

Downtown Development Authority
April 19, 1996

Present: Mark Hermundstad, Glen Dennis, Chris Launer, Pat Gormley, Jean Sewell, Bruce Hill, Scott Howard, Barbara Creasman, Kathleen Killian, Lisa Nassour, Gregg Cerveny.

Absent: Karen Hayashi, Bill Petty, R.T. Mantlo

Approval of Minutes

Mark made a motion to approve the minutes of March 1, 1996, Bruce seconded. Motioned carried.

Jean suggested skipping to the Directors Report because Kathleen was running a few minutes late.

Directors Report

Enterprise Zone Update

The lawsuit against the Enterprise Zone was won by the administrators. No appeal is expected. Overall, legislation has been focused on tax credits to businesses and for contributions--which have become more lenient. The recertification process is also under development. The role of the Enterprise Zone administrator is taking up more staff time--downtown projects, reviewing, managing, and approving projects; and public inquiries are of most concern and energy. If another person was to be the EZ administrator here, Barbara could facilitate donations for downtown projects. Revenue generated from the EZ is \$15,000 annually, based on contributions. Scenario contributions will be made directly and therefore there will be no administrative fee. The Governor may veto the current bill. The final status may not be known until legislator adjourns. All in all, there may be more work and less financial benefit.

Fifth Street Improvements

The recent open house was well attended. No one expressed opposition to the proposed improvements. Enterprise Rent-a-Car did express concern about an optional turn lane by their property. People want the project to make a major improvement, to look good visually and have a pedestrian quality (i.e., walkways).

3rd & Main Mini Park

Base bids came within our budget of \$27,000. Alternate bids were \$16,000 more. For the Fountain, it has been estimated that \$50,000 to \$80,000 dollars will cover costs--depending on amount of desired water, bubbles, color, music, movement, and other options.

Presentation 123 N. 7th Street

Attached report. Attached plans for corner of 7th and Rood.

Ed Chamberlin and Glen McClellan presented project ideas and proposals for construction. Recent activities around the property have included: alley upgrades, elimination of power lines, environmental improvements, and acquiring the Cycle Center building. The optimum plan is to create a 5 story (adding 2 floors), 30,000 sq. ft. (adding 20,000 sq. ft.) for professional offices. Chamberlin and McClellan proposed to the board to form partnerships with the DDA and City of Grand Junction on the parking development. They also discussed a current application for a change in zoning status from a B3 to a planned business with more landscaping. The parking problem is a big issue for this project. In this instance City Community Development wants to see more landscaping and fewer parking spaces. The owner feels parking is needed for the tenants. They met with Kris Ashbeck of the City and discussed a compromise with parking and what is going to happen on the front of the building/property. Chamberlin Architects are prepared to start Phase I of the project ASAP. They require \$62,000 to take down the Cycle Center building and develop it as parking. Once Phase I is completed Phase II will commence. A decision whether or not to make a 3 or 5 floor building needs to be made. The architects are hoping to bring together EZ Rehabilitation tax credits and other funds to make it all come together. Phase II will require an additional \$100,000 from the DDA. Parking will be available to the City and surrounding neighbors such as, The Avalon Theatre, The Winery, The Blue Moon, during evening hours and weekends. An answer from the board is needed by mid June when Chamberlin goes out to bid on the project. Decisions regarding the streetscape and what goes on in front of the building can be deferred until later as other 7th Street developments unfold and a concept design is agreed upon. Jean suggested that a decision be made during the next regular meeting. A previous memo to the board estimated this project at 5 floors would add \$1.5 million in improvements, assessed value of \$435,000 and \$38,934 to TIF annually.

Sam Antonopoulos

Mr. Antonopoulos presented the following information: Mr. Antonopoulos's family has lived in this area for over 60 years and has supported the DTA through membership and the development of downtown for many years. In 1975, some money was promised for the sale of land where City Market is but nothing happened. Hilton and Sheraton hotels were interested in going in but nothing happened. Today, the hotel/motel industry on the western slope is overbuilt. In 1995 motels were 11% below average in occupancy. More rooms at 2nd and Main is unnecessary. Presently, Mr. Antonopoulos is talking with CNB in Denver to develop and add 58 rooms, a restaurant, bar, conference rooms, a parking garage and condominiums to his property. He envisions development in the Jarvis properties across the street as well as linking the convention center and other establishments in the area with overhead bridges. He has spoken with the city about overhead bridges across first street from Two Rivers.

DDA Inclusions & Amendment to the Plan of Development

Letter from Kathleen Killian, P.C. was handed out and everyone had a chance to read the letter. It was suggested that the Executive Committee and Barbara Creasman set up a meeting with Mark Achen to discuss our concerns. Barbara, Kathleen and John Shaver met on April 15, 1996 to discuss John's suggestion that "consent from other governmental taxing entities" is needed in the ordinance to include properties into the TIF. Barbara and Kathleen argued that consent is not required and that only the school district is noted in the statute and only the opportunity to participate. Therefore, keeping other entities informed is a political/philosophical issue and not a legal requirement.

Barbara stated that she has met with the County in the past-- and since she has been at the DDA the County included their property at 8th & Main. She has reviewed the current proposed inclusions with Bob Jasper and will be setting up a time to make a presentation to the Commissioners.

Pat suggested that the Board show Mark Achen Kathleen Killian's letter; clearly stating her opinion that "consent is not required." The DDA is not trying to hide anything, but we don't think it is good precedent to seek consent.

Jean suggested that the Board committee meet with Mark and John Shaver so we will be working the meeting with council. The board agreed that the DDA should not seek consent and should meet with Mark Achen to discuss the political/philosophical aspects.

Barbara brought up the issue that John Shaver and Don Wilson had left her messages concerning a question from David Graham about the fiscal impact of the inclusions. Since there is no increment until there are improvements, there is no impact to taxing entities to the property owners to pay the additional 5 mill. Generally, the City Council wants information on any costs to the City. There should be no additional costs to the City. The current procedures are in place and to not change.

Mill Tailings Park Development

Barbara announced that the City Council agreed to accept the deed on the Mill Tailings site under certain conditions and that she has asked Joe Stevens to attend an upcoming meeting to update the Board.

Directors Report (Continued)

TIF Bond Projects

Barbara passed put a letter from Amy Kennedy regarding the tax exempt status of bonds and the proposed TIF project. This will be discussed at a future board meeting.

Conoco

Conoco has appealed the decision to deny their proposal.

Tax Bill Issue

Barbara needs to talk to the treasurer. Further discussion on this issue was deferred to a future meeting.

Adjourn

Bruce Moved to adjourned at 9:05 a.m. Mark seconded. Motion carried.