

MINUTES
Downtown Development Authority
Board Meeting
Friday, January 7, 2000
Reed Building, 350 Main Street

PRESENT:

Mary Crumbaker, Chris Launer, Mark Hermundstad, Gene Kinsey, Becky Brehmer, Kathleen Killian, Barbara Creasman, Jean Morgan, and Kathy Portner.

ABSENT:

Bruce Bengel, Teresa Kareus, Doug Simons, Bruce Hill and Pat Gormley.

CALL TO ORDER:

The meeting was called to order by Becky Brehmer at 7:30 a.m.

APPROVAL OF MINUTES:

The minutes for December 3, 1999 were approved on a motion by Mark Hermundstad and seconded by Gene Kinsey.

LAND USE CODE:

Explanation of Downtown district land use codes was given by Kathy Portner from Community Planning. The B2 zone covers most of the core Downtown area. Community Planning recognizes the need for different requirements through the area due to long standing and existing property uses. Downtown parking is not a requirement 1st - 8th and Grand to Pitkin for existing buildings. New buildings or additional square footage requires additional parking or a parking survey showing parking is available. New Downtown parking lots: community development was flexible with the public lots. An example was the substitute low walls to replace the landscape requirements on the Ute lot. The wall met the screening requirements and there was plenty of room in the right of way on Ute to add landscaping.

The DDA/TIF boundaries are larger than this area and all businesses pay the same tax but don't get this parking concession. Recently we have received requests for the same considerations for South 7th Street and the area by the new Justice Center. Kathy said they could look at those areas but there is not the same public parking available. They can survey in these areas. Parking requirements must be met within 500 feet for visitors and 1000 feet for employees. City Hall can use R5 for employee parking under this parameter. Parking can be shared during off hours.

South 7th Street Zoning was planned to be commercial but needed industrial in some area due to existing uses such as Elam, Mesa Feed, etc. Currently Ute is zoned light commercial, while Pitkin is zoned industrial. Modifications were made along these corridors in some areas of heavy automotive uses, and on Main for Old World Meat. Community Development is working to get the appropriate zoning without hurting

existing businesses. Final Draft of the Zoning and Development Code, December 28, 1999 has all of the information listed. Chapter 3 page 2 has B2 explanations. Chapter 3 page 22 has Zoning. Chapter 3 page 33 has a matrix of types of use aloud. Downtown has a broad range of uses currently. Consideration of variances for odd lots needs to go to board of appeals and ask for a variance. Parking space size requirements will be with engineering not with community development. Having two standards has been confusing in the past.

Schedule for adoption: 1st hearing public 1-25-00 on maps. 7:00 at Two Rivers with City Council and the Planning Commission. 2nd hearing is 2-1-00 at 7:00 at Two Rivers for code input. City Council deliberations will be February 23, 2000.

Concentrated area plan for downtown is identified in the budget for 2001. Expectations are to look at the downtown area closer and identify specific needs. Will look at zone character and consider goals for marketing and economic development. This area plan for Downtown should be a major step in new TIF plan which will be required if we reauthorize the TIF.

POSTING OF NOTICES AND DOWNTOWN DEVELOPMENT AUTHORITY MEETING SCHEDULE:

State Law requires an annual designation of the DDA's official location for posting of meeting notices. Chris Launer made a motion that the notices continue to be posted on the front door of the DDA offices. Mark Hermundstad seconded the motion. Motion carried.

FINANCIAL REPORT:

Fund 103 has a \$29,279 deficit for 1999. However due to the beginning fund balance the ending fund balance is \$99,523. There will probably be year end adjustment to this account through the end of January. Fund 203 shows an ending fund balance of \$1,464,608. Grant money from Whitman and Reed will still be received. The Avalon also owes about \$150,000. Fund 109 TIF revenue total of \$464,034 in property tax and interest plus \$84,415 in TIF sales tax, ending fund balance \$635,565.

TIF Legislation: Mary asked if there are updates to this legislation. Gene Kinsey will look into the possibility of a newer version on the internet.

Sales Tax Increment: TIF sales tax generation shows a transfer in, Fund 109 TIF revenue of \$84,450. TIF Sales Tax Revenue started in 1996. Certain information on this report can not be read. Barbara will get a clear report. Assessors TIF info. Barbara reviewed this report which lists business and property improvements and increase in values including personal and real property. Values increase with additions and decrease if a building is torn down or becomes exempt. The total 98 value for DDA was \$26,359,210 base \$22,136,792 increment \$4,222,418, 1999 total \$30,236,420 base \$24,799,611 increment \$5,436,759. Base to increment ratio 1998 – 83.98% to 16.02%, 1999 – 82.02% to 17.98% the overlapping mill levy of about .089 is applied to the increment and .0046 to the base.

PARKING ANALYSIS UPDATE:

Attached are summary pages – Cost for construction is listed at \$2.5 – \$4.5 million. Six scenarios are listed. Cost per parking spot range from \$12,000 to \$17,000. Prices were based on industry standards. The study shows 300 spaces are needed in the retail core if the city desires to provide a high level of customer service, one block walking distance to Main street. The surface lots just developed were about \$4,000 per space including land acquisition. Downtown merchants have relayed that they believe the lack of parking resulted in a direct loss of sales at Christmas. Businesses are very discouraged due to the lack of parking and the complaints they get from customers. Realtors relay it is hard to fill empty spaces because people feel there is no parking. This information shows that if people are willing to walk 2-3 blocks there is adequate parking.

The consultants are currently working on the financial analysis. A big question is if customers are willing to pay for more convenient parking. Most comments and answers to surveys are that they will some, but basically they expect cheap convenient parking.

Gene Kinsey suggested there may be other possibilities to help including trolleys to parking areas. The current bus route we received does not show Main Street but in all the presentations we have seen it has been included, so we need to check it out. Chris feels we need to sell the plan and step up with DDA funding to build something. Barbara explained that the Downtown will suffer long term without additional parking. We can't tell the customer they have to shop downtown because the consultant says they should walk further. If we can't fill existing vacant space because of the lack of parking it hurts existing businesses.

All downtown businesses are currently paying the additional DDA mill levy and the DDA did budget \$500,000 from the TIF funds for construction of new parking. If the City would devote the parking fund (bond) of about \$200,000 per year it would equal \$1.5 million to \$2 million and may be a more palatable option to build a structure. However other City funds would then be needed to pay the on going operations and maintenance costs currently coming out of that fund. Phasing could be used to help with expense, 2 stories now and 2 later. FCI estimated a 2 level parking structure would be about \$1.5 million two years ago. This was about \$5,000 per space. Walker scenarios are for 3 level parking structures.

DIRECTORS REPORT:

Due to time constraints the directors report will be highlighted only.

No results on Holiday parking, still tabulating.

Leasing Hayashi lots 200 block of Colorado, no new information from the City.

The Annual Dinner is March 9th, the speaker will be the architect in charge of the Two Rivers expansion. Décor for dinner will be improved to show what Two Rivers could be.

Letter from PJ McGovern expressing interest in being on the DDA Board is attached. Barbara noted that we also need to consider past candidates, Dennis King from Norwest was recommended by Bill Petty. Barbara will check to see if he is still interested.

ADJOURN:

The meeting was adjourned at 9:00 a.m.