

Woodland Park Downtown Development Authority Board of Directors

**City Hall – Upstairs Conference Room
220 W. South Avenue, Woodland Park, CO**

REGULAR MEETING MINUTES

May 5, 2015 – 7:30 AM

CALL TO ORDER AND ROLL CALL: Chairman Dale Schnitker called the meeting to order at 7:30 AM.

IN ATTENDANCE - Board of Directors: Board of Directors: Dale Schnitker (Chair) (left meeting from 9:20-9:35), Merry Jo Larsen (Vice-Chair), Al Born (Secretary/Treasurer), Tanner Coy, Jon DeVaux, Vera Egbert (left meeting at 9:20), Michael Faber, Noel Sawyer, Jan Wilson. **Staff:** Brian Fler, Executive Director; Carol Lindholm, Staff. **Others Present:** David Buttery, Sally Riley, Lor Pellegrino, Suzanne LeClercq, Wallie Dingwell, Neil Levy, Brooke Smith, Kip Unruh, Arden Weatherford, Bob Foster, Scott Downs, Carol Korzekwa, Robin Pasley.

ADDITIONS, DELETIONS OR CORRECTIONS TO AGENDA: Lindholm reported that Item 7 had been added to the original agenda: DDA Director Summer Work Program.

APPROVAL OF AGENDA AND MINUTES:

MOTION: To accept the Agenda as amended and to approve the Minutes of the April 7, 2015 Regular Meeting and the April 20, 2015 Special Meeting. Larsen/Wilson. Passed 9-0.

WOODLAND STATION LOT 2 DISPOSITION & DEVELOPMENT AGREEMENT: CONSIDER EXTENSION OF CONTRACT TIMELINE REQUIREMENTS: To be discussed in Executive Session.

FAMILY ENTERTAINMENT CENTER (FEC) AGREEMENT – UPDATE: Fler noted that Carol Korzekwa was present. Fler reported that the Korzekwas and Fler are working on financing with Park State Bank, Canon National and Denver Vectra as relates to potential bond debt.

EAGLE FIRE LODGE AGREEMENT – MEMORANDUM: Fler referenced the Memorandum contained in the packet. Scott Downs was present. Eagle Fire Lodge is adding five lodge units and would like to enter into a TIF agreement for this expansion. Fler reviewed the Memorandum and the proposed metrics as follows:

The total value of the Eagle Fire expansion is approximately \$280,800. Valued and assessed independently, the expansion will generate approximately \$7,181 in new property taxes, e.g. $\$280,800 \times .29 = \$81,432 \times \text{City Mill Levy } (.088187) = \$7,181$ in new property taxes generated from the Eagle Fire expansion.

Proposed: 10-year TIF agreement at 75% reimbursement annually. The total value of the TIF agreement, as proposed will have a cap of \$75,000 over the ten year period. The TIF agreement, as proposed will expire in ten years from the date of DDA approval*

or when the total TIF reimbursements reach \$75,000, whichever comes first. (*Following discussion, the \$75,000 cap was changed to \$60,000.)*

Fleer also noted, per the Memorandum:

It is important to note that the five (5) lodge unit expansion will produce sales tax in the amount of approximately \$15,750 annually and projected over a 10-year would equal \$157,500. The projected revenue of the additional five (5) lodge units will be approximately \$125,000 annually. The City combined lodging and total sales tax is 12.6%.

Fleer then invited Downs to address the Board. Downs noted that the DDA has a great opportunity in regard to motel rooms. There is little that we can do to expand our income more than motel rooms. Users go to restaurants and buy things, so it's more than just the tax. Larsen noted that it was great that the Lodge is expanding.

Fleer said that he was not seeking approval today, but would like consensus on the metrics: 10 year agreement, 75% reimbursement, cap of \$75,000* (*Following discussion, the \$75,000 cap was changed to \$60,000.) . Fleer would then propose that DDA Attorney, Paul Benedetti, format the final draft agreement for Board approval.

Faber asked if 75% is now our baseline for TIF agreements. Fleer responded that each TIF agreement is different. Trail Ridge is a sliding scale starting with 75% and ending with 25% over 15 years. Tractor Supply is 50% with an approximate \$400,000 cap. Downs is requesting 75% since this is a small project with just five units. Fleer sees future TIF agreements being between 50% and 75%. Faber asked if this was a negotiation process. Fleer said that 75% was currently being proposed, and the size of the project enters in. Schnitker said that this was what was proposed to the DDA.

DeVaux questioned the math that generated the \$75,000 cap. DeVaux thought that the cap would be approximately \$54,000 using the metrics presented, not \$75,000. Fleer will adjust the cap to \$60,000.

