

AURORA BUSINESS ADVISORY BOARD

Minutes of the Regular Meeting
Monday, December 19, 2022

Board Members Present:

Mr. Boyd, Ms. Fender, Mr. Patel, Ms. Reding, Mr. Sarwal, Mr. Walls, Ms. Woodson

Board Members Absent:

Excused Absence: Ms. Horiuchi, Mr. Fryberger, Ms. Pace, Mr. Liles

Council Members Present: Mayor Mike Coffman

Others Present: Andrea Amonick, Jeff Edwards, Nosh Tarachand, Elena Vasconez, Trevor Vaughn, Fire Commander Steven Wright, Cathy DeWolf

Guest Presenters: Michele Clark Jenkins, Sr. Director, and Trinity Williams, Deputy Project Manager, with Griffin & Strong, PC.

CALL TO ORDER

Mr. Walls called the meeting to order at 11:07 AM

APPROVAL OF THE MINUTES

Mr. Walls asked that the Meeting Minutes from October 24, 2022, be amended to reflect Ms. Reding as an excused absence. Mr. Walls moved to approve the Meeting Minutes as amended, Seconded by Ms. Woodson, without objection. Ms. Reding abstained.

Mayor Mike Coffman

- Mayor Coffman is working with Mayor Suthers of Colorado Springs and Mayor Hancock of Denver and with the Governor on addressing vehicle theft. These vehicles are used to commit other crimes, and it creates a disproportionate impact on lower-income families. Unfortunately, a lot of these crimes are committed by juveniles. The legislature lowered the number of juvenile beds, so only severe cases are being held for trial. For example, a 15-year-old on pre-trial for another offense was released and given an ankle monitor, which he then cut off. He picked up his friends in a stolen van and ended up in a car accident with one person dead and several injured. The mayors are asking the Governor for more juvenile beds. They are waiting to see the effect of the mandatory minimums on motor vehicles and retail theft. The state code does not allow municipalities to prosecute juveniles for motor vehicle theft, and they must go through a special court.
- Housing affordability has been put on pause, and proposals are moving forward. They are waiting for further discussion and information on Initiative 108, which puts money into affordable housing and has opt-in measures for municipalities. A briefing and study session has been set to discuss this item with the Council. An outreach team goes out every week to the encampments for sheltered and unsheltered people but there are few takers. The mayor

mentioned drug and property crime associated with the encampments. There were a lot of property crimes committed such as shoplifting and break in's associated with the encampments. There are three pending projects in Aurora that aim to combat homelessness, addiction, and juvenile crimes. The Ridgeview Academy Charter school would be converted to serve as bed facilities and residential for people who have been chronically homeless. Aurora Housing Authority will build a Permanent Supportive Housing facility that will consolidate all existing services. The campus will provide emergency services, mental health and addiction recovery, and transitional housing. He mentioned that the camping ban had moved people off the street and into programs such as Ready to Work.

Appeals process for fire code violations – Commander Steven Wright

- Mr. Wright presented a recent issue in the city regarding appealing a building or fire code enforcement. A gas station to be built wanted to request an exception to the distance location of the emergency shut-off. The gas station wanted to appeal directly to the Aurora Fire Department.
- In the City of Aurora, appeals pre-certificate of occupancy (CO) go through the Building Department and their governance committee. If a violation occurs after the business receives a CO, appeals go through the Fire Department.
- The Aurora Fire Department belongs to a regional group of other municipalities comprised of engineers, contractors, and construction experts. The fire department and the business owners would then present to the regional group for a decision.
- The fire department inspects businesses in existing buildings. Due to this, the occupants usually have little control over their current state and may incur violations. The appeal regarding this goes through the fire department, where exceptions can be considered to help the business.
- In Denver, the fire department is included in the building process. In Aurora, however, the fire department is involved after the building process.

Mr. Walls expressed concern that Aurora businesses are subject to a committee made up of individuals from other municipalities. He then asked how often this situation occurs.

