

**Castle Rock Downtown Development Authority
Board of Directors Meeting
Nov. 7, 2013
Castle Rock Downtown Alliance Office
18 S. Wilcox St., Ste. 202**

Call to Order: 4:03 p.m.

Roll Call:

DDA Board Members Present:

Rick Stucy, Chairman
K.C. Neel, Secretary
Tim Leonard, Treasurer
Jason Bower
Greg Boman
Chip Wilson, Council Liaison

DMA Board Members Present:

John Manka, DMA Vice President

Staff/Guests:

Kevin Tilson, Staff
Bill Detweiler, Town of Castle Rock
Mark Stevens, Town of Castle Rock
Cory Hoffman, DDA Attorney

Unscheduled Public Comments

- None

DDA Action Items *without* Public Comment

- Approval of Oct. 17, 2013 Minutes
 - Motion: Greg Bowman
 - Second: Jason Bower
 - Motion passes 7-0

DDA Updates

- Rink at the Rock
 - Rink is under construction now.
 - Sponsorships continue to roll in.
 - Construction of Zambini building should get under way by week's end.
 - Restrooms are expected in the next two weeks.

- Castle Rock Economic Development Council member, owner of Sunset Stone and local resident Russ McCombs donated a fire pit and flagstone for the Rink.

TIF Updates:

- Legal update:
 - DDA attorney Cory Hoffman presented information regarding the DDA and Tax Increment Financing.
 - DDA implements the policies of the Town Council through the Plan of Development.
 - DDA power under statute and Town's Plan of Development to create increment, to fund projects but
 - Town of Castle Rock must incur the debt for DDA projects and the DDA and Town can use increment to pay down the debt.
 - DDA projects should create increment. Project that don't create increment are not what DDA's were created to do.
 - Kevin Tilson noted that the DDA's property tax TIF is still below the base as a result of a poor economy, personal property being depreciated out and significant property tax assessment challenges, after the base was established.
 - Corey Hoffman explained that increment dollars should be moved to a special fund if the Town has authorized debt for a DDA project.
 - It is wise to build up increment funds in the special fund. Their does not have to be a dollar for dollar increment to debt ratio. There just needs to be Town debt for a DDA project that then means the increment goes to the special fund.
 - Having a debt allows the full amount of increment to go in or at least the amount of the debt.
 - Kevin Tilson explained that Town Council and the DDA must work in partnership with Town Council to incur debt and pay debt to fund project in Downtown, and that great things can be accomplished with this tool.
 - Sales Tax and Property Tax increment goes to the special fund.
 - It takes time for a DDA or URA to build increment. It took Grand Junction 20 years to build increment to do a project.
- TIF Overview
 - Town manager Mark Stevens reported good news that sales tax for the downtown district is up after hitting the bottom in 2009-2010.
 - Sales tax increment was about \$208,000 in 2012.
 - Sales tax increment could be as much as \$500,000 in 2013.
 - If sales trends continue, sales tax increment could exceed the 2013 figures.

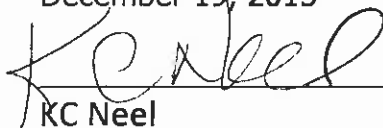
- That money becomes available when the Town Council agrees to issue debt and places those funds in an account that is used to pay off the debt for a Downtown project.
- Town council members want residents to weigh in on what they want the sales tax increment spent on during upcoming, as-yet-unscheduled public meetings.
- DDA members are encouraged to participate in these discussions.
- Need to identify what the DDA Board and Town Council want to incur debt for. It could be infrastructure, land assemblage/acquisition, or other financial gaps/challenges.
- The board discussed potential for using the sales tax increment from 2012 and 2013 for accomplishing objectives.

DDA Action Items

- Quiet Zone
 - DDA made a motion to draft a letter that expresses to Town Council that the DDA has removed the Quiet Zone from the top of its priority list in 2014 and requests that Town Council keep the money budgeted for the project in the 2014 budget as a placeholder that would allow Town Council and the DDA to work together to find new ways to finance the Quiet Zone.
 - Motion: Tim Leonard
 - Second: Jason Bower
 - Motion passed: 5-1

Meeting Adjourned: 5:50 p.m.

The Castle Rock Downtown Development Authority Approved these minutes on
December 19, 2013



KC Neel

DDA Secretary

