the safety hazards. The existing condition does not meet any current City or CDOT engineering design standard and is simply dangerous.

The elimination of access points focuses traffic to predetermined locations where traffic movements can be controlled in a safe and efficient manner. The location of the signal in front of the Grand Mesa Center is just such an example. These locations must be public (i.e. controlled by the City) and not left to individual property owners.

The last numbered point (#9) suggests that the City required right-of-way dedication without just compensation or a clear nexus to their project. City staff would strongly disagree. There was an existing frontage road in public right-of-way and in order to meet TEDS and CDOT requirements, the frontage road had to be relocated. While the extent of the improvements may benefit others, the scope of the improvements was the minimum required to meet the impacts of their development.

July 11, 2001

Development Incentives for the Grand Mesa Center

City Council will consider a request for the City to provide development incentives to AIG Baker for the proposed Grand Mesa Center located on the north side of I-70B near 24.75 Road.

Mark Relph, Public Works & Utilities Director, presented this item. The issue of development incentives has been discussed with AIG Baker for past several weeks. Mr. Relph introduced Jay Timon from Alabama.

Jay Timon, AIG Baker, read a letter from Bill Smith, President of the company. They have been working here 26 months to make this project a reality, and now come before the Council requesting the City's financial participation in this project and to encourage the adoption of a policy to allow such participation. They have made a decision to close on this project after obtaining the required approval from the financial partners.

Councilmember Theobald wished to clarify for people who don't know what is meant by "participation" that the City is not an investor. This is considered an infill project, where Council wants to encourage the redevelopment through incentives.

Councilmember Spehar supported a scenario where the City may agree to move in this direction towards infill incentives on a community-wide basis, but cautioned that there may be other areas that are a priority. There are several areas around town that are apt targets for redevelopment and may have a higher priority.

Mr. Timon asked the Council to understand they are taking a leap of faith by going forward. He indicated they may have another project follow this one, but gave no promises.

Councilmember Theobald suggested that if a prioritization of neighborhoods comes up, that might drive Mr. Timon's selection for his next location. He noted that he has been trying to develop an infill project incentive policy for some time.

Mr. Timon said they would be happy to help to speed up the adoption of such a policy. Councilmember Terry indicated this project will help spur them on. Councilmember Kirtland said this project would be good for community in the long run and he is excited about it.

NON-SCHEDULED CITIZENS & VISITORS

Steve States, 1620 Grand Ave, said the previous night, he witnessed a spray of water mixed with sewer from his toilet. He said the City will only pay \$150 for the clean up and

Exhibit B



January 6, 2003

City of Grand Junction, Colorado
250 North 5th Street
81501-2668
Phone: (970) 244-1501
FAX: (970) 244-1456

Mr. Milton M. Smith
President, AIG Baker Development L.L.C.
1701 Lee Branch Lane
Birmingham, AL 35242

Dear Mr. Smith,

This letter is in response to your October 31st letter and a follow-up phone call from Jay Timon. In your letter, you requested that the City Council expeditiously adopt an infill and redevelopment ordinance so that your request for \$211,000 may be considered. In addition, you referred to the July 11, 2001 City Council meeting at which AIG Baker made a request for development incentives on the Grand Mesa Center site. Attached to this letter are the City Council minutes from that meeting. As you can see, the Council agreed to begin developing infill and redevelopment policies.

In 2002, we hired a consultant to help develop a report on infill and redevelopment policies. That process has now been completed and most of the policies should be considered as part of our growth plan amendments. The amendments are going to be considered formally for adoption by the Council sometime during first quarter of 2004. Enclosed is a copy of the report on the policies.

During the process of developing the policies, there was no consideration of Grand Mesa Center or any other development. As a result, I cannot provide you any assistance on the validity of your request as it relates to the report. If Council adopts the policies found within the report, there is nothing that prohibits you from making a similar request based upon our policies, if appropriate. Again, I cannot give you any advice or forecast any results of your request.

I want to thank you for the results from Grand Mesa Center. It has provided a welcomed retail addition to our citizens.

Sincerely,

A handwritten signature in cursive script that reads "Cindy Enos-Martinez".

Cindy Enos-Martinez
Mayor

ENCLOSURES

CC: City Council (letter and minutes only)
Jay Timon, Grand Mesa Center representative
File

ATTACHMENT 2
AIG BAKER
SUBMITTAL TO CITY COUNCIL
RECEIVED JULY 9, 2003

**Partial Reimbursement Request
For Redevelopment Related
Frontage Road and Intersection Improvements at Hwy. 6/50
and 24-3/4 Road**

Recommendation:

Approve a Resolution authorizing the payment of \$211,000 to AIG Baker Grand Junction L.L.C. (AIG Baker) as a reimbursement for a portion of the cost of engineering and construction of public improvements located at the intersection of 24-3/4 Road and Highway 6/50 (including the dedication of right of way and construction of a new frontage road).

Background

Grand Mesa Center is a newly constructed 200,000+ square foot shopping center located on the north side of Highway 6/50 at its intersection with 24-3/4 Road. Prior to the construction of Grand Mesa Center, the development on the subject property consisted of the Pavetti Building and a series of unsightly concrete, wood, and metal-clad structures that were used for a variety of industrial uses (see attached photos of original site conditions).

During the planning and entitlement phases of the development of Grand Mesa Center, the City of Grand Junction's planning and engineering staff asked AIG Baker to incorporate additional public improvements into its site plan to facilitate future redevelopment of neighboring properties and improve overall circulation and traffic flow along the Highway 6/50 corridor.

