

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
THURSDAY, JUNE 28, 2012  
248 SOUTH 4<sup>TH</sup> STREET  
7:30 A.M.

PRESENT: Peggy Page, Harry Griff, PJ McGovern, Kevin Reimer, Jodi Coleman-Niernberg, Bennett Boeschstein, Les Miller

ABSENT: Steve Thoms

STAFF: Harry Weiss, Diane Keliher, Kathy Dirks

GUESTS: Rich Englehart, Jay Valentine

CALL TO ORDER: Peggy called the meeting to order at 7:34 a.m.

APPROVAL OF MINUTES: Les made a motion to approve the minutes of the June 14<sup>th</sup> meeting; Bennett seconded; minutes were approved.

RATIFICATION OF AOG CONTRACT: The executed contract has not been returned. The only modifications are that they are asking for \$50,000 in earnest money and that we add a clause that their execution is subject to ratification by the congregation. The earnest money is being held at Hill & Homes. They have accepted the terms of the lease. There was discussion of the lease. Weiss would like to be able to have the board give an electronic ratification once the contract is returned. PJ made a motion to give the Executive Director authority to execute an electronic ratification of the contract once it is returned by the Assembly of God church with no amendments; Les seconded; motion passed.

PJ asked if City Council has given the approval of the \$1 million bridge loan. Rich encouraged the DDA to go forth with bonding. PJ asked if the loan would be subject to Tabor. Weiss said that all multi-year debt financing is subject to Tabor approval requirements. Additionally, the ballot question approved by the electors of the Downtown Development District at the time of the DDA's twenty-year extension gave approval for bonding for "public facilities," which is a narrower scope of projects and potential uses than the broader powers authorized by the state statute enabling DDAs.

DDA READINESS: Bennett thought the presentation went well. Weiss pointed out that 2/3 of the land area in the DDA is non-taxable. This is in part because of Las Colonias being located within the boundaries. Based on future projects, there is a good argument for expanding the DDA boundaries to include the properties leading to south downtown. Bennett stated that there have been multiple plans for different areas of downtown, not all of which were formally adopted, and that the City is moving forward to adopt a Greater Downtown Plan later this summer that consolidates most of the ideas that have been suggested in prior plans.

Council gave feedback that the I-70B realignment project was worthy of further investigation to define how a project might be identified, and the regulatory and financial context for an undertaking. Weiss emphasized that further analysis of the I-70B realignment is a preliminary step to determining whether a rationale exists for a project and what hurdles and impediments exist. Weiss will be looking at a project in Rifle involving the federal Partnership for Sustainable Communities as an example.

Griff feels that the Las Colonias project is coming to the forefront with the City. Rob Schoeber (head of Parks & Rec) presented his readiness review to Council who gave him the nod to develop a master plan for Las Colonias. The Lions Club has established a sub-committee to adopt a project. They met with city staff and the committee has decided on a dollar amount for Las Colonias. If the Lions club agrees, it will move the city to go ahead. Griff feels strongly that south downtown is a priority for the DDA and hopes the board will continue to support the Las Colonias project. Jodi feels connecting downtown to south downtown is in line with the DDA's mission. PJ asked about the soil contamination. Weiss stated that there is contamination in the ground water so construction can't be more than a foot below the surface. Bennett stated that he has contacted the Dept. of Energy and the Health Dept. and they both feel it would not be a health hazard. Weiss added that we can build up, but not down. Griff added that he has met with various entities (CMU, School District 51, Tamarisk Society, Kayak Park, etc.) and they would like to see the area developed into a park. He feels there is opportunity for lots of partnerships. Bennett thanked Griff and the Lions Club for their participation in the project. Jodi asked to see the plan for Las Colonias.

**BOND ISSUANCE:** There are statute limitations and Tabor limitations for bonding. The DDA's bonding capacity is limited to public facilities for public purposes only. Any multi-year expenditure that we don't have reserves for are Tabor limited. If a naming right is given to a private person, you cannot use tax money for a "commercial" transaction. Weiss suggested splitting the bond into part taxable and part non taxable. He feels it could be worth it for a big private donation. Bond council needs justification for a non-taxable bond issuance. PJ suggested making the bond for the Avalon taxable so that the Foundation can solicit private donations.