Commander Wright stated that once a clear violation is found, the current tenant of the property would be held liable. The Fire Department can work together with the owner regarding the assurance and timeline of repairs. With regards to going to the board of appeals, Aurora's Fire Department has never used them, although they have heard other municipalities' appeals. They usually work with or impose authority on the business or work with the building department to come up with a resolution. The Aurora Fire Department handles it by making compromises without sacrificing safety or business. Regarding the gas station developer, he consulted the fire department since the appeal is a fire code violation. However, since it is not yet built, it will be handled by the Building Department.

Ms. Woodson asked how much the violation costs the business on average, if there have been cases where the violation was too expensive, and if the city provides funding or loans so that small businesses would not go out of business.

Commander Wright stated that there were cases where the tenants and building owners had to deal with the violations, but he was not sure of the cost. He said that it is more of a debate between the tenants and owners about who will shoulder the cost since they know that the problem should be fixed. To help those with major safety violations, a fire watch is deployed. Instead of fully reconstructing the building, human resources are deployed to manage emergencies until the issue

has been resolved. As for the third inquiry, he stated that he is not sure whether resources such as funding are available.

Mr. Patel inquired about how to avoid a violation. He mentioned that stocking is the biggest issue for hotel developers in Aurora. He asked if the city could give parameters to pre-stocking buildings under construction if it is currently installed with a fire alarm system and if there is consistent monitoring in case a fire breaks out.

Commander Wright asked whether or not the public was going to the building yet.

Mr. Patel said no.

Commander Wright stated that if this the case, the fire department, city, and building departments have the authority to grant an exemption for housing the materials. He said that the concerned party can ask for an exemption from the building department. They can also contact him so they can work together with the building department.

Mr. Patel commented that this is helpful for hotel developers.

Ms. Fender asked whether this is just informational or whether Commander Wright is proposing a change to this process.

Commander Wright said that this is informational for the month.

ACTION ITEM: None.

Disparity Study – Griffin & Strong, P.C.

- Ms. Jenkins introduced their team, their credentials, and what a disparity study is.
- The process of their disparity study is as follows: Legal Analysis, Policy Review, Collect and Clean Data, Relevant Market Analysis, Utilization and Threshold Analysis, Availability Analysis, Disparity Analysis, Private Sector Analysis, Anecdotal Evidence Collection, and Analysis, and the Final Report with Recommendation with Goals.
- Ms. Williams discussed Project Progression. At this point, they are wrapping up the Anecdotal Evidence portion in Winter 2022. They are completing the business owners' survey leading to Private Sector Analysis and the Statistical Disparity Analysis. They will then come up with the findings, recommendations, and a draft of the study report before Spring of 2023.
- The report is scheduled to be finished in May of 2023
- Griffin & Strong, P.C. has a study website, [EngageAurora.org/Disparity Study](https://EngageAurora.org/Disparity%20Study), where the anonymity of the poster is protected, and a dedicated email address, auracostudy@gspclaw.com

Mr. Walls asked about what outreach Griffin & Strong, PC. have done to the business community within Aurora.

Ms. Jenkins stated they outreached not just to minorities and women-owned businesses but to all firms involved. They used the vendor's list of Aurora, the list of State, Denver, and any other available lists. She stated they also contacted the organizations and asked what they were doing to notify their membership. They did email blasts and press releases; if it is lacking, they do advertisements with platforms such as LinkedIn.

Mr. Walls stated that he asked about this since he saw during the presentation that the study was ending. However, he had just heard about this study. He expressed his concern about the level of outreach toward the business licensees.

Ms. Jenkins asked if Mr. Walls is in any government registration or vendors' list of Aurora.

Mr. Walls stated that he probably needs to be added to the vendors' list of Aurora.

Ms. Jenkins said they may only be contacted if they are a member of an organization outreached or they find out through a press release newswire. She added that they also call firms for focus groups. **Mr. Walls** asked how they collect statistical market data for the availability of vendors that may not be registered.

Ms. Jenkins clarified that their availability is only for firms registered to do business with the government, and they only use certified lists to confirm ownership. They had to identify if it is owned, controlled, and performing a commercial function. They also reach out to those not certified.

