



Colorado Springs Downtown Development Authority
Board of Directors Meeting
8 a.m. April 9, 2024
111 S Tejon St. Ste 703, Colorado Springs, CO

Meeting minutes

Board members present: Chris Lieber, Jeff Finn, Laura Neumann, Troy Coats, Dave Lux, Jeremy Shirley

Board members absent: Carrie Bartow, Jordan Empey, Patrick Stephens, Michelle Talarico, Amber Brannigan

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

Guests: Ryan Tefertiller (City Planning), Shawna Lippert (remote, City of Colorado Springs) Alexey Saprin, Valeriia Saprina (Evergreen Restaurant), Josh Franklin, John Wolfe (ICONS)

Call to order and welcome

8:14 a.m. Chris Lieber called the meeting to order and asked the board, staff, and guests to introduce themselves.

Minutes

The board reviewed minutes from the March 12, 2024, board meeting. On a motion by Jeff, seconded by Dave, the minutes were unanimously approved.

Financials

The board reviewed financials dated March 31, 2024. Susan stated that March was a straightforward month. She noted placeholders for two projects- Antlers Park at roughly \$40,000 and Busy Corner, which will be substantially more. Chelsea is actively meeting with the project team to identify true enhancement costs.

Board designated reserve

Susan directed the board to the memo in their packet regarding the board designated reserve fund. Board-designated TIF reserves are currently set at a flat \$200,000. During the creation of the new Loan Program for Tenant Ownership, it was discussed how best to fund the program. Susan explained that it is difficult to anticipate the amount and level of grant requests or loan requests each year. Rather than setting aside separate grant and loan pools, Susan finds it preferable to address broader concern of building resources as the latter half of the TIF district (final year 2037) approaches.

Susan sought a motion to increase the board designated operating reserve to \$450,000, with plans to increase that amount substantively each year. The board may utilize this reserve for key projects or initiatives it deems worthwhile.

Jeff moved to increase the board designated operating reserve to \$450,000 with the intention of additional annual contributions. Laura seconded and the motion passed unanimously.

Grants

Building Enhancement Grant/Retail Incentive Grant: Evergreen Restaurant

Austin introduced Alexey Saprin and Valeriia Saprina, owners of Evergreen Restaurant which will open in the former La'au's Taco Shop on the Colorado College campus. Prior to this venture, Alex and Valeriia were experienced business owners in Russia. Evergreen Restaurant will feature Eastern European cuisine and high-end mousse cakes and desserts not available elsewhere in Downtown.

Their plans are to significantly renovate the interior and patio space to provide more seating options than was available in the prior concept and elevate the atmosphere inside and out. Alex and Valeriia have provided a significant amount of thorough documentation for their restaurant, including a detailed menu with pricing, photos, and cost breakdown per item, a detailed list of the renovation costs and imagery of the fixtures, equipment, and furniture they plan to install, and a robust business plan using SBDC and Colorado Enterprise Fund templates showing their 12-month projections of revenue and expenses.

Staff reviewed the application as both a Building Enhancement Grant, for the extensive patio renovations, and a Retail Incentive Grant, because the restaurant will feature European offerings not currently available Downtown, and recommends a total grant of up to \$15,000.

Alex and Valeriia shared their enthusiasm for doing business Downtown, their commitment to quality products, and a desire to be fully integrated into the Downtown neighborhood. Shawna Lippert, economic development officer with the City of Colorado Springs, spoke on their behalf, citing detailed and thorough plans, and consistently engaging with resources through the City of Colorado Springs, Colorado Enterprise Fund, Small Business Development Center (SBDC), and Downtown Partnership, to ensure that they understood the steps required to open and operate in Colorado Springs.

Dave moved to award Evergreen Restaurant a \$15,000 grant broken down as \$7,500 for Retail Incentive Grant and \$7,500 as a Building Enhancement Grant. Jeremy seconded, and the motion passed unanimously.

The board thanked them for the decadent dessert samples and wished them well, and Alex and Valeriia departed at 8:45 a.m.

Loans

ICONS

Austin introduced Josh Franklin and John Wolfe of ICONS and gave a brief history of the business and their decision to purchase property. ICONS was one of four businesses displaced due to fire and smoke damage at the Majestic Building.

Franklin and Wolfe are under contract to purchase a new location for ICONS at 16 E Kiowa St., a building that previously housed a bank branch and office space but has been vacant for some time. The applicants are requesting a loan from the DDA in the amount of \$200,000 to help close the gap in financing and help fund the renovations required to re-open ICONS in the new location. The applicants have requested a 15-year payback period for the loan, which is aligned with the terms of the LPTO program.

The applicants shared their enthusiasm and excitement that their long-time dream of owning their property is coming to fruition. They also shared plans for renovation to include a bright, welcoming façade and the possibility of a rooftop bar.

Dave moved to approve a loan to Those Gays, LLC dba ICONS for purchase and related renovation of 16 E Kiowa St. in the amount of \$200,000, amortized at 2.5% APR over a 15-year period with an interest-only period of four months following closing. Laura seconded and the motion passed unanimously. Jeremy recused himself from the vote.

Josh and John thanked the board and departed at 9:17 a.m.

New Business

Experience Downtown Master Plan

Susan encouraged board discussion regarding potential updates to the Experience Downtown Master Plan. She referred them to a detailed memo in their packets that explained Downtown Colorado Springs' history with master plans and how it compares with other Colorado downtowns.

She noted that updates to the master plan would require extensive stakeholder engagement, time, money, and staff workload. Changes should also not precede the current changes that are being made to the Form Based Code. She referenced the questions in the memo and asked the board to ponder them as they review the plan prior to the All-Boards Session, where all four boards will delve deeper into potential updates.

General updates

Susan shared that discussions continue with CSU regarding transmission lines near the creek, as well as the preferred tenant for the Kimball's Theater space. The board will be updated accordingly with progress.

The board meeting was adjourned at 9:59 a.m.