

Woodland Park Downtown Development Authority Board of Directors

**City Hall – City Council Chambers
220 W. South Avenue, Woodland Park, CO**

REGULAR MEETING MINUTES

May 6, 2014 – 7:30 AM

CALL TO ORDER AND ROLL CALL: Merry Jo Larsen called the meeting to order at 7:30 AM.

IN ATTENDANCE - Board of Directors: Merry Jo Larsen, Al Born, Gary Brovotto, Tom Carrick, Tanner Coy, Vera Egbert, Michael Faber. **Absent:** Dale Schnitker, Jan Cummer. **Staff:** Brian Flear, Executive Director; Carol Lindholm, Staff. **Others Present:** David Buttery, Mayor Dave Turley, Bill Page, Kellie Case.

APPROVAL OF AGENDA AND MINUTES:

MOTION: To approve the Agenda, and to approve the Minutes of the April 1, 2014 Regular Meeting. Born/Coy. Passed 7-0.

FINANCE REPORT: Kellie Case reviewed the Final Audited Financial Report for 2013. Case explained that between 2011 and 2012 was the sale of land in Woodland Station to Woodland Hardware at the price of \$218,946. Due to the sale of that land, the land in Woodland Station held for resale went from \$1.368MM to \$1.149MM; taking away that portion [in Woodland Station] that the DDA no longer owns. That transaction established real, tangible market value for the remaining land that the DDA still owns. The land was 9.81 acres at a value of \$1,368,413. There are 43,560 SF of land in an acre. So, if you do the math, based upon the \$218,946 valuation per SF for market value and apply that to the remainder of the land, which is 8.135 acres, that market value or carrying value of that land has gone down by \$89,000. According to generally accepted accounting principles, this has to be recognized on financial statements. So, the financial statement reflects, under DDA Revenues, the loss due to the Revaluation of Land to Market. That was the most relevant market evaluation available for revaluation. Faber remarked, that [the value] being based on Woodland Hardware does not account for any depreciation of property values. That's correct, per Case, as there has not been a transaction close enough to that to override that value. Born asked how the Amerigas property would fit into the evaluation. Case noted that it would be relevant, but that had not occurred as of December 31, 2013. Larsen noted that this would be the same for Tractor Supply. Yes, that is correct, per Case. In 2014, recent transactions would override, as that would be a more current valuation. The City only issues a report annually. Flear asked Case if she was looking at the Teller County Assessor's database. Case noted that they look at sales, not an assessed valuation. Flear noted that in the Woodland Station Master Development Agreement there was a base price of \$4.50/SF established. Flear asked if there was a mid-year adjustment. No, there is not, per Case. Born noted it shows negative this year, but there could come a time when a profit is shown. Case concurred that there could be a gain. Flear asked: as that asset is liquidated, there are adjustments, and hopefully the DDA is in the black, then would there be a correction as to the value? Case noted that any parcel that is sold is no longer owned, so this reduces the asset. The measurement at year-end would be based on the most relevant sale; taking that SF price and applying that to the acreage remaining in the DDA's possession. Case also has the actual statements that will go into the City's financial statement that the Council will consider on May 15. Case can share these pages with the Board. Flear noted that he wanted to make the Board aware of the accounting process.

Flear pointed out that \$30,545.71 remains in the Woodland Station Improvements line. These dollars will be used this year for CSI to complete some work remaining such as landscaping and retaining wall work.

MOTION: To accept the Final Audited Financial Report for 2013. Born/Faber. Passed 7-0

GOLD HILL SOUTH T.I.F. DISCUSSION: Larsen noted that this would be discussed in Executive Session.