While AIG Baker did stand to benefit from some of these improvements such as the intersection improvement at Highway 6/50, some of the requested public improvements were actually detrimental to the future value of the property. Specifically, the dedication of approximately 1.9 acres of private property and construction of a publicly dedicated frontage roadway system built to "city street standards" were of little or no benefit to AIG Baker while increasing its construction budget. The objections raised by AIG Baker to the city staff during the entitlement process included:

1. Dedication of right of way would force AIG Baker to either reduce the size of outparcels or reduce the shopping center's parking field or retention areas because of the additional land required for a public road.
2. Access to outparcels would be adversely impacted by additional access restrictions associated with access road being public.
3. Outparcels may also be adversely affected by additional setback, landscape, and other requirements.
4. AIG Baker expresses deep concern about the level of maintenance for both the road and landscaping that the city may provide if this road is public. We strongly believe they will not maintain it to the same level as the shopping center.

5. Providing free and unrestricted access to adjacent property owners will prohibit AIG Baker from being able to negotiate valuable access rights and restrictions with adjacent property owners. Without the ability to control access the value and long-term viability of our shopping center will be severely impacted.
6. Construction cost to upgrade access road to "Commercial Street" standards exceeds TCP credits and thus would be an additional expense to the developer.
7. We are deeply concerned about the speed of traffic and overall safety if this road were public.
8. There are significant additional landscape, setback, and sidewalk requirements that provide little or no benefit.
9. Since ROW dedication is requested without compensation we consider this a "taking" without compensation (see City of Tigard vs. Dolan case). The value of the right-of-way land is approximately \$496,000.

In early June 2001, AIG Baker informed city officials that due to the city's recently heightened architectural and landscape requirements and the additional public improvements requested by the city staff that the our equity partner would not approve Grand Mesa Center project's current pro forma budget. AIG Baker was directed by our equity partner to either cut development costs by approximately \$900,000 or terminate the project. Working with city staff and our general contractor, this feasibility gap was reduced to approximately \$211,000 by the end of June.

It was at that point in time that AIG Baker approached city staff about a partial reimbursement for the public improvements and the right of way dedication from the City of Grand Junction to fill the remainder of the feasibility gap. In early July 2001 discussions continued with city staff on possible sources of funds for reimbursement and AIG Baker was scheduled to go before the City Council on July 11, 2001 to present its request for reimbursement.

On July 6, 2001, Rich Wingo, President of AIG Baker Real Estate L.L.C. wrote the attached letter to Kelly Arnold, Grand Junction City Manager, affirming the need for city assistance and indicating that closing on the purchase of the project site had been postponed pending the city council's decision.

On July 10, 2001, the Director of Public Works & Utilities, drafted the attached memo indicating the staff's support and recommended source of fund, should the city council agree to participate.

In the early afternoon of July 11, 2001, Jay Timon (Developer for AIG Baker) and Mark Relph (Grand Public Works Director) were meeting in the Mr. Relph's office when the Assistant City Attorney walked in and stated that the city council felt that without a redevelopment ordinance in place, they did not have the authority to approve any assistance.

As a result, AIG Baker took a "leap of faith" and agreed to postpone its formal request for city assistance until such time as an appropriate infill/redevelopment ordinance was

approved by the city council (see attached letter from Milton Smith, President of AIG Baker Development L.L.C.).

On July 12, 2001, AIG Baker proceeded with purchase of the assemblage of properties for the Grand Mesa Center site and construction commenced shortly thereafter.

Over the ensuing two years, AIG Baker has maintained contact with city staff and participated in meetings with consultants to the city on the drafting of the new Infill/Redevelopment Policy. In May 2003, AIG Baker was informed by the City Manager that the city had finally completed the task of adopting the ordinance and that our request for city assistance could now be heard.

Supporting City Documents

The City of Grand Junction Infill/Redevelopment Policy

Supporting Guidelines Related to Financial Assistance and Commitments

G-8 Establish Criteria for Financial Incentives

“Financial incentives should only be used when (1) the city can identify a clear and significant public benefit; and (2) a specific project is not feasible, without the incentive.”

Discussion:

The “clear and significant” public benefits of the development of Grand Mesa Center are overwhelming. In addition to its contribution of nearly \$1 million annually to the city budget, the project has reclaimed a blighted industrial area specifically targeted by the city for redevelopment and boosted employment opportunities for the residents of Grand Junction. Other public benefits of the Grand Mesa project and the public improvements for which reimbursement is sought are detailed below.

As to the project being infeasible without the incentive, the attached correspondence from AIG Baker officers and the memorandum from the Public Works Director provide clear evidence that the need for assistance is genuine and fair.

City of Grand Junction Future Land Use Map

The City of Grand Junction’s Future Land Use Map designates the area between 24-1/2 Road and 25 Road, along Highway 6 & 50, to be Commercial. This designation encourages commercial development of retail, office, service and lodging with no outside storage or operations.

City of Grand Junction Growth Plan

Within the City's Future Land Use Plan, a number of policies and implementation strategies identify the City's vision of future for this area and its willingness to assist in the redevelopment of this type of infill location:

Policy 8.6: The City will encourage the conversion of heavy commercial and industrial uses along...Highway 6/50 near the Mall to a mixture of retail/service commercial and multi-family uses.

