



Downtown Development Authority of Colorado Springs
Board of Directors Public Hearing
Oct. 9, 2018 at 8 am
111 S. Tejon St., Plaza of the Rockies North Tower, Suite 703

Board members present: Carrie Bartow, Aaron Briggs, Jordan Empey, Jill Gaebler, Dot Lischick, Dave Lux, Jessica Modeer, Darsey Nicklasson, Ingrid Richter and Tony Rosendo

Staff: Susan Edmondson, Alex Armani-Munn and Ana Valdez

Guest: Nate Grimm, Bobby Mikulas, Ryan Tefertiller and Peter Wysocki

Welcome and Call to Order

Ingrid Richter called the meeting to order at 8:08 a.m.

Minutes

Board reviewed minutes dated September 11, 2018. Following a motion by Carrie Bartow, seconded by Jill Gaebler, minutes were approved unanimously.

Financials

Board reviewed financials dated September 30, 2018. Financial format has been revised into a governmental accounting format with clearer delineations of operations and TIF funds. Carrie Bartow, treasurer, was thanked for her efforts in changes to the financial presentation. There were no unusual expenses in the past month.

Susan Edmondson reported that the 2019 budget was presented to City Council at a work session for approval in late October. Downtown safety issues were brought up during the budget discussion.

TIF Reimbursement Application

Susan Edmondson introduced Bobby Mikulas and Nate Grimm from Kinship Landing; she referred board members to her memo and a TIF Reimbursement Agreement application for a proposed 24,000 square foot boutique hospitality facility at 421 S. Nevada Ave. The applicant requests 100 percent of available TIF, capped at estimated eligible costs of \$1.9 million. Susan reminded the board that this is only the second application it has received (historically) for a commercial project seeking TIF reimbursement, and the board had previously set a guideline of a maximum 60 percent reimbursement for commercial projects. Board reviewed project highlights, and Sarah shared that the project meets multiple goals of the Experience Downtown Master Plan and demonstrates a gap in financing.

Board discussion about project merits ensued; some board members questioned if the entire estimated cost of a greenhouse-style community space qualifies fully as an eligible expense. Dot Lischick moved to approve a 60 percent TIF agreement capped at the current eligible expenses of \$1.9 million; further if, within three months, efforts by staff to negotiate a reduction in increment reimbursement to the school district prove unsuccessful, the board would revisit application and consider an increase in the reimbursement percentage. Seconded by Dave Lux, the motion approved unanimously. Jordan Empey, Darsey Nicklasson and Tony Rosendo recused themselves from voting.

New business

Susan asked for board members who would like to volunteer for an ad hoc committee, meeting just once, to review a proposed park land dedication ordinance and make recommendations on endorsement or changes to the board. Carrie, Darsey and Ingrid volunteered.

Project updates

Pop Up Shops: Susan referred board to a memo from Sarah Humbargar about holiday pop up shops. Board gave informal approval to the estimated \$5,000 for implementation.

Alleyways: Alex Armani-Munn said the city Streets Division has confirmed it will repave six alleyways in 2019. After much difficulty, an electrician has been secured, and lighting in block 1A next to the city garage is hoped to proceed soon. Lighting in the additional blocks will be scheduled for completion prior to paving.

Opportunity Zones: The ad hoc DDA opportunity zone committee has met once; there is the possibility of funding for marketing (website, prospectus) for all zones in the metro region.

Board voted to go into executive session at 9:30 a.m. to discuss matters regarding Cottonwood Center for the Arts and DDA mineral rights.

Board emerged from executive session at 9:58 a.m.

Darsey moved to authorize staff to continue discussions, accompanied by legal counsel, with Cottonwood staff and a third party concerning the Cottonwood property, seconded by Carrie and approved unanimously.

On a motion by Aaron Briggs, seconded by Jordan, board voted unanimously to authorize Susan to work with legal counsel to pursue determination of fair lease or sale price for oil and gas rights potentially owned by DDA. Susan will keep the board chair and vice chair informed of such progress until such matter returns to the full board.

Meeting adjourned at 10 a.m.