

RECORD OF PROCEEDINGS - **DRAFT**
TO BE Approved on 11/17/2021
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE HAVANA BUSINESS IMPROVEMENT DISTRICT

Held: October 21, 2021, 10am via Go To Meeting. The phone in number United States: [+1 \(669\) 224-3412](tel:+16692243412), **Access Code:** 425-389-565 and URL – <https://www.gotomeet.me/onhavanastreet> are listed publicly on our [website](#) and our [Facebook](#) at [@OnHavanaStreet](#).

Attendance: Chance Horiuchi – BID, Ed Tynan with Tynan’s VW, Nissan & Superstore, Mayor Mike Coffman, Glenda Dozier – Bella Vita Sales & Leasing Concierge, Doug Scott – Lightshade Op. Coordinator, Krista Nichols – Lightshade Marketing Manager, Devin Beck – Lightshade VP of Op, Lori Kropp – BID property owner, Randy Davis - The Better Mattress joined via phone call and video conference.

Board Members Present: Garrett Walls, Donovan Welsh, John Sanchez, Sean Choi, Yuly Williams at 10:12am.

Patrick Armatas and Matt Rauzi were not able to attend.

Gary Sliger sold Gary’s Full Service and can no longer serve on the BID Board. Sean Choi with First Bank will officially resign after we appoint new board members in December 2022 but will be resigning in January 2022. We would like to recognize them both for their service at the Annual Meeting.

The recording and transcription of the meeting is available upon request. The unofficial board meeting began at 10:01am with the Mayor’s Update.

Update from Mayor Mike Coffman: He shared that the governor reached out to him regarding three project areas where the City of Aurora could leverage federal funds and the ARPA dollars. The governor wants to look at using the funds on affordable housing, mental health, and homelessness. He shared that with a mental health focus the city would like to help Aurora Mental Health consolidate all their services to one place. He also shared about a program called, “Ridgeway.” The Governor terminated the contract with a private contractor to administer that program. Mayor Coffman shared that there is a 500-bed facility campus with food services in classrooms and the city is looking at using that for transitional housing for homelessness with the counties, Denver and the City of Aurora. He shared concern with Tri-County Health Department’s to be broken up in three parts: Arapahoe, Adams, and Douglas Counties. He shared that the City of Aurora would now have to work with three departments instead of one and that this change would “certainly complicate matters” and “will be more costly.” Lastly the Mayor shared his continued concerns about law enforcement and their ability to respond. He shared that APD is still very short staffed and that “it is going to take a while to fill out the numbers that we lost, particularly last year.” APD has pulled officers from PAR to patrol and APD is doing their best to keep the academies going to get more on patrol. 03:28 - 03:35 **Mayor Mike Coffman** shared that he is “happy to answer any questions that anybody might have.”

03:37 - 03:49 **Garrett Walls** asked about an update on the mobile response team and how the programs are doing in our community.

Mayor Coffman shared that the City of Aurora essentially has “two programs, currently going that are still pilot programs.” He shared that he has “every confidence that both are going to be great but does not have any recent statistics to share just yet.” He explained that one “program is a crisis response team, with one police officer, then one mental health professional, both responding to calls together.” Then there is another “where mental health professional, and a paramedic respond to calls together” for other situations where someone is having a “mental health episode, but it's not necessarily an immediate threat to themselves, or someone else.” Both programs are pilots and “certainly hopes to foster them to become permanent programs within the police department.” One thing is to two take or highly trained law enforcement personnel in divert to addressing emphatically crimes.

And dry rests or deterring crime and utilizing other individuals that are that are more specialized in addressing issues where there's not necessarily a crime associated with them, so I think it's just a great step forward and policing for the city of Aurora.

Garrett Walls: He shared that he is interested to see how the program evolves over time and benchmarks and programming helps. He is interested to see how effective the program is too. Garrett thanked the Mayor for joining us and “for continuing to advocate for our business district.” The Mayor continued to share that the BID has done a “Great job!” He shared that as a “long-term resident

in the city of Aurora” and he has seen “the ups and downs of the corridor, and I don't think it's ever been better than it is right now.” He thanked the BID for all their efforts.

