



A G E N D A

PLEASE BRING YOUR LAPTOPS TO VIEW THE ZOOM PORTION OF THE MEETING

REGULAR MEETING LA JUNTA URBAN RENEWAL AUTHORITY
La Junta, Colorado
May 25, 2023
4:30 p.m.
Council Chambers

CALL TO ORDER

ROLL CALL (City Clerk)
Board Members P/A

Supervisors

Others

Ayala
Bennett
Coffield
Herasingh
Horton
Madrid
Miller
Roberson
Sweikert

CITIZEN PARTICIPATION

MINUTES OF PREVIOUS MEETING (Chairperson)
Regular Meeting April 13, 2023

FINANCIAL STATEMENTS (Treasurer)
April 2023
Investments – ColoTrust

- Total Amount Available for Grants/Loans
- Suggested Alterations to the Budget to Reflect Recent Spending

REPORTS – Project Updates
A. Plaza Building (Nancy Bennett)

UNFINISHED BUSINESS

A. Strategic & Communications Plan – Sheryl Trent of SBrand (Zoom)

NEW BUSINESS

- A. LJ URA Funding Requests
1. Valley Tire
 2. Calico Properties
- B. URA Funding Contract (Daniel Horton)
- C. Notice of Board Posting Opening Advertised in Gazette
- D. Urban Renewal Director Comments



AGENDA



E. Governing Body's Comments

ADJOURN

LA JUNTA URBAN RENEWAL AUTHORITY

CALL TO ORDER: The La Junta Urban Renewal Authority Board of Commissioners held a Regular Meeting on Thursday, April 13, 2023 at 4:30 p.m. in the Council Chambers. The meeting was called to order by Chairperson Bennett.

Board Members Present

Absent

Joe Ayala
Nancy Bennett
Trevor Herasingh
Daniel Horton
Toni Madrid
Justin Miller
Randall Roberson
Lily Sweikert – via Zoom

Christine Coffield

**Subject to approval at the
May 25, 2023
Urban Renewal Meeting**

Also present: Cynthia Nieb, Economic/Urban Renewal Director
Melanie Scofield, City Clerk/UR Secretary
Aimee Hill, City Building Code Officer
Bette McFarren, Rocky Ford Gazette

CITIZEN PARTICIPATION:

1. There was no citizen participation.

MINUTES: March 9, 2023

Chairperson Bennett asked if there were any corrections or additions to be made to the March 9, 2023 minutes. Hearing none, a motion was made by Trevor Herasingh, seconded by Justin Miller, that the minutes for March 9, 2023 be approved as published. The motion carried unanimously.

FINANCIAL STATEMENTS: March 2023

Randall Roberson explained that there are two separate checking accounts. One account is for the old taxing district and the other one is for the newer taxing district, which engulfs the old district. The priority would be to get down to one checking account.

The March 2023 financial statements were provided for the Board's review.

BALANCE SHEET

ASSETS

- Total cash at the end of March was \$112,332.65.
- Notes receivable was \$3,750.00.
- Investments were \$362,685.21 (COLOTRUST).
- Total assets are \$478,767.86 for the month ending March 2023.

LIABILITIES

- There were no outstanding bills at the end of March.

STATEMENT OF REVENUE/EXPENDITURES

BUDGET TO ACTUAL

Interest in the amount of \$1,376.67 was received. Tax increment of \$51,792.30 was received from property tax collections. Expenses for the month of March were as follows:

- \$2,466.85 – Saving Places Conference
- \$85.51 – Southeast Colorado Power (Welcome LJ Sing – 2 bills)

The 2023 budget is \$182,500.00 less \$4,128.26 in expenses leaving a budget remaining of \$178,371.74.

Randall Roberson also noted that the Notes Receivable consists of Jake's Gym and Ballantyne Vision Care.

Chairperson Bennett asked if there were any questions or corrections regarding the March 2023 financial statements. Hearing none, a motion was made by Justin Miller, seconded by Trevor Herasingh, that the financial statements for March 2023 be approved as presented. The motion carried unanimously.

LJ URA APPLICATION – Sutherlands: Paul McKnight and Marci Swartz, with Sutherlands Home Improvement Center, presented the following information:

Project Background and Summary

Sutherlands is family owned and operates approximately fifty (50) retail home improvement centers in the United States, primarily in the Midwest, through various family-owned retail entities. Sutherlands was founded over one hundred (100) years ago when our first store opened in 1917. Sutherlands focuses on underserved, rural and ranching communities which have limited home improvement, DIYer options. Sutherlands seeks to be a strong community citizen. Sutherlands is currently under contract to purchase the blighted property (former Walmart) located at 27304 & 27332 Frontage Road, La Junta, Colorado, and is expected to close on the purchase on or before May 15, 2023.

