

**DOWNTOWN DEVELOPMENT  
AUTHORITY  
Regular Directors' Meeting**

Kim Jordan, Chair	221-0524 (W)
Bill Bertschy, Council Liaison (W)	484-8838
Linda Gula, Staff Liaison (W)	484-2020

**MINUTES OF January 6, 2005  
MEETING**

**REGULAR**

The Board of Directors of the Downtown Development Authority met in regular session at 7:30 a.m. on January 6, 2005 in the Meeting Room at Home State Bank located at 303 East Mountain Avenue, Fort Collins, CO 80524.

**PRESENT**

Kim Jordan, Chair  
 Steve Taylor - Vice-Chair  
 Jason Meadors, Secretary/Treasurer  
 Mary Brayton  
 Carey Hewitt  
 Bill Sears  
 Jack Wolfe  
 Larry Stroud  
 Bill Bertschy

**STAFF**

Robert Steiner, Executive Director  
 Linda Gula  
 Lucia Liley, Counsel

**GUESTS**

Krcmarik, Troy  
 Steve Schrader

David Short, Ron Phillips, Rick Richter, Brad March, Alan Jones, Bud Frick, Mike Greensberger,

**CALL TO**

ORDER

Ms. Jordan called the meeting to order at 7:30 a.m. Roll call was taken.

**APPROVAL OF**

**MINUTES**

Mr. Bertschy moved to approve the minutes of December 2, 2004 and the Retreat Notes of November 18, 2004. Seconded by Mr. Wolfe and passed unanimously.

**MIKE JENSEN**

**PROJECTS**

Mr. Stroud stated he would abstain from the discussion and vote on these projects.

Mr. Steiner recapped the information included in the packet. He stated staff believes DDA funds can be used for façade and storefront improvements. However, for Authority funds to be used for the brick pavers and the fencing requires that an easement be granted on that portion of the property and staff does not support this. Staff also believes that Art in Public Places

funds should be sought for the sculpture or fountain.  
Staff's recommendation is to provide the funding for:

30 percent of storefront, windows, doors	\$ 8,400
25 percent of brick and stone for façade	\$16,330
Awnings	\$ 1,350
Total	\$26,080

Mr. Troy Jones from M. Torgerson Architects, representing Mike Jensen, presented details on the facade and plaza improvements and was available to answer questions.

Mr. Taylor had questions on 301 S. College. He asked if the space is leased and also had questions about the existing curb and gutter and if it would be addressed as part of this proposal. Mr. Jones stated the space had not been leased as of a couple of months ago. He also noted they do want to fix the curb and gutter but they have not shown that level of detail.

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Ms. Brayton had questions on 130 S. College. She asked about ownership of the building. Mr. Jones stated that it is his understanding that it is a partnership. Ms. Brayton expressed concern that the owners know that the façade easement agreement on that building would need to be with the owners of the building. Ms. Jordan stated the contract would be with the owners.

Ms. Brayton asked if the Crown Pub is moving. Mr. Jones stated the Crown Pub is not part of this proposal. He stated this is the half to the north of the Crown Pub and in that half north of the Crown Pub there would be two occupant spaces. The Crown Pub façade would remain the same.

Mr. Hewitt stated he thought Mr. Taylor made a good point about the curbcuts (301 S. College). He asked if it is something additional and how the Board could look at that. Mr. Steiner stated it is in the ROW so the Board could fund it. Mr. Jones Stated that their intention would be to fix the curbcuts.

MOTION: 301 South College

Mr. Bertschy moved to approve up to \$28,000 with the stipulation that the funds go for the façade improvements and curbcut repair. Seconded by Mr. Sears and passed 8-1 (Mr. Stroud abstaining).

MOTION: 130 South College

Mr. Sears moved to fund up to of \$15,470. Seconded by Mr. Wolfe and passed 8-1 (Mr. Stroud abstaining).

**DISCOVERY** Mr. Steiner stated there had been a possibility that the Bohemian Foundation was going to buy **CENTER** and turnkey the Matrix Building for the Discovery Center. That possibility is no longer real.

Meanwhile, the Wilkins Charitable Trust has been exploring putting the Discovery Center into the former Steeles building on Harmony Road.

The Trust is willing to help fund two studies. One is a fundraising feasibility study to determine how much the Discovery Center can raise both to do a new facility and also for an endowment. And then also a second study to do a building analysis of the Steele's building - what it is going to take to convert it into the Discovery Center. The Trust and the Discovery Center came to the DDA and asked whether we were interested in participating in both the fundraising feasibility and the site analysis and both Ms. Liley and I felt that we could not participate in the fundraising piece and any site analysis would have to focus on a downtown location. The question before the Board is if the DDA wants to pick up the ball again in terms of trying to bring the Discovery Center into the central business district and if it does, is it willing to participate in some site feasibility costs.

