

GRAND JUNCTION DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD MINUTES  
THURSDAY, JUNE 23, 2016  
437 COLORADO AVENUE  
7:30 A.M.

**PRESENT:** Jason Farrington (Chair), Kirk Granum (Vice-Chair), Shane Allerheiligen, Marty Chazen, Jodi Coleman-Niernberg, Dan Meyer, Les Miller, Duncan Rowley

**ABSENT:** Stephan Schweissing

**STAFF:** Vonda Bauer, Kathy Portner, Allison Blevins

**GUESTS:** John Shaver (City Attorney), Tim Moore (Deputy City Manager), Tom Lacroix, Vance Wagner, Steve Reimer, Kevin Reimer, Mike Wiggins

**CALL TO ORDER:** Jason called the meeting to order at 7:31 a.m.

**APPROVAL OF MINUTES:**

Meeting of June 9, 2016

*Jodi made a motion to approve the minutes of the June 9, 2016 meeting; Kirk seconded the motion. The minutes were approved unanimously.*

**BUDGET AMENDMENT FOR DDA/BID STRUCTURE:**

Jason stated that at the last DDA Board meeting, there was discussion regarding Vonda's time and the sharing of resources. The recommendation was for the DDA to fund 100% of Vonda's salary instead of allocating the cost between the DDA and BID. The savings to the BID would be approximately \$16,000 per year. Jason stated that there will need to be discussion regarding how the additional funds could be utilized for the BID which might include additional BID staffing or reorganizing of the staff.

Allison indicated that at the last BID Board meeting, the Board approved her request for an additional 5 hours per week to be added to her workload, effective July 1<sup>st</sup>, 2016, contingent upon the decision by the DDA Board today for the budget amendment reallocating Vonda's salary.

After discussion, it was decided to allocate 100% of Vonda's salary to the DDA effective July 1<sup>st</sup>, 2016. Marty suggested that the Board needs to discuss any other BID issues and the details including a full cost analysis of Allison's proposal for the additional 5 hours requested at the next BID meeting. Les also suggested reviewing the BID minutes from the last meeting for clarification at the July 14<sup>th</sup> BID meeting.

*Les made a motion to amend the DDA budget for the remainder of 2016 in the amount of approximately \$8,000 to allocate Vonda's time to DDA. Marty seconded the motion. The motion was approved unanimously.*

**SUBCOMMITTEE ASSIGNMENTS:**

Facade Grants

Shane and Dan volunteered to be on the Façade Grant Committee.

Real Estate

Dan and Jodi volunteered to continue to serve on the Real Estate sub-committee. However, since Dan has recused himself from the End Cap Project, Jason will be an alternate for that project.

**WHITE HALL-RFP:**

Kathy circulated a copy of the White Hall Request for Proposal. After Board review the following changes will be made:

- Remove the history of White Hall
- Remove the verbiage for not paying brokerage fees
- Under section 3.1, the 2<sup>nd</sup> to the last paragraph add “residential” and define mixed use
- The Housing Study be attached to the RFP
- Allow 60 days for responses to be accepted

Local developers will be notified when the RFP is available. The RFP will also be available on Bidnet and posted in The Daily Sentinel. Kathy will contact DCI and the Urban Land Institute to see if they can post the RFP as well.

**DISCUSSION OF HILTON PROPOSAL ON COLORADO AVENUE:**

Kevin and Steve Reimer stated that they have been approved for the Hilton Franchise Agreement on Colorado Avenue which will allow them to build a hotel. The Reimer’s currently own three hotels in the Downtown area. The proposed hotel would be considered a midscale hotel and will attract leisure and corporate travelers. The project is required to begin within 14 months, however, a few requirements such as drawings will need to be provided, approval of financing, and any other conditions required by the City of Grand Junction.

The Reimer’s have purchased or have under contract additional lots on Colorado Avenue for the new hotel and additional parking.

