

**GRAND JUNCTION
CITY COUNCIL WORKSHOP**

June 30, 2003

The City Council of the City of Grand Junction, Colorado met on Monday, June 30, 2003 at 7:05 p.m. in the City Hall Auditorium to discuss workshop items. Those present were Harry Butler, Cindy Enos-Martinez, Bruce Hill, Dennis Kirtland, Gregg Palmer and President of the Council Jim Spehar. Absent was Councilmember Bill McCurry.

Summaries and action on the following topics:

1. **STRATEGIC PLAN UPDATE:** City Manager Kelly Arnold advised that the study on the interstate interchanges was due in June but has been postponed until October. However, the Code Enforcement Practices study has been completed a month early and is being presented for Council's review. Discussion of the report should be scheduled for a workshop.

Action summary: Council accepted the report and agreed to schedule discussion for a noon workshop in September.

2. **CINEMA AT THE AVALON PROPOSAL:** City Manager Kelly Arnold suggested the cinema idea be tried and tracked and that Council review the results in a year. Parks & Recreation Director Joe Stevens presented options for allowing movies downtown at the Avalon, including continuing to market the Avalon in conjunction with Two Rivers. DDA wants to bring more people downtown and feels the cinema is one way. Also, the subsidy for the Avalon was estimated at \$75,000 but it is looking more like \$100,000 for 2003. The department is still trying to find the right market niche for the building. The good news is through the end of May, there has been positive cash flow for Two Rivers Convention Center.

Mr. Stevens then went through the various options. In one option, the Avalon Cinema, Incorporated will raise about \$36,000 and pay that back to the City at the end of 2004. The agreement would include a provision to allow an outside rental event (like with Sandstone Entertainment) to bump the movie if an advance notice of 30 days is provided.

Concerns brought up by City Council included setting a precedence of subsidizing a non-profit's use of the Avalon, the cost of utilities, the \$10,000 in the budget for variables and miscellaneous, accelerating the repayment of the \$36,000, the cost of the reconstruction of the support structures, the sound system improvements, the decision for what films will be played, using relationships between other downtown organizations to help reduce some of the expenses, and the repayment of subsidies with any profits reaped.

Action summary: Staff was directed to draft the Memorandum of Understanding and include provisions that address a six month review,

that the first increment out of any profits go toward the subsidy, that the Avalon board and DDA help offset the miscellaneous and variables expenses, and doesn't allow capital improvements to be driven by ongoing capital needs. The Council would like the MOU brought back after the other parties have reviewed it, sometime in August.

The meeting recessed at 8:48 p.m.

The meeting reconvened at 8:55 p.m.

3. **PUBLIC WORKS AND PARKS CIP PRE-BUDGET DISCUSSION AND REVENUE DISCUSSION:** Staff will review long term projects and revenue projections in preparation for upcoming budget discussions.

Ron Lappi, Administrative Services Director, referred to the compilation of the Council survey and summarized the results. City Manager Kelly Arnold noted that it is clear that neighborhood parks are priority and the City should look at raising fees in lieu of park dedication. He advised that there is an annual appropriation of \$75,000 for park site acquisition which is reserved for when and if an opportunity presents itself.

Two areas were identified as being deficient in park land – Redlands and Pear Park. City Manager Arnold noted that the Lincoln Park Master Plan is coming up soon.

City Manager Arnold advised that under public works, the stormwater committee is ready to report back in the near future and there is pressure to meet with the partners to discuss a regional stormwater utility.

Another new item for consideration is 7th Street improvements, which is important, but no where in the budget. Since they should not anticipate any new money and there is lots of support to do El Poso, it is suggested that the City move Horizon Drive out in order to meet the El Poso need. It is important to make sure it gets done within the time frame so improvement district numbers are correct.

Another new item is a parking garage being planned by the County. The City has been asked to participate. A decision must be made quickly (August). A possibility is to use the lease money for parking garage. The City's share is estimated at \$750,000 for 80 spaces.

Public Works Director Mark Relph then reviewed the history of the big pipe project and how the City pursued removing the area from the floodplain, and in that pursuit it was discovered that the federal government made an error. It was then the big pipe alternative was devised. The cost is \$6 million, there is existing funding of \$5 million and

they are planning to construct in 2004 – 2005 to prevent any action from FEMA.

Councilmember Kirtland asked if funding can be partially tied into the parkway project. Mr. Relph said he would look at that more closely. Mr. Arnold said the Council needs to figure out what to do regarding a stormwater utility, making it an enterprise fund, otherwise paying for this will be very tough.

Administrative Services Director Ron Lappi spoke on the topic of anticipated revenues. He advised that sales tax growth for the month of June is up 4.4%, so the City has still had positive growth for the first 6 months. However, they are still projecting a shortfall of \$738,000 in general sales tax, a CIP sales tax shortage of \$276,000, totaling a \$1 million shortfall. This lessens the base which may result in a \$3 million shortfall over the next three years. City Manager Arnold added that although Grand Junction has been doing well, the new big boxes going into the smaller communities will have an impact on Grand Junction.

Action summary: The Council determined that the budget presentation will take place on Friday, October 24th, starting at 10:00 a.m. and the priorities in the budget will be neighborhood parks, El Poso and the big pipe, as well as finishing 29 Road. Funding for El Poso will be derived from the Horizon Drive project on the CIP, leaving the bridge project in. Staff said they would look into funding the 7th Street improvements with the DDA TIF and enhancement funds. Council said that although the improvements are desirable, it should not be considered in this cycle. Council agreed that the 7th Street corridor needs to remain multi-lane.

4. **Other Business**

Regarding the railroad remote issue, Council determined that they cannot have an impact on the issue and the decision-making model does not indicate that it is an issue they should address.

ADJOURNED at 10:28 p.m.