

LA JUNTA URBAN RENEWAL AUTHORITY

CALL TO ORDER: The La Junta Urban Renewal Authority Board of Commissioners held a regular meeting on Thursday, May 11, 2017 at 12:00 noon in the Power Board Room. The meeting was called to order by Chairperson Bennett.

Board Members Present

Absent

Nancy Bennett
Joe Ayala
Mack Burtis
Rebecca Goodwin
Lynn Horner
George Larsen
Susie Sarlo
Ed Stafford

Karen Kelley
Bill Jackson

Also present:

Rick Klein, Executive Director/City Manager
Ryan Stevens, Economic Development Director
Clete Lovato, Urban Renewal Secretary
Melanie Scofield, City Clerk
Edward Vela, Council Member
Gary Cranson, ARPA Representative
Randall Roberson, La Junta
Bette McFarren, Tribune Democrat

CITIZENS COMMENTS:

There were no citizen's comments.

MINUTES: April 13, 2017 Regular Meeting.

A motion was made by Lynn Horner, seconded by Joe Ayala, that the minutes of the April 13, 2017 regular meeting be approved as presented. The motion carried unanimously.

FINANCIAL STATEMENTS: April 2017

A motion was made by Rebecca Goodwin, seconded by Lynn Horner, that the financial statements for April 2017 be approved as presented. The motion carried unanimously.

OLD BUSINESS:

T.O.'s Building: Lynn Horner left a message with Ron this morning and was hoping to hear back from him but haven't. At this point, I don't have anything in the last month that is different. He still intends to do something.

Plaza Building: Rebecca Goodwin said the final decision will be made around May 30th or 31st. We should know something around the first week of June.

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The Book Stop: Rick Klein said that the person looking into buying the Chestnut said he didn't feel comfortable whether he'd go partners with us or not. The Credit Union doesn't want to move but Dianne said she will get back with the Board and give us an answer whether they would partner up with us. Once we know this, we can move forward.

Mack Burtis: To me there makes no sense to do anything with The Book Stop if we don't know what the status of the rest of that block is. We either have a plan for the whole block, which makes it an Urban Renewal project or we're just feeding money to a private property owner for a dilapidated building. If you have a project then you have a plan.

Chairperson Bennett: I think you can have a plan whether you have a project ready to go or not.

Mack Burtis: The plan, in my view, looking at Urban Renewal literature is on a piece of paper that other people can read.

Rebecca Goodwin: I think we've discussed a plan about adding parking through there, either to include the Credit Union or to work around them.

Rick Klein: I do have Engineering working on re-doing that so we can look at options.

Susie Sarlo: Before I was on Urban Renewal, there would be pictures in the paper about a home that was burnt and Urban Renewal paid to tear it down. Or where Kit Carson was owned by someone else and Urban Renewal paid to tear it down. Was there a plan for those blocks? I like the idea of a plan but from what I've experienced since I've been on this Board is that we do things kind of piece mill. If a building is dilapidated and its unsightly and the City has made a decision in working with Colorado Downtown Inc., that they are going to take the downtown and try to do something with it to make it more aesthetically pleasing and more economically feasible, then it seems like anything that is causing blight in the downtown area we would want to clean up. Don't we want to do that?

Mack Burtis: You need to define the downtown area and if that's your program then we need to go around the downtown area and determine the status of all the buildings. We just don't pick out one and go ahead.

Susie Sarlo: I'm looking at the tax increment district and what Colorado Downtown Inc. were looking at doing with the downtown. To me, the downtown is 5th through 1st and Raton through Santa Fe. I'm not trying to argue, I'm just trying to bring up that when we talk about a plan, are we talking about what the City is committed to about trying to do something with the downtown, are we talking just about the Chestnut Building, the area where Veirs and the Book Stop sit or what are we talking about? What plan are we waiting for?

Mack Burtis: I hear all of this but I would argue that if you independently ask every member of this Board, "What is our plan?" You'd get different answers from each person. When I read the Urban Renewal literature, we don't do things until we have a plan pretty much worked out and

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have a price tag on it. We are not just a bank for people to come in and get money. We should have a plan of what we are going to do.

Susie Sarlo: I don't think that's always been the case and so a precedence has been set. If we're trying to re-develop the downtown, I think we're going to have to make some decisions about if the Chestnut property is right for development, what do we have to do to make that more appealing? One of the things that might have to be done is that anything that is unsightly, that's unsafe, has asbestos needs to be taken care of.