Kevin indicated that he and Steve met with Kathy and Jason to discuss the timing and strategy for moving forward with this project and how they might partner with the DDA. Kathy stated that the Reimer’s original proposal was for the DDA to participate in the actual purchase of the lots, however, it might be more appropriate for the DDA to participate in improvements, such as right-of-way upgrades, undergrounding of utilities and shared parking.

There was discussion regarding the Parking Letter of Agreement between Western Hospitality and the DDA. The original agreement was written in October 2008 and amended in July, 2015. The agreement would need to be amended if the hotel project is constructed.

The Reimer’s will continue to work with Kathy, Jason, and Kirk on a proposal and bring it back to the Board for consideration of participation in the project.

**UPDATES:**R-5 RFP

Kathy circulated a copy of the R-5 Request for Proposal. The language is similar to the White Hall RFP. The Housing Study will be attached to the RFP when it is sent out.

ENDCAP

At the last DDA meeting, the Board approved to enter into a Letter of Intent (LOI) with 4R/Senergy Builders regarding leasing 31 parking spaces in the Rood Avenue garage.

Jeffery Fleming stated that he had received and reviewed the DDA Parking Letter of Intent and had sent a letter to a few of the Board members regarding some concerns. Kathy distributed the letter to the Board.

Jeffery stated in their April 14<sup>th</sup> presentation to the Board, their request for parking spaces was to be leased under the following terms:

- Lease each parking space for the life of the Rood Avenue Parking Garage.
- Lease each parking space for \$120.00 per year.
- Agree that the least rate covers all maintenance, fees, dues, costs, taxes, elevator access, etc. associated with the parking structure.
- Agree to a maximum 2% annual lease rate increase for the life of the agreement.

Jeffery indicated that the DDA Parking Agreement LOI contained all new terms which included asking that 4R/Senergy Builders pay the \$120.00 annually and “shall pay as if it is the owner and all maintenance, fees, dues, costs, special assessment, taxes, etc. associated with the parking structure”. Jeffery stated that their proposal was all inclusive for \$120.00 per year per space. The DDA Parking Agreement LOI also stated the initial term of the lease will be for ten (10) years from the date of the substantial completion of the Project (“Initial Term). 4R/Senergy Builders concern is if the DDA will only allow a 10 year lease with options to extend, this would prevent them from making the units “for sale housing”. Jeffery indicated that guaranteed parking is essential for selling condos, however, if the DDA could not commit to a longer term, they would have to work with the Condo Association for their parking concerns. The project goal is to have a mix of renters and owners of the condos. Jeffery stated that their intent is to make a request to the City for 10 additional parking spaces.

After Board discussion regarding the terms, rate, and the possibility of a purchase option, it was decided that Jeffery will redraft the Letter of Intent and present it to the Real Estate Committee to negotiate changes. The LOI will be brought back to the Board for final approval.

**DEPOT GRANT:**

Kathy indicated that the paperwork to create the contract has been submitted to the State Historical Fund. The approved grant is for approximately \$35,000 with a cash match of \$35,000 by the property owner. John Shaver will assist in drafting an agreement between the DDA and the property owner of the Depot. When completed, the agreement will be brought back to the Board for review and approval.

**DDA EXECUTIVE DIRECTOR:**

The DDA Executive Director position has been posted. Currently 15 applicants have applied. The positions closes on June 30, 2016 and applications will be reviewed throughout the recruitment process until July 5<sup>th</sup>. Phone interviews will be scheduled for Friday, July 8<sup>th</sup>.

**RV PARKING:**

Kathy stated that there is a potential for temporary RV parking on a City of Grand Junction lot at 7<sup>th</sup> and Ute. There will be need to be more discussion regarding signage, time limits, and other details.

**OTHER BUSINESS:**

Les and Stephan’s term limits as Board members have expired and they have both chosen not to reapply. Les thanked everyone and stated it had been a privilege serving on the Board.

**ADJOURN:**

*Les made a motion to adjourn; Marty seconded the motion. The meeting adjourned at 8:55 a.m.*