

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, MARCH 23, 2017
750 MAIN STREET
7:30 A.M.

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

ABSENT: Jodi Coleman-Niernberg, Vance Wagner

STAFF: Vonda Bauer, Allison Blevins, Brandon Stam

CITY STAFF: John Shaver (City Attorney), Greg Caton (City Manager)

GUESTS: Jeremy Nelson, via phone (REgeneration President)

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

APPROVAL OF MINUTES:

Meeting of March 9, 2017

Jason made a motion to approve the minutes of the March 9th, 2017 meeting; Duncan seconded the motion. Kirk abstained. The minutes were approved.

Special Meeting of March 14, 2017

Jason made a motion to approve the minutes of the March 14th, 2017 meeting; Duncan seconded the motion. Tom abstained since he left the meeting early. The minutes were approved.

R-5/WHITE HALL PROGRESS REPORT:

Brandon gave a PowerPoint presentation regarding the Downtown redevelopment for the R-5 and White Hall Properties. The presentation included the following information:

LOI Schedule update

- Completed-Due diligence analysis which included background materials; market study; general meeting with the City; and preliminary site-level construction costs

Program /Design Refinement

- Completed-Calibration of unit sizes/price points; refined construction costs; updated R-5 Site Plan, and revised phasing plan

Preliminary Architectural Plans (Site Plans, Elevations, Floor Plans)

- Nearing completion (April 13th)-Schematic Level design; City design/pre-app meeting

Negotiation of Development and Disposition with the DDA

- Currently underway-prelim/informal conversations with DDA; will be starting negotiations on a Development and Disposition Agreement with a Purchase Option

Brandon explained that the key findings in the Market Study concluded that there was a modest and growing demand for downtown housing. Townhomes are viable today which correlates with the phasing of having apartments built first then the last phase would be to complete the R-5 building. The current

rents and near-term projected rents don't support high cost of conversion to residential; mid-term projected rents (3 -5 years) support residential conversion, therefore, pursuing a short term lease for the R5 building would be beneficial. Having someone occupy the building helps build momentum for other developments and will help reduce costs (utilities, lawn upkeep, maintenance repairs, etc.).

Super Rad (Arts based education group) has submitted a Letter of Intent for leasing the R-5 building as a master tenant wherein they would lease space within the building to other tenants. Juniper Ridge (Charter School) is interested in leasing the building for their students from July 1, 2017 through July 1, 2018, until their new building is built. They would serve as an anchor tenant and would be partnering with Super Rad. This concept would be similar to the Smiley Building in Durango Colorado.

There was Board discussion regarding the terms of the lease and it was suggested to include a first right of refusal in the agreement for Super Rad. If REgeneration takes over the building, they would have the opportunity to renegotiate the lease agreement.

Tom made a motion for the DDA Director to start negotiating a lease for a term up to 2 years with Juniper Ridge and Super Rad. Duncan seconded the motion. Dan and Shane opposed. The motion was approved with 5 yes votes and 2 no votes.

GRANT PROGRAMS:

Brandon distributed three draft grant programs for Board Review which included the following:

- CHANGE IN USE GRANT-This grant would be modeled after the City of Grand Junction's Change in Use Incentive Grant Pilot Program. The purpose of the grant is to maintain and enhance the vitality of downtown and encourage the reuse of existing buildings as restaurants. The DDA would intend to match the City's funding.
- BUILDING ENHANCEMENT GRANT-Designed to improve the viability of businesses and stimulate economic vitality within the DDA.
- SPECIAL PROJECTS GRANT-Funds provided for initiatives that address the goals of the Plan of Development but do not readily fall into the primary categories of building enhancements, signature events, or major developments for consideration of Tax Increment Financing. Special projects are unique in nature therefore there would not be a formal grant application.

Brandon stated that these grants are consistent with the DDA's current Plan of Development. Brandon has spoken with other DDA's, particularly with Colorado Springs, who have successfully implemented these programs.

There was Board discussion regarding allocating additional money to fund the grant programs if they are implemented. Currently \$70,000 is allocated to the Special Projects fund, which is where Façade Grants are paid from. There was also discussion on having a soft cap on the Building Enhancement and Special Projects Grants to allow the Board flexibility to go above the cap if needed. A new committee would need to be created or restructure the existing committees.

OTHER BUSINESS:

- Allison sent out a press release regarding the new businesses opening in downtown.
- Shane stated that last year a group of business owners met with the DDA Board to request \$40,000 additional funding for advertising and marketing to help promote the downtown and wanted to know the outcome. Allison replied that the BID previously applied for a grant from

Blueprint 2.0. Although the grant was not awarded, the Colorado Tourism office offered assistance through the CHAMP program. The BID should be receiving a proposal back soon. Allison will be attending a meeting today with Downtown Colorado Inc. to discuss programs that they may offer to help promote business downtown.

- The DDA is partnering with the City of Grand Junction Parks Department to assist with the Art on the Corner Program. A meeting is scheduled on March 27th, with the Art on the Corner Committee, to discuss the program. Our initial goal is to get the permanent sculptures repaired and cleaned.
- Brandon stated that the DDA & BID are in the process of re-designing the website which will include adding new content to make it easier to navigate.
- Duncan thanked Allison for getting signage provided regarding riding bicycles on the sidewalks.

PUBLIC COMMENTS:

None

ADJOURN: *Jason made a motion to adjourn; Marty seconded the motion. The meeting adjourned at 8:57 a.m.*