



September 12, 2023

Carl Schueler  
Comprehensive Planning Manager  
City of Colorado Springs  
30 S. Nevada Ave, Suite 502  
Colorado Springs, CO 80903


Dear Mr. Schueler,

Please find attached the Preliminary 2024 Budget for the Colorado Springs Downtown Development Authority (CSDDA) as approved by the Board of Directors at their September 12, 2023, Public Hearing.

On November 8, 2016, City Council passed a resolution adopting the Experience Downtown Masterplan and Plan of Development as the Plan of Development for the Authority. The Plan of Development is the Operating Plan for the DDA; however, a Scope of Work is adopted annually by the Board in order to identify specific goals and programs for the budget year; that Scope is attached. The DDA Board will continue to create assistance programs to support the goals of the Experience Downtown Plan.

As is the established practice, upon receipt from the County of the final certification of assessed property valuation in November, the CSDDA Board will approve and submit a final budget to the City. Please call with any questions you may have.

Sincerely,

  
Ana M. Valdez  
Finance Officer

Enclosures:

2024 Scope of Work  
2024 General Fund Worksheet  
DDA Boundary Map

## **2024 SCOPE OF WORK FOR THE COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY**

### **PURPOSE AND SCOPE OF THIS DISTRICT**

In November 2006 voters approved the creation of the Colorado Springs Downtown Development Authority (DDA). Following the vote, Ordinance 07-15 establishing the DDA and its organizational aspects was adopted on January 23, 2007. On February 7, 2007, City Council approved Resolution No. 56-07 adopting the Imagine Downtown Plan as the Plan of Development for the DDA. On November 8, 2016, City Council approved Resolution No. 116-16 adopting the Experience Downtown Master Plan and Plan of Development as the revised Plan of Development for the DDA.

**Purpose:** DDAs facilitate partnerships, joining businesses, property owners, government and others to provide focus and financing to support downtown improvements. DDA works to support and incentivize the goals of the Experience Downtown Plan, to include:

- Ensuring Downtown serves as the economic and cultural heart of the region.
- Creating a diverse and inclusive place to live with the amenities supporting residents.
- Celebrating and connecting with outdoor recreation and an exceptional natural setting.
- Providing a place for healthy and active lifestyles.
- Ensuring a walkable and bike-friendly center connected through safe and accessible multimodal networks.
- Serving as a leader in innovative urban design and sustainability.
- Offering an unforgettable visitor experience.
- Providing a place for inspiration, honoring history and facing the future.

**Mission:** To build public and private investment partnerships that promote the physical and economic growth of Downtown Colorado Springs.

**Contracts and agreements:** DDA contracts with Downtown Partnership of Colorado Springs for day-to-day administrative, financial and management services. Contact: Susan Edmondson, President & CEO, Downtown Partnership, 111 S. Tejon St., Ste. 703, Colorado Springs, CO 80903; 719-886-0088.

**Governance:** The DDA is governed by an appointed board of 11, to include one representative from City Council and the remainder representing property owners and at least one leasee in the district. Director and other pertinent contact information is provided in Exhibit A.

**Term limits:** Directors may serve a maximum of two, full, consecutive four-year terms.

### **BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The District currently includes approximately 1.1 square miles with boundaries as depicted in Exhibit B; district boundaries were expanded in 2015 by a vote of City Council. An additional boundary expansion was approved by City Council in August 2021.

## **FINANCIAL PLAN AND BUDGET**

**Budget:** The 2024 Draft Budget for the DDA is attached as Exhibit C.

**Changes:** No significant changes are anticipated in the budget.

**Funding:** The DDA is funded through a 5 mill levy on property taxes within the district to support operations. Additionally the DDA receives tax increment financing (TIF) funds generated by the increase in property taxes in the district.

**Debt:** DDA does not currently have debt obligations.

**Condemnation:** DDAs do not have power of eminent domain.

**Audit:** DDA submits an audit to the City Finance Department by March 1 annually. Current auditors are Erickson, Brown & Kloster, 4565 Hilton Parkway, Colorado Springs, CO 80907.

**Ownership of property and major assets:** DDA currently does not own any property. Major capital assets primarily includes several monument style signs installed at Downtown gateways.