Sutherlands' analysis of the La Junta community and Arkansas River Valley are narrow home improvement shopping options and is underserved. Sutherlands believes opening and operating a retail home improvement center in La Junta will provide some of the following benefits for the community:

- Renovate the blighted and vacant property and reutilize the property for a retail home improvement center to better serve the community
- Reduce 'sales leakage' and lost sales tax revenue to other cities such as Pueblo and increase sales tax revenue for La Junta
- Provide full and part-time employment opportunities to local citizens
- Provide a convenient local 'one stop', 7 day-a-week shopping option, limiting the need for individuals to travel nearly seventy (70) miles to Pueblo

There are several features and product categories a La Junta Sutherlands retail home improvement center would offer:

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Lumber & Building Materials	Electrical & Lighting Fixtures
Plumbing, Fixtures & Hardware	Heating & Cooling
Paint, Flooring & Home Décor	Power & Hand Tools
Windows, Doors & Roofing	Building, Garage & Shed Pkgs
Farm & Ranch, Fencing	Furniture & Mattresses
Appliances	Lawn & Garden
Clothing, Sporting Goods & Pet	Grills & Outdoor Equipment

Operations

- Estimated annual sales of \$10-\$12 million for the proposed property
- Open 7 days a week (typical non-operation holidays are Thanksgiving and Christmas)
- Typical hours of operation: Monday – Saturday (7:30 a.m.- 8:00 p.m.) and Sunday (9:00 a.m. – 5:00 p.m.)
- Employ approximately 30-45 full and part-time employees, with benefits available to salaried full-time employees and additional seasonal spring/summer staff
- Estimated hourly wage of \$14-\$18 (excluding salaried employees)
- Extensive product selection with very competitive prices
- Excellent Sutherland family customer service tradition
- Online ordering and in-store pickup
- Private label credit card with regular financing and special promotions
- In addition to the traditional ‘cash and carry’ homeowner/DIYer channel, opportunities available for commercial and home builders
- Home and site delivery

Summary

The Sutherland family intends to purchase and renovate the blighted, under-utilized and idle property (formerly Walmart) located at 27332 Frontage Road. Sutherlands estimates \$1.98 million in total site and building renovations and another \$3 million in personal property, vehicles, forklifts and inventory investment.

Sutherlands is seeking a \$250,000 grant from the La Junta Urban Renewal Authority (LJURA) to renovate and revitalize the blighted, former Walmart property, contingent upon Sutherlands final purchase of the property. The grant will be applied to the façade renovation and exterior painting cost of the project improvements. Sutherlands requests the grant be a reimbursement to Sutherlands upon full completion of the project improvements, which is expected to be completed within 10-12 months following the purchase of the property.

The \$250,000 public grant financing would only consist of approximately thirteen percent (13%) of the estimated site and building renovation costs and approximately five percent (5%) of the entire Sutherland investment in the property and community.

DISCUSSION:

Information given from questions asked by the board:

- Sutherlands plans on bringing a manager and an assistant manager from outside the community. These two individuals have worked for Sutherlands for several years. It is important to bring in someone who knows the Sutherland way of operations. New employees will be trained on the job. There would be adequate time to train before the store opens.

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- Both the manager and assistant manager and their families will relocate to La Junta. Sutherland's feels that it is important for them to integrate with the community.
- There are some supply chain issues, especially on HVAC equipment, which typically has a six (6) month lead time. As soon as they close in mid-May, they will be going full steam ahead to get everything ordered to make sure there are no problems opening next spring.

MOTION TO ACCEPT THE SUTHERLANDS PROPOSAL FOR AN URBAN RENEWAL GRANT IN THE AMOUNT OF \$250,000: Herasingh

SECOND: Roberson

DISCUSSION: There was no further discussion

VOTE: The motion carried unanimously

REPORTS:

A. Plaza Building

Chairperson Bennett: A temporary Certificate of Occupancy has been issued for the 2nd floor and the construction company is opening their office there and paying rent for the one apartment. They're doing that so we can get the tax credits.

In the construction activities, an egress window has been installed upstairs. The plumbing system is under pressurization for the entire building. Doors are on order but were delayed by a month and temporary doors have been installed. Electrical panels are in place. Inspection is anticipated late last week or early this week. Conduit has been buried and goes into the building on the south elevation. The gas line is in place and walls have been furred out to run the gas line inside the building. The grease trap is anticipated to be installed this week. The sump pump is in place and concrete will be poured around it this week. Condenser lines are in progress. Preparation for installation of the makeup air unit are ongoing. Color selection is needed for the baseboard heaters and Summit will provide the color options as soon as they are received.

The storefront rehabilitation work is in progress. Custom knives to match the historic profiles have been ordered but were delayed. Early summer work on the storefront is anticipated. Woodwork installation in the building is anticipated this summer. The south elevation windows will be removed for rehabilitation once the contract work is in place. Derek is coordinating with the local jurisdiction for fire suppression systems. The fire department connection will be located at the front end of the east elevation and a fire lane is anticipated along the highway.

