PLANNING AND ECONOMIC DEVELOPMENT POLICY COMMITTEE MEETING

Date: February 9, 2022

Time: 8:30 am

Members Present Chair: Councilmember Danielle Jurinsky, Vice Chair: Councilmember

Dustin Zvonek, Member: Councilmember Angela Lawson

Others Present Adrian Botham, Aja Tibbs, Andrea Amonick, Andrea Barnes, Becky Hogan,

Bob Gaiser, Bob Oliva, Brad Pierce, Brandon Cammarata, Brian Rulla, Bruce

Dalton, Cathy DeWolf, Chance Horiuchi - On Havana Street, Daniel

Brotzman, Daniel Krzyzanowski, Daniel Money, David Schoonmaker, Debbie Bickmire, Elena Vasconez, Frank Butz, Garrett Walls – BAB, Gayle Jetchick, Heather Lamboy, Jacob Cox, Jason Batchelor, Jeannine Rustad, Jeffrey Moore,

Jennifer Orozco, Jessica Prosser, Jillian Coffey, Jose Rodriguez, Karen Hancock, Kim Kreimeyer, Mac Callison, Marcia McGilley, Margie Sobey, Marisa Noble, Mark Smith, Mark Witkiewicz, Marvina Redding, Melvin Bush,

Michelle Gardner, Mindy Parnes, Morgan Cullen,

Rachel Gruber - Denver Airport, Rachid Rabbaa, Sarah Wile, Scott Berg, Sunny Banka, Tod Kuntzelman, Trevor Vaughn, Victor Rachael, Yuriy Gorlov

1. CALL TO ORDER

2. APPROVAL OF JANUARY 12, 2022 DRAFT-SUBJECT TO APPROVAL MINUTES - COUNCIL MEMBER JURINSKY

2.a. The minutes from January 12, 2022 were approved.

3. GENERAL BUSINESS

3.a. <u>Introduction of New Planning & Development Services Director, Jeannine Rustad</u>

Summary of Issue and Discussion:

Andrea Amonick, Development Services Manager

Jeannine Rustad introduced herself as the New Planning Director and discussed her previous affiliations as a lawyer in Washington D.C. and a former planning manager in Hillsboro, OR.

 CM Zvonek welcomed Jeannine and talked about the newly formed Red Tape Reduction Ad Hoc Committee, which looks at fees and taxes in the city process.
 He encouraged Jeannine and her team to join and be part of the committee.

Outcome:

Information Only

Follow-up Action:

Information Only

3.b. <u>Business License Statistics 2020 - 2021 Information Item</u>

Summary of Issue and Discussion:

Trevor Vaughn, Manager of Tax and Licensing / Daniel L. Money, Senior Assistant City Attorney

This presentation is in response to a request made at the January 12, 2022 Planning & Economic Development (PED) Policy Committee Meeting for Business License Statistics.

- O CM Jurinsky asked for clarification about what happened to the 1,500 businesses not listed as businesses with a 2021 close date? Trevor Vaughn explained they were backdated to 2020 or 2019. He further clarified that business licenses are good for two years, so it can be a while before they determine the business closed.
- O CM Jurinsky further asked if they are seeing trends of the closing businesses are from a particular category or industry? Trevor Vaughn responded that restaurants, bars, arcades, and in-person entertainment were hit hard with the public health orders and the pandemic. He also mentioned that the demographics of the workforce may have been a factor. Bob Oliva added that hiring staff and managing staff wages have also been factors regarding businesses not staying open. Businesses employing low-wage employees have been more affected than service-oriented businesses with employees who can work from home. There has also been a shift in the business model not to be heavily dependent on a whole staff of employees.
- o CM Jurinsky commented that the Red Tape Reduction Ad hoc Committee could engage with businesses to help the city be more business-friendly.
- O CM Zvonek asked if there are warning signs regarding a business closing, such as the occupational privilege tax not being paid? Trevor Vaughn responded that the sales tax might be a more significant red flag for management or financial issues in a business, in addition to missing tax filings.
- O CM Lawson asked if the service industry with hair and nails are included in "other"? Where could the tracking be different to efficiently provide a better picture of what is happening in the Aurora business community? Trevor

responded yes; they are under the "other" category. The short answer would be to add resources that can continually go through the systems and check the business status.

