

DOWNTOWN DEVELOPMENT AUTHORITY

MINUTES

January 17, 1997

Present - Chris Launer, R.T. Mantlo, Karen Hayashi, Bruce Benge, Mark Hermundstad, Jean Sewell, Glen Dennis, Pat Gormley, Kathleen Killian, Greg Dillon - Dillon Hunt Architects, Barbara Creasman, Lisa Nassour

Absent - Bruce Hill, Bill Petty

CALL TO ORDER

The meeting was called to order by Chairman, Chris Launer at 7:30 a.m.

APPROVAL OF MINUTES

Jean Sewell made a motion to approve the minutes of November 1, 1996 and December 6, 1996; Bruce Benge seconded the motion, motion carried.

MESA COUNTY FACILITIES UPDATE - Greg Dillon

Greg Dillon, Dillon-Hunt Architects, P.C. came to the meeting to update the board on the County's facility plans.

The County is currently developing a 20-year projection which it can use in making decisions and reviewing proposals on how to proceed. The county will work with other public entities to share space, common warehousing, etc. The school district is interested in sharing space. Satellite facilities are currently in place and seem to be working out well - though this is not a long-term solution. Dillon-Hunt's role in the planning process is to inform and make suggestions based on current information. They are hoping to get all of the study in electronic form so that it may be updated in the future, instead of it being a booklet that gets lost in years to come. Dillon-Hunt will be assessing each building with the issue of whether or not it is feasible to continue improving the building or if it should be demolished. They expect to have the plan on the buildings that the county owns done by late Spring, 1997 or early Summer. Sue Gormley will come back in a month or so to update the board on the progress.

FINANCIAL REPORT

Attached as a permanent part of these minutes is the partial year-end 96 financial report. The budget is in-line with the exception of the TIF Administrative revenue which has not yet been received.

ENTERPRISE ZONE FUNDING

Handouts were given to the board regarding enterprise zone funding, including the letter from Ron Lappi (written in response to John Schnieger, City of Fruita); Memo to Bob Jasper from Barbara to clarify actual funds received from 1989 - 1996; both of these are attached as a permanent part of these minutes. Ron Lappi's letter states that the DDA has received \$20 - 30,000 in enterprise zone funds annually to pay for administrative costs. The DDA did not receive any administrative fees until 1992, which was approximately \$500. From that point on, the average annual amount received was \$15,000 for contribution projects only. The actual expenses for administration have never been completely paid for by the administrative fee collected nor were contribution projects expected to pay for other administrative costs. The county has not contributed anything. Barbara and Chris Launer met with Bob Jasper to provide him with the actual figures for administrative fees collected.

REDEVELOPMENT STUDY

Barbara will meet with Jean Townsend, Jim Hire, and Arne Ray on January 31. Ed Chamberlin worked with the original architect who worked on the Two Rivers project while it was being built. Jim Hire met with him to go over some details of the building and review expansion scenarios. Ed has some rough sketches of Two Rivers with the improvements and expansion, etc. and a meeting was set up with Ed, City Parks & Rec. staff, Teresa at Two Rivers, and Barbara to go over these plans. Two Rivers was not originally run by Parks & Rec., but has been in recent years.

600 COLORADO PARKING

The memo to Mark Achen regarding 600 Colorado parking plan was distributed to the board and is a permanent part of these minutes. Mark's response was that Barbara needs to work with City staff to develop a budget and get formal Council approval at a public meeting.

MILL TAILINGS SITE - LEGACY III

Joe Stevens, City Parks & Rec., attended to update the board on the Mill Tailings Site and Legacy III grant. DDA has committed \$7,500 matching for the study on the Mill Tailings Master Plan, Legacy I. The DDA cannot receive funds directly from GOCO; therefore the responsibility of the grant would go to the City. A design team has not been selected yet for the Master Plan, but it is planned for the 1st quarter in 1997. Joe informed the board that if anyone wanted to sit in on the selection process, they are welcome to do so.

City Council put in an additional \$100,000 for the OM Pedestrian Bridge and construction is underway.

The highest priority in Legacy III is the continuation of the Riverfront trail system on the Jarvis property connecting to 5th Street and Watson Island. This is one of 4-5 top projects that are on the agenda. Some other projects include: the Climax Mill Site; Eagle Rim Park development with the statue of the Pioneer Woman, which is being handled by the Daughters of the American Revolution (DAR) and the Commission on Arts & Culture; and the Fruita project. The \$300,000 draft budget for the Mill Tailings Site in Legacy III was originally created for the 1998-99 fiscal year for the grant with the City committed to 50% or \$150,000 match.

Mark Hermundstad asked Joe the timeline of Legacy III. All of the GOCO programs have to be completed by the end of the century 1998-1999.

Mill Tailings Contract between City and DDA: Kathleen Killian went over the contract. She feels the City's responsibility should be more comprehensive. The DDA agreed initially to do the reporting, administration, etc. of the grant; therefore, the DDA should be involved in the process from the beginning to the end. A design team that is chosen will have to be able to communicate well with the public, take comments and make several drawings and scenarios of what the site would eventually look like. City Parks & Rec. would be the lead agency in the process and the park would be a city park. Barbara commented that she wants to be sure that the DDA is recognized as a partner in the project, and Joe agreed that the DDA's participation as a partner would be obvious and an important part of the project. The reporting process would be generally in line with regular grant requirements.

Jean Sewell made a motion to approve the contract providing the changes and additions discussed were included, Mark Hermundstad seconded the motion, motion carried.

TWO RIVERS STUDY

Joe made several comments regarding the study on Two Rivers, and raised questions in response to the initial study findings:

- Is the Two Rivers \$200,000 subsidy beneficial if the economic impact is only \$80,000?
- Does the need for millions of dollars of improvement raise the economic impact?
- If the exhibit space is used as office space, what is used for new exhibit space?

Barbara commented that this information is only the initial review, not recommendations. Direction was given to keep the exhibit space. It was noted that City Council gave the DDA the direction to do a redevelopment study. The use of Two Rivers is important to any adjacent redevelopment project. Joe expressed concern that funds are not budgeted for improvements at Two-Rivers. The DDA is doing this study independently; City Parks is not required to participate, however they are kept abreast of the entire process and the DDA welcomes their participation.

TIF ADMINISTRATION

Barbara passed out letters from Randy Booth, Karen Hayashi, and Larry Terrell from Dalby Wendland, CPA's, and are attached as a permanent part of these minutes. Reimbursement for staff time from the TIF bonds is the highest priority as it is the largest expense. If accurate records are kept we will be able to get reimbursed for the expenses. R.T. suggested we discuss the issue with Mark Achen. The latest letter from Dalby-Wendland and its supporting documents very clearly layout the IRS statute to support Karen's original findings that DDA staff time is a capitalizable expense under IRS regulations when work is directly related to construction.

ADJOURN

Bruce Bengé made a motion to adjourn, Jean Sewell seconded the motion, motion carried. The meeting was adjourned at 9:00 a.m.