Mr. Brad March, attorney representing the Wilkins Charitable Trust, and Mr. Mike Greensberger, President of the Discovery Science Center and Value Plastics, were available to answer questions.

Mr. March stated a critical component from the Discovery Center standpoint is the fundraising study. He noted they need to go back to figure out if they can do the fundraising study and then come back and review it and decide how to proceed.

Mr. Greensberger handed out a business plan for the Discovery Center which addressed competitors and revenue. He stated they are faced with what is the absolute best location that becomes a sustainable location. One of the next things they need to do is retain some sort of capital campaign consultant. He stated they are about 1/3 of the way short of retaining a capital campaign consultant to really ask the community what it desires to support in terms of the Science Center. As part of that study they are going to ask the question of where the community will give the greatest amount of support - is it a south Fort Collins location or is it a downtown location.

Mr. Steiner suggested to the Board that possibly a way to go is to initiate a downtown site analysis study in tandem with the fundraising. Through that process it would be a way to identify what the DDA can invest and can't invest in this kind of project. He estimated a site analysis would cost \$5,000 -- \$10,000 depending on the scope of it. The Board agreed that a site analysis study could be used for other things, not just this project.

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Ms. Jordan stated it is not inconsistent with the Board's direction in keeping an inventory of what is available. She noted the Board would like to see the Discovery Center downtown and we are hopeful that there are things that we can do within the parameters of what we are allowed to do to help.

Mr. Wolfe suggested giving Mr. Steiner direction to come back to the Board at the next Board meeting with a proposal or recommendation for how to proceed. Mr. Steiner agreed to put an RFP together and cost estimates to help expedite the process.

**140-142 SOUTH COLLEGE** Mr. Steiner stated that Bud Frick, the Trustee for the Alpert Building at 140-142 South College Avenue, is asking DDA participation in renovation of the structure. The renovation consists of modernizing the residential spaces on the upper floors and redoing the College Avenue and alley facing facades. Staff recommends the following:

1. Buy an easement on the west (College Avenue) façade for \$37,000 (10 percent of the project cost).

2. Ask the owner to design significant upgrades to the alley façade and to the surface area between the rear elevation and the actual alley ROW with the intent of "animating" the back of the building. If this can be achieved to the satisfaction of the DDA, the Authority would agree to buy an alleyside easement for \$31,000.

3. The owner has indicated an interest in turning the single car brick garage structure located at the rear of the lot into a two-story residential unit. The DDA could encourage this by agreeing to consider taking an easement on the alley-facing façade of that building when and if the redevelopment occurs.

Mr. Frick outlined his plans and was available to answer questions.

Mr. Taylor asked for an explanation of "animating the back side of the building." Mr. Steiner stated it means making it a place people would want to be. There is an area that would make a wonderful patio area and it would mean bringing activity to the back side of the building not just using it as a service delivery area.

Ms. Jordan stated anything that can be done consistent with our desire to make the alleyway more interesting would be encouraged.

Mr. Hewitt asked what we would get if we approve \$31,000. Mr. Steiner stated it will have to come back. He stated he put that recommendation in the staff report suggesting that the Board would make the recommendation that we entertain additional funding if the applicant brings a design back for the back side of the building.

Mr. Bertschy moved to approve up to \$37,000 and if there is some future design and change to the rear, the Board would entertain further considerations. Seconded by Mr. Wolfe and passed unanimously.

Mr. Frick stated he would come back with a site plan for the back side of the building.

**SCHRADER OIL** Mr. Steiner gave a quick background stating last year the DDA committed \$142,000 for façade and ROW improvements. That commitment was based on gross tax increment of \$119,000. Since then, the properties have been devalued basically because of the ground contamination. The gross increment now is projected at \$63,887. Mr. Brad March has suggested that the DDA fund the \$63,887 plus the difference between the DDA's original commitment which would bring the total to \$86,000. Staff's recommendation is to maintain the same ratio.

Mr. Steve Schrader and Mr. Brad March were available to answer questions.

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Mr. Sears asked for information regarding what the problems on that land have cost the applicant. Mr. Schrader stated they really don't know what the cost will be yet because they still have not dealt with Public Service. He stated they had read in the paper that it is about a \$10 million cleanup. They have dealt with the EPA, They have dealt with the City, and now they are still waiting for Public Service. They don't know the numbers, but they will probably have to pay some portion of the \$10 million dollar cleanup.

There was Board discussion about the dollar amounts and the proportional ratio. Mr. Steiner explained that his rationale is that we still incur a debt and the Board agreed to fund higher than what could be serviced when it did the original \$142,000. But that doesn't change the fact that the DDA is still servicing debt and it is still funding more than what it can actually service.

Mr. Hewitt moved that the DDA commit up to \$80,000.  
Seconded by Ms. Brayton and passed unanimously.

