

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY
BOARD MINUTES

January 20, 2005
248 S. 4th Street, Grand Junction, CO
7:30 a.m.

PRESENT: Karen Vogel, Harry Griff, Harold Stalf, John Shaver, Becky Brehmer, Harry Butler, Mike Mast, Doug Simons, Dave Varley

ABSENT: Scott Howard, PJ McGovern, Pat Gormley, Bill Wagner

CALL TO ORDER: Harry called the meeting to order at 7:37a.m.

APPROVAL OF MINUTES: A motion was made by Karen to approve the minutes of the last meeting with second by Mike. Motion passed.

NEWS RACK ORDINANCE: John Shaver and Harold Stalf met with representatives from the Daily Sentinel regarding ownership and operation/maintenance of the racks. The proposal from the Sentinel was for them to manage the news racks rather than the DDA. John spoke of the need to issue an RFP for the management of the news racks. The DDA would own the pedestals and the newspapers would own the boxes. It is the DDA's recommendation that free publications would have one box. The next concern is the placement and sizing of the racks. The boundaries of the ordinance have been refined to include the area from Grand to Ute and from 1st Street to 7th Street rather than the DDA district. Newspapers that include news and editorial content would have first priority. Harold stated that the effort from the Sentinel has really helped to define cleaner and condensed locations. Harold met with Donna Ross and Doug from the Nickel. Doug gave them lots of good insight into free publications. Doug Simons was concerned about people placing posters on the back of the racks, however, he felt this was a step in the right direction. Lease fees are not stipulated in the ordinance and John would recommend not putting it in the ordinance. It would be better to set fee structure by resolution. Doug Simons wondered about establishing new locations once the ordinance has passed. John replied that the racks would have to be on public domain and cannot be attached to any structure. There are currently seven designated locations: Greyhound Depot, U.S. Post Office, Crystal Café, Rockslide, Main Street Café, Main Street Bagels and Talley's. The ordinance will go to City Council on February 16, 2005. A motion to recommend the current revised ordinance was made by Doug, seconded by Karen. Motion passed.

EXECUTIVE DIRECTOR REPORT: Harold distributed the City printout of the year end financial report. The DDA will end the year with a cumulative surplus of \$94,091. This year saw a lot of minor income (permits, rents etc) and we earned more interest than anticipated. We end the year \$3,000 under budget in expenses. Harry gave kudos to Harold for turning the budget around. Looking at the 203 (TIF) fund, the properties we bought this year include Cheers and the parking garage purchases. Downtown housing and 7th street improvements are the forecasted expenditures for 2006. We will have the ability to bond again in June, 2006 with a possible short term bridge loan from the City if necessary. Doug suggested that we have a special meeting with Ron Lappi sometime in March to explain various scenarios and alternatives. Kelly Arnold has created a new committee to review the long term operation and management of the Avalon and has retained a Marketing professor from Mesa State, Dr. Jerry Moreland, to do this analysis. Harry has appointed himself to the steering committee along with the chairman of Cinema at the Avalon, the chairman of the Avalon board, Pat Gormley, and representatives of the City. Harold asked if there would be a quorum at the February 3rd meeting. It was decided there would not be a quorum, therefore, there will be no meeting of the DDA until the joint meeting with the City Council.

A motion was made to move into executive session by Karen with second by Mike. The board moved into executive session at 8:10 a.m.

EXECUTIVE SESSION-REAL ESTATE:

The board reconvened into open session at 9:15 a.m.

A motion was made by Karen to authorize John Shaver & Harold Stalf to present a contract to sell the Cheers building to the Burtons for \$210,000 with a due diligence period of 90 days. Doug seconded the motion. Motion passed.

Harold reminded everyone of the Volunteer Luncheon on February 8, 2005 at Two Rivers from 11:30 a.m. to 1:00 p.m.

The charrette for 7th Street will be March 3rd, 4th, and 5th at Enstrom's.

Tuscatoo (the firm working on the Federal Bldg.) wants to rent Valley Office Supply building pending their contract. It will be the first of March before a contract will be made.

The DTA Annual dinner will be held April 16.

Harold distributed the Downtown Partnership financial report for year end. The Partnership will be looking at a deficit in 2004. The reason for this is that there was increased spending in advertising at the end of the year and the BID expense was more than anticipated. Revenues, however, met or exceeded their expectations. The figures for 2005 fundraising will be less if the BID passes and the DTA can no longer recruit members. The Downtown Partnership asks for \$15,000 from the DDA in exchange for Diane's time. This will cause a change in the DDA budget. A motion was made by Doug to increase the DDA grant to the DP and to accept the change in the DDA budget. Motion carries.

The DTA executive board has been meeting with the DDA executive board and the DTA agrees that at the end of a successful BID vote, they would like to see one governing body with one executive director with all staff reporting to the executive director who reports to one board. However, at this time the DTA board recommends that they continue to exist as a board and are responsible for collecting monies. They will use Harold as a contract service to be their executive director and the DDA is willing to lend this service. The DTA will delegate to Harold the responsibility of hiring and firing, job descriptions and all staff reports to him. Harold will attend all DTA board meetings. The DTA board has the right to say that this arrangement isn't working, but they do not have the right to fire Harold. The new hires will be DTA employees and their salaries will be funded by pledges and City contributions. These positions may be terminated in case of lack of funding. The benefit of the BID is that we will eliminate the confusion of two boards. John will draft a memo of understanding. The 2005 budget figures for personnel for the Downtown Partnership reflects two positions at 26-30 thousand one events and one marketing who will report to Harold.

BID meetings were held this week at Home Loan, American National Bank and Enstrom's. The public needs to understand the business plan and how the BID will be managed. The finance structure of the BID may be determined by a special assessment of square footage that is a tiered approach adjusted for location. The County will collect the tax. The BID district will most likely be smaller than the DDA boundaries. Brad will come back with a proposal for the BID committee.

The meeting adjourned at 9:45 a.m.