

DOWNTOWN DEVELOPMENT AUTHORITY  
January 15, 1993 Board Meeting

Present: Joe Skinner, DDA Director Barbara Creasman, Bill Petty; Pat Gormley, ex-officio; Kathleen Killian, Legal Counsel; Jean Sewell, Mark Hermunstad.

Also present: Ginger Rice, Daily Sentinel; Secretary Wendy Schade.

Absent: Mancel Page, Dan Rosenthal, Ed Chamberlin, Glen Dennis, Conner Shepherd

CALL TO ORDER

The meeting was called to order at 7:45 am.

FINANCIAL REPORT

Revenue

Final figures for 1993 are much different than what the city figures are. The narrative explains year end discrepancies.

Year End Revenue for General Operating is \$101,059. \$107,000 Year End does not account for line item transfers. These are revenues, which were attributed to public donations, but should have been credited to Avalon or AOTC. Final revenue figures show AOTC below revenue budget. Actually, it was not.

The city report records DDA revenues for Property Tax at \$47,000, although \$60,000 was anticipated. This was due to 3 years of tax adjustments which were made on taxes dues in 1989, 1990, 1991. \$59,800 was actually collected. Revenue for 1993 should return to \$60,000. We were hoping to receive \$65,000 in 1993, but will only get \$60,000.

1995 has the potential to again have a large decrease in property tax revenues due to abatements. Since 1993 is an assessment year, 1994 will be the year for making appeals.

Adjustment shouldn't affect Amendment #1.

A list of properties by parcel number was handed out, which describes the refunds and abatements - \$14,000 on DDA and \$38,0000 in TIF.

Every year there are refunds and abatements, but this was the largest change since DDA was founded, because three years of abatements were recorded in 1992. Even during the bust DDA had more revenue.

The base is lower, but increment has gone up. If a property goes off the tax roll (due to tax exempt), the full amount is attributed to the TIF when it goes back on the tax rolls.

In the past, assessments were done every 10 years. But in one assessment year, taxes doubled, causing an excessive amount of appeals. Now, reassessments occur every two years, so there should not be as many appeals in the future.

Overall, most of the revenue items appear to be pretty much on target.

The Association had a back debt and paid DDA an extra \$3,000, which was half of what was due. But this transaction was not reflected on December's statement. The Association still owes DDA \$500-600 for joint costs of printing. Printing costs were higher in 1992, because the city print shop was not in operation part of the year. A regular print shop is more than double the cost of going through the city.

December's report included extra money to the Avalon. EZ - \$80,000 was received; \$72,000 was disbursed. 50% of the contributions to the Avalon can qualify for tax credit.

DDA was \$57,000 over budget on the revenue side. This was primarily due to special projects.

EZ Donations for special projects include MCEDC, Incubator, Avalon, Art On The Corner, etc. Enterprise zone monies produce no income profit to the DDA. Any money DDA receives from the Enterprise Zone, must be spent.

### Expenses

General Operating Expenses are under budget by about \$11,000.

Rents are higher than they have been in the past 10 years, yet property values are down, because properties have sold for less than the assessed value. The budget hasn't grown since DDA started. Rent will remain at \$5,400 for 1993.

### PARTNERS

Joe Higgins, Director of Partners, has requested use of Jerry's Weight Room, believing it would be beneficial to both parties. A building suffers when it is vacant. He is willing to pay a couple hundred dollars per month plus may offer to clean our new public restrooms, since Partners is always looking for work opportunities for kids. Partners would also be responsible for their own insurance, maintenance, etc.

The cost of renting would probably be \$1/square foot. The building is approximately 12,000 SF. At one time the Museum thought of using the building. Cost would have been \$500 month, which would have been 50 cents/SF.

DDA should make a 6 month commitment to Partners, so they would have enough time to set up a program. Occupancy would continue, after the initial 6 months, on a month-to-month basis. DDA should know about a project far enough ahead to be able to provide a 30 day notice. A written lease is recommended.

Working with Partners would be consistent with the DDA goal, which is to draw more teenagers and adults to the downtown area.

The two heaters, which were removed from Jerry's Weight Room, won't have to be returned. There are still at least one or two heaters in the building.

