

Nederland Downtown Development Authority Minutes for January 10, 2012

Board members present: Teresa Warren, Peter Stader, Director Paul Turnburke, Udo Sille and Steve Culver.

Absent: Ken Adler.

Also present: Alisha Reis, Mike Massa.

Meeting called to order at 8:06 A.M.

1. Under public comment Paul Turnburke read a letter to the NDDA Board and public. This letter is attached to the minutes.

Steve Culver submitted his letter of resignation from the NDDA Board. This letter is attached to the minutes. Teresa Warren, Udo Sille and Peter Stader and Paul Turnburke all thanked Steve for his work on the NDDA Board.

Teresa Warren said we are all in our hearts disappointed with the vote of the BOT not to accept the grant funds for the Phase 2 sidewalks. Teresa said there were some comments made at the time of the voting that she would have to challenge, such as this being an ill thought out plan. Since the Phase 2 sidewalks were part of our 2007 Master Plan and if there were objections to this project at that time it would have been nice to have people at the table in 2007 to voice this. Teresa said that if this issue would have come to a vote of the people that it would have passed. People who show up for meetings are usually unhappy with something that is happening. People who stay home and don't come to meetings are complacent and basically happy with the way things are. Our current BOT in their wisdom has decided not to accept this grant and this is now part of Nederland's legacy and history and there it is. We will move on from this place and it doesn't mean the NDDA is going to go away. Every year we have six figures of money that comes into the NDDA from our TIF financing. This money is not extra tax money collected from our constituents, but tax money that would have been collected regardless if there were a NDDA or not. The difference is the majority of money would have gone to tax districts outside of Nederland, and with the formation of the NDDA this money now stays within Nederland. So the NDDA is not going to go away, we will have money to work with for the duration of the NDDA. Teresa said she did not know how long she would continue to be a part of the NDDA, but she would

stay on until she knew the work of the NDDA would continue. Working on the NDDA Board does take its personal toll on you, it takes a health toll on you and we have all been under a lot of stress. Teresa said that frankly, as much as she doesn't agree with the decision of the BOT, she is glad it is over with and we can move on. Teresa said that everyday when she comes into Nederland and sees the sidewalks that were part of Phase 1, she is still really proud that this is a project that we accomplished. Teresa said that the people who called the sidewalk to the Eldora turnoff the sidewalk to nowhere, well it is going somewhere and people use it all the time. Teresa said hopefully the Town will be successful in getting the Safe-Routes-To-Schools grant and will be able to connect the Phase 1 sidewalk to the High School. Teresa said "I don't think it can be said that the NDDA doesn't think big, and sometimes we think bigger than other people can imagine, and we have always looked at the big picture and I am proud of us and the work we have been able to accomplish and that the sidewalks have helped make Nederland a safer place, they have helped with slowing down traffic, and they have helped people like Ray Rovey be able to get around town easier and I don't think we can discount that even though we were not successful with Phase 2."

Paul Turnburke said he wanted to express comments he received from Jeanette Taylor, her apologies for saying that our actions were short-sighted. Paul said he was trying to remember exactly what Jeanette said, but that she was speaking from a time of emotion and she apologized for that and felt it was inappropriate and she wanted the NDDA Board to hear her apology.

Karina Luscher said she wanted to thank the NDDA Board for all of your hard work and that she really appreciates it and she is sorry the BOT did not pass the Phase 2 sidewalk project. Karina said she hopes this doesn't hinder our ability in the future to go after similar projects. Karina said she would like to commend our work and that she is outraged and feels there is a lot of mis-information out there and it is unfortunate that those rumors are being spread. Karina said hopefully everything will move forward in a positive direction and in an intelligent and communicative way to get these things done. Karina said she cannot even imagine the amount of work we put into this project and the amount of frustration we must be carrying right now and kudos to us.

2. Mike Massa had two checks ready to be mailed. Mike handed out copies of the NDDA financials through December 2011. Mike said that he is

turning over our financials to Eva who will also become the Treasurer of the NDDA. Mike said we will probably have to accrue some small amount of tax revenues coming in January back into December's numbers. Mike said we are over budget in revenues and we now know why. Mike said revenues are strong and that we have this revenue stream of over \$100,000.00 a year coming in each year to work with. Mike said this year our debt service will continue into 2012 and then most of the rest of the items are on hold until the April election for debt authorization. Mike said we still haven't been able to close out the Phase 1 sidewalks in 2011, but hopefully that will be taken care of soon as they work out the final details with New Design Construction and CDOT.

