



Colorado Springs Downtown Development Authority
Board of Directors Meeting
8:15 a.m. August 8, 2023
111 S Tejon St Ste 703, Colorado Springs, CO

Meeting minutes

Board members present: Chris Lieber, Carrie Bartow (remote), Patrick Stephens, Jeff Finn, Troy Coats, Jordan Empey, Jeremy Shirley, Dave Lux (remote)

Board members absent: Amber Brannigan, Michelle Talarico

Staff members present: Susan Edmondson, Carrie Simison, Chelsea Gondeck, Austin Wilson-Bradley, Ana Valdez, Jessica Vasquez

Guests: Ryan Tefertiller and Peter Wysocki (City Planning), Aubrey Arnold, Joseph Coleman, John Bourbonais (Audrey's Cocktails & Desserts)

Call to order and welcome

8:20 a.m. Chris Lieber called the meeting to order and the board introduced themselves to meeting guests.

Minutes

The board reviewed minutes from the July 11, 2023, board meeting. On a motion by Laura, seconded by Jordan, the minutes of July 11, 2023, were unanimously approved without change.

Financials

The board reviewed financials dated July 31, 2023. Susan shared that it was an ordinary month, and that TIF payments have been calculated and approved, and the board will see them reflected on the August financials. Nearly all grants on the tracker are on track to be completed in 2023, with the exception of the Early Connections Learning Centers grant.

2024 budget

A draft 2024 budget was included in the board packet for review. Staff will not receive revenue projections from El Paso County until late August, which creates a tight turnaround for budget approval and submission each year. The board will be asked to approve the preliminary budget at the September 12 board meeting and Susan stressed that having a quorum is essential as it is a public hearing.

The only notable expenditure increases are a 10 percent increase of the contract for services with Downtown Partnership and the marketing budget increase of \$80,000 to fulfill both consumer marketing obligations as well as marketing the urban lifestyle to new resident prospects.

Discussion ensued about what, if any, upcoming projects would require financial contribution from DDA. Susan and Chelsea agreed that any future alley projects need to be holistically addressed with the Tejon Street Reconfiguration project, which has been delayed, and that the wish list for Gateway Initiatives includes lighting at the Conejos mural and addressing the Fountain/Wahsatch entrance to Downtown.

Grants

Retail Incentive Grant application: Aubrey's Cocktails & Desserts

Austin introduced Aubrey Arnold, Joseph Coleman, and John Bourbonais representing a Retail Incentive Grant application for Audrey's Cocktails & Desserts, a new business opening at 317 N Tejon St. specializing in elevated, locally made desserts and charcuterie plus crafted cocktails and full bar. Aubrey's will also feature full spectrum lighting and sound baffles to highlight monthly rotating art

installations. The uniqueness lies in that Downtown does not currently have a dedicated dessert bar and Aubrey's intends to fulfill only part of the meal experience (appetizers or desserts), relying on the close walking distance to other full restaurants to fulfill the rest.

Austin noted that the partners have submitted a thoughtful business plan, and the proposal aligns with Goal 7 of the Experience Downtown Master Plan: offering an unforgettable visitor experience.

The partners intend to invest approximately \$80,000 for interior renovations, décor, appliances, furnishings, and exterior signage. Staff recommends \$8,000 to be granted to Aubrey's Cocktails & Desserts to assist with start-up costs and necessary building renovations, representing approximately 10% of expected costs and investment.

Dave moved to award Audrey's Cocktails & Desserts an \$8,000 Retail Incentive Grant. Jeremy seconded, and the motion passed unanimously.

Audrey, Joseph, and John thanked the board and departed at 8:53 a.m.

Loans

3 E's Comedy Club

Of the loans granted by DDA, one remains outstanding: 3E's Comedy Club, which was initially granted for \$24,673. Two payments totaling \$7,223 have been made, with \$17,451 remaining to be paid. Payments for Q1 and Q2 2023 have not been made. Owner Eric Phillips has spoken with Susan and expressed that the business is struggling financially. Susan asked the board to discuss the possibility of converting the remainder of the loan to a grant and close out any obligation, noting that a comedy club would certainly have been eligible for a Retail Incentive Grant should the program existed when 3E's was opening.

While the board agreed that a comedy club adds a diverse entertainment option Downtown, they were concerned that loan forgiveness or conversion would set a precedent that DDA loans do not need to be repaid as contractually stated. It was also noted that Mr. Phillips has not explicitly asked for loan forgiveness or conversion.

Dave suggested reviewing the business' financial statements before departing at 9:07 a.m.

Jordan moved to pause collection attempts, encourage Mr. Phillips to remain Downtown, and upon further discussion the board may consider loan conversion or forgiveness if the business were to either extend its lease and/or commit to a new Downtown location when the current lease terminates. Jeff seconded, and the motion passed unanimously.

New business

Residential marketing

Carrie provided a brief overview of anticipated future marketing expenses in 2023 and 2024 that should be considered separate from what is provided for consumer marketing (shopping, dining, culture/recreation). Staff will continue to use existing channels and tactics (social media, a redesigned web page focused on Downtown living, print, etc.) and will add videos of actual Downtown residents and geofencing/IP targeting visitors to Downtown.

The board agreed that while individual properties are certainly marketing themselves, the intent is to market an urban lifestyle/ethos and that Downtown Partnership is best equipped to promote that through various channels.

Laura moved to allocate additional funds to residential marketing efforts. Jeremy seconded and the motion passed unanimously.

Old business

Business Pulse survey

Austin shared a brief presentation that contained responses from a recently completed Business Pulse Survey, which sought to paint an accurate picture of the well-being of small businesses Downtown. The responses were collected from 43 street-level businesses, nearly equally comprised of restaurants/bars, retail storefronts, and services/hotels/etc. 40% of respondents indicated that they are paying the bills and getting by with a much smaller percentage thriving, and about 20% admitted to struggling. Not surprisingly, the vast majority of respondents indicated inflation/cost of goods as the biggest challenge in the past year. On a positive note, almost half of respondents remain cautiously optimistic about business performance in the upcoming year.

Staff will continue to engage merchants to better understand specific challenges and opportunities.

Ryan left at 9:46 a.m.

COS Creek Plan

In the interest of time, Chris provided a very brief update on the Creek COS Plan, which is advancing thanks to the triad of Pikes Peak Waterways, City of Colorado Springs, and Colorado Springs Utilities. Chris shared that the project team has had productive conversations with the Army Corps of Engineers. He also stressed the importance of advancing all four main goals of the plan (rather than any single goal), which are to restore the natural function of the creeks, create outdoor water recreation, catalyze reinvestment and economic vitality, and to energize the community and deliver authentic placemaking.

Chris will share a deeper update at the September board meeting.

Susan reminded the board of the following upcoming events:

- Urban Living Tour, August 19
- Fall member mixer, August 30
- Revel: The Urban Arts Party, September 9
- Annual Breakfast, September 22

Board meeting was adjourned at 9:54 a.m.