GENERAL DISCUSSION: Brovotto asked what is actually going on in Woodland Station; is there anything going on with the Family Recreation Center/Bowling Alley? Is there a hotel going in? Any excavation? Fler gave an update: Fler spoke with the Korzekwas [regarding Bowling Alley] on May 5, and they are working on a USDA Guaranteed Loan Program, and they have brought in new investors. Fler communicates with Korzekwas on a weekly basis. In regard to Lot 2: Fler noted that we have concluded the Master Developer agreement, and there is a marketing sign on the property. The Amerigas parcel has two parcels and there is a smaller parcel toward the highway and they are trying to market that. There are a couple of folks who have a restaurant interest in that parcel. There are three members on the team: Kip Unruh, Steve Randolph and Arden Weatherford. Randolph is the project manager for the group. Fler and Sally Riley will meet with the team tomorrow morning while Unruh is in town. They will discuss a development schedule, particularly as it relates to off-site requirements. Unruh is very interested in doing strip retail with residential above and retail below. This would be across from Woodland Hardware; Weatherford has the Beer Garden interest; and there will be a third parcel that will be adjoining the Amerigas parcel. Brovotto asked if there would be a pavilion in the middle for the Farmers Market, etc. Fler noted that the Farmers Market might be in the Beer Garden and Weatherford has been in conversation with the Farmers Market, but Fler does not know if there is any strategy at this point. Fler noted that it was a little premature to assume that the Farmers Market will be there. Brovotto wants to see Woodland Station developed with a theme in mind. Fler noted that that was why the DDA approved the concept plan; that allows to plan on the infrastructure - for example stormwater could be a \$2MM price tag. Fler has had several contacts lately in regard to hotels. There are two groups interested in a parcel outside of Woodland Station. That group will be in town next week. There's also a group interested in the mobile home park. Brovotto suggested the Creative Arts District should be part of the design committee. Fler noted that the DDA has a design committee comprised of Cummer and Coy. Fler has a meeting with Rodarmel and his sign people in regard to the sign for Woodland Hardware. Coy and Cummer will be a part of that. Brovotto would like to be included. Fler noted that Main Street encompasses design as well.

Faber reported on the broadband meeting that was recently held, which was the first in a series of meetings regarding broadband service in the county. County Commissioner Norm Steen organized the meeting with local providers and agencies. The group concluded that broadband is an essential factor in this day and age in economic development, etc. The efforts of the government to regulate these industries have failed in providing competition in the marketplace. Faber noted that this is the only safeguard for fair market conduct. This community has three internet providers; that is almost unheard of anywhere in the country. What works is competition. Faber thinks we have a remarkable situation in regard to availability. There is movement at the FCC to come to grips if the internet should remain free and open or if it should be treated as a common carrier, such as a telephone company. Bottom line, broadband is a critical aspect of economic development and should be referenced in everything we're doing to promote economic development. We are in a unique position with Baja, CenturyLink and Peak Internet. Brovotto noted that he understand that Peak Internet and Baja have to tie into the CenturyLink trunk. Faber and Fler are on the local committee. Fler noted that internet is not regulated like a typical utility, which have an obligation to serve all customers. There is resistance in the industry not to be under that umbrella. Not all areas in the county are served so one mission is how to get service to all areas. Peak Internet is laying its own fiber. Born asked how they handle a major disaster; is there redundancy? Faber responded that there is redundancy in microwave; mountains, trees, etc. play havoc with this. Fler noted that there are some businesses in town that have both Peak Internet and CenturyLink for the redundancy factor. Fler noted that he and Faber would report to the DDA Board on this issue on a monthly basis. Born noted that historically Woodland Park had a problem with redundancy, and now there is more redundancy. Carrick noted that in Vail one of their big issues is very weak internet access. It became clear that government entities could not interfere with their activities; they could provide an inviting atmosphere, but could not regulate it or subsidize it. Carrick questioned what the committee could legitimately do. Fler said it's being driven by the industry, not by

government. Fler agreed that there is a limit to what government can do; such as funding and initiatives that help rural areas. Faber spoke about his involvement in Colorado Springs when Comcast was the only cable provider. Now, CenturyLink Prism offers competition. This area is fortunate to have competition. Carrick asked if the private entities, such as Peak Internet, CenturyLink etc., were asking anything of government entities. Fler noted that they were asking for right-of-way, easements, etc. Buttery noted that all the providers except Peak Internet have franchise agreements with the City, so they have the opportunity to use right-of-way space by that franchise agreement. Peak Internet only provides internet, so they have to go through a process to use the right-of-way, and they have done this. Peak Internet pays a permit fee to do this. City does not pay them; City cooperates with them.

Coy asked for an update on Woodland Station and asked if there were any renderings for Lot 2. Fler responded that there was nothing new; right now the big discussion is on the off-site costs. Fler anticipates getting through that soon. Then it's Unruh's intent to do the retail. Unruh is in town today, and Fler will meet with Steve Randolph tomorrow. The design side does require Board oversight, and Fler will bring that back to the Board. Fler will also bring the Family Entertainment Center back to the Board.