Mr. Walls expressed concern about missing business licensees that are available but need to know the process or lack resources to become approved vendors with the city.

Ms. Jenkins also agreed that a disparity study might need more aspects. However, they focus on ready, willing, and able firms today. They also reach out to those unregistered. Their recommendation may lean towards outreach, streamlining paperwork, etc.

Ms. Williams added that they also have a survey posted on the city of Aurora's LinkedIn website in English and Spanish.

Mr. Sarwal asked if Griffin & Strong, PC. Match census data to business owners in an area of a city since it seems to be the most accurate, and if there were hesitation from minorities regarding culture and language barriers in collecting data.

Ms. Jenkins stated that census data might not be reliable since the data can be outdated. Census data counts every single business, even though a single person may own them. They experienced little push back in terms of participation. They knew that some areas may need or may not need translations, and they acknowledged that language is culture. They wanted to communicate with them in their most comfortable space. Some participants were desperate to be heard and saw the survey as an opportunity to be heard.

Ms. Woodson asked if they are reaching out to those registered with government contracts because the study determines how much money was spent and asked, if not, what the study is trying to determine. She also expressed her confusion with the outreach since she had just heard about it today.

Ms. Jenkins explained that the study would determine if there is a disparity between the utilization of minority and women-owned firms compared to the percentage of dollars spent on ready, willing, and able firms in the same marketplace categories. To them, a business can be categorized as ready, willing, and able if they have attempted to do business with the government.

Ms. Woodson inquired about the separate subgroup they could contact and asked why they're not registered.

Ms. Jenkins stated there is a difference between whom they outreach to participate in the study and the firms in various categories they are counting. Even though this is not a needs assessment, the survey may reveal what they need so that they can do business with the government. She explained that they are counting all firms, not just those that are minority-owned.

Mr. Walls suggested more outreach in terms of notification. Also, people may have their reasons and may self-select from the vendors' list. He expressed that he is proud of the number of minorities and women in business in Aurora and is concerned whether the efforts were enough to reach them.

Mr. Vaughn commented that emails should be manageable so that they can focus on one issue at a time, especially tax and licensing emails. He added that the disparity study was in an Aurora Newsletter.

Ms. Williams clarified that they reached out to as many organizations as possible and are open to more suggestions on other organizations to contact or interview.

Ms. Woodson expressed her interest and will cross-check organizations to see if they are aware of the study.

Ms. Williams mentioned that their anecdotal chapter is wrapping up, and they have done their informational meetings, public hearings, and focus groups. She added that they are doing organizational and business interviews and the survey.

ACTION ITEM: None.

Manager of Licensing – Trevor Vaughn

- **Ms. Fender** asked for updates on implementing the gray casino and catalytic converter ordinances.

Mr. Vaughn explained that the catalytic converter ordinance clarified what the staff was doing. Staff licensed an auto shop as a second-hand dealer. Other cities have been interested in looking at the ordinance and encouraging a statewide solution. Gray casinos have been rampant in some areas, and there has been criminal activity surrounding those locations. He added that a coffee shop was recently apprehended for installing eight nudge devices. The business was educated regarding illegal gambling and violations. They have since discontinued operations of the machines.

Manager of Tax – Jeffrey Edwards

- **Mr. Edwards** mentioned that two occupational privilege taxes and ordinances were presented in the last study session, and only one out of two was approved to move forward. This ordinance would repeal the Occupational Privilege Tax (OPT) starting the 1st of January 2025. There were discussions regarding the possibility of a new council amending or removing the ordinance. Should it be approved for the first reading at the Regular Meeting, the second reading would be in early January.

- ● **Mr. Walls** asked if he had a draft of the ordinance.

Mr. Edwards said that it is also on the council agenda. He will also send it through email.

Mr. Sarwal asked for guidance for not-for-profits 501(c)(3) for the OPT.

Mr. Edwards stated that the only thing affecting not-for-profits is the employee portion since it is exempt from the employee portion. By January 2025, they will no longer withhold the OPT from employees, which goes both ways for employees and employers. He added that staff would contact businesses in mid-2024 to make them aware of the implementation.

