

DOWNTOWN DEVELOPMENT AUTHORITY
JULY 15, 1994

Present: Mark Hermundstad, Joe Skinner, Mancel Page, Bill Petty, Glen Dennis, Bruce Hill, Council Representative Linda Afman, DDA Counsel Kathleen Killian, DDA Director Barbara Creasman, DDA Secretary Wendy Schade.

Absent: Jean Sewell.

CALL TO ORDER

Chairman Mark Hermundstad called the meeting to order at 7:35 a.m.

MINUTES

Bruce made a motion to approve the minutes of June 3. Bill second. Approved.

FINANCIAL REPORT

Financials are typical for this time of year. In June most people will have paid property taxes. Still need to resolve format, so negative figures do not show.

Glen made a motion to approve the Financial Report. Bruce second. Approved.

NOMINATION OF OFFICERS

Joe has spoken to Jean who has agreed to be Vice Chairman and Mark to be Chairman.

Joe recommended that Jean Sewell be Vice Chairman and Mark Hermundstad be Chairman. Mark asked if there were any further nominations. Hearing none, Mark called for a vote. Officers were unanimously approved.

APPLICATIONS FOR BOARD MEMBERSHIP

All Board members received a list of applicants in their packets. Three positions are open due to the vacancies created by the resignation of Joe Skinner, Mancel Page, and Ed Chamberlin. DDA needs to make recommendations to City Council, who will make the appointments.

Remaining on the Board are the following:

NAME	REPRESENTATION
Bill Petty	Business/Property Owner Norwest Bank, President Finance
Bruce Hill	Business/Property Owner Superior Alarm Service Business
Jean Sewell	Business Owner AG Edwards Investments
Mark Hermundstad	Attorney Williams, Turner, Holmes
Glen Dennis	Business/Property Owner Valley Office Supply Retail
Linda Afman	City Council

Karen Hayashi is an officer at Colorado National Bank and a property owner in block 123. She is a commercial lender and is active in other community activities.

Pat Gormley owns several retail properties. DDA looks at him as long term investor, historian, rather than banker. Pat was an original DDA Board member and worked for TIF. He also manages property for owners who no longer live here.

Chris Launer is President of the Bank of Colorado, 200 Grand, and is active with the Museum fund-raising campaign. He is interested in becoming more involved in Downtown.

Terry Zeri was recommended by Tony Prinster to represent City Market. Bruce acknowledged that Terry did a good job working for United Way.

Stan Seligman represents the ownership of the Alpine Bank Building.

Most recently, Harry Griff has been active in Partners and is a Downtown attorney with offices located in the CNB building.

Linda asked what information the City Council will receive. City Council will receive the same packet of information on all nominees.

Mark suggested that the board members consider diversity and believes it is important to keep a retail perspective.

After some discussion, Mancel made a motion to recommend Pat. As a property owner, he has a vested interest in Downtown. He is in contact with various retail owners/renters. He has historical value and is invaluable to DDA. Bruce second. Approved.

Kathleen - Believes Karen Hayashi, as a property owner, would be a great asset. She appears to be involved in various community activities. Bruce is also impressed with Karen and made a motion to recommend her to City Council. Glen second. Approved.

Linda suggested that the Board consider Stan Seligman. She believes that Stan may be able to open doors for development of the 200 block development. He is straightforward and honest and could be a window to direct us to investors.

Bruce has worked with Terry Zeri and found it to be a positive experience. Glen also feels Terry should be considered. Joe agreed that City Market is clearly a major player downtown. What they do on the west end is very important. Bill noted that City Market's retail influence is important. With Mancel resigning, Glen is the only one who represents retail ownership.

Bill noted that Harry Griff is a tenant rather than an owner. Harry has served on the Board with KPRN and is active in the bar association and has also served as past president of the Lion's Club.

Barbara mentioned that Chris Launer and Terry Zeri represent larger property ownership, and therefore offer strength for the Board.

Bruce made a motion to recommend Terry Zeri from City Market, because of his retail and corporate influence. Bill second. Approved.

A letter will be sent to those who are not appointed. DDA will keep them in mind for the future. Re-applying would be necessary.

RATIFICATION

Demolition of Plump and Luscious, including clean up, should be substantially completed in 5 weeks. However, DDA has very little leverage if project is not completed within this time frame.