Questions with the Mayor: Garrett Walls asked if any other board or stakeholders had any more questions for Mayor Coffman. None.

7f: APD Academy Tour On Havana Street: Chance asked the attendees to review the board updates. She shared that On Havana Street will be hosting monthly APD Academy Tours in the corridor with stakeholders. Chance gave an overview of the academy tours and engagement with the BID stakeholders and the OHS business visits and driving tours with 17 recruits on 10/14/2021. The BID plans to continue to host the academy monthly with partner stakeholders. If any stakeholders would like to participate then please connect with Chance. We host 17-40 recruits for a Q&A round table with businesses and a tour visiting shopping centers in the corridor.

Recap of the Tour with ADP Academy with OHS & the Tynan's: Chance shared that the District hosted another On Havana Street tour with the APD recruits on October 14th. Chance shared that the academy met at the Tynan's Volkswagen dealership for a business and community engagement round table discussion with Q&A with property owners, current Havana PAR officers and the academy recruits. We discussed the diversity of the corridor and the ways APD has helped businesses with code enforcement, challenges, homelessness, vandalism, shoplifting, kind of pointing out certain centers, and certain challenges of each individual property owner. Many of the recruits asked a whole bunch of questions regarding the process and challenges with Covid-19.

09:07 - 09:17: In the future, after the discussion at Tynan's, we will do a driving tour up and down the 4.3 miles, discussing each property, talking about some challenges and opportunities. After the tour, we will engage the business district and tour different diverse shops, bakeries, and international markets. We plan to host business discussions and mini scavenger hunts at various businesses. Many of our diverse businesses, residents and community do not have as many positive experiences or engagement with police. So, the scavenger hunt was to promote more of a positive experience and community engagement. Some examples included: helping someone with their groceries to their car and greeting someone in a different language. She shared that the BID wants to strengthen their relationships with APD, the APD Academy, and our community at-large. The District does have an excellent relationship with our APD PAR officers, but understand that many of our business owners still have hesitations and reluctance with working with APD. Due to Covid-19 challenges and restrictions that the District experienced this past year we understand it is so important to continue to foster positive and strong relationships with our police and community. Chance asked, “Any questions before I move on to the quick updates?” None.

Sean Choi joined at 10:12am and we officially had a quorum to begin the official board meeting.

Introductions: Garrett Walls, Donovan Welsh, Yuly Williams – US BANK, John Sanchez – GEICO Aurora, Sean Choi – First Bank, Chance Horiuchi – OHS, Doug Scott – Operations Coordinator with Lightshade, Krista – Marketing with Lightshade, Devon – Lightshade (trouble with mic, using chat box), Glenda Dozier – Bella Vita Senior Living.

Disclosure of potential conflicts of interest: None. The board members present noted for the record that they have financial interests in entities that own property within the boundaries of the Havana BID, are active in developing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the Havana BID's Boards of Directors. In accordance with state law, the Directors have filed written disclosures describing such potential conflicts of interest with the Secretary of State, and the Directors present verbally reaffirmed such disclosures on the record of this meeting.

The board established a quorum and made motions to approve the September 2021 Financials and Minutes.

Acceptance of the September 2021 Minutes: No questions, suggestions, or additions. Garrett moved to approve the September 2021 Minutes pending any substantive, formatting, and administrative changes without objections. Garrett moved to accept the minutes as approved as amended, Donovan seconded, all in favor non opposed. No nay votes. September 2021 Minutes were approved.

Acceptance of the September 2021 Financials: Garrett noted the property tax was negative in the financials and shared how the accountant Diane Wheeler shared an explanation to the board over email. The negative in the property tax collection looked like “the County abated someone's taxes, which is why the property tax revenue for this month is negative, this also resulted in negative interest.” Garrett shared that the negative looked weird, so he wanted to share the explanation from the accountant in today's meeting. He noted that the amount was not much (-465 property tax and -45 in interest) and showed the financials on the shared screen to the attendees.