**Capital investment reserves:** The DDA maintains an operating reserve representing six months of ordinary operating expenses.

## **MAJOR ACTIVITIES**

### **Grant programs**

DDA provides competitive grants through an application process open to businesses and nonprofits. Grants are primarily categorized as Building Enhancement Grants, Retail Incentive Grants, Special Project Grants and other categories. Building Enhancement Grants are designed to improve the viability of businesses and stimulate economic vitality within the DDA. Grants provide funding to owners or tenants of new businesses moving into the DDA; existing businesses expanding within the DDA; or businesses making significant enhancements within the DDA. Examples of recent grants include façade improvements for Modern Motel LLC, Munchies Diner LLC and Partners in Housing. Retail Incentive Grants attract and support new consumer offerings to provide a more robust Downtown experience for consumers. Current examples include Provision Bread & Bakery LLC and Amos 913 LLC.

### **Self-directed programs**

DDA funds initiatives that enhance the economic and physical development of Downtown by improving public spaces and drawing more people Downtown. These initiatives are usually led and managed directly by DDA's contract with Downtown Partnership and include the Alleyway Improvement Plan, Downtown Gateways Initiative, Holiday Pop Up Shop Program and others. A major part of the Alleyway Improvement Plan is the current AdAmAn Alley project. DDA also funds maintenance of the DowntownCSDevelopment.com website as well as providing ongoing economic development support such as assisting small business through the entitlement process, helping property owners to identify tenant prospects, providing data and market research to help business prospects make sound decisions, and working with City staff on urban planning initiatives that ensure a more connected and walkable urban core. Through DDA's contract with Downtown Partnership, contracted staff also support

initiatives related to leveraging Downtown's status as a Federal Opportunity Zone. Of particular note, the State of Downtown Report produced annually each spring provides essential data and context used by brokers, investors and others in making sound business decisions.

### **Brand awareness**

DDA supports brand awareness of Downtown through funding for advertising campaigns, print promotions, radio broadcast, social media and more. While the Greater Downtown Business Improvement District incurs some costs for some of the labor and management for marketing and brand awareness, DDA supports direct marketing costs for the aforementioned activities and others.

### **TIF**

DDA enters into tax increment finance agreements on projects that meet the goals of the Experience Downtown Master Plan and Plan of Development in a catalytic manner. DDA has approved 18 TIF Reimbursement Agreements to date, of which seven are completed and thus receiving TIF reimbursement. Three projects are currently closing out, which will bring to 10 the number of agreements in active reimbursement mode.

### **Contractual support**

DDA contracts with Downtown Partnership for administrative and financial services and program operations. In addition to administering the grant programs and self-directed programs described above, Partnership services to the DDA include but are not limited to:

- Stewarding the Experience Downtown Masterplan and Plan of Development; see note below.
- Maintaining databases of property attributes and vacancies.
- Providing demographic and psychographic consumer/patron data to property owners and brokers.
- Building relationships with brokers and property owners to fill vacancies and encourage best use of properties.
- Serving as a process advocate for new, expanding or relocating businesses in the district, assisting with permitting, planning, zoning and regulatory issues.
- Creation of collateral to market downtown to retail, restaurant and office tenants.
- Maintenance of the Downtown Development Toolkit website.

**EXHIBIT A  
DDA BOARD OF DIRECTORS**

**Chris Lieber, Chair**

N.E.S. Inc  
Appointed to first full term June 2019  
[clieber@nescolorado.com](mailto:clieber@nescolorado.com)

**Troy Coats**

Niebur Development  
Appointed to first partial November 2022  
[troy@nieburdevelopment.com](mailto:troy@nieburdevelopment.com)

**Carrie Bartow, Secretary/Treasurer**

CliftonLarsonAllen  
Appointed second term June 2022  
[Carrie.Bartow@claconnect.com](mailto:Carrie.Bartow@claconnect.com)

**Jordan Empey**

Stockman Kast Ryan & Co.  
Appointed to second term June 2023  
[jempey@skro.com](mailto:jempey@skro.com)

**Amber Brannigan**

Colorado College  
Appointed to first term June 2023  
[abrannigan@coloradocollege.edu](mailto:abrannigan@coloradocollege.edu)