Paul Turnburke said that now and moving forward, our budget, (the NDDA), is part of the Town budget and anyone can look that up, and it basically covers minimal expenses up to the April ballot issue. The NDDA budget from now through the April is set. After the April election we will re-visit the budget for the remainder of the year.

Alisha Reis said that Eva will have better year end numbers available sometime in Feb. as the Town prepares for audit reports. Alisha said Eva will be at our Feb. meeting.

A question was asked if Eva's time as the NDDA Treasurer was being reimbursed by the NDDA. Paul Turnburke said that something that has been absent in these discussions is about money. Paul said these questions could be directed to Eva or Alisha, but right now Town sales tax revenues are significantly up and in his conversations with Eva the most significant reason for these increased sales taxes are the sidewalks and the opening of the Carousel. The answer to the question is that we are not paying the Town to have Eva as our Treasurer; however the Town realizes there has been a benefit to their income stream as a direct result of the Phase 1 sidewalks.

Teresa Warren stated that we are reimbursing the Town for all the sidewalk maintenance costs. Alisha Reis said the Town was already overseeing a lot of the financial information of the NDDA and that in their 2012 budget discussions the decision was made to include the NDDA financial information with the Town's since the Town was ultimately responsible for the NDDA.

3. Katrina Harms updated us on the NACC. Katrina said that for the first time in many years they have started out the year without having to worry about Frozen Dead Guy Days. The NACC has some money and they are not broke or stressed out at this time. They are working on a restructuring

program and new information will be going out on their website soon. Katrina handed out some brochures and said these would soon be available throughout the town as part of a plan to reach out to the larger community, not just the business community. Since she has not had to work on FDGD's, she has been working on setting up an event and training and schedule for next year. Katrina said the training will be available for everyone, not just the NACC members. They hope to use this training as little bit of a revenue stream, but also as a way to help businesses operate better.

Katrina also asked the NDDA if there was a process that the NACC could request money or grant money from the NDDA to help pay for some projects or training. Teresa said they could always submit a proposal for grants, but that we will be limited until after the April election in what we can do. Teresa also mentioned that we have memberships with groups that also provide training and assistance that could be of interest to NACC members within the NDDA.

4. Paul Turnburke said he was glad to see the NACC back and moving forward and we would welcome any request for assistance, because part of our outreach campaign is trying to create partnerships with other local organizations.

Paul and Alisha talked about the new ECOPASS bus pass grant that is available to everyone in Boulder County who resides with the Nederland Library taxing district. These passes are free and initial sign ups were scheduled for the Library and Middle Senior High School. After that, you could sign up at Town Hall.

Paul said he would like to clarify some information about the bus stop enhancements that were part of the Phase 2 sidewalk project. If Phase 2 had been improved, all the bus stops within that zone would have been improved with linkages and pathways into the neighborhoods. Paul said that since Phase 2 was turned down, none of this will be happening now. However, RTD is still looking at getting some funding to improve bus stops throughout Boulder County and it is possible that some bus stops in the Nederland area may still have some improvements done if funding is available. Paul mentioned that a lot of things get done behind the scenes and he believes that a lot of this involvement with RTD is due to his participation in the Boulder County Transportation mountain study. Before Paul got involved with this study, there was no one else from Nederland participating. After Paul got involved the other participants and RTD began to realize that Nederland was really the transportation hub of the mountain area.

Paul reported on the DCI forum he attended. The forum had to do with communicating the value of your district to your constituents. Paul heard from three speakers, one from a BID District in downtown Boulder. They identified their constituents as the Boards, the Businesses and the public. That speaker said they get information about visitors from a visitor center. They also had a Social Media Advisory Council. Some of what this group did was look into different ways to get information out about local promotions. Paul said like the NDDA, this district assists the city with things like snow removal; they don't do it all, but they do pitch in and help out when needed. They communicate with their constituents through a monthly newsletter. A consistent theme throughout the forum was that you need to get out meet one on one with your constituents. In Boulder, if they have information they need to get out they would walk up and down the street handing out flyers with "READ ME" in big letters on one side. They followed up meetings with phone calls. They also reached out with emails and had different lists for different areas within the district. They also used utility bill inserts.