No additional questions, suggestions, or additions. Garrett asked for a moved to approve the September 2021 Financials pending any substantive, formatting, and administrative changes without objections. Garrett moved to accept the financials as approved as amended, Yuly seconded, all in favor non opposed. No nay votes. September 2021 financials were approved.

No APD Update, but if have any concerns then Email District 1 PAR at District1PAR@auroragov.org. The general contact phone number is 303-739-1850.

Discussion on the Havana BID Reserves and opening a ColoTrust or Csafe account for the District: Chance shared that the BID is in transition with a new accountant, Diane Wheeler, and that we have had this conversation about our Reserves and Bank of the West for some time now. The Board discussed moving the Bank of the West reserves in September, but then lost our accountant Bill Flynn at the end of September. Chance shared that she is requesting more information about the types of money market accounts from our new acctounat Diane Wheeler. She wanted to hear any feedback from stakeholders or board members that may have a preference between the ColoTrust, which most special districts use, or a Safe account. She asked if the bankers or other stakeholders had any comments on the money market funds/accounts. Chance wanted the board to know that we are moving forward with exploring moving our reserves and hoping to transition the money from Bank of the West funds to one of these types of accounts. Our goal is to have this transition done with our banking prior to the new year so that we can begin the next operational year with our reserves in a money market fund. Chance asked, "Any questions, concerns, or feedback?"

Garrett Walls asked if Diane Wheeler could share an e-mail explaining the two types of accounts and if she could just clarify more about the two accounts. He also shared that then the board could vote at the upcoming annual stakeholder meeting in November. Then the board and stakeholders will have a clear direction which account "we want to move our reserves into. He shared that the two accounts are similar products, but maybe there may be some advantages to one over the other, so hopefully Diane will have the time to get some info back to you on that."

16:04 - 16:05 Audit Discussion and Vote: Chance shared an overview of the three proposals we received from different auditing firms. Chance wanted the board and stakeholders to have a discussion or if anybody had any preferences or feedback on the proposals. Via email the board was sent the proposals for 3 contracts:

1. \$4300 – Colorado CPA Company, PC, Referral from Bill Flynn

- When Bill was with Simmons and Wheeler, he worked very closely with Amanda Gildea for all the special district accounts he managed.
- She was also the CPA that joined our BID board meeting a few months ago just to say, "Hello!"
- She exclusively does audits for Colorado special districts like ours.

Colorado CPA Company PC, Amanda Gildea, CPA, President, PO Box 630154, Highlands Ranch, CO 80163
amanda.gildea@coloradocpacompany.com (720) 722-5835), coloradocpacompany.com

2. \$5000 – BIGGS KOFFORD, PC, Referral from Bill Flynn (former BID auditor/now former accountant), This is the NEW COMPANY he will be working for.

- Biggs Kofford is our former accountant's new company, and he is now in charge of developing a NEW Denver office for this Colorado Springs based CPA firm. He starts with BF on November 1st.
- He will not do the HBID's audit, but Braden Hammond, CPA and Patricia Spencer, CPA would do the audit. Bill Flynn shared he can help with the process with Simmons and Wheeler and wanted us to choose an auditor that is best for the BID.
- Bill Flynn could also do our future audits in 2023 or 2024 when Diane Wheeler is still the BID's accountant and then the financials would not be prepared by him.

BIGGS KOFFORD, P.C.: 630 Southpointe Court, Suite 200 Colorado Springs, CO 80906 719.579.9090

3. \$9375 – JDS Professional Group, Referral from Visit Aurora

- We requested this proposal months ago, but her office had challenges with staffing and had her team out with COVID. She finally sent the proposal for us. She is highly recommended by Visit Aurora and other Colorado companies. See their list of clients in the proposal.