**Jeff Finn**

Norwood Development Group  
Appointed to second term June 2022  
[JFinn@Norwood.dev](mailto:JFinn@Norwood.dev)

**Patrick Stephens**

O'Neil Group Company  
Appointed to first term June 2022  
[Patrick.stephens@ogcos.com](mailto:Patrick.stephens@ogcos.com)

**Jeremy Shirley**

Olive Real Estate Group  
Appointed to first term June 2023  
[jeremys@oliverereg.com](mailto:jeremys@oliverereg.com)

**Laura Neumann**

LN Consulting  
Appointed to partial term November 2022  
[laura@lnbusinessconsult.com](mailto:laura@lnbusinessconsult.com)

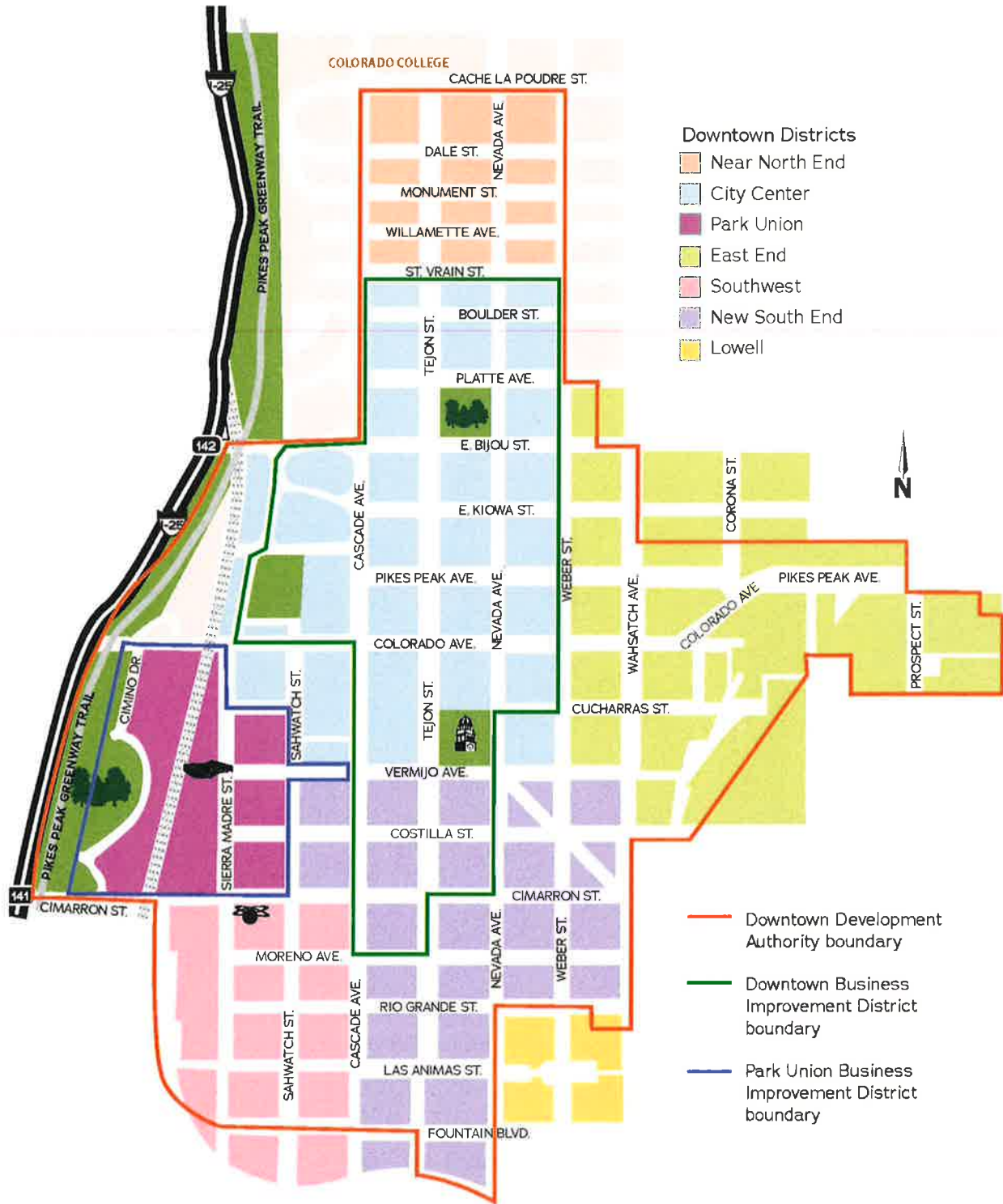
**David Lux**

Owner, Concept Restaurants  
Appointed to second term June 2020  
[dlux@conceptrestaurants.net](mailto:dlux@conceptrestaurants.net)

**Michelle Talarico**

City Council  
Appointed to first term 2023  
[Michelle.Talarico@coloradosprings.gov](mailto:Michelle.Talarico@coloradosprings.gov)

# EXHIBIT B - MAP



**EXHIBIT C**

**EXHIBIT C**  
**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY**  
**SUMMARY**  
**2024 PROPOSED BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/12/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 6/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,817,734	\$ 3,143,605	\$ 3,143,605	\$ 3,143,605	\$ 3,448,424
REVENUE					
Income from Mill Levy - Other	910,293	945,352	737,516	951,166	1,108,230
Specific Ownership Tax	107,996	94,535	45,139	95,117	110,823
Interest Income - Mill collections	1,213	100	182	600	100
Interest Income	33,284	47,000	35,372	133,000	143,000
Cottonwood Pymts/Interest	16,068	-	-	-	-
Advertising	4,900	7,000	8,700	10,360	8,000
Misc. Income	437,073	14,000	147,549	145,889	5,500
