

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
DOWNTOWN GRAND JUNCTION BUSINESS IMPROVEMENT DISTRICT  
JOINT BOARD OF DIRECTORS MINUTES  
THURSDAY, APRIL 23, 2015  
437 COLORADO AVENUE  
7:30 A.M.

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

STAFF: Harry Weiss, Aaron Hoffman, Robin Brown, Vonda Bauer

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

CALL TO ORDER: The meeting was called to order at 7:30 a.m.

APPROVAL OF DDA MINUTES:

Meeting of April 9, 2015 DDA

Jodi made a motion to approve the minutes of the April 9<sup>th</sup> DDA meeting; Kirk seconded the motion; minutes were approved.

Meeting of April 9, 2015 BID

Jodi made a motion to approve the minutes of the April 9<sup>th</sup> BID meeting; Jason seconded the motion; minutes were approved.

CALENDAR REVIEW:

April 25 – CMU Criterion/MOG Fest

This CMU Criterion/MOG Fest will be this Saturday which will be a big impact on street closures. Kevin said The Springhill Suites is hosting a reception for the festival beginning at 4:30 today. Everyone is invited to attend.

April 27 – Development RFP tour of White Hall

April 28 – Demolition RFP tour of White Hall

Avant Environmental Services, Inc. obtained samples for an asbestos analysis. The inspection was conducted to determine if vermiculite insulation was present in the walls. There were no findings of asbestos. Avant will send a letter next week of the detailed results. The building is ready for demolition.

May 2 – Cinco De Mayo Festival

Cinco De Mayo Festival is on May 2<sup>nd</sup>.

May 6 – Demolition Solicitation Opening

This will be the official opening for reviewing and documenting the information of the demolition bid solicitations.

May 9 – AOTC installation and reception

The AOTC installation will be on May 9<sup>th</sup>. The reception will be in the evening on the rooftop terrace at the Avalon. There will be more details soon.

May 14 – DDA review of RFP responses

The board will be reviewing the demolition and development bid responses at the May 14<sup>th</sup> board meeting.

May 28-31 – Off-Road/Art & Music Festival

The Off-Road/Art & Musical Festival will be May 28<sup>th</sup> through May 31<sup>st</sup>.

#### FIRST QUARTER FINANCIAL REPORT:

A summary report along with a New World Report for each fund was distributed.

Fund 103 - The budget amendment that was previously approved are shown on the report which includes the \$1,500 discretionary funds that was added to the community participation account. There is also a proposed budget amendment to the AOTC-Legends account. This amount reflects the additional \$13,350 for the final Legends Mural Project. The project contract is for \$63,350

203 Fund - The fencing around the splashpad has been installed. PJ will contribute \$2,000 towards the splashpad expense. Les asked if there would be signage on the fencing. Harry replied that he has contacted Rob Schoeber and is waiting for a response.

Fund 711- A line item has been added at the bottom of the revenue section to reflect the money that is received from gift card purchases called non-revenue adjustments. The money that is received for gift cards is not revenue to the BID even though it is reflected in the financial system as revenue. The actual loss is \$15,214 as shown on the report under Net Revenue (Loss) Actual.

Jason asked if Grand West Kia was going to purchase the remaining gift cards as per their agreement. Harry stated they have not purchased any more cards since the initial \$45,000. We are not sure how many of those gift cards have been distributed. Our records show approximately \$4,600 has been redeemed in transactions at participating businesses so far. The agreement was to buy a minimum of \$120,000 (no cash discount on the cards) and the BID agreed to pay Grand West Dealerships a sum not to exceed \$10,000 for the promotional benefits deriving from this promotion. Kevin asked if we have paid them the \$10,000. Harry responded that our payment is linked to progress purchases of gift cards, so only \$4,000 has been paid to date. Harry stated the agreement states that Grand West Kia would receive recognition as a Farmers Market sponsor including a free booth. The Manager at Grand West Kia has been reassigned so Harry will talk directly with the owner of the dealership concerning the agreement.

Marty asked Harry if we have any further involvement with the 4<sup>th</sup> of July parade. Harry replied that The Grand Junction Symphony has taken it with all sponsorship proceeds, and that the BID is completely out of the event, other than providing some input on logistics and mechanics of the parade.

#### DDA RESOLUTION AUTHORIZING CONTRACT WITH TIM SCHWANDER NOT TO EXCEED \$63,350 FOR FINAL LEGENDS PROJECT:

The Legends of the Grand Valley wishes to undertake a final eighth project called the Legends Mural Project. The mural will be installed in the breezeway on the north side of the 600 block of Main Street. The cost of the project will not exceed \$63,350.00 The Legends of the Grand Valley manages their own projects, but operates under the AOTC program, and the DDA serves as the fiduciary for the funds they raise. The Legends program has a current fund balance of approximately \$54,000. The committee will be doing additional fundraising to pay for the remainder of the project.

There was discussion concerning if this really is the last project and what the DDA's exposure is Legends is unable to raise the additional funds needed to fulfill the commissioning contract. Harry stated that the DDA contributed money for the first six projects but did not contribute to the seventh. He also said that the DDA can declare it the last Legends project the DDA chooses to sponsor. PJ suggested a provision in the contract that protects the DDA. Rich stated that the Legends committee will be asking City Council for a contribution. PJ made a motion to direct Harry and John Shaver to execute and change the contract with the provision that the last payment is due and payable on raising the final \$13,350 in funds and donations from the Legends committee. Stephan seconded the motion. The motion was approved.

