

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES
THURSDAY, APRIL 12, 2018
750 MAIN STREET
8:15 A.M.

PRESENT: Duncan Rowley (Chair), Jodi Coleman-Niernberg (Vice-Chair), Jason Farrington, Tom LaCroix, Dan Meyer, Phyllis Norris, Vance Wagner

ABSENT: Aaron Young, Doug Simons Jr.

DDA/BID STAFF: Vonda Bauer, Caitlyn Love, Brandon Stam (via phone)

CITY STAFF: John Shaver (City Attorney)

GUESTS: Tamra Allen (Community Development Director-City of Grand Junction), David Thornton (Principal Planner-City of Grand Junction), Elizabeth Fogarty (Visit Grand Junction Executive Director)

CALL TO ORDER: Duncan called the meeting to order at 7:32 a.m.

APPROVAL OF MINUTES:

Meeting of March 22, 2018

Due to time constraints, the minutes will be approved at the April 26th meeting.

The agenda was modified to include the Transfer of Deed to REgeneration discussion due to the timeline and perceived need for additional discussion.

TITLE TRANSFER TO REGENERATION FOR R-5 TOWNHOMES

REgeneration is in the process of creating a Metro District to finance the infrastructure at 310 N 7th Street. REgeneration is required to be the property owner before April 18, 2018 for approval of the Metro District; therefore this item was added to the agenda.

The Warranty Deed will convey the R-5 property located at 310 N 7th Street to REgeneration LLC in order to move forward with the project. John Shaver and Brandon Stam drafted the Warranty Deed with the reversion rights from the PSA incorporated into the deed based upon Board direction January 25, 2018.

Tom had some concerns with the Warranty Deed; however, he would not address specific concerns. Tom stated that in his opinion, as a board member, the deed was deficient and his recommendation was to hire an independent counsel to review the deed. Jodi and Duncan inquired about what specific concerns Tom had with the draft deed; Tom replied that he had been advised that he couldn't provide specific concerns for legal reasons. He did bring about a general concern about how the property conveys back to the DDA if REgeneration defaults. Tom said that a second party review would be beneficial and that he was not saying to renegotiate the PSA, as he understood that the DDA and REgeneration had a signed agreement. He also stated that he wasn't sure if John Shaver represents the City on this or the DDA and that he has always been confused regarding John's role.

John Shaver explained that he understood Mr. LaCroix's position regarding the conveyance of title due to the fact that this is not typical real estate transaction but that he would first address the perceived conflict of interest issue that was raised. John stated that in his opinion there is no conflict of interest and if there were

he would let the board know. John stated that his ethical standards are very high and would not allow a conflict to exist, however, if the board feels that they need an independent review that would be up to the board. The language reflected in the Deed was drawn from the Purchase and Sale Agreement which was previously approved by the Board. John also explained that there is a longstanding written MOU between the City of Grand Junction and the DDA that clarifies the relationship. Tom stated that he was not aware of the MOU between the City and DDA. John stated that this is the first time he heard that Tom had concerns about his representation of the board. If Tom has concerns he would be happy to talk to him or the board. John stated that the nature of what he does at the DDA meetings is to represent the DDA board, not the City. John will send the agreement to the board.

Vance raised the issue of the Metro District and whether that would impact any potential re-conveyance of title. John clarified that the Metro District is simply a taxing district and would not affect title conveyance as it is being conveyed through the developer not the Metro District. Phyllis stated that City Council approved the Metro District but only after a thorough vetting of the concept including concerns about how it would impact the City and DDA if there were to be a default.

Dan raised the issue of the schedule in the PSA and how it does not appear to match with where the project is currently. Brandon stated that it does not match because the lot had to be subdivided to match the development phase in the PSA and the formation of the Metro District, both of which were not foreseen when negotiating the PSA. Brandon stated that he feels Regeneration is still on track to meet the two-year deadline for commencing construction, which is the hard deadline in the PSA. Brandon stated that we could certainly modify the timelines in the PSA but that they would still be subject to change as it is simply an estimate that can be impacted by factors outside of both parties control.

Vance made a motion to have the Special Warranty Deed and the Purchase Contract be reviewed by an outside attorney, selected by the Real Estate Committee, to ensure that the term in which the Board agreed in the Purchase Contract is accurately reflected in the Special Warranty Deed. Tom seconded the motion. Tom, Vance, Dan and Jason voted yes. Phyllis, Duncan, and Jodi voted no. The motion passed.

2018 CIRCULATION PLAN PRESENTATION BY GJ COMMUNITY DEVELOPMENT DEPARTMENT

The 2018 Circulation Plan Presentation was presented during the BID meeting instead of the DDA meeting.

UPDATES

Las Colonias Groundbreaking

Art on the Corner

Updates were tabled until the next Board meeting.

OTHER BUSINESS

None

PUBLIC COMMENTS

None

ADJOURN

Jodi made a motion to adjourn the DDA meeting and convene into the BID meeting; Vance seconded the motion. The meeting adjourned at 7:59 a.m.