Outcome:

Information Only

Follow-up Action:

Information Only

3.c. Aurora Economic Development Council (AEDC)

Summary of Issue and Discussion:

Andrea Amonick, Development Services Manager / Daniel L. Money, Senior Assistant City Attorney, Yuriy Gorlov, AEDC Vice President of Development

The Aurora Economic Development Council (AEDC) is a public/private partnership responsible for creating and retaining jobs by assisting large primary employers to expand or relocate to Aurora. The organization is a partnership among Governments, private sector organizations, and community leaders. Annually, the Aurora City Council authorizes a professional services contract with the AEDC to enhance the City's economic strength by retaining and attracting primary jobs. The contracted services include attraction, retention, and expansion of employers, education of and ongoing discussions with local, state, and federal policymakers, and international outreach. AEDC will give a presentation on general economic activity in the office and industrial sectors and discuss 2022 initiatives. They provide examples of 2021 accomplishments, including ongoing process and policy improvements that were part of a 2020 service audit.

- CM Zvonek asked if they have specific marketing strategies they employ? Yuriy responded that they have a targeted approach to all industries and key players to build relationships. They fly out to tour businesses looking to expand or grow their industry.
- CM Zvonek asked who is taking the lead on the inland port now? Yuriy
 responded that AEDC is on standby to help with planning and recruitment efforts
 as a new director settles in at the spaceport. In addition, Adams County is
 reshuffling in the management and economic development department.
- O CM Lawson posed a question regarding the AEDC's process to get headquarters in Aurora. Yuriy responded that companies with headquarters in Aurora are Avitus and Karcher. He added that some companies choose the tech center or downtown because there is density, amenities, and more executive housing. They will continue to talk with companies regarding headquarters and share what Aurora offers in the assets. He added that he could see companies choosing the I-225 or E-470 corridor for headquarters in the future.

Outcome:

Information Only

Follow-up Action: Information Only

3.d. Discussion of Tentative 2022 PED Agenda Item Schedule

Summary of Issue and Discussion:

Andrea Amonick, Development Services Manager / Daniel L. Money, Senior Assistant City Attorney

Every year the PED Policy Committee discusses a tentative schedule of discussion items and determines a proposed agenda for the year of staff presentations. This item is a follow-up to the January PED discussion regarding agenda items the Committee would like to discuss in the coming year. The PED Committee Tentative 2022 Agenda Item Schedule is included in the PED agenda packet. Is the proposed schedule acceptable?

- O CM Lawson asked if it would be possible to bring in people from the industries that Aurora is focusing on for economic development to talk about their thoughts, gaps, and challenges and where they foresee their business in the future in Aurora? She would also like to have planning and development plans drawn up for a 50 or 100-year span regarding Aurora's growth, development, and industry.
- CM Zvonek requested more conversations regarding the inland port and suggested inviting CM Gruber. He also asked if it would be possible to hold updates from the Red Tape Reduction Ad hoc Committee dealing with a red-tape reduction in April or May.
- CM Jurinsky would like to see a presentation on what's happening at Fitzsimmons (n.k.a the Fitzsimons Innovation Community). She added that neighborhoods were speaking out about developments before the council knew about these projects. CM Jurinsky would also like to receive a list of developments passed administratively that may not have gone through the Planning and Zoning Commission or the Committee. Jason Batchelor clarified that the council gets notice of administrative decisions. He added that the information comes from the planning office.
- Andrea Amonick commented that she would find out how the information goes out and communicate directly with CM Jurinsky.
- Jeffrey Moore asked a question regarding the oil and gas update schedule.
 Council Members decided to hold the update in November as there are no new updates on this aside from new permit applications new wells that are already previously planned.