Coy asked if the new units would have the same look and feel as the existing units. Downs responded that it would look the same as the rest of the property from the outside. The inside will be modified suites with a small kitchen and nice finishes.

Larsen supports the ability of the DDA to help an existing business. Consensus of the Board was to move forward.

DDA DIRECTOR SUMMER WORK PROGRAM: Fleer outlined the program as follows: Design Review for Lot 2; FEC: TIF Agreement and Design Review; Aquatic Facility: Design, Selection of final location, and Real Estate Contract; Vectra Bank Property Contract; Eagle Fire TIF Agreement; DDA Summer Retreat with a retail theme, especially small business within the district. Retail is doing well overall, but the smaller businesses have some struggles.

Fleer announced that the Main Street Coordinator started on the job on May 4. Darlene Jensen will work 20 hours per week in that position.

DeVaux noted that the Board would probably need to meet more than once a month. Fleer concurred, and suggested another meeting in May and potentially two meetings in June.

Faber asked for the Summer Work Program in writing. Fler will provide.

GENERAL DISCUSSION:

DDA Board Meeting Dates: Fler suggested Thursday, May 21 and the Board had no objections. Fler will be out of the office on June 2, so suggested June 9 for the June Regular Meeting. The Board agreed with this date.

There was no additional general discussion from the Board.

AUDIENCE PARTICIPATION: Downs displayed the Eagle Fire Lodge plans for the Board's interest. Riley announced a Traffic Study Stakeholder meeting. Riley noted a change in the location of the Farmers Market this summer, which will be held on the South Vectra Bank lot and the Catholic Church parking lot. Larsen asked if the Farmers Market had ever considered Meadow Wood Park. Riley thought it was important to be located in the downtown core to benefit local businesses. Larsen noted that the downtown businesses do not benefit from customers during the Farmers Market.

MOTION TO ADJOURN TO EXECUTIVE SESSION:

MOTION: To adjourn to Executive Session. DeVaux/Larsen. Passed 9-0.

At 7:59 the Board took a short break before moving into Executive Session.

ADJOURN TO EXECUTIVE SESSION: For the purpose of determining positions relative to matters involving development projects within the City of Woodland Park Downtown Development Authority District, regarding:

The purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. 24-6-402 (4)(a), and/or

Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators under C.R.S. 24-6-402 (4)(e).

Chairman Schnitker read the purpose of the Executive Session into the record.

Meeting adjourned to Executive Session at 8:04 AM.

MOTION: To conclude the Executive Session. DeVaux/Larsen. Passed 8/0. (Egbert not present)

RECONVENE REGULAR MEETING: Following the Executive Session, Chairman Schnitker reconvened the regular meeting at 9:47 AM.

The following persons were in attendance at the Executive Session: Dale Schnitker (Chair) (left meeting from 9:20-9:35), Merry Jo Larsen (Vice-Chair), Al Born (Secretary/Treasurer), Tanner Coy, Jon DeVaux, Vera Egbert (left meeting at 9:20), Michael Faber, Noel Sawyer, Jan Wilson. **Staff:** Brian Fler, Executive Director; Carol Lindholm, Staff. **Others Present:** Kip Unruh, Arden Weatherford, Sally Riley, Mayor Neil Levy.

Chairman Schnikter stated: "If any person who participated in the Executive Session believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, I ask that you state your concerns now." Hearing none, the Board returned to the regular meeting.

Larsen made a motion to adjourn the meeting. DeVaux suggested there needed to be some discussion prior to adjournment in regard to the direction the Board would be taking in regard to Lot 2. Faber noted that we are at a critical juncture. The current design represents progress. This will be a major attraction. This is cutting edge and very exciting. Faber did not want Unruh to feel discouraged. We would rather have another meeting if that's what it takes to get this done. DeVaux noted that we need to proceed expeditiously and if we need to meet more often, we will. Sawyer said it was shocking that this has been nine years in the making. We all have the same goal and we need to get there. Fler said to Unruh that the notice sets the template and we will work to getting the answers for Design Review, and with Riley for Site Plan Review. The Board will make a decision, and this will not linger. Faber asked if Board needed to decide on dates today. Fler responded no, that the dates just need to be "reasonable." Larsen thanked Coy and Wilson for their work on Design Review. Larsen told Unruh that this was not personal. Unruh responded that this is personal to him. Larsen wants this to be right, and that this project will affect her business's bottom line, as well as the bottom line of other retailers.

ADJOURNMENT:

MOTION: To adjourn the meeting. Larsen/DeVaux. Passed 8-0. (Egbert not present)

Meeting was adjourned at 9:54 AM.

Recorded by:

Carol J. Lindholm, DDA Staff

APPROVED THIS _____ DAY OF _____, 2014

Al Born, Secretary/Treasurer