



**Downtown Development Authority of Colorado Springs
Board of Directors Meeting
December 8, 2020 at 8 am
Convened via Zoom Meeting**

Board members present: Carrie Bartow, Aaron Briggs, Jordan Empey, Jeff Finn, Jill Gaebler, Stella Hodgkins, Chris Lieber, Darsey Nicklasson and Ingrid Richter

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

Guests: Julie Brooks, Rachel Chadick, AJ Machete and Ryan Tefertiller.

Public hearing call to order

Ingrid Richter called the hearing to order at 8:06 a.m. Stella Hodgkins led a motion to open the meeting for public hearing on the 2021 budget, seconded by Jeff Finn and unanimously approved.

Ingrid welcomed guests and invited public comment. Seeing no public comment, she brought board members' attention to four resolutions.

Susan Edmondson presented a draft 2021 budget, stating that revenue projections have varied only slightly since the draft 2021 budget approved in August. She advised the board to roll over the majority of funds for appropriation, resulting in a budget of \$2,515,081 in appropriations for 2021, and a remaining fund balance of \$608,801 with \$381,401 of that in operating reserves and \$200,000 in TIF reserves.

On a motion by Aaron Briggs, seconded by Chris Lieber, board unanimously approved the following resolutions, attached and made part of these minutes:

- Resolution 2012-01 to adopt 2021 budget
- Resolution 2012-02 to appropriate sums of money
- Resolution 2012-03 to set mill levies
- Resolution 2012-04 to amend 2020 budget of the Colorado Springs DDA

On a motion by Stella Hodgkins, seconded by Jill Gaebler, board moved unanimously to close the public hearing.

On a motion by Stella Hodgkins, seconded by Aaron Briggs, board moved unanimously to open the board meeting of the DDA.

Welcome and roll call

Ingrid Richter called the meeting to order at 8:06 a.m. and roll call was taken.

Minutes

Board reviewed minutes dated November 10, 2020. Following a motion by Stella Hodgkins, seconded by Jeff Finn, minutes were approved unanimously without change.

Financials

Board reviewed financials dated November 30, 2020. Susan Edmondson shared that DDA has about \$1 million left in operating fund and \$348,000 in the TIF Fund. Most of current spending is on marketing, as is usual this time of year. Another payment was made on the Gateways project and the remaining \$214,686 board allocation is moved to 2021 to help with installation of solar lighting. As currently shown, only about \$173,000 will be present in the TIF Fund to start the year. All grant payments have been made as well as other commitments.

Grants

Alex Armani-Munn presented a grant request from Lincoln Rose Gallery at 121 E. Boulder St. Lincoln Rose Gallery seeks a grant of \$2,100 to help cover a portion of the costs for an artisan-made sign and lighting. Owner AJ Machete thanked the board for considering her grant and added that Lincoln Rose Gallery is a passion project which has been financed using her own funds.

Stella made a motion to approve the \$2,100 grant to Lincoln Rose Gallery, seconded by Jill Gaebler, and unanimously approved with none opposed.

A.J. Machete left the meeting at 8:25 a.m.

Next, Alex provided background on a grant request from The O'Neil Group to improve the façade of 6 North Tejon St.

Carrie Bartow joined the meeting at 8:27 a.m.

The flower beds have been a constant problem keeping clean, as they are a favorite spot for vagrancy and collect garbage. The O'Neil Group proposes to remove all the flower beds and add glass fronts to create display cases to showcase local artists as well as student art.

Jordan Empey joined the meeting at 8:29 a.m.

Ryan Tefertiller added that a new plan amendment for this project will need to be submitted because it involves physical changes to the façade of the building.

The board agreed the project would liven up that corner as well as modernize the building. Board had concerns of upkeep of glass and managing the art displays. Julie Brooks stated was confident that upkeep is part of the overall plan. Susan added that Claire could consult on suggestions for local artists or creating calls to artist if needed. Julie stated that the hope was to have a real "wow factor" similar to Macy's window displays in NYC. The total project cost is estimated to be \$230,000 and the full \$10,000 grant is requested.

Jeff Finn made a motion to authorize a grant of up to \$10,000 to The O'Neil Group for exterior improvements as specified in the application. Jordan Empey seconded the motion, which was unanimously approved.

Julie Brooks and Rachel Chadick left the meeting at 8:38 a.m.

Key initiatives

Susan provided background on PikeRide and its financial state and reminded board of the PikeRide presentation last month. Like all public transit, PikeRide cannot cover the cost of operations through user fees alone. Susan reminded the board that launching a bike share program was a stated goal of the Experience Downtown Master Plan that has been fulfilled. DDA provided \$500,000 in a zero-interest line of credit to

PikeRide, of which \$250,000 has been repaid. Staff asked board to consider debt forgiveness of the remaining \$250,000. Board agreed that PikeRide has been a game changer for Downtown, added to a sense of place, vibrancy and urban feel. Susan stated that continuing with the \$250,000 debt on its balance sheet can make it more challenging for PikeRide to be competitive for grants, and it is not realistic to assume that amount could be paid off even over numerous years. Some board members expressed concerns about setting a precedent for debt forgiveness, asking if other options have been considered such as fundraising. Susan reminded that PikeRide is constantly fundraising for operations, but grants or sponsorships to pay off debt are rarely appealing. The longer term solution for PikeRide will involve the need for more consistent governmental support, just as in other cities and with other forms of transit. The PikeRide ED has done a great job securing grants and sponsorships, but it is nearly impossible to run a program on numerous small grants, and after the first year of operations title sponsor Kaiser Permanente ceased sponsorship of all its bike share programs nationwide.

Darsey Nicklasson joined the meeting at 9:20 a.m.

Carrie Bartow led a motion to recategorize the \$250,000 loan as a grant to allow for forgiveness of the debt. Jeff Finn seconded the motion which was unanimously approved. Jill Gaebler recused herself from the vote.

Due to time constraints, board chair moved the agenda item on job incentives to the following month.

Susan then shared that staff has been researching how to assist Downtown merchants through this next phase of COVID restrictions and winter months, which will likely be extremely challenging. Further, because new federal aid has not been approved, there is no meaningful relief in sight.

Jill Gaebler left the meeting at 8:30 a.m.

Alex directed board to a memo outlining a proposed loan program. Principal amounts would be based on 50 percent of the cost of three months of rent (January to March). The total loan amount would be paid out in three monthly installments. Further terms as outlined in the memo were discussed.

Jordan Empey left the meeting at 9:56 a.m.

Carrie Bartow left the meeting at 9:57 a.m.

Board members voiced concerns about a loan program that may not be repaid and additional time burden for staff.

Stella left the meeting at 9:59 a.m.

Board wants to ensure that staff performs risk assessment of each loan. Board also had concerns about making this decision during a pandemic and recommends using a third party to administer the program. The board also wants to maintain a healthy reserve to be prepared to help businesses in other ways in the months ahead. Susan asked the board to approve an ad hoc committee to be formed that can work with staff to create a sensible and appropriate loan program. Susan recommends Carrie Bartow and Jordan Empey to be part of the committee.

Ingrid led a motion to authorize formation of an ad hoc committee to meet within the week to establish a loan fund of not more than \$300,000 to be administered internally at the start with all the caveats mentioned in the memo. Jeff Finn seconded the motion which was unanimously approved with none opposed.

Adjourn

The meeting adjourned at 10:08 a.m.