UNFINISHED BUSINESS

- A. **LJ URA 464311405014 – Request to Purchase.** Cynthia Nieb found out that you cannot put up a garage in a residential area without having a house first. She spoke to Mr. Garcia and he and his relatives are going to see what their next move might be. They are considering a modular home.
- B. **Strategic & Communications Plan.** Cynthia Nieb was going to apply for a grant for the rest of the funding for the plan; however, as she was applying for it, she noticed that it asked for a resolution from the city council and there was not going to be a meeting before the grant was due. After speaking with Gail Langley, Colorado Main Street, she said she could provide a one-day session that would have to include people from all over the community. It would probably be a two-page plan. That we can get for free or come up with the other \$15,000 to

LA JUNTA URBAN RENEWAL AUTHORITY

have the thorough plan that was seen last time. There is an immense difference between the two options. There is the one plan that consists of one day or the more thorough plan that takes several months to go through all the phases.

POINTS OF DISCUSSION:

- Make it clear that she is the one writing this plan.
- Prefer to have a loose draft before the retreat.
- Have clear expectations on both sides, in writing.
- Have a contract or letter of engagement with signatures.

MOTION TO APPROVE AN ADDITIONAL \$15,000 TOWARDS THE STRATEGIC & COMMUNICATIONS PLAN TO MOVE US FROM WHERE WE ARE TO WHERE WE NEED TO BE, PENDING RECEIVING AND AGREEING TO THE SCOPE OF WORK AND CONTRACT: Madrid

SECOND: Sweikert

DISCUSSION: There was no additional discussion

VOTE: The motion carried unanimously

NEW BUSINESS

A. Urban Renewal Director:

1. Justin Miller is moving out of state. He's accepted another position.
2. The Urban Renewal and CLG meetings have been changed to the fourth Thursday at 4:00 p.m. beginning in May.

B. Governing Body Comments:

1. Randall Roberson: Urban Renewal invested over \$200,000 for the elevator in the CORE Building. When the City sold it to Sangre de Cristo Hospice, Urban Renewal should have received those funds back instead of the City profiting. It should not have been done as a grant. (There was continued discussion amongst the board).

There being no further business, the meeting was adjourned at 5:33 p.m.

Melanie R. Scofield, Secretary

Nancy Bennett, Chairperson



May 10, 2023

Dear Urban Renewal,

April 2023 financial statements have been completed for the boards review. Below are highlights of each statement:

BALANCE SHEET

ASSETS

- Total cash at the end of April was \$ 119,707.42.
- Notes receivable was \$ 3,685.50.
- Investments were \$ 364,121.04 – COLOTRUST
- Total assets are \$ 487,516.08 for the month ending April 2023.

LIABILITIES

- There were no outstanding bills at the end of April.

STATEMENT OF REVENUE/EXPENDITURES

BUDGET TO ACTUAL

Interest in the amount of \$1,443.01 was received. Tax increment of \$ 15,948.29 was received from property tax collections. Expenses for the month of April were as follows:

- 3,100.00 – Director Quarterly Salary
- 5,500.00 – Action 22
- 43.08 – Southeast Colorado Power (Welcome LJ Sign)

The 2023 budget is \$ 182,500 less \$ 12,771.34 in expense leaves a budget remaining of \$ 160,428.66.

Sincerely,

Aliza Libby-Tucker
Director of Finance
City of La Junta

URBAN RENEWAL - BOARD REPORT

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR	PRIOR YEAR	VARIANCE	
	URBAN RENEWAL				
	URBAN RENEWAL ASSETS				
27-110-110-01	CHECKING	47,135.47	17,884.92	29,250.55	
27-110-110-02	DOWNTOWN - CHECKING	72,572.07	22,322.07	50,250.00	
	CASH BALANCE	119,707.54	40,206.99	79,500.55	
27-110-110-06	INVESTMENTS	364,121.04	373,801.42	9,680.38-	
27-110-210-02	NOTES RECIEVABLE	3,687.50	3,937.50	250.00-	
	TOTAL	487,516.08	417,945.91	69,570.17	
		=====	=====	=====	
	URBAN RENEWAL LIABIL				
	TOTAL	0.00	0.00	0.00	
		=====	=====	=====	

URBAN RENEWAL - BOARD REPORT

ACCOUNT NUMBER	DESCRIPTION	BUDGET	MTD	YTD	PERC%	OUT ENC	UNENC BAL	
	URBAN RENEWAL							
	URBAN RENEWAL REVENUE							
27-301-105-01	TAX INCREMENT DISTRI	180,000	15,948.29	77,004.79	43%	0.00	102,995.21	
	** TOTAL **	180,000	15,948.29	77,004.79	43%	0.00	102,995.21	
	OTHER REVENUE							
27-302-101-01	INTEREST REVENUE	2,500	1,443.01	5,336.72	213%	0.00	2,836.72-	
	** TOTALS **	2,500	1,443.01	5,336.72	213%	0.00	2,836.72-	
	*** TOTAL REVENUES *	182,500	17,391.30	82,341.51	45%	0.00	100,158.49	

