



**Downtown Development Authority of Colorado Springs
Board of Directors Meeting
January 12, 2021 at 8 am
Convened via Zoom Meeting**

Board members present: Carrie Bartow, Jordan Empey, Jeff Finn, Stella Hodgkins, Chris Lieber, Dave 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: Lucas Koski, Ryan Tefertiller, Jessica Thiel, and Peter Wysocki

Welcome and roll call

Ingrid Richter called the meeting to order at 8:03 a.m. and roll call was taken.

On behalf of the DDA board, Ingrid thanked Stella Hodgkins, and Aaron Briggs for their work on the parklets, as well as Downtown Partnership board member Stuart Coppedge. The entire staff is grateful for their help in making the parklets on South Tejon a reality. Ingrid extended congratulations to Tony Rosendo on the birth of his son, Rio. The board also congratulated Alex for his promotion to Director of Economic Development.

Old Business

Ingrid welcomed Lucas Koski to give an update on Artspace. Lucas shared that due to another Artspace project in Ridgeway, CHFA urged Artspace to delay application submittal from February to August. Lucas explained that site plan approval would have been extremely rushed in order to go for the 9 percent tax credits round. Lucas presented a timeline and next steps charts for the board to review.

Tony Rosendo and Jordan Empey joined the meeting at 8:12 a.m.

Board expressed concern that the timeline seemed aggressive or perhaps optimistic that CHFA would approve in the first application. Board asked if there is a model to demonstrate the difference between the 9 percent and 4 percent tax credits. Lucas shared that there would be \$1 million funding gap which could be shored up with a second mortgage or philanthropic appeals. The green energy program might also be a possible way to help the funding gap. Ryan Tefertiller alerted the board that getting approval in the first quarter from planning board may be an unrealistic deadline.

Lucas Koski left the meeting at 8:23 a.m.

Minutes

Board reviewed minutes dated December 8, 2020. Following a motion by Carrie Bartow, seconded by Stella Hodgkins, minutes were approved unanimously without change.

Financials

Board reviewed financials dated December 31, 2020. Susan Edmondson shared that DDA has about \$1 million left in operating fund and \$335,000 in the TIF Fund. Staff will do the TIF reimbursement calculations later this month. Carrie pointed out a \$17,000 difference in figures. Susan assured the board that Ana will correct that discrepancy. Last year had a lot of large commitments, but this year we have a tight budget, not a lot of excess in the operating fund. No plans for large expenditures this year.

Next Susan drew board's attention to the memo about 2021 operating reserves. The memo seeks to set the Mill/Operating Fund for 2021 at \$438,689, represents six months of normal operations, slightly different than what is shown in the budget because the budget includes some unallocated "rolled in" funds that are not actually needed for operations.

Ingrid Richter led a motion to approve the proposed reserve amount, seconded by Tony Rosendo and approved unanimously.

Governance

Susan reminded board members to please send in their 2021 Conflict of Interest forms to Jan so that those can be filed with the state to keep DDA in compliance with all regulations. Jan can send out 2020 Conflict of Interest forms to any board members who need a reminder of how they filled out the form last year.

New Business

Susan introduced Jessica Thiel with Colorado Springs Utilities who is joining the meeting to share news about the Utilities Reliability Program (URP). Jessica thanked the board for inviting her today and provided some background on URP, which is in effect as of January 2021. URP has been established to help with aging infrastructure issues and the undue burden for developers who are seeking to implement projects in areas of the city with insufficient infrastructure. The aim is to make cost sharing fair for all of Colorado Springs, and URP recognizes that the outdated infrastructure in many older parts of the city such as Downtown alleyways has made development projects challenging. URP's overall purpose is to be proactive, upsize and address growth. URP has criteria for prioritizing projects, with limited resources as a factor. Five- and 10-year plans are in development now to address coordinating of project delivery timelines. The board was glad to know that Utilities is addressing the unfair burden of costs that developers in aging areas have had to face.

