



**Downtown Development Authority of Colorado Springs  
Board of Directors Meeting  
March 14, 2017 at 8 am  
111 S. Tejon St., Plaza of the Rockies North Tower, Suite 400**

**Board members present:** Aaron Briggs, Steve Engel, Chris Jenkins, Dot Lischick, Dave Lux, Jessica Modeer, Chuck Murphy, Ingrid Richter, Tony Rosendo, and Roger Sauerhagen

**Staff:** Susan Edmondson, Sarah Humbargar, Heather Whitworth, and Margo Baker

**Guests:** Rachel Beck, Bill Carroll, Roger Clark, David Lord, Tom Osborne, Slawek Pietraszek, Steve Schleiker, Ryan Tefertiller, Jariah Walker, and Peter Wysocki

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### **Welcome**

Steve Engel called the meeting to order at 8:02 a.m.

### **Minutes**

Board reviewed minutes dated February 14, 2017. Following a motion by Chuck Murphy, seconded by Dave Lux, minutes were approved unanimously.

### **Grants**

Special events - Colorado Classic Pro Cycling: Steve introduced Tom Osborne from Colorado Springs Sports Corp. who distributed a summary of the event supplemental to information provided in the board packet. The event, planned for August 10-13, 2017, with stages in Colorado Springs, Breckenridge and Denver, will bring world-class athletes, includes women's events, and will start and finish Day 1 in Downtown Colorado Springs. Chuck made a motion to approve \$25,000, seconded by Ingrid Richter.

Board discussed media coverage, a desire for better marketing for the Colorado Springs stage of the race, including a good-level music act as is occurring in Denver, and how in future years the Springs leg of the race could be better structured financially to earn revenue, as is being done in Denver (with a portion of proceeds benefitting the district impacted by the race). Ingrid and Jessica Modeer volunteered to participate in the marketing meeting for the event to occur later in the week, with the intent of bringing up these issues to ensure better success of the event both for Downtown and the city. Board voted unanimously to provide \$25,000 in sponsorship of the event and charged staff with pursuing the aforementioned issues with Sports Corp.

### **Financials**

Steve Schleiker and Roger Clark, of the El Paso County Assessor's Office, gave a presentation on changes to tax assessments and how they may impact tax districts, to include those in Downtown. The Gallagher Amendment (1982) mandates a constant ratio of 55% (non-residential) / 45% (residential). Even as residential property values are increasing, assessed residential rates will decrease to maintain the ratio – the first time in over a decade such a scenario has occurred. The 2017-2018 projected residential assessment rate will be .0656, a reduction from .0796 (17.6% reduction). Because the DDA has so little residential property currently, this may produce an overall increase to the Authority; however, important community districts such as school districts or the library district may suffer. Steve and Roger were thanked for their informative presentation and their ongoing customer service in interactions with DDA staff.

Heather Whitworth reported on the financials for the period ending February 28, 2017. The four-year grant to the US Olympic Museum has been added to long-term payables for 2018, 2019, and 2020. There are still some 2015 and 2016 grants that have not been paid.

She explained a memo in the board packet spelling out general financial commitments on a cash basis; historically DDA has usually returned annual net into long-term reserves, but increased spending for the Olympic Museum as well as the significant scope of work the board committed to for master plan projects demonstrates a need for all board members to understand the depth of these financial commitments that will require spending from reserves and/or some form of bonding or engaging in other debt.

Susan Edmondson reminded the board of the job retention commitment to Kinder Morgan that requires annual authorization of payment. Chuck moved to authorize allocation of \$20,000 annual payment to Kinder Morgan, seconded by Dave and approved unanimously.

### **Governance**

Susan informed the Board about CORA (Colorado Open Records Act) requests and how they are handled by staff. A recent request was exceptionally voluminous and required significant staff time. She referred to a proposed CORA policy and fee schedule – developed with input from the DDA attorney and review of similar forms and policies statewide – which sets fees that are in line with other municipalities. Ingrid moved to accept the CORA policy, seconded by Dave and approved unanimously.

### **Old business**

DDA legislation update: Susan reported that the consortium of DDAs continues and to date Colorado Counties Inc does not appear to have identified sponsors for its proposed legislation. She will continue to keep the board informed.

### **TIF reimbursement application**

123 N. Cascade Ave: Sarah Humbargar introduced Slawek Pietraszek and Bill Carroll, applicants for a TIF Reimbursement Agreement for a Hilton Garden Inn at the corner of Bijou and Cascade. The project will provide 167 hotel rooms and some limited meetings space, with ground floor retail that will likely be known brands/chains. The hotel has arranged an agreement with the Parking Enterprise for lease of spaces in the garage across the street.

Sarah referred to the memo on this project and how it meets the goals of the Experience Downtown Plan of Development, particularly the goal of Offering an Unforgettable Visitor Experience and in general bringing more visitors into the core of Downtown. She reminded the board of its policy of a maximum 60 percent TIF reimbursement for particularly catalytic commercial projects. She stated that while the hotel may not be catalytic in nature, it meets Experience Downtown goals in its product and design; the project has less of a financial gap than similar urban development due to the ability to leverage the parking garage spaces instead of constructing costly underground parking. For these reasons she recommends a 40% TIF reimbursement agreement.

Chuck and Tony Rosendo left the meeting.

A robust Board discussion ensued.

Ingrid left the meeting.

Aaron Briggs made a motion to provide 40% TIF reimbursement; Dave seconded, and approved unanimously.

### **Plan of Development and Master Plan**

White paper: Due to time constraints this will be discussed and accepted in its final state at the next board meeting.

Alleyways/ gateways RFP: Susan reported that the RFQ yielded six submittals. Susan, Sarah, Matt Fitzsimmons, Ryan Tefertiller and Roger Sauerhagen narrowed them down to three, and interviews of the final three will take place the afternoon of March 24.

### Upcoming events:

- Susan reminded the board of the upcoming State of Downtown Report release on March 22 and 23 at the Mining Exchange.
- ULI Awards on April 6 with Blue Dot Place as a finalist. Downtown will host a half table.

### **Adjourn**

Meeting adjourned at 10:07 am.