

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY

BOARD MINUTES

July 28, 2005

248 S. 4th Street, Grand Junction, CO

7:30 a.m.

PRESENT: Karen Vogel, Harry Griff, Scott Howard, PJ McGovern, Peggy Page, Mike Mast , Doug Simons, Bill Wagner, Jim Doody, Harold Stalf, John Shaver, Dave Varley

ABSENT:

CALL TO ORDER: Karen called the meeting to order at 7:30

APPROVAL OF MINUTES: Karen corrected the spelling of Roy Stackney to Stachnik. With that change, Scott made the motion to approve the June 16 minutes; Mike seconded; motion carried. Karen added the "as the DDA chair" to the last paragraph thanking Harry Griff. With that change, Scott made the motion to approve the July 14 minutes with Mike second; motion carried.

BID UPDATE – The BID proposal is on board for the August 17, 2005 City Council meeting to be approved for the ballot on November 1, 2005. Ballots will be mailed out between October 7 and 17. The committee held a conference call with the consultants to discuss marketing. John stated that there are Fair Campaign Act guidelines and limitations on DDA staff time and monies to market the BID. Karen stated that Brunella has put in a tremendous amount of work with the petitions, so Karen and Home Loan will take charge of the marketing. She will talk to Brad and Anna about mailings. Harry asked about election costs. Harold stated that we can use DTA money for the election.

CITY SALES TAX – Harold distributed the City sales tax report for the first 6 months of 2005. The report shows a slight decrease. Without grocery stores, auto repair and gas stations, there is a slight increase of 1%. Either way income is flat. Harold explained that grocery store income has been down since Sundrop closed and drinking establishments reflect the purchase of Cheers. Eating establishments, hotels and other retail are the cream of the crop. Three or four new businesses are open with the addition of the Reed Building.

PMAG UPDATE – The committee had oral interviews with three designers. After seeing the written proposals they favored the California group. After the oral interviews, California was still the best choice, with Blythe coming in a close second. After considering the local presence, they decided to go with Blythe, Lawrence, and Walker. Price estimates were kept in sealed envelopes. Harry wanted to know why price was not considered. Dave explained that when dealing with professional services, price is secondary to the design. He went on to emphasize the worth of using local contractors. Harold assumed a local company would need less money for communication and travel. PJ agreed it's a guessing game as far as pricing goes. The award will be granted at the August 17 City Council meeting. Doug is satisfied with the decision and has learned a lot about pre-cast vs steel construction.

FINANCIAL REPORT – Harold introduced Mike Bell, DTA treasurer, to Jim and Peggy. He explained that as the overseer of the Partnership, the DTA reports to the DDA quarterly. Revisions in income were made because the Art & Jazz Festival was impacted by the weather, Farmer's Market income was reduced due to the fee structure, and the July 4 parade had no sponsor. Partnership expenses were adjusted to reflect the Art & Jazz Festival's increased expenses due to Warning Lites (road closure) and Bestway (port-a-potties). Holiday expenses were also increased by \$7,000 due to the carryover of 2004 expenses. We also had the unexpected expense of the Ride the Rockies visit. Insurance has been reduced as it came in under budget. Harry had concerns about the BID line item. Mike has spoken with Brunella and PUMA felt the \$10,000 remaining budget should be sufficient. This led to a discussion of Farmer's Market staffing and safety concerns. Harry made the motion to approve the Downtown Partnership budget; Mike seconded; motion carried.

DDA BUDGET – Harold spent time with Karen and Scott this week. The 103 fund is the mill levy from the City and other sources of income used for operations. Property and ownership taxes are projected to have a slight increase for the next two years due to Tabor limitations. Permits have increased because of outdoor dining and shared news rack policies. Rental income reflects the Commercial Federal agreement, Copy Center and Quilters’ Corner. AOTC donations are difficult to predict, because we just don’t know what sculptures will sell. The year-end projected surplus is \$50,000. This led to a discussion of whether the surplus belongs in the TIF fund or the 103 Operating fund. Jim asked if Ron Lappi should come to a budget meeting. Harold replied that we plan to have such a meeting after we go through this preliminary budget.

Expenses: Harold is the only DDA employee. Telephone, data processing, audit, insurance, and contracted services are all determined by the City. Karen suggested we have more money budgeted for lunch meetings. The DDA currently pays half of Diane’s salary which is subject to change after the BID is passed.

AOTC (1942) budget includes a new kiosk on Main Street that has received grant monies from the Enterprise Zone. Printing and contract labor costs are for the yearly brochure. In the future, the City Parks and Recreation Department will pick up Allison’s salary and bill the DDA. This will result in a somewhat higher cost for her services.

The utilities expenses are for Quilters’ Corner (during the renovation), Valley Office Supply and Cheers. Most of those buildings will be torn down or sold. The current rental income pays for those utilities. Bill made a motion to approve the DDA budget; Scott second; motion carried.

TIF (203) fund shows income of \$3.4 million as a reflection of the bond issue and interest earned. These funds must be expended by the end of next year. We spent \$1.4 million last year on various projects. The 7th Street and Parking Garage projects may exceed the current balance. Ron Lappi feels that we should have phased budgets that include a \$5 million dollar three-year bond to be issued sometime next year. Harold would like to plan the annual retreat to include detailed discussion regarding the BID, TIF and future projects. Scott made the motion to approve the DDA budget; Bill seconded; motion carried.

OTHER – Karen, Doug and Harold met with Bruce Hill to keep the lines of communication open and to explain some of these projects that the DDA is doing and why.

At 9:00 a.m., Harry made a motion to move into executive session; Doug second; motion carried and the Board moved into executive session.

EXECUTIVE SESSION-REAL ESTATE ended at 9:10 am and the meeting was adjourned.