Board asked if the criteria is weighted and how the projects are prioritized. Jessica confirmed that that criteria are weighted and that a list of 22 projects has been identified. Board was also inquired about cost-sharing, and Jessica explained that the goal is to make all projects fair and equitable across all developments in the city, therefore Utilities plans to bear the costs for improvements. Board asked for top five projects and criteria at a future meeting. Board applauds URP for taking on this worthy effort. Jeff Finn thanked Jessica for her leadership in moving this project forward. The board thanked Jessica for the informative presentation and invited Jessica to present updates at a future meeting.

Jessica Thiel left the meeting at 9:16 a.m.

Old Business (continued)

Susan provided background on the COVID Relief Small Business Loans process. The board approved a committee at the December meeting and set guidelines. The committee met with Susan and Alex to create the loan program. In the meanwhile, the federal government approved a second round of PPP, city and county sales tax relief was approved, and El Paso County unexpectedly moved to Level Orange. These efforts will certainly help restaurateurs be more able to survive the coming months. Alex then presented the applications that were received. Two of the four applications did not show strong financials and had other concerns. Staff seeks to approve the other two applications: Coffee and Tea Zone, which has shown resiliency and committed family effort; and Pita Pit, which opened last May and has relatively strong sales and minimal debt. Alex also explained that while the small relief loan program did not garner a lot of interest, requests for assistance with outdoor dining continue. Staff wishes to revive the Small Business Loan program if a future need arises. Susan stated that DDA is now better prepared to offer more innovative loan programs for new or entrepreneurial endeavors.

Stella Hodgkins led a motion to approve up to \$22,665 in loans to Pita Pit and Coffee and Tea Zone, according to the guidelines set forth by the DDA Small Business Relief Loan committee as well as the ability to reactivate the program if El Paso County again moves to Level Red. Dave Lux seconded the motion which was unanimously approved.

Susan drew board's attention to the job incentives memo in the board packet and provided background on the program. There are currently four agreements in place (Kinder Morgan, Formstack, BlueStaq and BombBomb) which will be paid out according to the terms of the agreements. Employers will not be penalized if staff was not working at least 30 hours Downtown. COVID has affected office staffing and hiring. Staff analysis confirms that the job incentive program is not as impactful as was desired, and with DDA resources now so limited fund could be better spent elsewhere. Staff seeks a board vote on suspending the job incentives program as DDA resources are limited and boards' intent to focus on improving overall Downtown environment.

Ingrid Richter led a motion to suspend the job incentives program, seconded by Carrie Bartow and approved unanimously.

Laurel presented Holiday marketing updates to the board. Board members are encouraged to review the overview in the board packet. Highlights include doubling the number of gift cards sold over last year (many companies chose to buy gift cards for employees in lieu of not being able to hold holiday parties); Holidays with My Gnomies was a success for a first effort with 23 Adventure Packages sold; Downtown Partnership garnered a lot of earned media in December due to staff willingness for media interviews.

Laurel also shared that interest for a Downtown App were strong and after extensive research, staff has decided to pursue a tool that will make the already existing Downtown website function like an App. Staff is also looking at engaging a consumer analytics tool to help track Downtown visitors.

Ahead to 2021

Susan gave an overview of the lineup for City Center Series and board members are encouraged to attend the events.

Susan briefed the board on economic development items for DDA to focus on this year including addressing TIF reimbursements as they relate to the 2037 expiration date, helping small business startups and sustainability, advocating for attainable housing, addressing the changing office market, encouraging commercial tenant ownership and real estate quarterly reporting. Planning and mobility issues that staff will address in the coming year include facilitating the next phase of the Gateways Project, which falls to city departments, installing lighting on Colorado Avenue for the Conejos Mural, addressing issues on Busy Corner, finding long-term solutions for the restaurant block on south Tejon Street, coordinating the AdAmAn Alley, continuing research and efforts to establish a Downtown circulator and lastly, continue advocating to convert Bijou and Kiowa from one-way to two-way streets.

Susan advised that more detail on all these initiatives will be presented at next month's meeting.

Adjourn

The meeting adjourned at 9:58 a.m.