

The City Council of the City of Trinidad, Colorado, met in Special Session on Monday, July 1, 2013, at 1:30 p.m. in City Council Chambers at City Hall pursuant to the following call:

CITY OF TRINIDAD
TRINIDAD, COLORADO

SPECIAL MEETING

There will be a Special Meeting of the City Council of the City of Trinidad, Colorado, on Monday, July 1, 2013, at 1:30 p.m. in the Council Chambers at City Hall

The following item is on file for consideration of City Council:

- 1) Discussion and action on Resolution supporting Letter of Intent for the Colorado Department of Local Affairs Main Street Program

The meeting was called to order at 1:31 p.m.

Roll call was taken.

There were present: Mayor Baca Gonzalez, presiding
Councilmembers Bolton, Bonato, Miles, Velasquez

Also present: City Manager Acre
City Attorney Downs
City Clerk Garrett

Absent: Councilmember Mattie, Shew

The pledge of allegiance was recited.

Discussion and action on Resolution supporting Letter of Intent for the Colorado Department of Local Affairs (DOLA) Main Street Program. City Manager Acre told Council that in their packets Council was given extensive bits of information about the Main Street Program. He explained that he wanted to introduce it and said that his not bringing it forward last week wasn't because he wasn't supportive of it; rather he was looking at it more like a 2014 program. He said he thought it would be a benefit that the City could gain from, however wanted to identify the costs and responsibilities required by the City with the program as we become a Candidate Community and continue to ultimately become a Main Street city. A lot of what a Candidate Community typically goes through the City has done through the Creative District effort and the Planning Department trying to get downtown going. City Manager Acre pointed out that in the packet there is information on what the City has done. With staff's support and the Creative District designation there are a lot of things that will tag together. In the Council Communication he noted having listed some potential estimated expenses which are likely on the high side. Those will have to be refined when going through the 2014 budget process and subsequent years. Also it will depend on the level of involvement and whether there are other sources of funding. In talking with the people from the Main Street Program this is a three-year program. We have a memorandum of understanding (MOU) we need to enter into, he said, and pointed to the copy at Council's seating places. Within that sample document is funding of a part-time Main Street Program Coordinator with an office. In his conversation with Planning Director Louis Fineberg and Intern Tara Marshall he said through their discussions with the DOLA representative they feel they can modify that to work with what we are currently doing. He said he doesn't feel that neither Planner Fineberg nor Intern Marshall could take on ten or twenty additional hours per week in addition to what they are doing. If they can do this in conjunction with work they are already doing and the City doesn't have to specify another person, it is a creative way to come to a solution. It will help from a staffing, office and financial standpoint. Once the City is through the three year program as a Candidate Community, there is no requirement that the City continue with the process until we are ready as a community from a financial standpoint and we make sure it is something we want. He opined that this program is a good dovetail with the Creative District designation and the Downtown Assessment that recommends we join the program and said he thought it would be another tool in our toolbox to help revitalize downtown. Ms. Marshall addressed Council. She provided background information regarding the Main Street Program. She said that in 1977 the National Trust for Historic Preservation began to look at ways to take historically designated cities and make them vital, keep their historic preservation characteristics and make them survive into the long term. The Main Street Program is very much driven toward historic preservation and revitalization. It came to Colorado in 1982 and Colorado was one of the first states to bring the program into the state and it has been very successful here since. The Main Street Program has three levels. The first level is the Candidate Community, which runs for three years or more. During that time a city has certain characteristics they have to attain. There has to be a board formed to oversee Main Street and then you form four specific committees who address the program's four approaches including: Organization - to organize all of the non-profits and for-profits and everyone who wants to work on revitalizing downtown into some sort of structure, such as the Roundtable, the Kid Friendly Byway, Creative District, Arts & Cultural Commission, the non-profits, the museums and businesses, Chamber of Commerce, and Economic Development to determine what role they play in economic revitalization so they are not operating as six or seven units toward the same end; Another approach is Design. DOLA has said that we are quite far along with the design given the number of grants City Planner Fineberg has written. Design revolves around how the downtown looks. Are there trees, benches, does it have the charm and character, is it accessible to handicapped, is it approachable, and is it walkable? Promotion is a third approach which is all about marketing. She pointed out that we already have the lodging tax so we are again ahead of other Candidate Communities. So the question becomes how we spend it and do we spend it in the best way in this organized, revitalized approach that we are taking. Lastly, Ms. Marshall identified Economic Restructuring as the final approach. She said this

