

Montrose Urban Renewal Authority
November 6, 2024

A regular meeting of the Montrose Urban Renewal Authority (MURA) Board of Commissioners was held on Wednesday, November 6, 2024, at 12:00 p.m. in the City Council Chambers, located in Elks Civic Building at 107 S. Cascade Avenue. Said meeting was posted in accordance with the Sunshine Law.

PRESENT: J. David Reed, Judy Ann Files, Dave Frank, Doug Glaspell, Brad Hughes, Allison Howe, Stephen Bush, Jim Haugsness, Executive Director William Bell

ABSENT: Ed Ulibarri

GUESTS: Scott Murphy, David Dragoo, Doug Dragoo, Gail Marvel, Briceida Ortega, Rob Mackenzie, Anthony Russo

CALL TO ORDER

The meeting was called to order at 12:02 p.m. by Allison Howe.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL

Board members J. David Reed, Judy Ann Files, Dave Frank, Doug Glaspell, Brad Hughes, Stephen Bush, Jim Haugsness, and Executive Director William Bell were present.

Ed Ulibarri was absent.

CHANGES TO THE AGENDA, INCLUDING ADDITIONS AND DELETIONS

No changes were made to the agenda.

CALL FOR PUBLIC COMMENT

No comments.

CONSIDERATION OF MINUTES

The MURA Board considered the minutes of the June 26, 2024, regular MURA board meeting. Brad Hughes requested a revision to the final sentence on page 6, clarifying that the project in question will be classified as residential, and therefore subject to residential—not commercial—taxation.

A motion was made by Dave Frank seconded by J. David Reed, to approve the minutes of the June 26, 2024, regular MURA Board meeting as amended. All voted yes. Motion passed.

TIF EXPENDITURE UPDATE

City Engineer Scott Murphy provided an update on current TIF expenditures within the Colorado Outdoors development.

Scott Murphy highlighted the MURA summary of expenditures to date. The board expressed their appreciation for the financial information that was being shared. Scott Murphy will present financials at every URA meeting.

GREENLINE DEVELOPMENT AGREEMENT REVIEW AND APPROVAL OF INCENTIVES

William Bell provided an overview of the board's process for approving development incentives. He explained that the board works closely with developers to refine project details, including construction estimates and timelines. A copy of the Developer Agreement was included in the meeting packet. Bell expressed appreciation to the legal team, Scott, Anthony, and Rob—for their contributions.

He noted that the Developer Agreement is a two-sided document outlining both the developer's responsibilities and the board's expectations, including the required timeline for progress. It specifically highlights horizontal site improvements and provides clarity on mixed-use requirements for this specific project, such as the number of residential units and the required square footage for retail space. Bell also referenced projections reviewed at the previous meeting with Anderson Analytics.

Anthony Russo reported that he and Rob Mackenzie have been coordinating efforts on the project timeline, acknowledging ongoing uncertainty regarding construction costs. Rob Mackenzie elaborated, stating they are currently about five months away from being able to pull a permit.

The team is waiting for interest rates and construction costs to decrease. Minor modifications are being made to the project design to reduce expenses, with the goal of starting construction within the year.

Brad Hughes emphasized the importance of pulling permits for both the residential and commercial components simultaneously. He clarified that a single permit should be issued to cover the entire project, rather than pulling a residential permit first and delaying the commercial portion. Rob confirmed that the intent is to proceed with one unified permit for both components.

William Bell further noted that the agreement requires a minimum of 10,000 square feet for retail sales use and at least 75,000 square feet of multifamily residential use. He added that contractor payments will be made incrementally as each portion of the project is completed and verified by Scott Murphy. Dave Frank reiterated that no checks are made in advance to contractors

A motion was made by Dave Frank, seconded by Doug Glaspell, to approve the Greenline Development Agreement as presented, Doug Glaspell seconded. All voted in favor. Motion passed.

INCENTIVES FUNDING FORMULA DISCUSSION

Executive Director William Bell provided an overview of the incentives funding formula. He noted that Brad Hughes has detailed each project in the spreadsheet he will be presenting to the board. Once the board approves the incentives funding formula, it will be added to the MURA Manual and made available to the public.

Brad Hughes provided additional context on the proposed 25% and 40% calculations in the incentive funding formula. Hughes emphasized that the updated formula offers a more fair and equitable approach to allocating incentive funds. It establishes clear eligibility limits, making the process more straightforward for the board, staff, and contractors.

MURA will fund horizontal site improvements based on property type, taking into account the revenue generated through property and sales tax. Residential projects would qualify for up to 40% of property taxes, while commercial and industrial projects would qualify for up to 25% of property and sales taxes.

A motion was made by Doug Glaspell, seconded by J. David Reed, to add the incentive funding formula as presented to the Manual. All voted in favor. Motion passed.

SCHEDULE FUTURE MEETINGS

The next MURA meeting is scheduled for January 22, 2025 from 12:00 to 2:00 PM.

ADJOURNMENT

The meeting was adjourned at 12:41 p.m. with no further action taken.

ATTEST:

Allison Howe, Chairperson

William E. Bell, Executive Director