Another speaker was from Greeley. Greeley was interesting in that they were a 501 C-6 Corporation. The NDDA is not set up this way, but Paul heard of another DDA that was also set up as a 501 C-6. Paul said they told him that by being set up this way they did not need any approval from the City Council on plans or projects; that they operate as a non-profit. Paul said they do coordinate with the city to make sure they are working together and that this seems to work well in their community. They also have an employee that manages events and they have an "Experience Committee". This is a group of people that looks at what the downtown experience is like, and how can that be improved. They said their constituents were the City Council, City Department Managers, the public and donors. These donors help contribute to their group. They feel a relationship with the local media is very important. Paul said some of these districts are more event oriented. Lastly this speaker said about public outreach, don't get into one-on-one disagreements.

The last speaker was from the Castle Rock DDA; a lawyer that had lived most of his life in Castle Rock. He said they worked on their master plan for three years before going to the voters for their mil levy approval and they are now working on getting bonds. He said they did not have to have an election for debt authorization approval and they do not believe this is a necessary step in running a DDA. However, he said if you do have an

actual debt, or loan, he agreed that that should have a debt authorization approval. As a lawyer, he did not think debt authorization was needed to spend TIF funds. Paul said he wanted to point this out as not everyone operates the same way or with the same advice. Paul said regardless of this, we are going after debt authorization in April. Paul said this speaker had a great way of explaining the difference between a TIF and a mil levy. He said in terms of the TIF it was like "give me a Chevy or give me a Porshe, but make sure I have gasoline in the tank", with gasoline representing the mil levy.

Teresa asked Paul what did he get out of this meeting that he thinks we can use in our outreach program before the April election. Paul said that the most important thing he heard was that all kinds of words can be written on paper, but you need to get out and talk to people face to face, eye to eye so you have a chance to have questions answered and to know that there are people in the DDA who are looking out for their interests. He said this is important because even if the person you are talking to doesn't quite understand all finances or details, they can look to you and say if you are for this then I will support this also. Paul said this type of interaction was repeated over and over again by all the speakers and other members in attendance at this forum.

5. Alisha Reis updated us on the final payment for the Phase 1 sidewalk project. They have been negotiating for months and months with New Design Construction to get this final \$60,000.00 from CDOT funding. Alisha said the final payment notice has been published in January and it is down to getting the last signatures in place.

The BOT is working on a letter to DRCOG explaining their decision on turning down the Phase 2 sidewalk grant money. Alisha said she did talk to both CDOT and DRCOG, telling them those funds would be coming back to them. Udo Sille asked if we could get a copy of that letter, and Alisha said this would be no problem as this is a public document.

At the BOT meeting there was an ordinance put forth to reconfirm the boundaries of the NDDA; reconfirming from the 2005 action that residential and agricultural properties are exempt. Alisha said what this means is that if you are exempt from a district, you also don't vote, which was a question that folks in the community had asked.

Alisha said another question that will be on the April ballot outside of the NDDA questions is an equalization of the sales tax portion that goes

toward utility debt. At this time the lion's share goes to water first to repay those loans and then whatever is left over goes to sewer.

6. Under old business was approval of two bills. Paul Turnburke wanted to thank Mike Massa for all the accounting work and financial reports he had done for the NDDA, helping make all these confusing numbers a little easier to understand and keeping them straight and that we appreciated that. Mike said it has been great working with the NDDA and it was a definite learning experience for him jumping into the governmental reporting. Mike wished the NDDA Board well moving forward from here.

Udo Sille made a motion:

To approve payment of a bill to Accounting Specialists for \$1,062.50, and to approve payment of a bill to Ebuildout for \$206.25.

Peter Stader 2nd the motion. Motion was approved unanimously. #011012-1.

Next up was the approval of the minutes from our Dec. 27th meeting. Peter Stader made a motion:

To approve the minutes from the Dec. 27, 2011, NDDA Board meeting as written, with one correction to a typo under item #4, first paragraph, changing chose to choose.

Udo Sille 2nd the motion. Motion was approved unanimously. #011012-2.