approach involves an urban renewal authority or a downtown development organization or tax-increment financing. It is about how we make this downtown sustainable economically. She continued that during the Candidate period the City will form committees of citizens, community driven, that operate to work on solutions in those areas and they create plans for the steps we need to take to make these things happen. DOLA will come in and do all of the technical assessment, all of the training, all of the organizing and facilitation to help put these plans together. They don't come in and tell us how to fix it. They will have us bring our citizens forward to help develop plans in these areas. DOLA also has a mini grant program which the City would qualify for up to \$5,000 on an annual basis to help with the plans. Coming out of the Creative District, organization and sustainability were identified by staff as being very important and saw this program enabling them to accomplish those. Councilmember Miles commented that it was mentioned that the City is pretty far along and ahead of a typical city starting this program. She asked if the Candidate Community period can be shorter than three years. Ms. Marshall clarified that we are pretty far along in one area and answered that it can be a shorter period than three years. She said her understanding is that during the Candidate period they will have to file quarterly reports with four sections, for example regarding the design in the historic preservation district, where we are probably already beyond a lot of the other Candidate Communities. However she said we are not at all advanced in organization. Also, in marketing and promotion we are probably further along as well. To move forward with the program we'd have to qualify in all four of their approaches. It's bringing together everything into all of these other initiatives, which is the organization piece that we are probably the lightest on. Councilmember Bonato pointed out that in their packet there was a \$1,000 annual fee and an estimated potential cost of \$15,000 to \$30,000 per year for the first three years of the program. He asked where the City will get the money, noting that the City hasn't budgeted anything for this year. City Manager Acre answered that his interpretation is that it would start in 2014. The agreement with DOLA is on an annual basis. All we would be doing is applying at this time. He reiterated that his numbers in the Council Communication are on the high end. The cost will depend on how the City structures the program. City Planner Fineberg added that looking down the road to have a successful Main Street Program, DOLA estimates it to cost approximately \$75,000 per year to allow it to be an effective program. During the Candidacy process there will be very little money required. A lot of the efforts required are already being undertaken through the Creative District effort and grant work in developing the downtown because the efforts overlap. He said they asked the DOLA representative if a dedicated staff person is required. The answer was during the Candidacy period one is not required. Later on it when the City becomes a Main Street city it will be, but it can be a person who does other things and doesn't have to be a City employee. It could be an employee of the Chamber of Commerce or a non-profit or a combination. Each city that has done this in Colorado has had a different arrangement. Councilmember Velasquez asked if he's saying the City won't have to pick up another employee. City Planner Fineberg said the City will not have to necessarily. Maybe in three to four years, finances permitting, the City would have to or a non-profit would or a combination. Councilmember Velasquez asked what the City will have to contribute. City Planner Fineberg said initially the City will have to have attendance at four trainings which overlap with the Creative District trainings. He said he and Ms. Marshall and other representatives will be at those trainings already, so there's no additional expense there. The City will also have to submit quarterly reports but those will be identical to the Creative District's quarterly reports. Councilmember Velasquez asked the monetary commitment. City Planner Fineberg answered it would be very little. When the City gets the exact MOU and it lists the City's responsibilities he said he would be able to put a definite figure together. Initially it will not be anything additional from what we are doing or will be doing for the Creative District. Councilmember Velasquez asked if Council will be voting on this today and if so, how much the cost to the City will be. City Planner Fineberg said Council will be voting on submitting an application to DOLA to start the process. Subsequent to the application the City will be getting a memorandum of understanding. When we see the memorandum of understanding he said they will come up with a definite figure. The memorandum of understanding doesn't have to be approved if the conditions are not acceptable to Council. Right now the City would just be applying. Councilmember Bolton elaborated that the City initially would be submitting a letter saying we are interested; however we may not be accepted into the program. Councilmember Bonato commented that this program looks like the same thing as the Roundtable efforts, who are trying to do everything the same way. We already have the Trinidad Community Foundation trying to do this. He asked the difference between the Trinidad Community Foundation and what is being presented today. City Planner Fineberg said the big difference in his opinion is that the Main Street Program is a state-recognized program with proven successes. It would give the City a pipeline into technical assistance from the state and gives us access to mini grants to do the planning process. Also, because it is a state-recognized program, the City can identify it in other grant applications and it would show that the City is serious about economic restructuring and the other points of the Main Street Program. He said he thought they could use a lot from what they've gained from the Roundtable in the Main Street approach. This would be a more structured program with proven successes throughout the state and country. It is also a good organization tool to house the Creative District in. What they've taken out of the strategic assessment is that we need to organize. This gives us a good framework to complete that organization - milestones we need to meet to keep the process on track. Councilmember Bonato asked if he felt that the City needs this right now or if we can wait. He said if the City has money left over he would like to see it go to the City employees instead of something like this right now. We are talking about \$15,000 to \$30,000 per year for the first three years. City Planner Fineberg answered that he doesn't think it will cost that much. He estimated it to be under \$5,000 and with one mini grant we could make that money back. Councilmember Bonato asked how he can ask Council to allocate money when we don't have the money to allocate. City Planner Fineberg said he's not asking for that, rather he is just presenting the program. He said he sees the benefit in the program for the reasons he mentioned, but it is up to City Council whether they want to pursue it. Another benefit he sees is that it may be a little psychological for the community to move the Creative District process forward. In the end everything is a cost-benefit analysis. He said he agrees with compensating the City employees but he sees the cost of this as being so little that to not do it would be ill-advised. Councilmember Bonato said it seems like a good program and is happy that we were successful in becoming a Creative District. He said it seems like it might be a stepping stone for now and they can look into it in the 2014 budget to see if the City can do it. City Manager Acre said the action today is just to allow the City to submit the application, the letter of intent. The next step, if the City is selected to be in the program, is to work with DOLA's Main Street Program to define the responsibilities on each side if we move forward as a Candidate Community. In discussions with staff after having prepared the Council Communication, they feel the cost included were on the high end. They think it will be less but it will depend on the terms of the DOLA agreement. It can be part of the 2014 budget process. The memorandum of understanding and letter of intent are the only things that will happen this year. Council will be able to go through the budget process with this. He reiterated that the numbers in the Council Communication were on the high end but gives them something to discuss. City Planner Fineberg added that the City will be receiving \$25,000 from the Creative District designation for planning purposes and also technical assistance. What is to be produced from that money is exactly what the Main Street Program is asking the City to do, so the City could submit that to Creative District and also to the Main Street Program and we would be doubling our

