

Intends to set Vandaveer straight

Posted: Thursday, August 24, 2017 6:55 am

Dear Editor,

This letter is intended to set the record straight about who really lost the city-owned Vandaveer Ranch property. In that effort, I'm offering a brief history in 500 words or less. Therefore, gentle reader, please bear with me as we digest this convoluted odyssey of the relationship between the city of Salida and what really was itself.

Eight years ago the Salida city government formed the Salida Natural Resource Center Development Corp. (SNRCDC), a 63-20 not-for-profit entity, to construct an office building and shop for the U.S. Forest Service on part of the Vandaveer Ranch in hope of establishing Colorado's first-ever "Natural Resource Center," a campus consisting of numerous governmental agencies.

While Salida citizens were assured the SNRCDC was "separate and independent" from the city, the SNRCDC was never operated as an independent 63-20 corporation. Instead, it has always been controlled, funded and supported by the city government.

63-20 corporations are based on an IRS ruling allowing private corporations to sell tax-free bonds to help fund government-sponsored construction projects.

Yet the SNRCDC never sold any tax-free bonds and never filed for the 63-20 designation. Instead, it used the city's Vandaveer Ranch property to collateralize a conventional construction loan at a hefty 6.25 percent interest rate and then refinanced that loan increasing the debt to \$4.7 million.

Former Mayor Chuck Rose signed the Special Warranty Deed, dated July 7, 2011, transferring Parcel A of Vandaveer Ranch land to the SNRCDC, and former mayor Don Stephens signed another Special Warranty Deed, dated Feb. 23, 2012, transferring the remaining Parcels B, C, D, E and F to the SNRCDC. Subsequently, the former city finance director wrote the land off the city's books as a \$2.2 million loss.

Former SNRCDC board President Salida City Councilman Keith Baker and former board member Councilman Tom Yerkey continued to assert the SNRCDC was "separate and independent" of the city, thus ignoring laws, including the Colorado Constitution, which apply to Colorado municipal governments.

In 2016 the Colorado state auditor found the SNRCDC to be a component unit of the city and should have been included in the city's financial statements since 2010 and must be included in Salida's future financial statements as long as it is a component unit of the city.

These are some but not all of the facts showing that the SNRCDC was indistinguishable from the city itself. One might say it was government getting into the development business under cover of a "private" not-for-profit corporation operated solely with city resources until it had taxpayer-purchased Vandaveer Ranch land to secure a loan to fund this poorly planned and amateurishly executed project.

What was as dismaying as the transfer of the Vandaveer Ranch to the SNRCDC and loss of \$2.2 million of public money is the vilification supporters of those responsible for this fiasco have heaped upon current council members, mayor and city attorney, who have shouldered the onerous task of cleaning up a mess they did not make.

Monika Griesenbeck,
Salida

Responds to Griesenbeck letter

Posted: Wednesday, August 30, 2017 6:58 am

Dear Editor:

Regarding Monika Griesenbeck's Vandaveer essay, I agree, Monika, it is a challenge to explain the 10-year history that is the Vandaveer debacle in 500 words or less. However, it is unfortunate you omitted so many facts in your effort to be brief.

Any issue can be judged in the court of public opinion, and it appears to be easy to sway that opinion with apparent support of this local newspaper. However, the Salida Natural Resource Center Development Corp. issue went through actual mediation and was headed for a court of law – with real lawyers and judges. Don't you remember the 159-page legal opinion Salida's city attorney was tasked by our Citizens for Accountable Government-majority council to compile in attempts to support your convoluted history?

Don't you remember the \$100,000-plus price tag that came with that legal opinion? Don't you remember city council's flawed attempts to find reason after reason to blow up the NR CDC and finally settled on TABOR?

And do you remember the five qualified TABOR attorneys that debunked council's convoluted opinion? And finally, do you remember council's midnight executive session just hours before the court date? The session in which, like frightened children in an eleventh-hour tantrum, council decided to give away the whole 190 acres of our citizen-owned Vandaveer property?

So, no, Monika, the public should not be gentle with your assessment; they should rely on facts and qualified legal opinion. Given you are running for city council, can we look for fact-based essays from you going forward?