Policy 7.4: The City and County may subsidize development fees in certain defined areas to promote redevelopments and infill development.

Implementation Strategy #22: Revise utility/road extension, oversizing and **reimbursement policies** to encourage urban infill and contiguous development.

Implementation Strategy #30: Set impact fees to encourage development/redevelopment to use existing services/facilities and to locate adjacent to existing development. Traffic, water, wastewater, drainage and park fees should be lowered where development does not create the need for additional public facilities. Adopt criteria for subsidizing fees applicable to redevelopment or in-fill sites which would not otherwise be developed.

Policy 8.7: The City and County will support integrated commercial development using shared access points along...Highway 6/50 in areas designated for commercial use. The intent of this policy is to minimize the number of driveways, encourage coordinated signage, promote shared parking and consistent, high quality landscaping.

The Grand Mesa Center project area consists of an assemblage of several parcels of land that are currently under separate ownership. This assemblage presents the City with a window of opportunity to put in place comprehensive infrastructure improvements, which achieve optimum traffic control and access and benefit many neighboring properties, as well as implementing an important Land Use Policy:

Other general goals and policies contained in the Land Use portion of the General Plan are also achieved with the Grand Mesa Center project include:

General Plan Goal 17: To promote a healthy, sustainable, diverse economy:

Policy 17.1: The City and County will support efforts to attract and retain moderate-sized, clean and stable industries that provide appropriate and diverse employment opportunities for community residents.

Policy 17.3: The City and County will support public and private projects which increase the attractiveness of the community for residents and tourists.

Economic Impact

The economic impacts of the development of Grand Mesa Center are quite notable.

- Injected nearly \$15,000,000 into the local construction industry.
- Generating more than \$45,000,000 in predominantly “new” retail sales per year. Most of the retailers carry new or unique lines of goods that are not currently available in Grand Junction, thus capturing new retail sales that would otherwise “leak” to alternate providers such as stores in Denver or the Internet.
- Generate an new annual revenue stream for the City, estimated in Table One below at \$878,533, from sales tax collected, which could be used by the City to enhance city services, invest in infrastructure, lower real estate property taxes, or to attract new businesses.

Table One: Estimated Sales and Sales Tax Revenue for Grand Mesa Center

Estimated Total Taxable Retail Sales for Grand Mesa Center	202,836 s.f. @ \$210 sales/p.s.f.	\$42,595,560
Less: Estimated Sales Transfer from existing retailers	Not expected to exceed 25%	-\$10,648,890
Total “New” Taxable Retail Sales		\$31,945,670
Estimated Annual City Revenue Stream from New Taxable Retail Sales	2.75% of Sales	\$878,533

- Increase the property tax base by approximately \$20 million without adding significant demand for city services.
- Contribute to achieving General Plan Goal 18: “To maintain the City’s position as a regional provider of goods and services.” by providing residents and visitors with 1.) A new and inviting gathering place or shopping village in which to visit, shop and dine. 2.) A fresh selection of retailers and restaurants offering new or alternative product lines, encouraging increased per capita spending within the City rather than elsewhere.
- Create more than four hundred (400) totally new jobs, which will help the City support the General Plan’s stated Community Values¹:
 - 3b. We should encourage economic development that creates jobs at all pay levels, requiring a variety of skills.
 - 3c. Economic development should include jobs for young people, so those who grow up here or attend Mesa College can stay in the community.
 - 3e. Firms in the 20 to 200 employee range should be encouraged to locate here.

And finally, other public benefits derived from Grand Mesa Center, but not reflected specifically in the General Plan include:

¹ City of Grand Junction General Plan: Chapter Three- Context for Planning Pg. L26

- Reduces the threat of flooding within the area by collecting and retaining in on-site retention/detention areas substantial off-site water run-off from neighboring properties.
- Provides remediation of three contaminated sites.

Proposed Reimbursables

Required Off-site Improvements and Right of Way Dedications to Highway 6/50 and Frontage Roads:

The City Planning Board’s approval of the Grand Mesa Center required following the public improvements:

- Public dedication of approximately 1.9 acres of the project area to create a replacement frontage road system to the existing Highway 6/50 frontage roads (which shall remain the property of C-DOT) and to provide access easements to neighboring properties. (Approximate value of ROW: \$496,000)
- Construct new public frontage road system to “public street” standards, an increased cost over standard private access road standards. (Estimated Cost \$239,732.50)²
- Install traffic signal and construct intersection improvements at the intersection of Highway 6/50 and 24-3/4 Road. (Estimated Cost \$267,550)³
- Estimated Engineering and Soft Costs for Off-site Improvements: \$75,000
- Total Off-Site Improvement Cost: \$582,282.50
- **Total Value of ROW and Public Improvements: \$1,078,282.50**

Other Development Fee Obligations

Estimated Sewer Plant Investment Fee	\$ 51,938.25
Transportation Credit Payment (credited)	\$138,502.00
Less Estimate Cost of West Mesa Ct Improvements	-\$ 39,840.50
Highway 6/50 Corridor Study	\$ 10,000.00
<u>Highway 6/50 Traffic Signal Upgrades</u>	<u>\$ 5,000.00</u>

Total Other Development Fee Obligations: \$165,599.75

Reimbursable Improvements from CIP Funds

Total Off-site Improvements at Highway 6/50	\$582,282.50
Total Other Development Fee Obligations:	\$165,599.75
<u>Less Applicable Balance of Transportation Credit Payment</u>	<u>-\$98,661.50</u>
Total Reimbursable Improvements from CIP Funds	\$649,220.75

² See Improvement Agreement -Exhibit B

³ Ibid









July 3, 2001

Kelly Arnold
City Manager
City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501-2668

RE: Grand Mesa Center

Dear Kelly,

I would like to thank Mark Relph and you for taking the time to speak with me recently about the City's deliberations on providing incentives for infill and redevelopment projects such as the Grand Mesa Center. I believe we all agreed that such projects should be strongly encouraged and that the City's General Plan supports some measure of incentives through various goals, policies, and implementation strategies previously cited.