effort. We will have the product already. He added that he hoped in three years the City will be better off financially and it will be something we can really consider doing. Councilmember Bonato confirmed that signing the letter of intent doesn't tie the City's hands. City Planner Fineberg added that Council will decide on the memorandum of understanding. City Manager Acre said that the \$45,000 to \$75,000 commitment from the community later on can be a mix of community funds, non-profits, from the downtown businesses. Staff was just trying to outline the worst case scenario if we have to fund it ourselves. The ideal situation is to garner enough community support that others will help in funding some of this cost. If conditions stay the same and we come up with different revenues for the City, we might consider funding it to keep the momentum. Regarding the question of the difference between the Main Street Program and Trinidad Community Foundation, City Manager Acre said Trinidad Community Foundation should be thought of as an overarching or high-level planning effort with the community strategic plan. The Creative Industry plans that came out of that effort, the Downtown Assessment - the Main Street Program can help feed that larger overall community vision. It's not really a duplication, rather it is a supportive effort both directions. Councilmember Bolton pointed out that many recommendations were contained in the Downtown Assessment. One of the main recommendations was that the City joins the Main Street Program. A lot of the requirements of the Main Street Program dovetail with the Creative District and with the Downtown Assessment. It is a way the City can show support for our revitalization without a lot of funding. The Creative District may even cover the \$1,000 annual fee. Looking down the road if the City takes the time to structure this correctly with the technical and professional assistance from the people from Main Street Colorado, she said she can see this entity housing not only the Creative District, but also the Chamber of Commerce, the Economic Development Board, the Tourism Board, the Arts and Cultural Advisory Commission, and an Urban Renewal Authority if we proceed to go that direction and can garner the funding those organizations are already getting. It is not as though we'd have to create a new thing and pay for it. We'd create something by gathering and gathering those funds at the same time. City Attorney Downs commented that in the Council Communication it talks about the national program starting with five member communities and lists the communities that have done the program. He said one thing he found interesting is that no new communities have joined since 2010. Lyons was the last to join in 2010. He said he wondered about some of these other communities and whether they've seen benefits and how they feel about the program. Why hasn't there been any Candidate Communities for three years? City Planner Fineberg said he too wondered about the benefits. He said he's never been involved with the Main Street Program and as a planner it is more or less what he does. He's never seen the need to become one. However, hundreds of communities have joined the program and continue to do it. He suggested Council Google it and see some of their successes. There must be some benefits. For Trinidad he said he sees the organization component as the biggest benefit. This program provides good framework to organize. He added if that's the only benefit that comes out of it he sees it as a win. Councilmember Miles opined that momentum is really important. With Creative Districts we have proven that Trinidad can win, and win against some much bigger communities. She preferred not to wait a year because the momentum alone seems to be worth it. It is a placeholder and the City can do its due diligence and call on those communities and ask them about the benefits. We have time before the 2014 budget. Structure and deadlines are invaluable in setting milestones. Work will expand to the time allocated to it. This would put us on a track and we need to be forward looking on this. The available data from the Main Street Program is that they estimated to have generated \$27.00 locally for every public dollar invested. If it is even one-tenth of that number it is okay. City Planner Fineberg reiterated it is about a cost-benefit analysis. He said staff will be able to put a dollar amount to it once we get the MOU. If it's a few thousand dollars he said he'd