Outcome:

Information Only

Follow-up Action:

Information Only

4. MISCELLANEOUS MATTERS FOR CONSIDERATION

4.a. Aurora Economic Development Council

• Yuriy Gorlov:

See item 3c

4.b. Havana Business Improvement District

• Chance Horiuchi:

Many businesses in the corridor are hiring. The Lightshade artist will begin the mural on Saturday. This mural includes branding, colors, and logo and is in lieu of a district marker on Havana Street. The Havana Motor Mile Billboard is also up at 625 South Havana. Havana also has a new incentive program, the Havana Motor Mile Tool Program, which contributes \$20,000 to Pickens Tech Automotive Mechanic Shop and awards the top 5 to 10 percent of students with tools and their own tool chest. This program was started by Gayle Jetchick. They are looking to award the students in March 2022. As a part of this program, the students commit two years to the corridor, to a Havana Motor Mile business; and they can keep the tools after that two-year program. Chance also raised Pickens' concern regarding their challenges in providing breakfast and lunch to students. Some of the students that are taking certification classes through our public schools or other school districts through Pickens Tech do qualify, but unfortunately, there are students that do not eat. These also include college students who do not qualify for a free reduced lunch. With regard to this, Pickens tech is asking for any sponsorships or city programming.

Business updates:

- 1. Argenta is now owned by Dream Finders Homes.
- 2. Thai Basil Building's new ownership is J.W. Lee and is opening on June 2022 as a cast iron barbecue restaurant.
- 3. Cobblestone Auto Spa still has Autawash but has since purchased Living Water Car Wash.
- 4. Tous les Jours has had its opening last month.
- 5. BB. Q is having its soft opening on February 28th.
- 6. A networking event will be held on February 16th at Tous Les Jours at 10 a.m. with 65 businesses in attendance.

They are working to strengthen their community partnerships with Pickens, and Cherry Creek Public Schools; who are working to do diversity hires, engagement and training in the Havana Business Improvement District (BID). They are also working with the medical campus and bioscience regarding direct supplier programming that will be launched at the end of the year. In addition to this, they are working closely with Denver International Airport for opportunities for business and certifications. City partnership with Excel Partners and Energy will help bring in more EV charging stations and will attract more locals and businesses to Aurora.

CM Zvonek apologized that he and CM Jurinsky will not be able to attend the networking event with the small businesses due to a public safety meeting. CM Lawson also apologized that she will not be able to attend said meeting due to a water policy meeting on the same day.

4.c. Aurora Chamber of Commerce

• No report

4.d. Planning Commission

• Melvin Bush:

They have three cases to be heard tonight; 1671 Altura Boulevard which is a zoning map amendment, Pivot Energy which is a site planning, and the MAA Abilene Multifamily site plan. Melvin also noted that there is only one more vacancy left on the planning commission.

4.e. Oil and Gas Committee

• Brad Pierce:

In the last meeting, the oil and gas regulations were brought up. Jeffrey Moore has formulated a response to the queries and concerns and has been sent to CM Jurinsky for any further questions about the regulations. Brad also inquired regarding the Committee's meeting schedule to confirm that it would be on the second Wednesday of every month at 8:30. CM Jurinsky confirmed this schedule for the rest of the year.

4.f. Business Advisory Board

• Garrett Walls:

The BAB met on January 24th with a full agenda. A presentation by Commander Wright with the Aurora Fire Department was done. Commander Wright discussed outsourcing some of their life safety and fire inspections to a third-party vendor. This raised questions and concerns such as whether an RFP was done, why the vendor chosen was a nationwide vendor as opposed to a local company, what the company's motivations might be, why this vendor maintains a referral list for repairs, and how they are getting their money. The BAB is still waiting to hear back from Commander Wright. A presentation was also received from CM Gardner regarding the sales tax exemption for diapers. There were some concerns regarding this which include business owners having to reprogram their POS systems, support from the SBDC and tax and licensing, and that it doesn't have a massive net benefit. It was suggested that the revenue from diaper sales, which is \$576,000, be used to fund non-profit organizations operating within the city to provide diapers for free or at a low cost.

Despite objections, the sales tax exemption was approved by a majority vote. Councilmember Gardner also let the BAB members know about the safety and security grant will be opening up, which BAB is looking to get more information to push out to the business networks. The next BAB meeting is February 28, 2022. They are working on the details for the Business Recognition Awards, and shift that to promote more community engagement with the business community, city staff, and City Council.