Rebecca Goodwin: At one time, there was a developer who went to the City and the City told them they couldn't re-hab it because they didn't have enough parking spaces for the Chestnut Building and the City parking lot half a block down didn't qualify. So we do know there's an issue with parking with that building. That is why Rick was asked to reach out to the current owner/developer. To get to a plan, you also have to discuss what the options are.

Mack Burtis: We need something on a piece of paper that outlines what the end product and our objective is and how we're going to get there.

Susie Sarlo: Dealing with blight is part of what is done. There are always ways that Urban Renewal can make sure that blight is taken care of, that we prepare things so that we're ready for development. We have to do something.

Joe Ayala: So there's no plan in place to where that building stays up? So, no matter what we go with, that building will have to come down at some point?

Chairperson Bennett: Yes and right now we have the advantage that the owners are willing to work with us.

Susie Sarlo: I believe the City was supposed to get back with us with a list of dilapidated buildings. We have still not gotten that list.

Rick Klein: We currently have three condemnations in process. They are in various stages.

Susie Sarlo: I would like to ask the Mayor, there are plans to becoming a Mainstreet community that the City Council is working on. Where does Urban Renewal fit in there? We're always told that we need to work together.

Lynn Horner: There's not necessarily a specific area as to what the boundaries are of the downtown area. From a Council viewpoint, part of what we may have to do during a work session is to simply determine what that boundary is going to be. Part of what Urban Renewal has attempted to do is focus in on certain areas but we didn't have a specific plan. But certain buildings within those areas we encouraged people to do something with. I would like to speak about the Book Stop for just a minute, Gary would you be willing to help in any way, shape or form with the costs of the demo part? I would like to see seem skin in the game of the owners of

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those properties. I would love to see some component of the owners to put some financial backing into the project.

Gary Cranson: This is interesting that you bring this up. I'm aware of the number of dilapidated properties there potentially exist already. The pot of gold isn't there for anybody really. I was thinking, as a responsible person, maybe it would be wise to establish a policy that the owner would pay 10, 15, 20% or some reasonable amount of the demolition, then Urban Renewal can handle the asbestos.

Rebecca Goodwin: I would like to say that I appreciate you coming to several of these meetings to discuss with us a way of doing that and I appreciate a landowner and a family that will come to the Board and try to have a conversation. That shows integrity.

Gary Cranson: Another thought, 801 Edison caught fire, somebody who's pretty smart is going to figure out the cheapest way to do it is burn the thing down.

Rebecca Goodwin: That one was a high priority for this Board because it was also a concern for the School District.

Susie Sarlo: Are we going to make any money with the developer for the Chestnut Building? They want to put a parking lot and green space there. Would they have to buy that property?

12:40 p.m. – Rebecca Goodwin departed the meeting.

Lynn Horner: From your prospective Ryan is this anything they're willing to look at?

Ryan Stevens: It's not something we've discussed but as Rick said whether it's an apartment or some other use they're in need of the parking spaces.

Mack Burtis: I make one observation with this whole problem of talking about this dilapidated building, it's not unique to La Junta. Pueblo talks about this continually. Nobody has really come up with a good solution. In Pueblo, this isn't an Urban Renewal issue, it's a City Council issue. This discussion ought to be at the City Council level.

Lynn Horner: Part of this is Urban Renewal and it is the City. We're beginning to look at an ordinance that will put more of a hammer down on people who want to sit on vacant properties.

Randall Roberson: Dealing with Mack, I can tell you from my personal experience that he likes a plan. Everything has to have a plan. I think a keynote of what his statement is is what differentiates the way your treating the Book Stop with the way you're treating the Plaza Building? You say one's too dilapidated to be refurbished and one's got asbestos in it. They both have it. So where's your set of rules that differentiates between those two sets of properties.

Chairperson Bennett: We own the Plaza Building.

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Randall Roberson: So what. That's even more of a reason you should be tearing it down.

Chairperson Bennett: The State Historical Society says that it can be re-habbed.

Randall Roberson: If that building can be re-habbed, then any building can be re-habbed for enough money. This is why I think you have to have a set of rules. So is Urban Renewal going to be in the business of historical preservation? Is that part of their goals?

George Larson: It may be a goal for some people but it's not for me. I will debate all day long to anybody that has any structural knowledge that is a fundamentally sound building. It's going to take less than the \$2.2 million that was in there. There's some of us that have agreed in principle, in an economically way. It's gotten to a stage, okay I'm ready to tear it down but that was back when you could tear a building down for \$100,000. This asbestos stuff, I don't know of any case ever proven in the United States or elsewhere that shows just because a building has asbestos a world is at danger. Maybe the out of control EPA will change. But I am not ever willing to spend, what was then \$330,000, now suddenly it became \$240,000. It's too much money. My solution from the very start is that this isn't just for us this is for future generations and why don't we save a building that could have been done with \$70,000. Does there have to be an immediate economic impact? There are tons of things that have been done that have no plan. I'm not spending a quarter of a million bucks to tear a building down.