Insurance should not be a problem, since Partners probably already has their own liability coverage for canoe trips, etc. AOTC is the only separate insurance the DDA currently carries.

#### DOWNTOWN HOUSING EFFORT (DHE)

Downtown Housing Effort policies will be deferred until February.

#### PARKING

The year long downtown parking ordinance came up for review in September and was extended for 6 months, until March.

It has been proven that there is ample parking downtown on a regular basis. Parking is not necessarily available where one would like to park, but there is enough parking.

Joe - Our job is to remind the city of their history. There were threats in the early 60's, which caused merchants to band together. They agreed to tax themselves and created the Parking Authority.

The zoning ordinance is wide open. In the early 1980's, everyone was building everywhere. Therefore, a very complicated zoning ordinance was devised. The city has since eliminated it. This includes the parking exception and a 35' height restriction.

If there is no parking within 100' of Target, nobody complains. When parking is full at the mall, people don't call the city. But if anyone calls the city complaining about downtown, the city thinks they have to respond right away.

If a private person pays for parking, then that parking is to be used exclusively by their customers. DDA goal is to have multi-use, rather than exclusive parking for one specific store.

## AVALON

The Cultural Feasibility Study is very supportive of downtown. It recommends using both theatres and is also supportive of keeping the Museum downtown. Based on these findings, the Arts Commission wants to approach the city, recommending that the city would spend a certain amount of money for the next 2 to 5 years if the city would decide to purchase the theatre. City would spend \$500,000 on Avalon and Mesa Theatres.

## DIRECTORS REPORT

### Restrooms

Eight bids were received for the Downtown Restrooms. Cost was originally estimated at \$85,000 for the design and construction of these facilities. But changes were made in the project. It was decided to add another stall, a water fountain, and a shelter.

Frank Wagner, who will be managing the construction of the restrooms, recommended installing a screen in front of the door. Without steel cut out, it would cost more, but would also be more durable, but it is actually less???. Police don't want it too screened off.

Alternative #2 Stainless steel fixtures are more vandal-proof. These fixtures are one molded form, cold but sturdy.

Delbert McClure at \$78,212 was the low bid. Alternate #1 was -\$2,113, alternate #2 was +\$5,652. Funds are already committed for this project. The city is to pay \$40,000; DDA \$45,000. However, with design and project management of \$6,000, we are over budget by \$87,751.

Even with the additions, we would still like to work with Delbert and keep the costs under \$85,000. Although flooring could be changed to reduce costs, it probably would not be worth it in the long run for maintenance reasons. If the final cost of this project is over budget, DDA would like to go back to the city for additional funds, since they made the additions to the original project.

It is hoped that the construction of the restrooms will begin in April and be completed by June.

### Businesses

There is lots of activity downtown. Nevada Bob's is moving into the Fashion Bar. 301 appears to have a new tenant. 301/305 is talking about facade renovation. The property at 3rd & Rood (formerly American National Bank) has closed. The new owners, Plaza Engineering, have received a loan from RLF and will also be doing renovation.

Tim Woodmansee wants DDA to sign a lease agreement, \$600/year with first right of refusal. DDA would lease from Schmidt's, using parking fund money. They will not have to pay taxes, since it will be leased for public use.

There is talk about doing the same thing at 6th Colorado where Motor Vehicle is, if the county decides to vacate, which could be toward the end of the year.

Mugen's Art Gallery has just moved in. It is small, but very nice, located in the 500 block upstairs. Mostly local artists are displayed. Also new is Finder's Trove.

Offers have been made on the Capps Building.

Bob Armantrout bought the old ComputerLand building and has the following available:

- 4000 SF up (4 units with separate bath and kitchen) - could be for commercial or residential use.
- 4000 SF down could also be divided into four 1000 SF units.

*not allowed in 30-4110*

The Museum is still considering various locations. R-5 may not be an option, as it may not be vacated in time.

The organization established to "Save the Depot" meets on a monthly basis. They have raised over \$7,000 and thus qualify for a matching grant.

Southern Pacific wants to sell their building for \$140,000 - \$150,000, which is located on the edge of the DDA district. There has been talk about including this property in the district.

#### ADJOURNMENT

Meeting was adjourned at 9 am.