From our discussion, I understand that on July 11, 2001 the city council will again consider several means of support for infill/redevelopment projects including allowing the City to pay certain fees with general funds and create city-funded benefit districts. I would like to respectfully request that our project be considered for such incentives including the following:

- Allow the general fund to pay: 1) the sewer investment fee (approximately \$51,000); 2) the required contribution to Hwy. 6/50 corridor study (\$10,000); 3) the required contribution to traffic signal upgrades along Highway 6/50 (\$5,000).
- Create a city-funded benefit district to pay for the traffic signal, intersection improvements and new frontage road improvements at the intersection of 24-3/4 Road and Highway 6/50. The Benefit District area to include properties on both the north and south side of the Highway.

In order to meet AIG's minimum required yield and proceed with this investment, we need to secure approximately \$211,000 in savings. Please let me know what we can do to assist you and the city council in considering our request.

Sincerely,
AIG Baker Shopping Center Properties, L.L.C.

Jay Timon
Developer

Ref: 252
Dept: REAL ESTATE

Date: 06JUL01 SHIPPING \$6.18
Wgt: 0.1 LBS SPECIAL \$0.25
HANDLING \$0.00

SERVICE: STANDARD OVERNIGHT
TRACK: 4527 8006 0331

TOTAL \$6.43



AIG BAKER
SHOPPING CENTER PROPERTIES, L.L.C.

July 6, 2001

Kelly Arnold
City Manager
City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501-2668

RE: Grand Mesa Center

Dear Mr. Arnold,

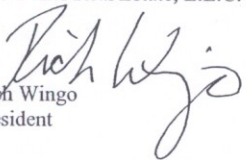
This letter is to confirm my conversation today with Mark Relph with respect to the conditions under which AIG Baker can move forward on the proposed Grand Mesa Center. In order to meet the minimum required yield set forth by our equity partner, American International Group (AIG), and proceed with this investment, we need to secure a minimum of \$211,000 in additional cost reductions.

As your staff can attest, through their hard work and ours, the amount of required savings has been reduced substantially over the course of the last several weeks. However, because of the scope of required off-site improvements and the new frontage road dedications, we still face a shortfall. We respectfully request that at the upcoming July 11th meeting, the city council agree to support our redevelopment efforts through means of a benefit district and paying certain fees with general funds.

I can not emphasize enough the importance of the city showing its support. We have postponed closing on the property pending the city council's decision.

Please let me know what we can do to assist you and the city council in considering our request.

Sincerely,
AIG Baker Real Estate, L.L.C.


Rich Wingo
President

AIG Baker Development, L.L.C.

AIG Baker Real Estate, L.L.C.

AIG Baker Management, L.L.C.

1701 Lee Branch Lane • Birmingham, Alabama 35242 • 205/969.1000 Fax 205/969.1051

INTEROFFICE MEMORANDUM

TO: City Council
FROM: Mark Relph *MJR*
DATE: July 10, 2001
RE: Grand Mesa Center Incentives Request
CC: Kelly Arnold, Dave Varley, Dan Wilson, and Kathy Portner

.....

1. Overview:

In early June of this year, AIG Baker approached City staff to inform us that their project was over budget by approximately \$900,000. Staff worked with them to re-evaluate landscaping and building material options to reduce their cost. With additional work on their part, they were able to reduce the amount over budget to about \$650,000. This was the amount of the first incentive request to City Council on June 20th. After AIG Baker was informed that the City was not able to meet their request in the time allowed, they continued to trim their construction costs to point of the current request.

2. General Discussion:

AIG Baker has submitted a proposal to the City of Grand Junction requesting a \$211,000 incentive to construct their \$25 million Grand Mesa Center along I-70B, west of 25 Road. In a letter previously submitted to the City Council dated July 3, 2001, from Mr. Jay Timon, AIG Baker suggests that the incentives could be structured around two specific concepts. The first would be reimbursement of certain development fees and second being the creation of a benefiting district, where the City fronts the cost of the improvements and is then reimbursed once properties within the district redevelop. The value of the development fees is approximately \$66,000. Staff has estimated the value of the district improvements from properties other than the Grand Mesa Center to be approximately \$164,000.

AIG Baker has suggested the incentive or subsidy for the development fees is appropriate due to the statements in the City's Growth Plan, specifically policy statement 7.4 (pg. V.30) regarding redevelopment. In addition, AIG Baker has suggested that this area is appropriate for redevelopment, therefore, implementation strategy #22 (pg. V.65) of the Growth Plan is also applicable to justify incentives.

