



**Downtown Development Authority of Colorado Springs
Board of Directors Meeting
April 14, 2020 at 8 am
Remote Zoom Meeting**

Board members present: Carrie Bartow, Aaron Briggs, Jordan Empey, Jeff Finn, Jill Gaebler, Chris Lieber, Dot Lischick, David Lux, Darsey Nicklasson, Ingrid Richter and Tony Rosendo

Staff: Alex Armani-Munn, Jan Branham Susan Edmondson, Len Kendall, Laurel Prud'homme and Ana Valdez

Guests: Ryan Dunn, Stacey Poore, Ryan Tefertiller and Taylor Turano.

Welcome and call to order

On a motion by Tony Rosendo, seconded by Carrie Bartow, board voted unanimously to approve Resolution No. 0414-20-01 to suspend the rules of the DDA during the period of Public Health Emergency caused by the COVID-19 Coronavirus to allow electronic or telephonic meetings along with electronic or telephonic attendance from today until May 15, 2020.

Ingrid Richter called the meeting to order at 8:05 a.m.

Susan asked Ingrid if she would approve of moving TIF and Grant agenda items to beginning of board meeting to accommodate today's guests and Ingrid was in favor.

TIF Application

Susan drew board members' attention to the Pikes Peak Plaza Apartments TIF Reimbursement Application and staff memo in the board packet. Project representative Taylor Turano shared that Dunn Inc. was optimistic about breaking ground this summer, with construction completed at the end of two years. This is a 217-unit apartment complex on the eastern edge of Downtown with structured parking. Taylor shared that amenities such as 8,000 sqf of commercial space, roof deck, and access to Shooks Run Trail would provide beneficial additions to the Downtown Eastern Gateway. Floor was opened for comments and questions. Board wished to know how approving this TIF application would affect DDA financials. Susan explained that reimbursements would not begin for at least two years, and payment is based solely on the increment generated by the project. Discussion also looked at surrounding neighborhoods and the feedback from nearby dwellers of single family homes. Ryan Tefertiller shared that public meetings had 30-40 attendees, and concerns revolved around possible increased traffic and loss of views. However, nearby residents far prefer the multifamily complex to a convenience store or gas station or other future uses that would not be of desired quality. Other discussion centered on Dunn Inc.'s financing plan, site infrastructure and site plan. Board agreed the project would add value to the East Pikes Peak Avenue corridor and meets the goals of the Experience Downtown Plan.

On a motion by Ingrid Richter seconded by Chris Lieber, board voted unanimously on the following for Pikes Peak Plaza, with Jordan Empey abstaining:

- 75 percent reimbursement
- Minus School District 11 reimbursement
- Minus increment on DDA's 5 mills
- Minus treasurer's collection fee
- Administrative fee of 5 percent on for first five years of agreement, scaling to 2.5 percent thereafter.

- Capped at eligible costs noted in the application of \$9.5 million.
- Effective date for base tax year 2019
- Maximum eligible expenses of \$9,501,875

Ryan Dunn left the meeting at 8:33 a.m.

Grants

Alex briefed the board on the proposal to reclassify the \$30,000 Building Enhancement Grant awarded to Bread & Butter Market to a Special Project Grant at the same amount. The proprietors are confident they will meet their fundraising goals but have faced timing issues due to covid. This grant would allow them to use the funds to help support general start up costs. Stacey Poole of Bread & Butter explained that banks are slow to process loans at this time, and the market may be delayed to a May/June opening.

Jill Gaebler and Aaron Briggs both stated they will abstain from a vote. A motion was made by Carrie Bartow, seconded by Tony Rosendo, and unanimously approved to reclassify the \$30,000 grant to Bread & Butter Market as a more unrestricted Special Project Grant.

Stacey Poore left the meeting at 8:42 a.m.

Minutes

Board reviewed minutes dated March 10, 2020. Following a motion by Carrie Bartow, seconded by Tony Rosendo, minutes were approved unanimously without change.