recommend moving forward; if it's \$30,000, we have something to think about. He said in going over what was reviewed with Mark Satone from DOLA, the City should not expend any additional money from that being expended for the Creative District and the Creative District grant will cover most of that cost. Training will be completed by he and Ms. Marshall and they are both on the panel so they will get everything covered. The next one has scholarships available that will pay for half of the entry fee and accommodations. He reiterated that the City will be able to put a price tag on this venture once we get the memorandum of understanding. Mayor Baca Gonzalez summarized the presentation that if Council approves this resolution today the only thing we are committing to is getting more information to see if we want to enter into the agreement. We are not actually entering into the agreement. City Manager Acre said that was correct and it allows staff to submit a letter of intent for them to consider letting us enter into the program. This doesn't commit the City financially. Our hands are not tied. City Planner Fineberg likened this to a grant whereby we apply for the grant but we don't enter into any contract until we get the contract in hand and decide if we agree on the terms of it. He also reminded Council that the City has to be accepted into the Main Street Program and then they will send us a memorandum of understanding. Once we have the memorandum of understanding, staff will put a price tag on it and Council will decide after thereafter. Councilmember Bolton asked if she's correct in that if the City goes through with the letter of intent and then the memorandum of understanding comes through and we sign on, we are not even committed then for the initial three-year candidacy period. She asked if it is a year to year thing. City Planner Fineberg said the language reads as a condition that the city agrees to explore the program for the first three years. There is zero commitment. Ms. Marshall added that at any time the City could walk away, even midyear, 15 months in, 22 months in, 30 months in. City Planner Fineberg said to become a Main Street Community the City needs to achieve certain things. He said he and Ms. Marshall feel they can achieve them without spending much if any money because it dovetails with other efforts. City Manager Acre added that this is a one year agreement according to the sample agreement. Intern Tara Marshall clarified from City Attorney Downs' earlier question that there are seven current communities that are no longer Candidate Communities but have not yet become Graduate Main Street Communities - Lake City, Lamar and Steamboat Springs, Brush, Granby, Montrose and Rifle. In the past two years there have been four new Candidate Communities - Victor, Lyons, the Clifles (Silvercliffe and Westcliffe), and Fruita. She added that all of these Main Street Communities are run by other entities, not by their respective cities. Councilmember Bonato expressed his uneasiness about not knowing the cost and involvement required. Councilmember Bolton said the specifics will be in the memorandum of understanding and if Council is not in agreement with it we don't have to go any further. Without the letter of intent the City won't get to see the memorandum of understanding. Councilmember Velasquez said Council can always turn it away. Councilmember Bolton reminded Council that they only accept applications up through July 1st of each year. City Planner Fineberg addressed Councilmember Bonato's earlier statement and agreed that City employees should get raises but pointed out that the City needs to create an economic base to make that happen. This is a way to move that process forward. If it doesn't cost anything or if the cost is minimal, to not do it would be the wrong thing. It is an extra way to get technical assistance needed to help organize the City's economic development effort, to allow us access to grant funding only being offered to Main Street Candidate Communities, and to keep momentum going with the Creative District process. Councilmember Bonato asked what would happen if we got this and we hired another executive director. Where would that money come from? City Planner Fineberg said that is three years out or more and the City is not committing to that in any part of the contract. If we decide we don't want to do it after the first six months, we are done. There's no commitment to hire anyone. In the end when these programs get established,