Mill Contributed Services	-	-	-	-	-
Rent Income	21,450	-	-	-	-
Line of Credit Repayment	950,000	-	-	-	-
Income from TIF - Other	1,383,362	1,640,317	1,273,193	1,670,171	2,316,532
Loan Proceeds Revenue	-	-	-	-	-
Interest Income - TIF Collection	1,912	100	312	1,000	100
Total revenue	<u>3,867,551</u>	<u>2,748,404</u>	<u>2,247,964</u>	<u>3,007,303</u>	<u>3,692,285</u>
Total funds available	<u>5,685,285</u>	<u>5,892,009</u>	<u>5,391,569</u>	<u>6,150,908</u>	<u>7,140,709</u>
EXPENDITURES					
Administrative	68,440	76,070	41,937	76,092	84,692
Board Support	3,979	4,304	3,305	4,154	4,517
Professional Services	21,477	41,500	23,320	33,700	50,000
Other Administrative	15,863	3,230	1,849	3,000	4,000
Program	1,327,339	1,415,710	592,113	1,216,110	2,507,531
Artspace	27,061	-	1,635	1,635	-
Gateway	6,002	10,888	5,117	6,105	9,300
Alleyways	-	4,600	1,608	-	4,600
TIF	1,071,518	2,959,010	487,712	1,287,063	3,453,277
Total expenditures	<u>2,541,679</u>	<u>4,515,312</u>	<u>1,158,596</u>	<u>2,627,859</u>	<u>6,117,917</u>
Total expenditures and transfers out requiring appropriation	<u>2,541,679</u>	<u>4,515,312</u>	<u>1,158,596</u>	<u>2,627,859</u>	<u>6,117,917</u>
ENDING FUND BALANCES	<u>\$ 3,143,605</u>	<u>\$ 1,376,697</u>	<u>\$ 4,232,973</u>	<u>\$ 3,523,049</u>	<u>\$ 1,022,792</u>
EMERGENCY RESERVE	\$ 51,200	\$ 31,410	\$ 23,800	\$ 31,718	\$ 36,815
OPERATIONS RESERVE	-	-	-	475,851	554,820
SPECIAL REVENUE RESERVE	-	200,000	-	200,000	200,000
AVAILABLE FOR OPERATIONS	3,092,405	1,835,781	4,209,173	2,740,855	160,157
TOTAL RESERVES	<u>\$ 3,143,605</u>	<u>\$ 2,067,191</u>	<u>\$ 4,232,973</u>	<u>\$ 3,448,424</u>	<u>\$ 951,792</u>