3. Staff Review:

It is staff's opinion that the I-70B corridor will require significant improvements in the long term to address the growing concern with traffic congestion. Traffic modeling in the year 2020 from our local MPO indicates this corridor will have some of the lowest levels of service of any corridor in the valley if nothing is done. One solution that is likely to occur is the elimination of the multiple points of access to the frontage roads from I-70B. In part, these closures will allow for future lanes to be added, but will require access points to be redirected to the signalized intersections. It is staff's opinion that the improvements at the Grand Mesa Center are the first step towards that approach.

Previous discussions this year with Council over the 24 Road Corridor project yielded a series of financial options that might be used to finance public infrastructure. Staff is currently using that direction to draft a policy for a future discussion and action by Council. One of the options within the draft policy allowed for a reimbursement district where the City fronts the cost of the improvements and as properties redevelop, they would reimburse the City. Staff has used this concept to approximate how it may apply to the area surrounding the Grand Mesa Center.

There are several concepts on how this might be applied, but staff used a simple area calculation to estimate the financial impacts to properties as shown in the attached drawing.

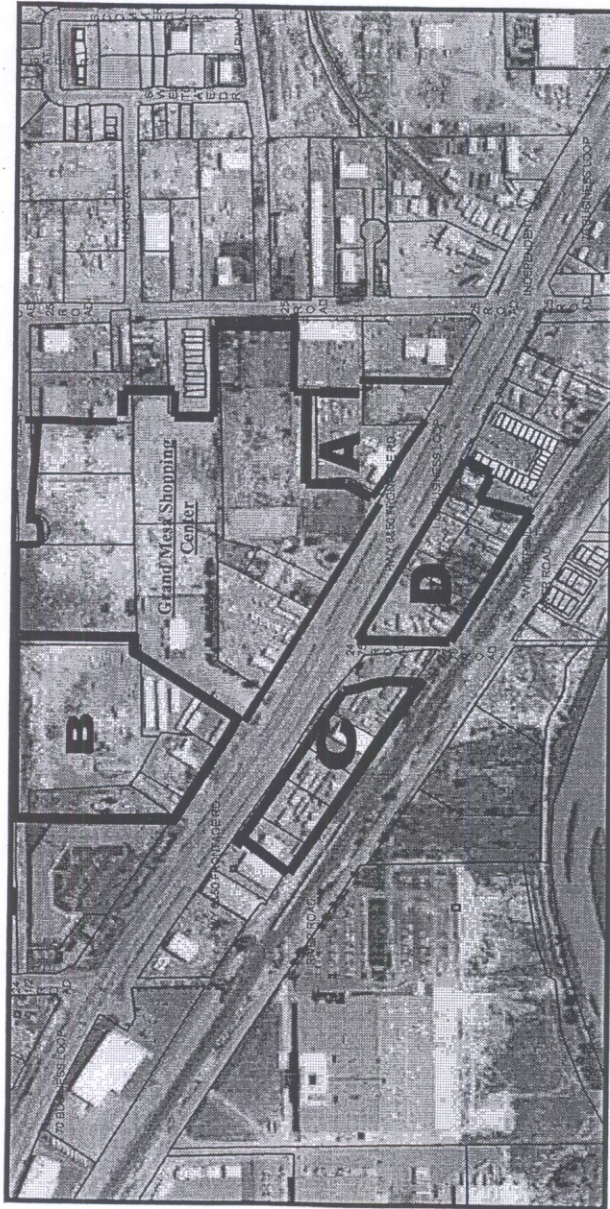
In general, areas A, B, C, D and the Grand Mesa Center would benefit from the intersection improvements, while areas A, B and the Grand Mesa Center would also benefit from the frontage road improvements. Assuming this approach, the Grand Mesa Center would be responsible for \$331,000 worth of improvements, while areas A, B, C and D would be responsible for \$164,000. This is a rough estimate and would have to be refined if the concept were to be carried forward.

The total of the development fees and what might be possible from a benefiting district is \$230,000, which is higher than the amount AIG Baker is requesting.

4. Staff Recommendation:

Staff believes that this location along I-70B is a good area to target for redevelopment. The mix of uses and vacant properties suggest redevelopment is appropriate. Staff also believes that the types of improvements that are proposed for access (i.e. traffic signal, frontage road and elimination of the existing access points) are the types that will eventually be required in this corridor to allow for the future traffic improvements.

If Council wishes to financially participate, staff would recommend allocating the funds from the 207 Street Improvement Fund. A copy of the 10-year plan is attached, which shows approximately \$209,000 is available. Staff would suggest that any balance above this amount come from the Capital Fund.





AIG BAKER
SHOPPING CENTER PROPERTIES, L.L.C.

July 11, 2001

The City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501-2668

**Re: Grand Mesa Center
Grand Junction, Colorado**

Dear Mayor Martinez and Members of Council:

AIG Baker is very proud to have the opportunity to become a corporate citizen of Grand Junction. We have spent the last twenty-six (26) months working in your community to make the project a reality and have appreciated all the time, energy and due diligence of your staff as well as UTE Water District, Xcel Energy and Qwest Communications just to name a few. We are also extremely proud to be associated with Sid Squirrel, who we have called on countless times to resolve important issues.

Jay Timon is before you tonight for one reason and that is to respectfully request the City's financial participation in the project. We have reached in many directions during the predevelopment period of this project to take what seemingly appeared to be an unfeasible development, financially, to where we are today -- very close.