Jill E. Korenek, CPA, Partner, JDS Professional Group, Certified Public Accountants, Consultants and Advisors
10303 E. Dry Creek Road, Suite 400, Englewood, CO 80112, Main: 303.771.0123 x 3146, Direct: 720.259.8311, Fax: 303.771.0078

Board Discussion on Audit Proposals: Garrett Walls shared that he really appreciated that Amanda with Colorado CPA Company, PC, joined us a couple meetings ago and that it was nice to have her submit her proposal with an appearance on the board. He shared that he really liked that she was engaged and responsive early on. He would "sort of be in favor of a different sort of kind of outside

group, trying to see how it goes this next year. That's not related in any way with our accounting, just to see if we get some fresh eyes on the BID through our audit and see if anything is caught or if there are any additional recommendations. His preference would be to go with the first bid, submitted by Amanda. It just happens to be coincidental that it's the lowest bid for me." He also noted that "it seems like she's going to be more active and work with the board of directors and anything that she can come up with to help us or assist us moving forward." 17:50 - 17:52 **Garrett Walls asked the board, "Do you guys have any questions?"**

Donovan Welsh asked if Chance had a preference since she will be working with the new accountant and auditor. He also shared that "As long as everybody agrees, the credentials for all three auditors are great, then he is supportive of whoever Chance's comfortable working with day in and day out, I think is where it should go."

Chance shared that she is open to working with Colorado CPA Company, Amanda Gildea because she specializes and only works with special district audits and exclusively with public state entities likes ours. Chance recommended Amanda Gildea since she is responsive, active, and already so easy to work with. It is also a plus that our new accountant Diane Wheeler already works with her too. Chance also shared that one of the challenges with CPAs and accounting/auditing firms for public state entities is that our audits are very specialized and not all of them are very responsive. Amanda has shown that she's great with follow-up, reliable and she comes highly recommended by other special districts.

Garrett Walls asked, "Any other board comments?" Chance shared that her second recommendation was to work with Bill Flynn's new company since he has our audits before and familiar with our books and financials. She also shared that the highest quote that we received was from JDS Professional Group, which is a company based in Englewood. Chance also shared that JDS was not very responsive and did not have the highest bid.

Garrett Walls asked, "Any final comments before we make a motion?" None.

20:26 - 20:33: Garrett Walls moved that the BID select the first quote that received from Amanda Gildea, Colorado CPA Company, PC at \$4300. Seconded by Donovan. All in favor and non-opposed. Our 2021 financial audit will be done by Colorado CPA Company, PC in January – March 2022.

Discussion on board vote for new district markers for 3 stakeholders: Kum & Go, The Better Mattress and Western Centers.

Garrett shared that the BID already appropriated the funds through the budget into that specific line item so no need to a specific vote, authorizing those additions. He asked if other board members concur. All other board members agreed and to move forward with working with new stakeholders on district marker additions.

Board Appointments: No vote needed.

Garrett shared that with Lightshade on the call and with Chance having future discussions with Doug and the Lightshade team that might be an opportunity for the BID to do some branding on the northern end of the corridor. Chance briefly explained our district marker improvement program to Doug, Devon, and Krista.

Second art sculpture with Kum & Go for Art 2C: Yuly asked if we needed a board vote on the second art pad for Kum & Go in the upcoming Art 2C program. Chance shared that via board emails, the board does support Kum & Go having two public art sculptures in Art 2C 2024-2026 after their redevelopment at Havana & Jewel is complete in 2023. Yuly motioned to allow Kum & Go to have a second art pad in our Art2C program. Then Garrett restated Yuly's motion for the minutes. **"The motion on the floor, I'll restate it for the minutes, is to approve the second pad location for Art 2C public art, Aurora Art in Public Places program, and allowing Kum & Go to have a second sculpture in the program at the location to be developed Havana and Jewel."** **Seconded by Donovan. All in Favor, non-opposed. Motion approved.**

Chance shared that is the last of the board voting agenda items at 10:27am. She thanked Sean Choi and board members for staying on for the quorum to approve voting items. Garrett shared that attendees could stay on the board call for other updates, but due to a quorum that we can adjourn the official meeting.

Garrett Walls moved to adjourn the meeting at 10:27a. Seconded by Sean. Meeting with quorum adjourned at 10:27am.