7. Under new business Paul Turnburke said he had emailed NDDA Board members copies of Resolution NDDA2012-1 and a financial worksheet from Eva showing the different loans and scenarios for the debt authorization. Paul said essentially what we are doing is considering a request to the BOT that they place language on the April ballot concerning our debt authorization and a renewal of the mil levy. Paul said the BOT will consider this request at their next meeting. Paul said that while it is unfortunate the way some of the language reads, he was told that this is the way the lawyers wanted to see it done and this is the way it is going to be. Alisha Reis said many of the oddities in the language are required by TABOR or State election rules. Alisha said it will be up to the NDDA to help explain what the ballot language means to our constituents and the BOT.

Paul said he wanted to talk about what would happen if both of these ballot initiatives fail. Paul said if the debt authorization fails it will not be the end of the NDDA. The way Paul understands it is the NDDA will still be in existence and will continue to collect TIF funds into an account. However

there will not be any way to spend any of that money. Paul said the question our constituents within the NDDA district will need to decide is, which side of the line they stand on. Do they not want anything to happen within the district at anytime or any place, not build anything new within the district? Or, do they see a need for the NDDA, with oversight from the BOT to continue to improve the district. Paul said again that if the debt authorization fails the NDDA will not go away; the NDDA Board may go away because they may decide they are not serving any purpose if they can't access the pot of money that will continue to build up. At some point in time in the future a new group of NDDA members may decide it is time to restart the NDDA and bring up this debt authorization again.

Paul said if the mil levy fails, the NDDA still has one more year of collecting the mil levy. The NDDA would continue to receive these operating funds for one more year and it would be up to the BOT to decide how those funds should be spent. Paul said that no matter which way the vote goes we will have to revise our budget in April. Alisha said that even if the debt authorization vote fails, the current debt, for the Phase 1 sidewalks and the Tractor payments would continue to be paid until those debts were satisfied. Alisha said that if the BOT decides it wants to terminate the NDDA, then the Town would be responsible for repaying those debts. Paul said that if the NDDA was terminated, the TIF funds would go away also, and of the \$205,000.00 the NDDA now collects, the Town would only see about 10% to 15% of that amount.

Discussion turned to the renewal of the mil levy language and it was pointed out that there was not a time limit on how long this would be collected. Alisha said there is no sunset on this for DDA's unless you apply one. Paul said we need to decide if we want to ask the voters to renew the mil levy for the life of the NDDA or do we want to go for a shorter period of time. Teresa Warren reminded the board members that the last time this was on the ballot we did put a time limit of seven years on the mil levy. Teresa said since these are uncertain times she would like us to again set a time limit on the mil levy. Steve Culver agreed that he would also like to see a time limit to help keep the NDDA Board accountable. Udo Sille and Peter Stader agreed also with a time limit and seven years seem to be the agreed upon time.

Paul said the second part of the Resolution has to do with the debt authorization. Paul read the entire language of the debt question, asking that the debt be increased to \$1,215,589.00 with a repayment cost of

\$1,456,994.00, for the purpose of financing or refinancing the costs of projects undertaken by the NDDA, etc. Paul said we have two important questions to address here; how much money do we ask the voters to approve and what restrictions do we put on how the money is spent? Paul said if we only ask for a small amount of money to pay off our current debt and current projects it might make the ballot question easier to pass, but then we will have to go back again at some point in future if we want to do any new projects. If we ask for a larger amount of money, we will be able to pay off the current debt and have money available to upgrade our Master Plan and work on new projects. Paul wanted to know how the rest of the NDDA Board felt about the amount of money we should ask for.

Alisha explained to the board the different loan figures that Eva had placed on a spreadsheet breaking down the different amounts of the total debt authorization figure. Since the Phase 2 sidewalk grant money was turned down, Eva replaced this loan amount with an amount for infrastructure. Some of the other loan amounts were for Master Plan updating, beautification and enhancements and sidewalk maintenance. Alisha said if the debt authorization does pass the first thing the NDDA will want to work on is the Master Plan updating so we can get approval for new projects within the NDDA.