Financials

Board reviewed financials dated March 31, 2020. DDA plans to pay out TIF reimbursements to all qualified applications in a timely manner this year to ensure that financials can be closely tracked.

Financial forecast, grants update, proposed program actions

Susan drew board members' attention to a memo and provided an oral report on the outlook for revenue in light of covid. She shared that the county treasurer has waived late fees on payment of property taxes, but has stated he does not anticipate problems with making payments to districts and authorities. Because 2021 revenue projections in August will not be accurate, it will be difficult to forecast the 2021 budget. Susan recommended the following program/project changes: pausing Building Enhancement Grants and Job Incentive Grants; shifting Alleyways Phase 3 as well as the Pikes Peak/Tejon proposed improvements to 2021 or beyond.

Revenue may be affected by the COVID-19 pandemic's effect on the economy. These include possibility of not receiving payments from Cottonwood Center for the Arts; \$8,000 in advertising revenue and \$4,000 in miscellaneous income.

Susan explained that the bulk of TIF funds arrive in late spring. DDA will need healthy reserves at close of calendar year, because little revenue is realized in the first few months of each calendar year. Two businesses slated for Job Incentive grant payments this quarter have stated that wish to waive their grant payments so funds can go to the Downtown Colorado Springs Small Business Relief Fund. Board noted that written agreements need to be created and executed.

Ingrid Richter made a motion to suspend further Building Enhancement and Job Incentive grants to third quarter (July 2020), seconded by Tony Rosendo and unanimously approved.

An update and background on Gateway Initiative was presented to the board with recommendations to pause some components of the Phase 2 improvements, which include some complex and costly lighting features, landscaping, hardscaping, future public art elements. Core elements to retain are all monument and pylon signage at nine entryways plus electrical capabilities, the already installed landscaping at the Catalyst gateway, in-ground lighting on Cimarron, wayfinding signage, and the western gateway mural project at the Colorado Avenue bridge. Susan stated that by putting some elements on hold, that will free up \$200,000 to apply to the DDA Small Business Relief Fund. Board agreed and no further discussion was held.

Jill Gaebler left the meeting at 9:28 a.m.

DDA Small Business Relief Fund

Susan briefed the board on the proposed fund to aid Downtown businesses and give them hope and much-needed assistance through this crisis. The grants are intended to range from \$2,500 to \$25,000. The application has been created and a committee has been appointed to review the applications. Susan stated she is hopeful of an April 15, 2020 launch date with applications open for one week. The money for the fund will come from pared-down Gateways Initiative and unallocated dollars from the TIF Fund. This relief effort fulfills the goals of the Experience Downtown Plan and fulfills DDA's mission to foster public and private investment partnerships that stimulate the physical and economic development of our Downtown. Susan shared that she anticipates structuring a Rebound Fund several months from now or into 2021, to concentrate more support into businesses that have made it through the worst of the crisis but still will be unstable. This fund could be structured differently, perhaps as a low interest loan program.

For the grant review process, staff will help assemble, organize and score applications on measurable objective criteria, and the review committee will make recommendations and the DDA board, which will have final approval of the grants.

Carrie Bartow asked if Susan was certain of the budgeted amounts for TIF Reimbursement Agreements, and that before fully allocating funds some calculations should be run. Susan agreed to do that immediately.

Carrie made a motion to launch the DDA Small Business Relief Grant at \$400,000, pending a review by Susan and Carrie of the TIF reimbursement calculations. Ingrid Richter seconded the motion and the board unanimously approved the creation of the fund.

Old business

Susan stated she plans to speak with Artspace representatives later this week to determine the status of the project. There is no update on the oil and gas rights, but Susan hopes to have information at the next board meeting.

Floor was opened for comments. Susan expressed her appreciation to the board and the business owners who serve on our boards. She admires how everyone keeps business going during quarantine with kids home from school, etc.

Darsey Nicklasson left the meeting at 9:50 a.m.

Dave Lux expressed his admiration for the work the Downtown Partnership is doing, particularly in setting up the relief fund.

Meeting adjourned at 9:52 a.m.