

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
THURSDAY, MARCH 12, 2015  
437 COLORADO AVENUE  
7:30 A.M.

PRESENT: Les Miller, Chair, Jason Farrington, Vice-Chair, Shane Allerheiligen, Marty Chazen, Jodi Coleman-Niernberg, Kirk Granum, PJ McGovern, Stephan Schweissing

ABSENT: Kevin Reimer

STAFF: Harry Weiss, Aaron Hoffman, Vonda Bauer

GUESTS: City Manager, Rich Englehart, City Attorney, John Shaver

CALL TO ORDER: Les called the meeting to order at 7:31 a.m.

APPROVAL OF MINUTES:

Marty indicated there was one correction to the minutes. The minutes should read "foreclose on other opportunities" in the section of White Hall. Marty made a motion to approve the minutes of the February 26, 2015 meeting; Jason seconded the motion; the minutes were approved as corrected.

CALENDAR REVIEW:

March 17-Joint Session with City Council

There will be a joint session with City Council on March 17<sup>th</sup> at 11:30 a.m. The meeting will be in the auditorium at City Hall. There will be 4 primary topics of discussion (TIF Flexibility Strategy, Las Colonias Park, White Hall, and Whitman Park).

March 25 – Las Colonias Groundbreaking

Harry stated that he will be out of town during the groundbreaking event at Las Colonias so he will be unable to attend. The Parks department asked if a board member would attend to represent the DDA. Marty replied that he will be attending the ceremony. Jodi and Kirk will try and attend also. The ceremony starts at 2:00 p.m. The Parks department will be planting a tree at the ceremony.

March 26 – DDA Board Meeting

Harry and several board members will be out of town for the board meeting scheduled on March 26<sup>th</sup>. After discussion it was decided that the meeting be canceled. The next meeting will be April 9<sup>th</sup>, 2015.

April 15/16 – New Mobility West Charrette

A charrette is scheduled for April 15<sup>th</sup> and 16<sup>th</sup>. There will be an open house and a formal public presentation. Harry will email an agenda as soon as it is available. CDOT will advertise the charrette to inform the general public and notify DDA electors and primary property owners. Harry attended a preliminary meeting with CDOT and said it was constructive and positive.

ITEMS FOR JOINT SESSION WITH CITY COUNCIL:

TIF Flexibility Strategy-Review of Sales Tax TIF

Harry passed out an analysis of the municipal sales tax TIF and the potential to make it a more flexible source of project funds. Harry noted that the essence of TIF is its use for the payment of long-term debt, and therefore, the notion that TIF is a discretionary commitment is somewhat contradictory to this essential purpose. It appears that the sales tax TIF, once established (or renewed as in the case of the DDA's extension), is not revocable; the

statutory language specifies that while the decision whether to renew the sales tax TIF is discretionary, it is clear that if renewed it remains in effect throughout the renewal period (20 years).

The statute also mandates the base year for measurement of the sales tax increment and provides that the gross increment may be allocated between the City and the DDA. When the DDA was created in 1981, the Plan of Development and separate resolutions by the City Council and the DDA Board established an allocation ratio of 80% of the increment to the DDA and 20% to the City. In conjunction with the first major boundary expansion of the DDA district in 1983, the allocation ratio was adjusted to 70% - 30% for all new property added to the district. The portion of the increment revenues that flow to the DDA is restricted as TIF whereas the portion of increment retained by the City is unrestricted general fund dollars. There are currently 5 separate sales tax TIF districts within the entire DDA boundary. The allocation for each district is as follows:

District 1: DDA-80%, City-20%

Districts 2 & 3: DDA-70%, City- 30%

Districts 4 &5: DDA 100%.

There is no clear administrative record documenting when/why the allocation for districts 4 & 5 went to 100%.

Thus, it is the allocation provision governing the sales tax TIF that offers some flexibility in allowing broader use of funds. The legal mechanism would be to adjust the allocation ratio with the intent of reducing the TIF restricted portion, and replacing the reduction amount with a new economic development grant with broader uses allowed. The increment of sales tax can be reallocated by agreement between the City Council and DDA. Marty suggested that it would be beneficial to have some examples to present to the City Council on what the money would be used for.

#### Las Colonias Park

The installation of a new parking lot and the new restrooms are under construction. The Parks department is also making good progress with the design of the Amphitheater. Phase 1 funding for this project has been earmarked at approximately \$ 1.5 million, but the optimal scoping and phasing of the amphitheater may exceed that amount. Harry stated that the DDA will likely be asked to help support this project so the Board should start thinking about how much to anticipate and address potential involvement in Los Colonias Park. We would like to continue to work on the increment and work around the edges of the park for development. The DDA could provide gap financing but debt is not currently being contemplated.

#### White Hall

The RFP has not been completed at this time. The DDA will discuss with Council the two potential proposals that have been received during the workshop on March 17, 2015.

#### Whitman Park

Harry attended a charette last week with Ted Ciavonne, the Parks department, the Museum of Western Colorado, and adjacent property owners. They discussed ideas for use of the Whitman Park property and how to deal with homelessness and vagrancy. One option would be a lease to the Museum and a requirement they make it available for public use. The Parks Department will schedule an open house for public input.

Harry has also recently had conversations with the Downtown Vineyard Church and First United Methodist Church where they inquired about ways their congregations might be more involved in downtown. Harry encouraged them to get involved with the homelessness and vagrancy issues. Rich stated they are going to have a vagrancy meeting with Homeward Bound, Grand Junction Housing Authority, Mind Springs, and Hilltop to report on the steps they are taking with this issue. They will invite the Downtown Vineyard Church and First United Methodist Church to attend this meeting.

## REVEDELOPMENT OF DOWNTOWN PROPERTIES:

### Prinster Property

Harry is meeting with David Prinster, County Admin reps, and City Planning staff to provide feedback and advice on their development concepts.

### Struthers Avenue Cluster

There will be a meeting next week to discuss infrastructure issues as they relate to future development along the outside of Las Colonias Park. While the park is in the DDA district, the adjoining commercial parcels are not. The DDA would like to know what could be done to leverage some development on the edge of the park and look at some strategies that might benefit the development outside the park. The meeting will prepare for a larger conversation with all the adjacent property owners and Colorado DiscoverAbilities which has an option to build a facility on City land in the Park.

### 449 Colorado

The owners of the Shoe Man, located at 449 Colorado Avenue, are retiring. The building has just sold and the new owners plan to redevelop the property. Harry will reach out to the new owners.

### Mesa Theater

There was discussion and concern for what will happen in the future with Mesa Theater. John stated that the current owners filed a lawsuit against the City but it has been dismissed.

### OTHER:

Harry stated that Heirlooms for Hospice would like to do an additional improvement to their building. They were previously awarded a \$10,000 facade grant but they didn't use all of the funds. Harry asked the board if they would be willing to authorize the unused balance of the façade grant. The façade program allows a business to apply for a grant once every 5 years unless the board approves otherwise. Heirlooms for Hospice has not proposed anything at this time. Harry will find out more details and then have the subcommittee discuss the information.

Kirk asked if the grant had been submitted for the electrical vehicle charging system. Harry replied that he did submit the grant but has not received any information back.

ADJOURN: Marty made a motion to adjourn; Kirk seconded the motion; the meeting adjourned at 8:34 a.m.