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DOWNTOWN DEVELOPMENT AUTHORITY
April 9, 1993 Board Meeting

Present: Jean Sewell, Joe Skinner, Mark Hermunstad, Conner Shepherd, Glen Dennis, Mancel Page, Dan Rosenthal, Ed Chamberlin, Kathleen Killian, DDA Counsel; DDA Director Barbara Creasman, and Secretary Wendy Schade.

CALL TO ORDER

The meeting was called to order at 7:30 am.

MINUTES

The minutes of March 5 were unanimously approved.

NEW EXPANDED BOUNDARIES

New Boundaries include the Sentinel, Ratekin Towers, Work Release, Old Public Service (owned by the city), Pufferbelly, jail, and others.

At past planning retreats, we have established goals of moving the boundaries all the way to 9th on the east, Ouray on the north, and south to the river. US West and Public Service hope that both properties would come into the district this year. Bonnie (US West) made the recommendation. However, since her supervisor has changed, she feels she needs to explain to her new supervisor. US West will be doing work and would like to take advantage of EZ credit.

South Downtown Planning

The area of Ute and Pitkin is a hard area to deal with. Would like a DDA representative on the planning committee. City Community Development staff will attend an upcoming meeting to discuss their plans.

MUSEUM - Ed Chamberlin - Report on Dinosaur Valley Building

There are structural problems on the second floor. Immediate repairs are necessary. Beams are about to collapse and the roof is leaking. \$150,000 is the projected long term cost of repairs necessary just to keep operating. R-5 School probably won't be available. Will probably look at C.D. Smith.

The Museum Board meeting is next Thursday just before the DDA workshop. Should tentatively have Richard Sims on the agenda, so he can give us a full report. Details of feasibility study - just rough estimate of costs, not broken down. Need to look at how they would use the building.

Existing owner will probably not fix the building. Since owner is only asking \$7 SF, there should be enough room in the budget to make the necessary repairs. The foundation is in reasonably good shape. There is no evidence of moisture. Since the beams are undersized to support the floor, it will be necessary to install steel channels, which will cost \$30-40,000. This additional cost of \$1 SF would bring the cost of the building up to \$8 SF. Purchase of the building is still very economical, since new construction costs are \$70 SF. If remodeled, there would be approximately 40,000 SF of gross space.

Richard Leech is the current chairman of the Museum Board.

DIRECTOR'S REPORT

Mark Achen and Barbara prepared an Energy Impact Grant which was submitted to the state. The DDA and the City have each agreed to pay \$100,000. The Avalon Board will pay \$10,000 through donations and the City has agreed to pay an additional \$20,000 a year for operating costs for a 5 year period plus cover basic property insurance. Included in the grant proposal is the \$83,850 the DDA spent on the 600 Colorado lots, which includes \$50,000 to demolish the buildings and prepare for parking. Total request is \$466,000.

Phase I remodel, costing \$376,000, will take the shell of the Avalon and make it all usable. It will provide all required entrances and exits, a handicap restroom, seats in the balcony, a basic sound package, plus work to the basement. \$50,000 has been added for contingency and an additional \$50,000 for parking.

Normally, the Impact Committee looks at \$300,000 maximum and asks the following questions: "If we agree to fund your project, can you phase it? What will you do if we only give you \$200,000 - \$250,000? What comes first if you have to phase the project? Typically our local community has been asked for big grants -- \$500,000 for jail, which was a small part of the overall budget for a project. However, the Avalon is asking for \$400,000, which is a large portion of the monies needed.

At the City Council meeting Wednesday night, \$100,000 was approved for acquisition/remodel for the Avalon and an additional \$20,000 per year for five year was approved for operating expenses. (Conner had planned to ask for \$25,000 a year, but made the motion incorrectly). Avalon Board needs to raise \$350,000, which is less than the grant request.

DDA TIF has legal restrictions. Can't use for operating. Motion approved, allowing us to go ahead.

DDA wants to ratify that which has already been committed, \$100,000. Conner first, Dan second. Ed abstained. Motion was approved.

State Energy Impact team will review applications July 15-16 in Sterling. Looks promising. It is good to have a commitment from the city and the DDA. The grant money is more secure, because the city has agreed to pay \$100,000 over 5 years for operating. If granted \$350,000, the Avalon Board would have met the required contingencies.

Avalon Board should initiate fund raising through foundations. It can also qualify for Block Grant, which would mean more money available.

BUSINESS DEVELOPMENTS

Nevada Bob's grand opening is next Thursday. Store hours on Sundays are from 9 am. - 1 pm.

There has been no definite decision regarding leasing property for parking.

The Regis Hotel opened just the restaurant on Monday.

KPRN desires to relocate to downtown by the end of the year. They are in need of 1500 SF, but could use extra space.

301 Main is not rented, but the facade renovation has begun.

Flagpole at 5th & Main - possible to move it.

ADDITIONAL BUSINESS

There will be a new representative from the Council to the DDA, since Conner is leaving City Council.

May 20 - Annual Dinner at Two Rivers, 6:00 Cocktails, 7:00 Dinner.

Motion to go into Executive Session for the purpose of discussing property negotiations. Ed first, Mark second. Unanimously approved.