

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, FEBRUARY 25, 2016
437 COLORADO AVENUE
7:30 A.M.

PRESENT: Jason Farrington (Chair), Kirk Granum (Vice-Chair), Shane Allerheiligen, Marty Chazen, Jodi Coleman-Niernberg, Dan Meyer, Les Miller, Duncan Rowley

ABSENT: Stephan Schweissing

STAFF: Vonda Bauer, Kathy Portner

GUESTS: John Shaver (City Attorney), Jim Finlayson (IT Director), Scott Hockins (Special Projects Manager), Jay Valentine (Internal Services Manager), Dustin Anzures & Veronica Sanchez (Realty One Group)

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

APPROVAL OF MINUTES:

Meeting of February 11, 2016

Les stated that there was one correction under Updates; the wording should be corrected to read the Event Center Feasibility Presentation instead of Event Center Parking Study.

Les made a motion to approve the minutes of the February 11, 2016 meeting with the corrections noted above. Shane seconded the motion. Jodi abstained since she was absent from that meeting. The minutes were approved.

RAILROAD DEPOT GRANT SPONSORSHIP REQUEST:

Dustin Anzures and Veronica Sanchez (Realty One Group) are currently under contract to purchase the Railroad Depot. The closing date is scheduled for the last week of March. Jodi Coleman-Niernberg indicated that she is the broker for the owners so she will abstain.

Their vision for the depot is for it to be a local destination instead of just an Amtrak station. They would like to bring in local businesses including restaurants, bars, vendors, and other tenants that would make it appealing to the local community.

Realty One Group would like to apply for a State Historic Preservation Planning Grant. This initial grant would allow them to hire an architectural firm that will complete a full set of construction documents. The grant request will be for \$35,000, however, the grant requires a cash match of 50% by the property owner. If this process is successful, the owners would like to pursue future grants for construction funding.

As private owners of this historic building the owners must obtain sponsorship of any application for State Historic Fund (SHF) grant dollars. Only public entities and non-profit organizations may directly apply for grants administered by SHF. Dustin and Veronica are asking the DDA to sponsor the application for the grant. The DDA would act as the grant administrator and fiscal agent. The deadline for the grant application is April 1, 2016.

If the DDA agrees to sponsor the grant, the DDA would be legally and financially responsible for ensuring that the project is carried out in accordance with the Colorado State Historical Fund policies, procedures, and contract requirements. The DDA's relationship with the property owner would take the form of a legally binding contract and will also require a personal guarantee agreement between the DDA and owner.

There will be more information, as well as, an agreement available for review at the next DDA board meeting on March 10, 2016.

WIRELESS RFI:

Scott Hockins drafted a Request for Information (RFI) for the Downtown Development Authority to solicit information for a project to support high-speed wireless internet network connectivity throughout the DDA boundary. The RFI will not commit the DDA to any financial obligations.

The RFI specifies that the DDA is interested in a managed wireless network that is a highly reliable, scalable and will provide competitive pricing for high speed, managed Internet services. The managed Internet service would include a shared guest (free or low cost) and a dedicated and guaranteed service for a fee that would be available on a daily, weekly, or monthly basis. The proposed system would be upgradable as technology changes to meet the future needs of the DDA businesses and customers.

The Board directed the City Purchasing Department to send out the Request for Information.

EVENTS CENTER UPDATE:

Jay indicated that the City entered into a contract with Hunden Strategic Partners, who was selected through an RFP process, to study the feasibility of an Events Center in conjunction with Two Rivers Convention Center.

In September of 2015, Walker Parking Consultants was hired to conduct a Downtown Parking Study. The purpose of the study was to evaluate the existing downtown parking system and determine if additional capacity was needed to support current uses and future growth and development, including a possible Event Center in downtown. The study concluded that there is a sufficient amount of parking in the downtown area on off hours (nights and weekends) to support an Events Center. The study also provided an evaluation of the parking system's financial performance.

The City Council had presentation from Hunden Strategic Partners on February 17, 2016, at a Special Workshop, regarding the recently completed feasibility study for an Event Center in Downtown Grand Junction. The presentation is available for review on the City of Grand Junction's website at gjc.org.

Hunden Strategic Partners recommended the addition of an Events Center attached to the Two Rivers Convention Center (TRCC) which would allow for combined operations. A third party management or a governance model similar to the DDA was recommended for overseeing the events center, convention center and Avalon Theatre. This model could reduce costs and potentially increase revenues. Currently the Visitors Convention Bureau oversees the Convention Center. The projected cost of the Events Center and remodeled Two Rivers Convention Center is \$62,000,000.

An overview of Two Rivers Convention Center concluded that more ballroom space and breakout rooms are needed as well as renovations and overall improvements to TRCC.

2015 BUDGET REVIEW/RECAP:

Kathy presented the 2015 year-end financial reports. The 2015 ending fund balance for Fund 103 was \$660,892 and \$468,000 for Fund 203.

UPDATES:

WHITE HALL STATUS

John gave a brief update stating that the original proposal from Silas Coleman (Copper Creek Builders, LLC) was intended to be an all cash deal. A contract was written that recognized that it was all cash and the DDA would hold the title to the land as security for the performance, however, when the proposal was received it included financing from a commercial lender. The proposer indicated the only way the project could proceed is with commercial funding and the DDA would have to be subordinate. John stated that being subordinate creates a lot of issues relative to nonperformance. A meeting will be scheduled with Silas Coleman to discuss other options.

The Real Estate Committee will meet next Thursday to make a decision on how to move forward with the project.

END CAP

Senergy Builders LLC is continuing there due diligence. The buyer has an initial option period to May 15, 2016, and if it satisfies the terms of the initial option, an extended option period can be offered until November 15, 2016. The buyer is required to provide a conceptual site plan, a strategy, and an implementation plan for the DDA Board to review.

BROADBAND MEETING-MARCH 14, 2016

The next Broadband meeting is scheduled for March 14, 2016, at 5:00 p.m. in the City Hall Auditorium.

PARKING STUDY MEETING – APRIL 4, 2016

The next Parking Study meeting is scheduled for April 4, 2016, at 5:00 p.m. in the City Hall Auditorium. There will be discussion about the operational management of the study.

Kathy will send the materials to the Board via email.

VALUE LODGE

Kathy stated that she tried to call the owners of the Value Lodge but a voice mail was not set up so she was unable to leave a message. The owners have had a general meeting with the City Planning Department. As details become available, Kathy will share them with the board.

R-5

Kirk spoke with staff from the The Arts Center and they indicated they might be interested in the R-5 property. Kirk will get in contact with the director of The Art Center, Robbie Breaux, and schedule a tour of the building.

SPONSORSHIP PACKETS FOR BID EVENTS

Sponsorship packets for event sponsorship opportunities were distributed to the Board members. Kathy stated that Allison would like to encourage the board members in helping with circulating this information.

ADJOURN:

Jodi made a motion to adjourn; Kirk seconded the motion. The meeting adjourned at 9:13 a.m.