

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, OCTOBER 27, 2016
437 COLORADO AVENUE
7:30 A.M.

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

ABSENT: Vance Wagner

STAFF: Vonda Bauer, Allison Blevins, Brandon Stam

GUESTS: John Shaver (City Attorney), Greg Caton (City Manager), Kathy Portner (Community Services Manager), Jay Valentine (Internal Services Manager)

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

APPROVAL OF MINUTES:

Meeting of October 13, 2016

Jason made a motion to approve the minutes of the October 13, 2016 meeting; Duncan seconded the motion. The minutes were approved unanimously.

PARKLET PROPOSAL – 126 S 5TH STREET:

Brandon explained that Meal Estate LLC has contracted with Painted Desert, a local landscape design firm, to develop conceptual drawings for the proposed Parklet project in order to develop a more accurate cost estimate. Meal Estate will coordinate with the City of Grand Junction staff to ensure the design is consistent with any city utilities, storm drains, etc. Once a complete design and cost estimate is complete, the information will be brought back to the Board for further discussion and consideration of this project.

2017 BUDGET PRESENTATION:

Brandon presented the proposed 2017 DDA Budget. A budget worksheet for Operating Fund 103, Capital Fund 203, and TIF Fund 611 was distributed. The Legends revenue and expenses are included in Fund 103. Brandon stated that the BID previously requested to hire an Event Coordinator position to work 25 to 30 hours per week to manage the downtown events. Brandon's recommendation to the Board was to utilize the Event Coordinator to also manage the Art on the Corner. Due to the increased responsibilities, the position would need to be a ¾ time or full-time position depending on the work load. Brandon and Allison felt it would be more efficient to coordinate on one position to do events including AOTC. The BID would fund 75% and the DDA would fund 25% of the Event Coordinator's salary. The DDA's portion for funding the position would be approximately \$15,620 per year. The amount was not reflected in the budget presented, however, money would be reallocated from the community participation and seasonal/part-time line items to the full-time salary line item. The total change would effectively decrease the Operating Fund 103 balance by \$2000, but the overall balance would still be a net of \$4000.

Brandon reviewed each of the total projected ending fund balances for 2017.

Projected Ending Balance for Operating Fund 103:	\$ 602,646
Projected Ending Balance for Capital Fund 203:	\$ 236,156
Projected Ending Balance for TIF Fund 611:	<u>\$1,655,441</u>
Total Fund Balance (103, 203, 611)	\$2,494,243
Less Legends (Restricted funds)	<u>\$ (69,753)</u>
Total Funds Available	\$2,424,490

Brandon explained that the City's contribution for the Sales Tax TIF revenue is reflected in the TIF Fund 611 Transfers In line item. The DDA currently receives 100% of the Sales Tax TIF, however, the sales tax increment is not mandatory. A resolution was previously adopted by the City Council which sets the City percentage of the district property and sales taxes attributable to the increment of growth than can be used by the DDA for statutory purposes within the DDA Boundary. The resolution currently sets both the property and sales tax increments at 100% and the allocation is approved on an annual basis. This item is tentatively on the November 16th City Council Agenda for discussion, re-authorization, and to suggest two resolutions be created since they are separate and distinct Tax Increment Finance programs.

Brandon stated that at the last Board meeting City Manager Greg Caton presented the Downtown Police Program. The City is recommending a partnership between the DDA and the City to fund the hiring of two full-time police officers for the downtown area at a cost of approximately \$265,000 per year. Brandon stated that a portion of the Sales Tax TIF revenue would be for the utilization of the Downtown Police Program. The City is currently contributing 100% of the Sales Tax TIF revenue to the DDA, however, if approved by City Council the funding would be reduced to pay for the police officers.

There was Board discussion regarding the funding of the Downtown Police Program. The Board agreed that having an increased police presence downtown would help economic development and would encourage businesses to move here, however, some questions and areas of concern were:

- Is funding police officers a function of the DDA or should it be provided by the City?
- Should the DDA fund 100% or just a portion of the police officers' salaries?
- The City Council determines whether or not the DDA receives 100% of the Sales Tax TIF revenues. If the City chooses to eliminate their contribution, the funds could be disbursed outside the DDA boundaries instead of dedicating the funds to the downtown.
- The DDA should give an indication of support to the City Council for the Downtown Police Program to ensure the funds would be dedicated to this program.

John stated that the DDA can endorse the recommendation of the expenditure of the \$265,000 in support of the program, endorse 50% of the Sales Tax TIF revenue indicating that the money be used for purposes of the Downtown Police Program, or the DDA can decline the endorsement with the understanding that the City could proceed without a recommendation from the DDA Board.

Greg explained that the DDA's financial participation in a partnership with the City would be supplemental enforcement in the downtown area year round. The City would also continue to provide police officers in the summer months as well. Greg stated that the resolution could indicate to withhold a portion of the Sales Tax TIF amount with the understanding that it would be dedicated for the Downtown Police Program.

Jason made a motion that 50% of the Sales Tax TIF revenue remains with the City of Grand Junction in support of a Downtown Policing Program that is an annual resolution and will be earmarked for those officers downtown. Marty seconded the motion. Jason, Kirk, Tom, Marty, and Shane voted yes. Dan and Jodi voted no. Duncan abstained. The motion passed with 5 yes votes, 2 no votes, and 1 abstention.

Brandon stated that a motion needs to be made to approve the budget pending the changes discussed regarding the Event Coordinator position. The Sales Tax TIF revenue will be subject to the approval of City Council after the resolution is presented on November 16, 2016.

Tom made a motion to submit the budget to the City with the addendum of staff. Jason seconded the motion. The motion was approved unanimously.

EXECUTIVE SESSION:

Kirk made a motion to adjourn into executive session to determine positions relative to matters that may be subject to negotiations; developing strategy for negotiations under Colorado Revised Statutes section 24-6-402(4)(e) of the Open Meetings Law and to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under section 402(4)(a) of the Open Meetings Law and will return to open session. Marty seconded the motion. The motion was approved unanimously.

The Board moved into executive session at 8:31 a.m. Present were Kirk Granum (Chair), Duncan Rowley (Vice-Chair), Shane Allerheiligen, Marty Chazen, Jason Farrington, Jodi Coleman-Niernberg, Tom LaCroix, Dan Meyer, Brandon Stam, John Shaver, and Greg Caton. Vance Wagner was absent.

Following the executive session the Board reconvened into open session.

Jason made a motion for the DDA Director to finalize a Letter of Intent with Jeremy Nelson and REgeneration Development Strategies concerning the White Hall and R-5 properties. Marty seconded the motion. The motion was approved unanimously.

OTHER BUSINESS:

None

ADJOURN: *Marty made a motion to adjourn; Duncan seconded the motion. The meeting adjourned at 9:26 a.m.*