Randall Roberson: What I think Mack is pointing to is how do we make a decision on these two. We've got two projects that got put in front of Urban Renewal. How do you make the decision which action you make with which one?

After lengthy discussion between the Board members, Chairperson Bennett asked Mr. Cranson if that was a concrete offer that your making to contribute \$6,000 towards the demolition of that building?

Gary Cranson: Yes, sure. I want this to be resolved.

MOTION TO ACCEPT GARY CRANSON'S CONTRIBUTION OF \$6,000.00 AND MOVE FORWARD WITH THE PROJECT OF ABATEMENT, DEMOLITION AND ACCEPTANCE OF PROPERTY (BOOK STOP): Stafford

SECOND: Ayala

DISCUSSION: There was no further discussion.

VOTE: The motion carries 4-2 (Burtis and Larsen against)

ADDITIONAL COMMENT:

Susie Sarlo: So when I first came on the Board, I asked what the procedure was for getting a designation for a local historic preservation. I was told the Planning Commission did it. Over several months, we established that maybe the Planning Commission didn't have the relevant experience to do that. So, Rick, you said, maybe we'll look at doing an independent advisory board. I then questioned, why don't we just do it through the County? My understanding is all it would take is a letter from the Mayor to a County Commissioner saying we would like to participate on the County Preservation Committee. I was told "no, we're good." In February, we learned about tax credits. I took that information to the Picketwire Board and they said let's see if we can get some of that money. I talked with you about it in March and said let's get you on there. I emailed you in March and again in April and didn't hear anything. I was then told to work with the City Engineer. I have called him at least six times. Mrs. Gray has been exceedingly polite but she was unable to answer anything and continued referring me to the City Engineer. She told me the City Engineer is working with the State to try to figure out what needs to be done in order for La Junta to be authorized to get a designation. I then talked with the Chairman of the Planning Commission, he said that they've never voted. We've never really worked it out. So here we are May 11th the grants are due in June and I still do not have an answer.

Rick Klein: Darren has been working on becoming a Certified Local Government and has started that process. He thought that he was almost through the process.

Susie Sarlo: You told me that La Junta could do it. Again, your busy, all of your other departments are busy, you have a lot of other irons in the fire. There is a committee with the County that that is all they do. Why do we not take advantage of that? All the committee does is tell you whether you qualify for a historic designation so that you can go after grants. That committee doesn't tell you to tear down the building.

Rick Klein: What is the pleasure of the Board?

Lynn Horner: We will put this item for discussion on the next agenda of the City Council.

Sign Shop Progress Report: The progress report has been provided to you at this meeting.

DIRECTOR'S REPORT:

- We are processing Tiger 7 bills from the State of New Mexico and Burlington Northern.
- We are trying to get down four more vacant structures.
- 507 E. 3rd Street – we received one bid for \$9,000, he was wanting to put an enchilada shop but the zoning is Residential and would have to go to the Planning Commission to change it to Commercial. If we can't get the zoning changed, he can walk away from the bid.

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- Tonight the topic at Community Conversations is Urban Renewal at the Barista at 7:00 p.m.

1:31 – Mack Burtis and Randall Roberson departed the meeting.

ECONOMIC DEVELOPMENT:

Working on the nursing home to create a Health District which will be discussed at the next City Council meeting. This will further our opportunity to build a new nursing home.

ED/URBAN RENEWAL DIRECTOR:

I wanted to look into trying to combine those jobs. I'm getting to go back out for an ED Director and I would love to combine the Economic Director with the Urban Renewal Director. I would like to know if Urban Renewal would put up \$12,000 a year (\$1,000 per month) towards that position.

Ed Vela: Is that a good organization Ryan?

Ryan Stevens: It is. I think there are some strong synergies between Economic Development and Urban Renewal or Downtown Development Director. You're dealing with the same industries, same types of issues. There's a lot of overlap there.

MOTION TO COMBINE THE ECONOMIC DIRECTOR AND URBAN RENEWAL DIRECTOR AND FOR URBAN RENEWAL TO CONTRIBUTE \$12,000 A YEAR TO THE POSITION: Larsen

SECOND: Sarlo

DISCUSSION: There was no further discussion.

VOTE: The motion carries 6-0

There being no further business, the meeting was adjourned at 1:36 p.m.

Nancy Bennett, Chairperson