I am confident your staff believes we are people of our word and the most important corporate goal we can ever have is our integrity. In addition, we are respectful of your position in that no ordinance exists that would enable you, as stewards of the community, to determine your participation in Grand Mesa Center. Therefore, we respectfully request Council to pursue adopting such an ordinance, as soon as possible, to allow the City to participate along with our \$26 million investment in your community.

In anticipation of participation in the near term, we have made the decision to close on the transaction, after obtaining required approvals from our financial partner, and begin what we believe to be the highest quality retail project in Grand Junction.

Please take it easy on Jay tonight or we might require him to move to Grand Junction!

Best regards.

Respectfully,

Milton M. Smith
President
AIG Baker Development, L.L.C.

AIG Baker Development, L.L.C.

AIG Baker Real Estate, L.L.C.

AIG Baker Management, L.L.C.

1701 Lee Branch Lane • Birmingham, Alabama 35242 • 205/969.1000 Fax 205/969.1051

**Attach W-4
Westside Downtown Plan**

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA						
Subject		Presentation of the Westside Downtown Plan				
Meeting Date		July 14, 2003				
Date Prepared		July 7, 2003			File #	
Author		Kathy Portner		Planning Manager		
Presenter Name		Kathy Portner		Planning Manager		
Report results back to Council		<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Yes	When October, 2003
Citizen Presentation		<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	Name
<input checked="" type="checkbox"/>	Workshop	<input type="checkbox"/>	Formal Agenda		<input type="checkbox"/>	Consent
<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>	Individual Consideration

Summary: The Westside Downtown Study had its origins in a grant received by the Regional Transportation Planning Office from the Great American Station Foundation to study the feasibility and design of the Grand Junction Historic Depot site as an Inter-modal Transportation Plaza...a hub for Amtrak, Greyhound, and Grand Valley Transit. Both the City of Grand Junction and Mesa County wanted to explore the traffic issues associated with such a facility, and the City also saw an opportunity to encourage and enhance the redevelopment of the lower downtown area. Subsequently, the scope of the project expanded to become the Westside Downtown Redevelopment Study.

Budget: The total cost of the contract with Ciavonne and Associates, Centre Sky Architecture and Fehr and Peers is \$76,655, with the City paying \$44,645 and the County paying \$32,010. The contract and expenditures have already been approved.

There will obviously be costs to implement the plan. Those costs are not being considered at this time, but will be addressed in the final plan that will be proposed for adoption.

Action Requested/Recommendation: Council feedback on the proposed plan.

Attachments:
Excerpts from the draft plan

Background Information:

The Westside Downtown Redevelopment Study Area is bounded on the north by Main Street, on the east by 5th Street, on the south by South Avenue, and on the west by the Railroad. The area is anchored by the Historic Depot, the Mesa County Justice Center, the Two Rivers Convention Center, and the Museum of Western Colorado. Vacant land, zoning, existing uses, potential uses, transportation issues, roads, automobiles, parking, pedestrians, historic structures, existing buildings, structures in disrepair, existing utilities...these are many of the elements that have been examined while identifying the highest and best uses for this area.

Project Vision and Goals

In order to develop a strongly supported plan for the area as a proactive approach to redevelopment, the following goals were identified through public input and charettes with the team:

- to answer questions as to the feasibility and practicality of this site as an appropriate location for an Inter-modal Facility;
- to provide a “map” for landowners, developers, and entrepreneurs wanting to proceed with development.
- to provide a guide for potential future public investment in infrastructure and/or land;
- to identify and support the highest and best use for the area;
- to increase the value of the area and invigorate “life” through mixed use neighborhoods, linking commerce, residential, and cultural uses;
- to reinforce an architectural and landscape theme throughout the area;
- to support Grand Junction as the Urban and Cultural Center for Western Colorado.

Land Use

The team originally identified ten “concentrations” of land uses, ultimately combining them into the following six categories. Although the majority of these uses fall under the broad spectrum of “Commercial”, the plan promotes the noted Land Use Centers or Districts, with the understanding that their borders may expand or contract as per market demand.

- Cultural/Entertainment/Public Uses: Museum, Art Center, Performing Arts, Botanic/Sculpture Gardens, Movie Theaters, Plays, Bandstands, Restaurants, DooZoo, Town Square, Two Rivers Convention Center, Mesa County Justice Center, Parking
- Retail/Office/Mixed Use: Typical Office, Retail, and Commercial uses, Housing (as a component of any)
- Hotels: Retail, Commercial, Hotels
- Service Uses: Carlson Memorial, Central Distributing, Scotty’s Automotive Services
- Transportation Center: Amtrak, Grand Valley Transit, I-70 B/HYW 50, Pedestrian/Bicycle
- Parks, Open Space, and Identity Nodes: Whitman Park, Entry Areas/Intersections, Urban Boulevards

In the evolution of the above “Centers” it was realized that Historic Structures and Districts are independent of Land Use, and can occur anywhere. The Study Area contains a number of excellent Historic Structures which are scattered through every proposed Land Use area.

Conceptual Alternatives

Three initial Transportation Plaza concepts focused on the facility needs that Greyhound bus would have on the Depot area, as well as additional circulation opportunities and constraints throughout the entire Study Area. It was apparent from the onset of the study that the Historic Depot area was “isolated” by the Pitkin/Ute transportation corridor and that there was a shortage of vacant real estate around the Depot to expand transportation facilities. This combined with public feedback and a reduced interest by Greyhound, resulted in the removal of Greyhound from the inter-modal plaza program. Although the “transportation plaza” aspects of the study were impacted, this was offset by a greater understanding of the importance of a redevelopment study addressing multi-modal facilities and roadways, land use, and aesthetics.