#### OTHER:

PJ stated there has been discussion across the valley concerning where the proposed event center should be located (downtown, 24 Road & I70 area, Horizon Drive, fairgrounds). Shane said he has also had discussions with some downtown merchants who have expressed concern that parking could become an issue if the center were downtown, and therefore might not be beneficial to the merchants. PJ suggested that Harry write a letter, on behalf of the DDA and BID board, to support the City's continuing study of the concept to determine if there is a market to support the center. The letter should also include that the DDA/BID would be supportive of the event center being located downtown and should indicate that the infrastructure is already available.

#### REVIEW OF ORGANIZATIONAL EFFECTIVENESS & STAFFING STRATEGIES:

##### Review Board Vacancies/Requirements:

Les stated that Kevin has announced he will resign from the board effective May 1 and thanked him for his service over the years. PJ's term will expire 6/30/15 and he is ineligible for reappointment, therefore there will be two board vacancies open. The nine member board is appointed by the Grand Junction City Council. Board members must be a property owner, business owner or a resident within the boundaries of the DDA, and a majority of the board must be property owners or representatives of a property owner. One member shall be appointed as the liaison from City Council and is exempt from the above qualifications. The City Council interviews the eligible candidates and the board vacancies will be filled by appointment by the City Council.

Harry previously circulated his historical summary of the DDA/BID with recommendations for the Board's consideration.

Les stated at the last meeting he suggested having separate Executive Directors for the two organizations. He commented that the DDA is a very effective organization but the BID requires a large subsidy from the DDA. He recommended having an open discussion with the board to get their thoughts and ideas.

Kirk stated that there would be advantages of having two positions but was wondering if the Council would support that. Marty stated that it is not Council's role to be involved in the hiring of staff for the DDA or BID. Jodi commented that two directors would be ideal since the duties of the positions are so different and would be hard to find one qualified candidate that could meet the DDA and BID's needs. PJ complimented Harry stating he did a great job, especially with handling issues associated with the BID. He said that the DDA is a planning and capital projects agency and the BID is a business supported organization. The BID was formed to take over the management of the marketing and special events for downtown. He stated that in order to support the events, there needs to be more revenue. He

suggested the marketing could possibly be contracted out or could be shared with the VCB. PJ also stated if the BID chose to manage the parking system downtown, this would be an opportunity to receive revenue for the BID. He feels an Executive Director of the DDA is essential but the BID position would be better defined as an Administrator position, not a director. Kirk agreed and stated that when the DTA was dissolved, the BID was responsible for promoting the downtown. Stephan also agreed that having two positions would be more beneficial. He would like the board to develop a plan to establish what the BID's needs are and what the organization wants to accomplish. He suggested hiring an Executive Director for the DDA and possibly an Administrator for the BID. Shane also agreed with having two positions, and suggested that perhaps Robin Brown could serve as an Interim Manager for the BID and subcontracting the marketing portion. He would like the new BID position to come up with ideas to increase revenue such as soliciting sponsorships. Jason stated that he would like to get the BID engaged and this could be facilitated by this new position while building relationships with the merchants. Marty stated that this position needs to solicit funds including sponsorships and fund raising. Harry commented that the members of the Downtown business community have a more active role to play in the work of the BID including seeking sponsorship and raising money. He also said there needs to be greater clarity about the BID's objectives and the responsibilities of all parties of the BID – Board, staff and business members. This would be an opportunity to take the time to develop and define the BID.

Rich offered that from the city's perspective, there is a lot of crossover between the BID and the VCB, and the opportunity for the VCB to have a stronger presence in the downtown area. This would also be an opportunity to review the VCB's marketing strategies. He said he has spoken with Debbie Kovalik and she is would be available to help during this interim period.

Harry stated that the current staffing structure essentially results in a ½ time DDA Director and ½ time BID Director, and therefore, each organization holds the other one back from fulfilling its distinct mission. He stated that strengthening the BID will make it a more productive and stronger organization.

After a lengthy discussion concerning the staffing structure, the Board agreed it would be beneficial to have a DDA Director and a BID Manager/Administrator position. The BID position will be defined over the next several months.

Marty and Jason are revising the job description for the DDA Executive Director position and it will be finalized in the next two weeks. Human Resources will be involved in the national search and hiring process. A committee needs to be established for the interview process and possibly open it up to the entire board.

#### Interim Staffing Options:

Les stated that Allison Blevins will be the Interim Marketing & Communications Director. She will maintain the website and continue to provide marketing/advertising support. The City has offered to assign Tim Moore, Deputy City Manager, to provide administrative in the interim. Debbie Kovalik can provide support as needed to the Board in the evaluation of the BID's needs. Rich indicated that City staff will be available to help with the day to day operations. Les and Jason will also be available for any questions or concerns that may need to be addressed.

ADJOURN: Marty made a motion to adjourn; Kevin seconded the motion; the meeting adjourned at 10:09 a.m.