**IN-SITU** This item was taken off the agenda.

**REVISED DESIGN** Mr. Steiner referred to the revised letter included in the packet. He stated he changed wording from diversity to timelessness. The Board agreed that the letter is good.

**COMMUNITY LETTER** Ms. Brayton requested that the "bold" type be removed. Ms. Jordan stated she felt better that this letter is something that people will now receive. Mr. Taylor stated he had been concerned about the letter being too prescriptive and that he didn't feel that way about the revised letter.

**PAVEMENT** Ron Phillips was not on the agenda but was given time to do a slide show presentation on the

**MANAGEMENT** Pavement Management Sales Tax. He stated that the City is essentially hoping to extend this 1/4

**SALES TAX** cent tax and that it will be on April 5 ballot. Council is scheduled to set ballot language on Feb 1, 2005.

Mr. Bertschy stated one of the complications is that under TABOR the word "renewal" cannot be used; on the ballot the wording must say INCREASE. The ballot language will have to say "shall the voters increase by .....

Mr. Phillips asked the Board for a resolution supporting the Pavement Management Sales Tax. Mr. Steiner asked if Mr. Phillips could draft resolution language and get the points to him and he will put it into DDA resolution form.

**OTHER** Sales Tax Collections - Mr. Krcmarik handed out information on downtown sales tax

**BUSINESS** collections. He presented information on December collections and YTD collections (this information does not include Christmas) .

Food Tax Repeal - Mr. Krcmarik stated he wanted to talk about the Sales Tax on Food Campaign (he was speaking as a citizen not on city time). He stated there is a group of citizens working on a campaign that would resist the repeal of the grocery tax. He noted if you take the full grocery food tax out of the City's revenue base, it is about \$6 million. It is almost as much money as has already been cut over the past couple of years. The hit on City services would be about 23% of the general fund.

Mr. Krcmarik asked Board members to join the 12 person citizen committee. They could join as citizens. Contact Alan Krcmarik for information. He can be reached at [akrcmarik@comcast.net](mailto:akrcmarik@comcast.net) or cell number 222-2737

Mr. Steiner stated the repeal of this tax would create a direct hit on downtown. He noted that Old Town Square maintenance and alley maintenance would be gone and he was not sure what the impact on landscaping and snow removal would be. He suggested that the DBA step to the plate strongly against this.

Mr. Krcmarik stated it would be helpful for the legal community to step forward in a leadership role. He stated Soapbox articles would really help. He noted the legal piece needs to explain how it is going to cost the city.

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Mr. Meadors moved to direct staff to authorize a Resolution in opposition of the repeal of the grocery tax. Seconded by Mr. Bertschy and passed unanimously

Steele's Project on Mountain -- Ms. Brayton stated the Steeles project on W. Mountain has gotten some press lately that the Church had a letter of intent to purchase that block from the purchasers and that the letter had expired on January 1, 2005 She stated she had been talking with Mr. Steiner about whether or not the DDA would want to have some involvement in the redevelopment of that block. She stated she would be supportive of the DDA having input on redevelopment. Mr. Bertschy stated he was supportive of the idea.

Ms. Brayton stated she thought the first step is to find out the what is going on with the Church and the sellers and if that deal is done, and also if they would be willing to talk to the Board. Mr. Wolfe suggested that Mr. Steiner find out who the contact people are and at least have a conversation that expresses our interest in the block.

**UPDATES** Mr. Steiner stated we have had closings on both First National Bank and Melting Pot.

Wireless - Mr. Meadors stated the city wasn't particularly interested at this time.

Artist's Housing - Mr. Bertschy stated he has heard of another university town that is trying to deal creatively with the concept of converting neighborhoods near major employment centers into thriving neighborhoods. They have taken and drawn circles around say the hospital, the university, and the downtown. Within that area, properties have been made available for first time home buyers with some kind of down payment assistance or payment assistance or zero percent loans with a stipulated minimum ownership - 7-10 years. He stated it is great to see this idea. He stated Paducah, KY artist's housing program focuses on artists but maybe there are a couple of other ways to look at this.

Mr. Steiner announced there is a Chautauqua, NY trip planned for February.

**GULA** At 9:37 a.m. Mr. Meadors moved to adjourn to Executive Session for the purposes of  
**CONTRACT** discussing Linda Gula's employment contract and also to talk about legal aspects of setting up the new tax increment financing. This Executive Session which is for the purpose stated and is authorized pursuant to CRS 24-6-402 (4) (1) (1) was seconded by Mr. Wolfe and passed unanimously.

At 9:50 a.m. the Board of Directors adjourned the Executive Session, and Mr. Wolfe moved to approve a 5% increase in Linda Gula's contract. Seconded by Mr. Meadors and passed unanimously.

**ADJOURN** There being no further business, the meeting adjourned at 9:50 a.m.

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Jason Meadors, Secretary