

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY

BOARD MINUTES

Thursday, August 12, 2010

248 S. 4th Street, Grand Junction, CO

7:30 a.m.

PRESENT: Harry Griff, Peggy Page, Bonnie Beckstein, Scott Holzschuh, Bill Keith, Steve Thoms, Kevin Reimer, Scott Aker, PJ McGovern

STAFF: Heidi Hoffman Ham, Diane Keliher

GUESTS: Rich Englehart, John Shaver

CALL TO ORDER: Peggy called the meeting to order at 7:33 a.m.

APPROVAL OF MINUTES: Tabled until next meeting.

OPERATING & CAPITAL BUDGETS - Heidi would like feedback regarding the proposed operating budget and priorities for capital projects. Bonnie asked if the budgets account for the possibility that the tax amendments pass in the November election; Heidi stated that the DDA budgets presented today do not reflect the amendments passing and that the board would need to re-do the budget in that case.

Fund 103 is made up of property tax and specific ownership taxes that come from the City. Permit revenue is generated from outdoor dining fees and news rack rentals. Interest income is from the City. Lease revenue is from the buildings the DDA owns. Heidi and Diane have been meeting quarterly with Jay and Jodi. Art on the Corner budget will be kept separately. AOTC will set up a budget and handle it the same way as we handle the DTA budget with a transfer from the DDA. Salary expenses will be paid out of the 103 fund as a hard cost to AOTC.

Heidi asked the board for direction for 2011 salaries. Last year the City reduced salaries by 3%. This year it will be reinstated. Heidi would like the ability to tie staff evaluations to pay. Heidi would like to know if the board would like salaries to stay flat, raise wages by 3% or come back with a range of salaries after performance reviews. The City is preparing three possible scenarios with the best case being "flat." PJ would like to keep salaries flat to preserve jobs. Bonnie wouldn't be comfortable with a raise with the economic outlook. Bill acknowledged the hard work of the staff, but feels the DDA can't afford raises right now. Harry pointed out that we have different revenue streams than the City, therefore, he is not concerned about perception, but it looks like our revenues could be going down and until the consequences of the elections are known, the personnel budget should stay flat. PJ said that the market is a good indicator to set salaries at the cost to replace staff. Scott H. feels that that is not a good long-term solution. Scott Aker is generally in favor of connecting pay to performance. Heidi will bring back a personnel plan with the proposed budget.

Repairs on buildings have been lower this year than last but Heidi still thinks it is important to budget for repairs given the age of the buildings. Utilities expense has gone up because the DDA now pays a portion of the utilities in addition to rent at the Whitman Building. The 2010 rent is reflective of our current rate. Training and travel expenses include going to conferences and buying books. Harry asked why we have to transfer money to AOTC. He was under the impression it was a self-sustaining program. Heidi explained that the DDA has always supplemented AOTC, but it has been less clear with the program mixed into the operating budget; now that AOTC has its own budget, the subsidy will be a single line item from the DDA each year based on the program needs. For 2010, the sculptures need a significant investment in maintenance and conservation rather than accumulating many new pieces. There will be a state-of-the-art page for AOTC on the Downtown website. PJ asked about insurance for the sculptures; Heidi replied that it is covered under our insurance through the City. Legends will also have its own account with a transfer from the DDA for the \$10,000 donation each year.

Heidi distributed two scenarios of Fund 203 along with revenue projections of the current TIF and the extension. Specific Ownership tax revenue is covered by the extension and will remain at the same levels. A worksheet showing how the TIF is funded from different entities was distributed. Bill asked about the school district funding; John replied that the state is currently required to backfill school districts for 95% of the TIF monies. Heidi would like to focus on what the DDA wants to do with the rest of the old TIF. Heidi would like the board to prioritize capital projects so she has an idea of what to put in the budget. After some discussion, it was decided to have a workshop to discuss future projects next Thursday morning.

Harry made a motion to go into executive session to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under CRS 24-6-402(4)(a). Bill seconded, and the board adjourned into executive session at 8:46 a.m.

EXECUTIVE SESSION -- REAL ESTATE

ADJOURN: Scott Aker made a motion to adjourn from executive session; Bill seconded; the board adjourned at 9:14 a.m. and did not return to the regular meeting.

APPROVED _____

DATE _____

SENT TO CITY CLERK _____

DATE _____