Kari Mills,
Buena Vista

Farney rebuts Mills letter

Posted: Thursday, September 7, 2017 5:36 am

Dear Editor:

Kari Mills, in her sarcastic rebuttal to Monika Griesenbeck's letter about Vandaveer, says she's providing "facts" that were omitted by Ms. Griesenbeck, but instead provides a list of falsehoods.

This fits in with the OneSalida group's practice of the "Big Lie." It presumes that if one tells a big enough lie, often enough, it will eventually be believed. Some examples from Mills's letter and the truth about her topics are:

False: The Salida Natural Resource Center Development Corp. issue "went through actual mediation and headed for a court of law."

Truth: There was no mediation. The NRCDC board filed a self-serving lawsuit against the city and got the judge to issue a temporary restraining order to prevent city council from removing and replacing them – which the council had an absolute right to do.

Their action prompted the divestiture. Council decided to avoid a lengthy and expensive internal legal battle with a component unit of the city government. As it was, it cost the citizens of Salida over \$33,000.

False: Mills mentions a "159-page legal opinion Salida's city attorney was tasked by our Citizens for Accountable Government-majority council to compile."

Truth: The city attorney was never "tasked" by anyone to write a legal opinion, and he never did. He developed a long list of facts and presented them, with options, to city council. Council concluded the High Country Bank loan was a violation of TABOR based on those facts.

False: Mills references "five qualified TABOR attorneys that debunked council's convoluted opinion."

Truth: Mills cannot name "five qualified TABOR attorneys." They're made-up fiction. They've never existed. There were three "opinions" purchased by High Country Bank, Allison Brown and the NRCDC board. Those lawyers were not "TABOR attorneys" and their flawed opinions have all been discredited.

False: "... council decided to give away the whole 190 acres of our citizen-owned Vandaveer property."

Truth: Mayor Chuck Rose signed a special warranty deed transferring Parcel A (about 33 acres) in July 2011. Ordinance 2011-14 approved that deed in September 2011. Mayor Don Stephens signed a special warranty deed transferring the rest of Vandaveer Ranch in February 2012, but there was never an ordinance approving that transfer, as required by law. (So who owns the land is a question for another discussion.)

Both of those transfers reserved certain rights in the property to the citizens of Salida. The divestiture resolution (2016-97) specifically retained all of those rights in the property for the citizens. It states "The city does not otherwise release or waive any city rights pursuant to the development agreement, including but not limited to any indemnity rights pursuant to the development agreement or rights reserved by the city in Ordinance 2011-14."

Who is Kari Mills anyway and why would a BV resident care about Vandaveer or use the phrase: "our citizen-owned Vandaveer"? Could "Kari Mills" actually be an alias for a current NRCDC board member who has a documented history of "whining, complaining, innuendo, half-truths and falsehoods?"

Lorene Farney,
Salida

Responds to Lorene Farney

Posted: Monday, October 2, 2017 5:49 am

Dear Editor:

Thanks for reading my letter, Lorene, and giving me another opportunity to point out yet more untruths.

Among your “truths” and “falses” you claim there was no mediation between the city of Salida and the Salida Natural Resource Center Development Corp. However, a simple search in The Mountain Mail website yields at least six articles related to mediation between the NRCDC and the city.

The Dec. 14 headline reads “Mayor walks out of mediation.” It states, and I have abbreviated this: A mediation session between Salida City officials and the Salida Natural Resource Center Development Corp. came to an abrupt end Tuesday afternoon when Mayor Jim LiVecchi walked out of the meeting. Retired 11th Judicial District Judge Ed Schlatter, who led the meeting, said “I began as I always do asking why he (LiVecchi) and like-minded members of city council were so interested in proving they are out of compliance.” What do they gain by this, said Schlatter.

I ask you, Lorene, what do you gain by denying that this happened? This is one of several claims in your letter to the editor that are easily refutable by a quick search in The Mountain Mail.

I do, however, understand why you would wonder who I am. I find myself wondering – who is Lorene Farney? And why would she have such an extensive line of defense at the ready? Could Lorene Farney be an alias for Salida’s city attorney? I am not familiar with One Salida as you suggest, but perhaps we all should be.

Over and out.

Kari Mills,
Buena Vista