Faber asked there is progress in regard to the critical dates listed in master developer agreement. Fler noted that in order for them to complete their financial plan they need to know the infrastructure costs. Fler is going through that process with them right now. They're lining up their financing to be able to do all this. One sequence is the extension of Saddle Club Avenue, for example, and whether they get into the construction of Pine Street this year. The initial requirements say that they will have to extend Saddle Club Avenue, at least to the Pine intersection. They have to assign costs to those requirements.

Coy asked if there was anything the DDA could be doing to help them at this point. Fler thinks staff is doing what needs to be done. What will come up next will probably be the Family Entertainment T.I.F. agreement; then design considerations.

Carrick wanted to know what the development is going to look like. At one time we discussed the look of the Buena Vista development by the river. Carrick was recently in Edwards and Avon, and particularly what they've done in Edwards in their downtown development concept – Edwards has done an excellent job in that area. That project has professional, commercial and apartments – a healthy mix. Fler said he thought that concept would occur on the Amerigas parcel.

Larsen referenced the Sky Sox tickets that were distributed to the Board, as well as a copy of the City of Woodland Park summer postcard and the Spring 2013 DDA Newsletter.

Fler announced that DDA Board terms expire on June 30 for Jan Cummer and Merry Jo Larsen. Lindholm explained the Cummer and Larsen would receive a notification from the City Clerk's office. Cummer and Larsen can re-apply, and also others in the DDA district can apply for the posts. Then, according to DDA Bylaws, election of officers will be held at the July 1 meeting. Fler reminded the Board that City Council makes the DDA Board appointments.

Faber asked when we would get the report from the Main Street assessment team. Fler thought we would receive this in the next two weeks. The Main Street board meets every week and they are working on the application that is due on July 1.

Larsen distributed a Courier article from 1988 that talked about the origin of the Woodland Park Saddle Club property. The business people grouped together in 1947 to promote Woodland Park and to enhance our town. It was managed like a business. At that time it wasn't for the kids, it was for the town of Woodland Park. They started the Saddle Club instead of a Chamber at that time. It's nice to know the history.

The Board took a short break at 8:20 AM, prior to Executive Session. Fler announced that he had invited Mayor Turley to join the Executive Session, but Turley had to leave before the Executive Session started.

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: C.R.S. 24-6-402 (4)(e). Vice-Chairman Larsen read the purpose of the Executive Session into the record.

Meeting adjourned to Executive Session at 8:25 AM.

RECONVENE REGULAR MEETING: Following the Executive Session, Vice-Chairman Larsen reconvened the regular meeting at 9:38 AM.

The following persons were in attendance at the Executive Session: Merry Jo Larsen, Al Born, Gary Broveto, Tom Carrick, Tanner Coy, Vera Egbert, Michael Faber. **DDA Staff:** Brian Fler, Carol Lindholm. **Others Present:** David Buttery, City Manager and Bill Page.

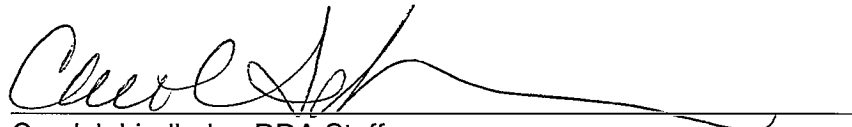
Vice-Chairman Larsen stated: "If any person who participated in the Executive Session believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session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

ADJOURNMENT:

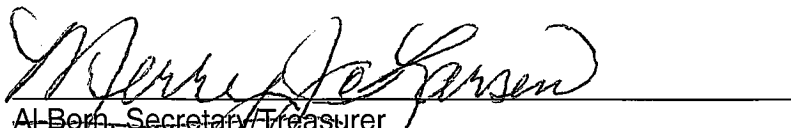
MOTION: To adjourn the meeting. Larsen/Egbert. Passed 7-0.

Meeting adjourned at 9:39 AM.

Recorded by:


Carol J. Lindholm, DDA Staff

APPROVED THIS 3 DAY OF JUNE, 2014


Al Born, Secretary/Treasurer
MERRY JO LARSEN, VICE CHAIR