it's not been the cities that are creating these positions; rather it is Economic Development corporations, Chambers of Commerce, non-profits, and not the City in most cases. Ms. Marshall exemplified that Shawna Hodge is Lamar's Main Street Manager. She is paid from their lodging tax through the Chamber, urban renewal authority and the city. The City pays her about \$15,000 per year and the other two buckets pay the rest. She's been in the position for two years. City Planner Fineberg reiterated that Council is not committing to anything but applying to the program. Councilmember Bolton said in an on-line search about the Main Street Program she came across a wonderful story on the Toltec building in the Spring, 2013 version of "Word on the Street", published by Colorado Main Street. Ms. Marshall said that was from the April 26th Down Town Institute the City hosted. Mayor Baca Gonzalez again summarized that the City would be applying and not making any commitment nor taking any money from any budget. We are simply applying. They will reply to the City and give us further information and we can decide if we want to pursue this avenue. City Manager Acre pointed out one minor change to the resolution to reflect today's date if approved as the adoption date. A motion to approve the execution of a letter of intent for the Department of Local Affairs Main Street Program was made by Councilmember Miles and seconded by Councilmember Bolton. The motion carried by a unanimous roll call vote.

RESOLUTION NO. 1414

A RESOLUTION OF THE CITY OF TRINIDAD, COLORADO, SUPPORTING APPLICATION TO THE COLORADO DEPARTMENT OF LOCAL AFFAIRS – MAIN STREET PROGRAM – TO BECOME A CANDIDATE COMMUNITY IN THE MAIN STREET PROGRAM

Mayor Baca Gonzalez said she did a lot of research on this and said a lot of material that the City would be provided is already available free of charge on the web. If the program is too expensive she suggested the City can pull together the Trinidad Community Foundation, Economic Development and the Chamber and do it on our own. She added that she doesn't see this as a do or die. However she said if there's money available from DOLA that we otherwise would not be eligible for then that's different. There is a lot of free information out there that can stimulate the type of planning that needs to occur to look at those four domains. The economic restructuring, economic development component is one we need to jump on, as well as the organizational component because there are organizations all over that we need to pull together and point in one direction to start attacking specific objectives. Ms. Marshall commented that Downtown Colorado, Inc. has managed the program for years and has a very similar approach. She said she doesn't know how much free money would come from Downtown Colorado, Inc. but it is possible that the organizational capacity can come from them as well as part of the City's membership that we should get through the Creative District. Councilmember Miles said she hoped we don't have the unintended consequences of this slowing us down. She said she hoped we'd be pushing from all fronts with whatever free resources are out there and not just wait on the memorandum of understanding. There are things we can do that are consistent with this. Mayor Baca Gonzalez suggested whoever is interested read the booklet "The Economic Restructuring" which is touted and available for free. She offered to share it with staff and said the book starts from point A and walks you through what has to be done. It includes some of the initiatives the community is already doing. City Manager Acre asked the Mayor to forward the link to him to forward on to staff and City Council.

There being no further business, Councilmember Bolton moved to adjourn the special meeting and Councilmember Velasquez seconded the motion. The motion carried unanimously upon roll call vote and the meeting adjourned at 2:22 p.m.

ATTEST:

BERNADETTE BACA GONZALEZ,
Mayor

AUDRA GARRETT, City Clerk