

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY

BOARD MINUTES

Thursday, November 8, 2007

248 S. 4th Street, Grand Junction, CO

7:30 a.m.

PRESENT: Scott Howard, Bill Wagner, Harry Griff, Peggy Page, Patti Hoff, Scott Holzschuh, Bill Keith, Steve Thoms, Harold Staf

ABSENT: Bonnie Beckstein

GUESTS: John Shaver, Andre Van Schaften, Jon Wikre, Trent Prall, Jodi Romero

CALL TO ORDER: Bill W. called the meeting to order at 7:30 a.m.

APPROVAL OF MINUTES: Peggy made a motion to approve the minutes of the past meeting; Patti seconded; minutes were approved.

ANNUAL RETREAT: The tentative date is Friday, Dec. 7, from 3:00-5:00 p.m. at the Redlands Dos Hombres. The only item on the agenda will be TIF extension issues. Bruce Hill and Harold recently attended a CML meeting in Denver that mostly dealt with urban renewal TIFs. Harold would like to have Erin Goff, staff attorney for CML, speak at a DDA meeting. Unfortunately, she is unable to attend the retreat in December.

TWO RIVERS CONDOMINIUM AGREEMENT: Bill W. stepped aside as he has a conflict with Shane Burton. The initial contract stated there was a deadline for completion of two units as of November 2007. Shane is asking for an extension of a year. John explained that it was written into the initial contract to establish due diligence and now it would be a DDA policy question. Harry pointed out that the deadline was connected to a \$50,000 promissory note between the Burtons and the DDA. The goal was to get residential units downtown and progress is being made. Harry made a motion to approve a one-year extension of the initial contract with Shane Burton; Scott Holzschuh seconded; motion carried.

John will not need to prepare a resolution to bring back to the Board.

GJHA – Andre Van Schaften, Finance Director with GJHA and Jon Wikre, Development Officer, are here today to make a presentation of the “Calling Mesa County Home” program to solicit DDA support. This employer-assisted homeownership program is offered as a benefit to employees. There are three main reasons for non-ownership; 1. Lack of down payment or closing costs, 2. Lack of credit, or impaired credit, and 3. Misperceptions about the home buying process. This program helps stabilize employees and the economy. The City of Grand Junction is participating in the program. There is a toolkit to promote the program and they would like the DDA’s endorsement and financial support of \$5,000 to help with administration and education expenses for all BID businesses. Harry asked what the employer has to do. They just recommend employees interested in the program and determine company policies. GJHA becomes the small businesses human resources department. Andre thanked the DDA for giving them the opportunity to make this presentation to the board.

John added that this expense would come from the DDA operating fund, and he would like to see it more tailored to the mission/goals of the DDA.

FINANCIAL REPORT – Harold distributed the 3rd quarter financial report. The DDA should have an excess of \$150,000 at the end of the year, which will increase the fund balance to \$480,000. We need to decide what to do with the fund balance. In January, Jodi and Harold would like to focus on the TIF and our new bonds. Because we issued bonds, we are earning a lot of interest this year. Jodi Romero, Trent Prall, Jay Valentine, John Shaver and Harold met this week and are working on a presentation that will show the entire picture of how all the funds feed each other.

TIF Fund Projects: The parking garage firewalls came in \$100,000 less than anticipated. The cost of the 83 parking spaces in the garage has increased by \$70,000. The breezeway budget has been increased by \$50,000. The DDA's parking spaces cost \$3,850,000. Of the 83 spaces, we are selling 21 to Dalby Wendland and the remaining 62 spaces are the DDA's to lease or sell. With the land and demolition costs, the entire garage cost \$10 million (\$8.5 million plus \$1.5 million for the land acquisition). There are a total of 449 spaces. The ribbon cutting ceremony is 3:00 on Wednesday, Nov. 21. The garage won't be open to the public until Friday. Alpine Bank will go in after the first of the year. The PMAG group is recommending that instead of selling spaces we do long term leases with renewal options. The garage will be full with a mix of short term and long-term leases. The bonds will be paid in December, which will lift the restriction to keep 37% for public parking spaces. Harry would prefer that we do short term leases. Harold would like to get some long-term income to bond for another parking structure. Scott Holzschuh was concerned about leasing spaces versus selling spaces to American National Bank.

The Main Street Enhancement budget was increased by Trent Prall. The budget for AOTC sculpture purchases remains the same. The Colorado Avenue Design budget will be decreased since we are using the same contractor as on 7th Street. The budget for Housing remains the same as well as the Avalon budget. The budget also includes grants and loans for façade renovations. We could reduce the bond from \$7 to \$6 million and still accomplish goals. We need to determine the right time to bond.

CONSTRUCTION UPDATE – Trent reported that we are getting very close to completion on the parking garage and 7th Street. We are looking forward to the ribbon cutting ceremony on November 21. The first floor will be open to the public on Friday, November 23. The lights on the front will not be running the day we open it. We are planning to open 7th Street by November 30. We are working on streetlights with Excel. The ribbon cutting ceremony for 7th Street roundabout is tentatively planned for December 7. Harold would like to have a block party during Winterfest on December 1. The Colorado Avenue design is about 95% complete. There are still some details to work out as far as the electrical systems. We are getting ready for an open house and need to set a date. We also need to decide about contracting with Mays. Colorado should go quickly since we don't have utility issues. This project is fully funded by the DDA. The City is picking up Main Street Enhancements. Harry congratulated the City on the 7th Street design. Scott Holzschuh asked about opening Rood Avenue. It will reopen on November 21st.

OTHER:

Mike Curtis has left the City and Don Newton will be taking over the Downtown projects. Bill Frazier will also help in the future.

Harold reported that the year-to-date Downtown sales tax is up 6.8%.

John brought up the Housing Authority request. Do we want to do something to help business owners and employees? Do we want to broadcast it to the Downtown community? Harry and Scott Holzschuh feel it doesn't fit with our mission. Others feel we could endorse the program, but not donate money. Our money is for capital projects, not administration costs. We already have a joint fund with the Housing Authority. We would be glad to promote it and offer in-kind support.

Scott Holzschuh made a motion to adjourn; Bill K. seconded; the Board adjourned into executive session.

EXECUTIVE SESSION-REAL ESTATE:

ADJOURN