Partners carries a large insurance policy, which covers liability if someone is injured. This includes the public and those working on the project. DDA is named on Partner's policy. It will be necessary to get demolition permit and barricades. Partners has already begun inside salvage. This property is critical, since it is so visible. Hiring professionals could cost \$10,000.

Partners has previously taken down the old car wash next to Jerry's Weight Room. Projects like this benefit Partners. It not only gives kids something to do, but also provides revenue from DDA and also from salvage.

Bruce made a motion to approve hiring Partners for demolition of Plump and Luscious, which should be completed by August 24, 1994, for \$1500. Bill second. Approved.

SUB-GRANTEE AGREEMENT WITH CITY FOR AVALON ENERGY IMPACT GRANT

Board agreed to manage the contract, not the theatre. Kathleen and Barbara have spoken to Dan Wilson. Just received revised contract but have not looked it over carefully. Will discuss contract at next meeting, August 5.

Kathleen verified that Dan changed what DDA asked him to change, but has not had the opportunity to make sure nothing additional has been changed.

City Council is scheduled to approve contract on July 20. It is possible for DDA to approve contract after City Council has approved it.

Joe wants to wait on approving contract until after Kathleen has looked at contract thoroughly. Had some discussions regarding City and DDA relationship for this contract. Needs to be clear that sub-grantee relationship with the City is for the purpose of this contract only. This contract clearly locks us in for the duration of the contract. Kathleen noted that there is a clause, "For purpose of this contract".

State has to approve sub-grantee agreement. They have not yet seen the contract. City and DDA should be in agreement first.

DDA will not receive compensation from the City.

HISTORIC PRESERVATION ORDINANCE

Thus far, we have a draft ordinance. Many revisions have been made. Jon Schler has reviewed. The State has to approve after City Council approves.

The first draft states that the DDA is a recommending Board; City Council makes final decisions.

The second draft states that the Board makes decisions; only appeals go to City Council, and DDA is an historical preservation board for downtown properties.

DDA wants involvement to be positive and therefore, only wants to include those properties where owner has consented.

DDA is not interested in holding building permits or fining. It would be better for the owner to lose incentives if the building is torn down or changed. Offering a loan program to only designated properties would be a great incentive. City staff wants stronger enforcement. The State wants design guidelines but is not recommending penalties. National and State Register; the only penalty is taking properties off the list or preventing owner from receiving certain public funding. Joe believes penalties should be established for those who change something after receiving grant money. However, that should be addressed in most funding programs.

It is hoped that the ordinance would be approved by mid September.

Boundaries - This is a city-wide ordinance.

"Proposal" means the same as "application". Will change all the wording to "application".

Who will pay fees? Applicant will pay all appropriate fees. This language will be added but the amount of fees will be stipulated at a later date.

Linda stated that the word "lawfully" in 5-4-5 should be scratched and that a period should be placed after "designation".

There is a need to have a review group, and anyone else interested, to discuss issues and come to a consensus.

Ed Chamberlin would like to look at this. May not want to go to committee. Joe will get suggestions to Barbara. Will call John Shaver. Barbara will notify Executive Committee of next meeting.

Ordinance goes before the Planning Commission early August. City Council could have first reading August 3. There is a big rush for approval of this ordinance. The Avalon is waiting to apply for funding.

INCLUSIONS INTO DDA

Tabled for another time.

DIRECTOR'S REPORT

Handouts

Finance, Executive and annual planning session discussion Committee met. Recommend capital budget based on 1990 bond issues and annual planning session discussions. Looked at 1990-1998. Budget over \$3 million. Achen asked, "If DDA does another bond issue, what would we spend it on?" The Board should review this information for a decision at a later meeting.

Feasibility Study - Larry Timm gave Barbara a list of firms. Barbara has had phone conversations with four firms. Selection depends upon what we plan to do. Each firm has been asked to send a packet of information. Thus far, three have been received and forwarded to Executive Committee. Will go ahead and send the same information to all board members. Two of these firms work together on projects.

Recently, Art On The Corner sold a sculpture for \$15,000 due to a commercial running on television. AOTC will receive a 25% commission, \$3750. There will be a public announcement at the end of September, after the sculpture is delivered.

Third and Main "Two hour free parking" signs are not yet up. Barbara will check with City Public Works.

ADJOURNMENT

Bill made a motion to adjourn. Bruce second. Approved.