Absent a true “transportation plaza” program element, three new concept plans were developed and presented to the public. Public feedback and Team input resulted in two recommended plans. One recommendation, labeled “Concept A—Improve Existing”, is generally a “do little” alternative, but is recommended as a minimal improvement plan or an interim plan. This plan addresses the proposed zoning of the Study Area, leaving the current circulation system as is. Entry, streetscape, and architectural improvements could still be implemented.

The second recommendation, labeled “Preferred Plan with Pedestrian Circulation”, became the preferred plan of the public and the Team. However, this plan creates ripples that expand beyond the Study Area boundaries into adjacent downtown areas. This concept includes the following:

- it consolidates Ute and Pitkin (“Utekin Boulevard”) into a single Urban Boulevard, while improving traffic and pedestrian circulation;
- it maximizes the potential area of Mixed Use, Cultural, and Retail real estate on the north side of “Utekin Boulevard”;
- it eliminates the risk of establishing an “Anchor” use at the Depot area;
- it allows and promotes significant streetscape improvements;
- it strengthens the ability to create Architectural Design Guidelines and themes for “centers” within the plan (Loft District, Depot District, Cultural District).

Roadway Improvements

The single most significant roadway improvement assumed within the study area is the reconfiguration of the existing Ute Avenue/Pitkin Avenue one-way couplet (“Utekin”). There are significant circulation and other benefits related to the reconfigured “Utekin”, including the following:

- Traffic circulation is focused on fewer roadway facilities, freeing up land for contiguous development opportunities;
- Pedestrian crossings are simplified by consolidating high-volume, high-speed roadways within the study area; and
- The combined Ute Avenue/Pitkin Avenue facility is expected to function acceptably with four travel lanes, primarily due to construction of the proposed Riverside Parkway.

Since Ute Avenue and Pitkin Avenue represent a one-way couplet that extends from the study area eastward to 15th Street, a transition will be required somewhere between 6th Street and 15th Street, or the combined street section must continue all the way to 15th Street.

Other significant roadway modifications include:

- Removal of Ute Avenue between 3rd Street and 4th Street, allowing the assemblage of land for the cultural mega-block;
- Modification of 2nd Street to swing south and west from the current Ute Avenue intersection, resulting in a relocated intersection with the new combined “Utekin”;
- and
- Connection of South Avenue directly into the multi-modal transportation area.

Summary

The study provides a foundation and consensus towards the future development and redevelopment of Downtown Grand Junction. It will include land use, streetscape, transportation, landscaping and architectural components. Also included will be an implementation plan with specific steps for making the plan a reality.

