

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
Thursday, July 9, 2009  
248 S. 4<sup>th</sup> Street, Grand Junction, CO  
7:30 a.m.

PRESENT: Scott Howard, Harry Griff, Bonnie Beckstein, Scott Holzschuh, Steve Thoms

ABSENT: Bill Wagner, PJ McGovern, Peggy Page, Bill Keith

STAFF: Heidi Hoffman Ham, Diane Keliher, Kathy Dirks

GUESTS: Jodi Romero, Rich Englehart, John Shaver, Jay Valentine

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

APPROVAL OF MINUTES: Bonnie made a motion to approve the June 11 minutes; Scott Howard seconded; June 11 minutes were approved. Scott Howard made a motion to approve the June 25 minutes; Bonnie seconded; June 25 minutes were approved. Heidi announced that the action item will take place first on the agenda today since there is a lot to cover.

CHAIRMAN REPORT – Steve reported that there have been meetings with City Council regarding the DDA's payback to the City. Bonnie said City Council would like more information on the history of the Partnership. Laurie Kadrich is scheduled to speak at their next meeting. City Council is not comfortable with going forward with any projects until the Strategic Plan is approved. The Strategic and Comprehensive plans need to work together. Heidi said we would like to approve everything in August. Harry emphasized that there has been nothing done wrong and that Council needs to be brought up to speed.

ACTION ITEM – Heidi has had discussions with Ted Ciavonne and Trent Prall regarding Ted's contract. Ted ran over \$6000 on his contract with extra meetings and flyover technology. The DDA also asked him to have the 100 and 200 blocks design which was a \$5500 cost. The City will contract with Ted after this time. The original contract was for \$40,000. Rich asked if we have to change the design will that cost more. Scott Holzschuh made a motion to amend Ted Ciavonne's contract; Bonnie seconded; motion passed.

DIRECTOR REPORT – Heidi turned over the floor to Jodi Romero and Jay Valentine for a financial presentation. Jodi had a brief conversation with Heidi regarding funding and year end 2008 financials. Jodi explained that the City includes the DDA in their budgeting process. Fund 103 is funded by property tax and has a healthy bottom line. Also included in operating funds are rent revenue and the Legends project is moving through that fund. Currently the 103 fund balance is \$887,000 which can be used for a one time expense or capital improvement project. Jodi suggested maintaining a \$75,000 to \$100,000 fund balance.

The Tax Increment Fund (203) is restricted to pay back debt from capital projects. It is funded by the TIF and a percentage of sales tax. This raises about 2.2 to 2.3 million a year. Currently, there is \$ 2.4 million in the 203 fund balance.

The budgeting process begins in July with a look at capital projects. In August, operating budgets will be input. September will be review and in October there will be final balancing meetings with a full presentation to Council in November and December.

Total funds available are \$23 million take out debt service leaving \$11.7 – \$11.5 to payback the City loan and capital projects. Heidi drafted a letter to Laurie Kadrich proposing to pay back 2/3 of amount owed which is \$4.8 and leaves us \$6.7 for Main Street. Harry had concerns with the timing of the payback and

the costs of Main Street. Heidi explained that the City check will be cut after the bond proceeds are received. Harry made a motion to authorize Heidi to negotiate the DDA loan payback with City Council; Scott Howard seconded; motion carried.

RESOLUTION TO BOND – John Shaver prepared a resolution to authorize the next step in the 2009 bonding of \$10.5 million dollars. This resolution will be presented to City Council at their first meeting in August. Issuance will occur at the end of September. Harry asked if the DDA needed a schedule of capital projects. John explained that this is not bonding for specific projects. Harry made a motion to accept the resolution; Scott Holzschuh seconded; motion passed.

Scott Holzschuh asked a follow up question regarding the interest rate and which banks were offered the financing. John replied that the City will approach banks within the DDA boundaries first, and then expand the search. Jodi asked a question about DDA capital projects. Heidi listed the Avalon, the Catalyst Project, the hotel at 3<sup>rd</sup> and Main, the Façade Grant Program, the Ute/Pitkin corridor, and strategic property acquisition. She noted that these projects are contingent upon how much money we have left after the Main Street project.

OTHER – Heidi gave a report on finding a new office space. Negotiations are going in a positive direction. We have been told by the Museum that they are going to sell or lease this building in about two months. Scott Howard was interested in what they are asking for the building. Heidi added that it is an historic building and cannot be torn down.

There was discussion of articles in the Daily Sentinel about downtown parking. There are a lot of options available to us for the first floor of the parking garage. It was suggested to make the first floor free during construction.

Heidi added that the “preferred concept” for Main Street will be on display at Farmers’ Market tonight at 6<sup>th</sup> and Main. It will be publicized in our sponsor radio spots and in the Daily Sentinel newspaper.

ADJOURN – Scott Holzschuh made a motion to adjourn; Bonnie seconded; the Board adjourned at 9:05 a.m.

APPROVED \_\_\_\_\_

DATE \_\_\_\_\_

SENT TO CITY CLERK \_\_\_\_\_

DATE \_\_\_\_\_