URBAN RENEWAL - BOARD REPORT

ACCOUNT NUMBER	DESCRIPTION	BUDGET	MTD	YTD	PERC%	OUT ENCL	UNENC BAL
	URBAN RENEWAL						
	URBAN RENEWAL EXPEND						
27-705-207-01	OPERATING EXPENSES	4,000	0.00	1,575.90	39%	0.00	2,424.10
27-705-213-01	TRAINING AND TRAVEL	5,000	0.00	2,466.85	49%	0.00	2,533.15
27-705-213-02	ADVERTISING	1,000	0.00	0.00	0%	0.00	1,000.00
27-705-217-01	REHAB GRANTS	40,000	0.00	0.00	0%	0.00	40,000.00
27-705-225-03	SIGN RENT EXPENSE	800	43.08	128.59	16%	0.00	671.41
27-705-260-02	TIF - HAMPTON INN	35,000	0.00	0.00	0%	0.00	35,000.00
27-705-260-04	TIF - PROP MAINT	3,000	0.00	0.00	0%	0.00	3,000.00
27-705-263-01	ADMINISTRATIVE COSTS	1,200	0.00	0.00	0%	0.00	1,200.00
	** TOTALS **	90,000	43.08	4,171.34	5%	0.00	85,828.66
	OTHER CHARGES						
27-707-217-01	UR/ED DIRECTOR	12,400	3,100.00	3,100.00	25%	9,300.00	0.00
27-707-267-07	PROJECTS - GRANT MAT	0	5,500.00	5,500.00	0%	0.00	5,500.00-
27-707-270-01	TRANSFER TO FUND BAL	80,100	0.00	0.00	0%	0.00	80,100.00
	** TOTALS **	92,500	8,600.00	8,600.00	9%	9,300.00	74,600.00
	*** TOTAL EXPENDITUR	182,500	8,643.08	12,771.34	7%	9,300.00	160,428.66



Urban Renewal

Account Summary

Average Monthly Yield: 4.6789%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
PRIME	362,684.58	50,000.00	0.00	1,435.83	5,318.99	375,098.78	414,120.41

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
04/01/2023	Beginning Balance			362,684.58	
04/24/2023	Contribution	50,000.00			7426194
04/30/2023	Income Dividend Reinvestment	1,435.83			
04/30/2023	Ending Balance			414,120.41	

CITY OF LA JUNTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2022

CITY OF LA JUNTA, COLORADO
LA JUNTA URBAN RENEWAL AUTHORITY
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 40,207	\$ 317,478
INVESTMENTS	373,801	-
RECEIVABLES:		
ACCOUNTS RECEIVABLE	-	-
NOTES RECEIVABLE	<u>3,938</u>	<u>6,025</u>
TOTAL ASSETS	<u><u>\$ 417,946</u></u>	<u><u>\$ 323,503</u></u>
LIABILITIES		
ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ 43</u>
TOTAL LIABILITIES	<u>-</u>	<u>43</u>
FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	3,938	6,025
ASSIGNED	<u>414,008</u>	<u>317,435</u>
TOTAL FUND BALANCE	<u>417,946</u>	<u>323,460</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 417,946</u></u>	<u><u>\$ 323,503</u></u>

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
PROPERTY TAXES	\$ 187,385	\$ 125,000	\$ 62,385	\$ 187,121
INTEREST	3,826	1,000	2,826	85
OTHER	-	-	-	3,856
TOTAL REVENUES	191,211	126,000	65,211	191,062
EXPENDITURES				
ECONOMIC DEVELOPMENT	46,615	120,000	73,385	109,305
GENERAL GOVERNMENT	2,980	15,000	12,020	5,583
DEBT SERVICE	34,730	35,000	270	34,730
TOTAL EXPENDITURES	84,325	170,000	85,675	149,618
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	106,886	(44,000)	150,886	41,444
OTHER FINANCING SOURCES				
TRANSFER OUT	(12,400)	(12,400)	-	(12,400)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	94,486	(56,400)	150,886	29,044
FUND BALANCE JANUARY 1	323,460	323,460	-	294,416
FUND BALANCE DECEMBER 31	\$ 417,946	\$ 267,060	\$ 150,886	\$ 323,460

ACCORDING TO THE FINANCIAL STATEMENTS URBAN RENEWAL
PUT 94,486 BACK INTO SAVINGS.

THESE ARE THE FINANCIAL STATEMENTS SENT TO THE STATE.