Teresa Warren said she would like the board to focus our discussion on whether we would like to see the \$250,000.00 that was included in the total figure, that was originally going to go to the Phase 2 sidewalk project, remain part of the debt authorization figure, now for infrastructure, or remove this amount from the total amount since the Phase 2 grant funding was turned down. Udo Sille said he would like to see it included. Peter Stater said he would also like to see it included. Steve Culver suggested keeping this amount in the total. Teresa said she would like to see this amount removed and go with a smaller amount at this time. Other NDDA members commented on this issue and some said they wished there were three questions on the ballot; one for the mil levy; one for a smaller amount covering our existing debt and Master Plan; and another question for approving an amount for future projects. After hearing some of the other comments, Udo said he might have to agree that asking for a smaller amount at this time might be the best way to go.

Paul asked Alisha that since we have a split in what amount we would like to see included, and that some would like to see a third question added to the ballot language, can we ask the BOT what amount they would like to

see, or in reality, the BOT could accept the ballot language as is or they could change it to anything they liked since they will have the final vote on this. Alisha said yes, that could all happen. Paul said it looks like we need to have two votes; one on the time limit for the mil levy and one on the amount of the debt authorization.

Steve Culver made a motion:

On the ballot language for the April debt authorization vote, put a limit of seven years on the renewal of the 5 mil levy.

Udo Sille 2nd the motion. Motion was approved unanimously. #011012-3.

Steve Culver made a motion:

To put the language of Resolution NDDA2012-1 on the April ballot.

Udo Sille 2nd the motion. Motion was approved unanimously. #011012-4.

Steve Culver made a motion:

To put the amount for the debt authorization on the April ballot at \$1,215,589.00.

Peter Stader 2nd the motion. Motion passed 3 to 1 with Steve Culver, Udo Sille and Peter Stader voting for; and Teresa Warren voting against. #011012-5.

Meeting was adjourned at 10:00 A.M.

Out next NDDA meeting will be on Tuesday, Jan. 24th. The meeting will take place at 8:00 AM at the Pioneer Inn, unless otherwise notified.

Submitted by Stephen Culver, Secretary NDDA.

Note: These minutes were never formally approved by the NDDA due to a majority of the membership resigning

Letter read by Paul Turnburke

As the Executive Director of the NDDA since 2007, I have seen our organization go through many changes. We have worked with many people who have served the Town of Nederland, including fifteen trustees, six

mayors, and three town administrators. Of the current NDDA board, three of the seven members and myself have served since the beginning of our organization. We have worked with many other local government entities such as RTD, Boulder County Transportation, CDOT, and DRCOG, to enhance the connectivity of our community. Over the years we have had our supporters and our critics and by our own admission, have not always done things in the best possible way. But we have always worked toward what we believed in our hearts to be the best, not for ourselves, but for the entire town. And I would like to thank my board for their selfless service to our town and for the privilege of working with them.

I believe 2012 will be a year of transition for the NDDA. We will be reaching out to the constituents of our district and the public as we renew and affirm our connections with people in the downtown area. As we share our vision, we will be listening for ways we can serve them better and to understand more completely the best role we can play in helping to create a better Nederland. We look forward to working more closely with the Board of Trustees to develop a shared plan for the downtown. We share in these BOT Goals for 2011-2012:

- Update of the Comprehensive Plan - Working with the Town through this process as we revise our Master Plan, we will be aligning our goals with the new Comprehensive Plan.
- Develop plan for a gateway park - We are partners in this process as part of the Steering Committee and as a donor of matching funds.
- Follow through on Envision 2020 - By incorporating this community vision into our plans, we can help to realize a better Nederland in 2020.

We are aware that not everyone in our town agreed with what we did. But we invite those who felt that our efforts were not in the right direction to join us, roll up their sleeves, and work with us as we envision a new future.

Resignation Letter of Steve Culver

January 10, 2012

To: The Board of the Nederland Downtown Development Authority
The Executive Director of the Nederland Downtown Development Authority
The Board of Trustees of the Town of Nederland

This letter is to inform you of my resignation as Secretary and member of the Board of The Nederland Downtown Development Authority, effective 90 days from today or as soon as a replacement for my position has been appointed. I will work with Director Paul Turnburke and NDDA Chair Teresa Warren to organize and transfer all records I have been charged with keeping as Secretary of the NDDA. I will do this in as timely manner as possible as my schedule will allow.

It has been a privilege to help create and serve as a founding Board Member of the NDDA for all these years and I wish the current NDDA Board and its future Board members much success for the duration of the NDDA.

Thank You,
Stephen Culver
Secretary, Nederland Downtown Development Authority