**MESA COUNTY LIBRARY TIF:** Weiss reported that the library board is considering the termination of the discretionary 50% TIF contribution to the DDA. They are trying to identify all potential sources of funding for the library expansion as well as ongoing library operations. As the library is de-Bruced, from a capital funding standpoint, there is no financial rationale for their discretionary TIF to flow through the DDA which has to borrow against those revenues for projects – the Library would be able to expend the dollars directly without incurring borrowing costs.

PJ expressed disappointment that pairing the DDA's \$180K grant with a matching allocation of Mesa County's discretionary TIF did not come to fruition. He questioned whether the DDA should rescind or reconsider the \$180,000 grant. Griff feels that the DDA needs to participate in the catalyst project. Weiss added that we encouraged the Library to incorporate the Catalyst principles, resulting in a more ambitious and expensive plan. He added that the Library has offered its property north of Ouray Avenue for sale, which would generate TIF money if sold to private investors. Our decisions should be based on what is best for the DDA.

Peggy feels we should not rescind the grant and should continue to participate in the catalyst project. Of course, further funding depends on the final plan. Jodi feels we should communicate with the Library board and emphasize the partnership and the catalyst project. Rich suggested the library might earmark that TIF money for this specific project. The board gave direction to Weiss to send a letter to the Library board reiterating our partnership and the catalyst project vision.

**UPDATES:** After acknowledging his financial interest in the property at the NE corner of Main & 5<sup>th</sup> Street, PJ shared that the intensity of use at the splash pad has become a problem for some adjoining

office uses, including his own tenants who considered not renewing their lease. He would like to see some modifications to help alleviate the downside of the problem. Weiss is working with Ted Ciavonne on a comprehensive set of changes including a shade shelter, expanded sunbathing area to the west of the pad, additional fencing, and buffers between the business fronts and the activity. DDA is also consulting with Parks & Rec on instituting a reduced schedule of operation for the fountain, in conjunction with water conservation measures being contemplated for all fountains downtown. There was discussion of pros and cons of the fountain. The Splashpad was originally conceived as a water feature for Main Street, but its popularity has made it more of a water park. Weiss will bring back a budget for the mitigation of various issues. PJ made a motion to study the impact of running the Splashpad on a schedule of alternating hours from 9:00 am-5:00pm on weekdays, and then continuously from 5:00-8:00 pm, shut it off at 8:00 pm, and let it run all day on Saturday, Sunday and holidays; Les seconded; motion carried.

Weiss will be advertising for a Marketing Director in July. He wondered if the board would like to be involved in this decision. The board delegated staffing decisions to the executive director.

Weiss has hired Dan Gartner to conduct a code study for White Hall. The asbestos abatement and demolition plan should be ready for bid in mid-July.

City council awarded \$3 million toward the Avalon renovation project. The building coordinating committee will amend the contract for design of the core portion and addition. Griff asked for a copy of the resolution. PJ is concerned that this will impact further fundraising. Weiss stated that the project will be marketed as a \$12 million project. Rich added that the \$6 million will help with applying for foundation grants. The DDA currently has two representatives on the Avalon Foundation Board. Weiss asked if the board feels the DDA needs two seats on the Foundation board. PJ would like to see Griff stay on the Foundation board in some capacity and keep both DDA seats. Weiss will look at the Foundation by-laws.

The Legends committee would like to amend the Operation Foresight contract to engrave the names of the honorees into the sculpture in lieu of a plaque. They are asking for an additional \$1070. Griff made a motion to authorize a change order to the Operation Foresight contract using the Legends Committee's funds; Bennett seconded; motion carried.

Peggy added that it was a collaborative effort between the Legends Committee and the Enstrom family for the Chet Enstrom sculpture. The DDA agreed to be the fiduciary agent for the Enstrom sculpture and that any future sculptures will need to be ratified by the DDA board.

Bennett stated that Bob Wilson, of the Presbyterian Church, said they would like to see if they could recover some of the stained glass from White Hall for their building. Weiss said the demolition plan has anticipated salvage operations. Bennett also reminded the board to remember the crosswalk from the train depot to downtown.

Stephan Schweissing and Jason Farrington are the newly appointed DDA directors and Les is a re-appointment.

Peggy thanked Harry Griff for his decade of participation on the DDA board of directors.

ADJOURN: Les made a motion to adjourn; Bennett seconded; the board adjourned at 9:20 am.