4.g. Retail

• Bob Oliva:

Bob highlighted two hybrid business models popping up due to COVID and online sales, which are the retail-wholesale business, and the brick-and-mortar and online

model. Given that brick-and-mortar businesses require foot traffic, they decided to go online. In some instances, they would get fewer people to walk into their shops leading them to not be able to afford their retail spaces. This is the same with the retail wholesale market as seen in restaurants that decided to do a wholesale business centering on catering. They would tend to concentrate their business on wholesale rather than retail, therefore, shutting their retail stores down. This then results in challenges in contacting them and getting information about close of business.

Also highlighted is the restaurant industry which is the business that generates more sales tax dollars per square foot, which is deemed to be the business that they should be focusing on. They employ more people, have larger payrolls, and have larger costs. However, labor is the big issue for them. Economic development leans towards corporate campuses that are close to offices such as tech centers. Aurora did a lot better because they have both manufacturing and offices. Bob also presented regarding vacancies in retail and other spaces as there is a significant financial incentive for retailers to keep their spaces vacant. Despite efforts, retailers do not return calls because it is in their tax benefit to not rent out the space.

CM Jurinsky asked for Bob Oliva and Trevor Vaughn prepare a list of landlords or developers with vacancies for and that the council will personally make calls. Bob confirmed that he will be able to provide a list of any space that has been vacant for more than a year and suggested that they have to figure out a way to incentivizes these landlords and developers to rent out their space.

CM Lawson expressed her concerns regarding Corner Star businesses leaving their spaces in a prime location empty. Bob responded that this is because second and third-tier players were greatly affected by the recession and downturns. He again highlighted the importance to incentivize the developer or retailer. Bob added that Chance did well in her incentive programs in Mechanics for the Havana Motor Mile. Further discussions regarding the incentives ensued which noted that the incentive for leaving their properties vacant is larger than what the city would be willing to offer.

O CM Jurinsky specified that it would be important to know the different types of businesses they are talking to and the retailers that would be interested in the incentives. Andrea Amonick agreed and would be happy to discuss the program of retail incentives to council and would be putting that on the list of future discussions.

4.h. Small Business

Marcia McGilley

Spanish Language home-based childcare program launched last Tuesday, which is run on Tuesday nights from 6:00 to 8:30. This program offers six sessions of education and one-on-one consulting. So far, 37 Spanish Language home-based business owners registered. Varied attendance is expected, but the SMDC records the sessions. Marcia reported back to Councilmember Jurinsky from a question at the

1/12/22 PED meeting regarding Arapahoe County funding. They have received \$25,000.00 from Arapahoe County towards the 2022 one on one consulting workshops. In addition, there is a grant program coming from Arapahoe County through Arapahoe/Douglas Works (A/D Works). It will be a collaboration between A/D Works and the Small Business Development Center at Aurora, which is \$120,000.00 to administer, outreach, consulting for the program. CM Jurinsky asked what is the overall budget? Marcia responded last year they ran on about \$650,000.00. Marcia has raised 1.6 Million so far this year which is what they need. They now need personnel contractors to flesh out all the programs.

4.i. Visit Aurora

• Bruce Dalton

As far as hotels they are starting to see a bit of a recovery. They are expecting to see more and more groups starting to come back in bigger numbers. Corporate transient business continues to be down as people are finding different ways to do business online. Occupancies in January and February are typically lower than other times in the year. They are expecting higher occupancies later in the year. Visit Aurora is working with Zartico for business analytics to capture credit card data as well as other data sources. They are developing a newsletter that will provide trends with regard to the information gathered. This report will be shared to the group, the City Council, and the leadership of the City of Aurora.

5. CONFIRM NEXT MEETING DATE

Tentatively scheduled for March 9, 2022, at 8:30 AM MT. Virtual meeting.

6. ADJOURNMENT

Danielle Jurinsky
Danielle Jurinsky, Chair
djurinsk@auroragov.org

Signature: Danielle Jurinsky
Danielle Jurinsky (Mar 11, 2022 13:14 MST)

Email: djurinsk@auroragov.org

02.09.22 PED Minutes APPROVED

Final Audit Report 2022-03-11

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