Ms. Woodson inquired about the rationale for getting rid of the Occupational Privilege Tax outside of saving businesses taxes.

Mr. Edwards stated that CM Jurinsky aims to be as business-friendly as possible for the City of Aurora. He added that only five cities in the state have the OPT.

Ms. Woodson asked how much the city would lose in tax revenue.

Mr. Edwards stated that it is a \$6,000,000 revenue loss.

Ms. Woodson asked where the money would be allocated.

Mr. Edwards said it would go to the general fund, similar to sales tax.

Ms. Woodson asked for clarification if there would be a \$6,000,000 deficit in the general fund by 2025.

Mr. Edwards said that this was correct. Part of the ordinance directs the city manager to potentially reduce expenses up to 4% for certain departments, excluding public safety, which are police, fire, A911, and road maintenance.

Ms. Redding asked whether the \$6,000,000 would come from \$3,000,000 from businesses and \$3,000,000 from employees.

Mr. Edwards explained that large employers such as the city, school district, university health center, etc., do not pay while their employees do. He said it would not be a 50-50 share, but it is close.

Mr. Vaughn stated that the federal government also collects them from employees.

Approval of 2023 Calendar

Mr. Patel moved to Approve the tentative schedule calendar for 2023. Mr. Sarwal Seconded, and there were no objections.

COUNCIL CONTACTS

Council Member Marcano - Ms. Pace – No update

Council Member Jurinsky - Ms. Horiuchi – No update

Council Member Murillo - Mr. Fryberger - No update

Council Member Lawson - Mr. Sarwal

CM Lawson and Mr. Sarwal shared the minutes of previous meetings. CM Lawson continues to show interest in increased crimes and homelessness.

Council Member Medina - Ms. Woodson - No update

Council Member Zvonek - Mr. Boyd

CM Zvonek asked to mention the Build Aurora Back Better Program, which is taking off.

Council Member Coombs - Ms. Redding – No update

Council Member Gardner - Ms. Fender

Ms. Fender requested an update on the study for arts and entertainment venues.

Mr. Walls spoke with CM Gardner about it as well. The study is now in the full purview of the Council At Large. The council will review how the contractors were chosen and similar concerns for transparency.

Council Member Bergan - Mr. Liles – No update

Council Member Sundberg - Mr. Patel

Mr. Patel met with CM Sundberg and discussed increasing revenue for the city. Visit Aurora was created to increase hotel revenues and bring more businesses and visitors. Hotels with 65 or more rooms pay \$2 per room per night to the Visit Aurora fund. Mr. Patel expressed concern regarding the arbitrary decision on the room numbers. He suggested bringing it forward to initiate waiving the room number requirement and have all hotels contribute to the Visit Aurora fund. There are also concerns regarding Visit Aurora's transparency with the funding. Mr. Patel and CM Sundberg requested to discuss these issues during the next meeting.

Mayor Mike Coffman - Mr. Walls

Mr. Walls covered some topics that the mayor did not have a chance to mention. The Regional Council of Mayors is convening to lobby the state legislature. The state legislature recently changed the \$500 minimum requirement to a \$2,000 or \$2,500 minimum car value to be prosecuted by district attorneys (DA). The city created a stopgap by bringing it down to 500 in a local municipal ordinance. Some cars that are being stolen might be owned by single families that have no other means of transportation and whose cars might be of less value than the minimum requirement of the current state statute. He said that that's one of the things that this sort of Council of mayors is going to try and lobby the legislature and that they would like the DA to prosecute those crimes.

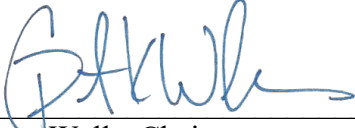
ANNOUNCEMENTS

Mr. Boyd invited everyone to visit the Aurora Town Center and shop.

Mr. Walls will be coordinating with CM Sundberg and Mr. Patel regarding putting their topics on the January agenda.

Mr. Walls moved to adjourn the meeting at 12:31 am, seconded by Mr. Boyd

APPROVED:



Garrett Walls, Chairperson