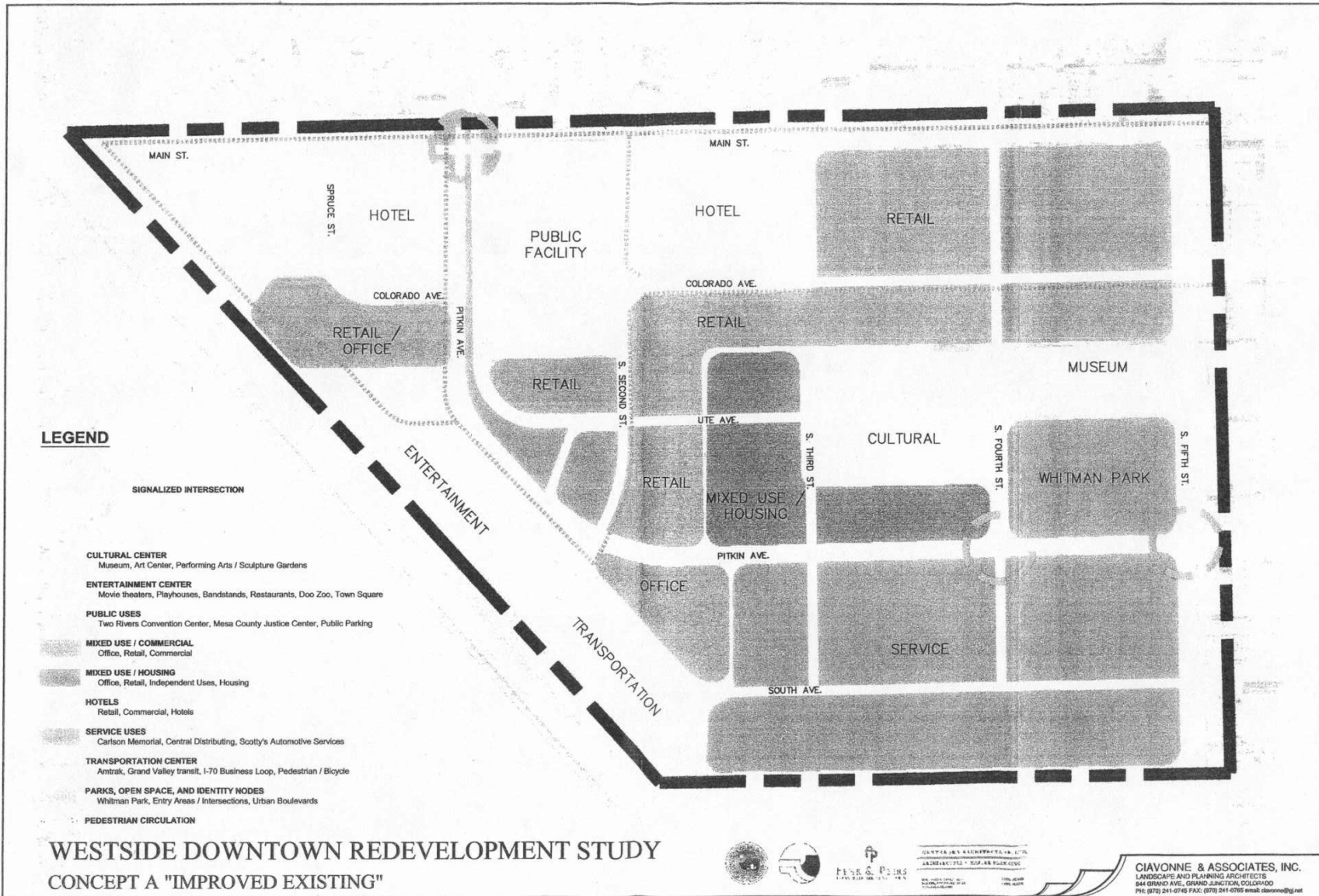


Exhibit 2

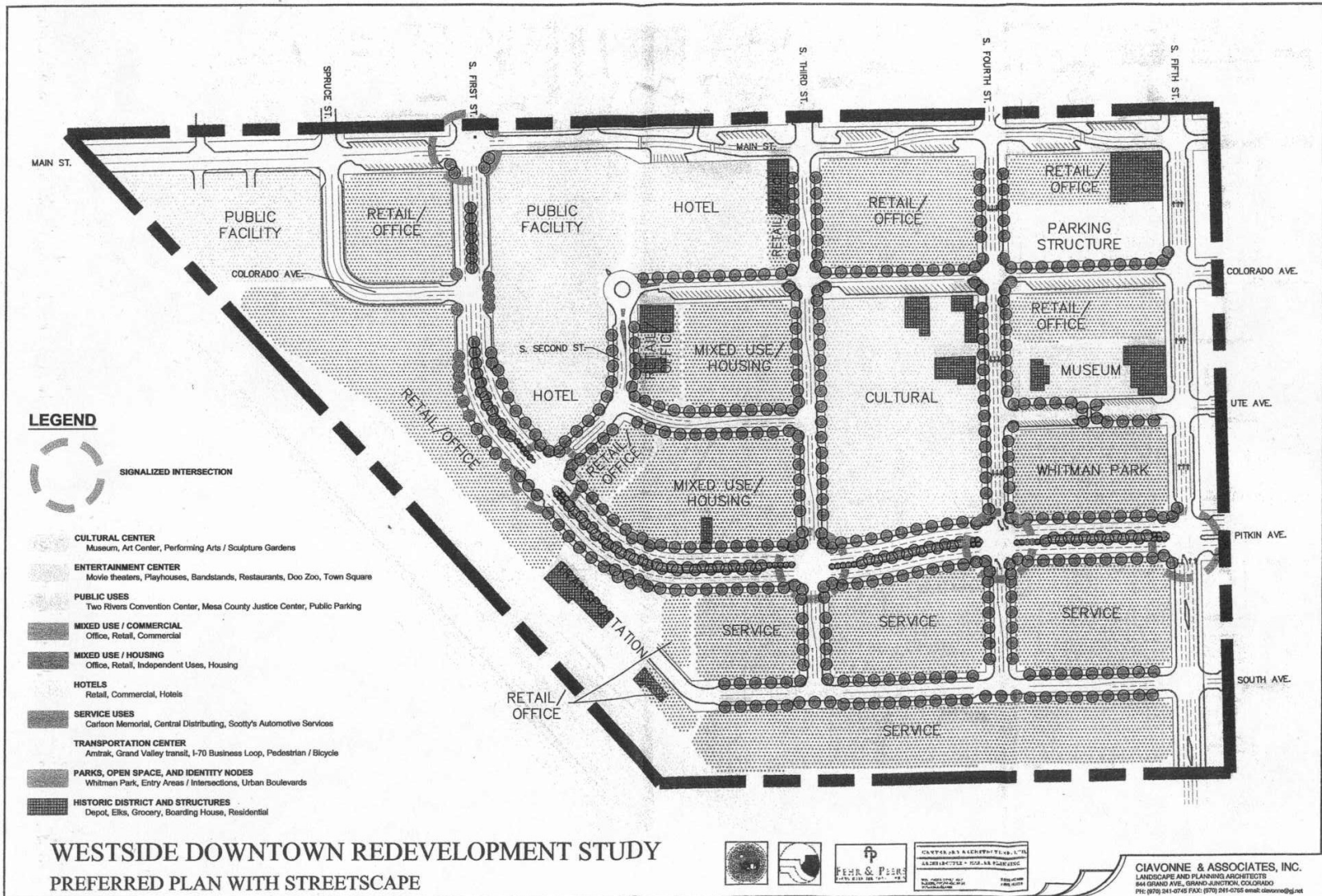
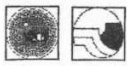


Exhibit 13

WESTSIDE DOWNTOWN REDEVELOPMENT STUDY
PREFERRED PLAN WITH STREETSCAPE



CLAYTON B. KERRICK, P.L.L.C.
 ARCHITECTS • 1001 N. PUEBLO
 COLORADO • 80501
 PHONE: (303) 733-1111
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