Sales Tax Update: Chance asked the stakeholders to review the board updates for the overview of upcoming events. She shared that the only thing she really wanted to share was a "thank you to our stakeholders. On Havana Street is doing phenomenal." In the board updates Chance shared the most recent sales tax report from the City of Aurora. The report shared that the BID is exceeding

2019 sales tax generations numbers, and that the BID is about 15%, or has contributed more than \$2.3 Million than what was collected in 2020. The BID has generated over \$17.6 Million and that is the total collection or calculations up until the end of August 2021. The BID is projecting to exceed the \$20 Million in sales tax estimation for this year. Many other special district corridors are still down 20, 30, even 50% depending on where they are in the metro area. On Havana Street is up more than 15%.

Chance shared concerns about the District and challenges of the businesses moving into the winter months (hiring, min. wage, Covid-19 challenges). She also shared there are many candidates running in the city council election and that the BID will have to be prepared for future ordinances or proposals that may affect the corridor. Garrett shared that is important for our businesses to remain involved, "VOTE, participate in the process." He shared "participate in democracy, now, for better or worse, as the editorial board of the Sentinel came out a few days ago and said that Aurora is ruled by its business districts. So that must mean that we've actually done some things sort of right. Completely disagree obviously, with the Sentinel Editorial Board in that were often actually ignored, especially on a policy level at the city, but it does show one thing. We, we have gained a voice. We have worked very hard to make sure that all of our stakeholders are engaged and make sure that they know that they have a voice at the city level as well. So continue to participate actively in democracy if you live here. Make sure you will get that out to your networks. This particular election will decide sort of displaying of city council move forward for next year, which will affect a whole host of issues. Many of them are directly affecting the business community. So, make sure you spread the word and get out to vote."

Chance shared that she saw Lori Kropp and Randy Davis on the call. Randy Davis with The Better Mattress is a new stakeholder at the southern end of the corridor. Chance shared that the BID is contributing about \$10,000 towards The Better Mattress' monument sign and our OHS panels. Randy Davis introduced himself and shared that he is listening in and excited to be engaged in the BID. He shared that he still has not taken possession of the building yet, but hopeful by the end of the month. He is hoping to contribute to the sales tax generation last fourth quarter. He has been in the mattress industry for over 32 years and ran Mattress King for over 14 years. He thanked the BID for everything and Chance's help.

Any other announcements? Garrett shared that he used to work with Lightshade in the past and shared that he understands the challenges of their industry when it comes to "any announcements or promotions." He shared that the industry in particular has "barriers in terms of advertising or doing marketing and promotions for events." He shared that it will be a fun challenge for the BID to "work with Lightshade and see how we can engage you as a stakeholder, and see how we can help improve your business, as well as we improve the district."

Douglas Scott with Lightshade shared that they are excited to get more involved with the District and "looking to try to drum up more business in that Northern Havana area."

33:29 - 33:35: Garrett Walls shared that it would be great to get Lightshade involved with the multimodal study. Our Havana corridor has been engaged in the multimodal study, but the city and partners are in the implementation and recommendations stage. There are concerns about North Havana area specifically with lighting, sidewalks, and bump outs to make it safer for people across the street. We would love to connect Lightshade to the multimodal team so that you can share feedback and your challenges in the area.

Douglas Scott shared a comment about the "difficulty with turning into Havana, when heading northbound is definitely a challenge. Many are crossing a double yellow." He also shared that the 'easement is not the greatest in the area and that he would love to be more active in whatever those decisions are. I'm all in." Chance shared that she would invite Doug to upcoming meetings and opportunities for Lightshade. She also shared some of the programs and new housing and redevelopments coming.

Chance also invited the stakeholders to the Halloween Happy Hour on 10/27 and the annual meeting on 11/17 at the Stampede in-person with Argentinian caterer. Chance asked if caller 4 & 5 to join or share any updates. Ed Tynan introduced himself. Lori Kropp introduced herself too. **Garrett asked, "Do we have any comments or announcements from stakeholders or members of the public?" None.**

No other BID business was conducted at this meeting. **Next BID Board meeting will be Thursday, November 17, 2021, at 11 a.m. at The Stampede and VIA HAVANA BID BOARD GoToMeeting**

Adjournment: There being no further business to come before the Board the meeting was adjourned at approximately adjourned 10:40am. The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting, as approved by the Board of Directors of the Havana Business Improvement District.

Chairperson of the Board