

## **2022 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 2022 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 Osborne, Parsons, Rosacker, 601 N. Nevada Ave., Colorado Springs, CO 80903; 719-636-2321.

**Ownership of property and major assets:** DDA holds a note with Cottonwood Center for the Arts, a cultural center enhancing Downtown by providing 80 artist studios, gallery spaces with monthly receptions, art classes and meeting space to enhance the economic vitality of downtown.

**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** 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 Tejon Eatery, Southern Colorado Public Media Center, The Gardens and White Pie.*

### 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. 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 Masterplan and Plan of Development in a catalytic manner. DDA has approved 13 TIF Reimbursement Agreements to date, of which seven are completed and thus receiving TIF reimbursement.

**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**

**Ingrid Richter, Chair**

Principal, ISR Strategies  
Appointed to second term June 2019  
Ingrid.richter@theoneilgroupco.com

**Antonio Rosendo, Vice Chair**

Executive Director, John E. & Margaret L. Lane  
Foundation  
Appointed to second term June 2020  
arosendo@lanefoundation.org

**Carrie Bartow, Secretary/Treasurer**

CliftonLarsonAllen  
Appointed first term June 2018  
Carrie.Bartow@claconnect.com

**Aaron Briggs**

Principal, HB&A Architecture and Planning  
Appointed to second term June 2019  
aaron.briggs@hbaa.com

**Jordan Empey**

Stockman Kast Ryan & Co.  
Appointed to first term June 2018  
jempey@skrco.com

**Jeff Finn**

Nor'wood Development Group  
Appointed to first term June 2018  
jfinn@nor-wood.com

**Stella Hodgkins**

GE Johnson  
Appointed to first term June 2020  
hodgkinss@gejohnson.com

**Chris Lieber**

N.E.S.  
Appointed partial term January 2020  
clieber@nescolorado.com

**Darsey Nicklasson**

DHN Planning & Development, LLC  
Appointed to second term June 2021  
dnicklasson@msn.com

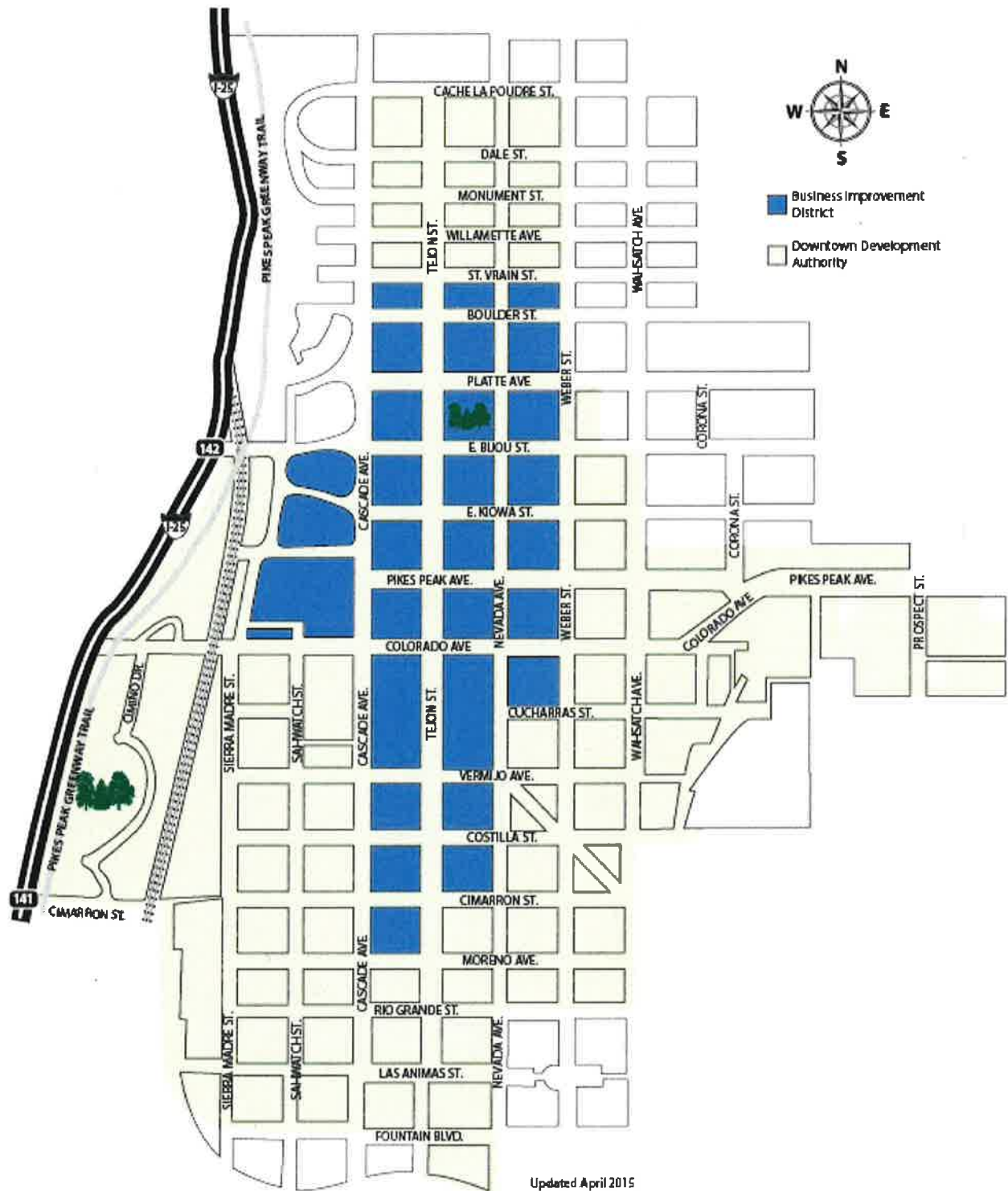
**David Lux**

Owner, Concept Restaurants  
Appointed to second term June 2020  
dlux@conceptrestaurants.net

**Nancy Henjum**

City Council  
Appointed to first term 2021  
Nancy.henjum@coloradosprings.gov

# EXHIBIT B - MAP



**EXHIBIT C**

**EXHIBIT C**  
**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY**  
**SUMMARY**  
**2022 PROPOSED BUDGET**  
**WITH 2020 ACTUAL AND 2021 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/19/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 6/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 2,216,914	\$ 1,247,766	\$ 1,247,766	\$ 1,247,766	\$ 1,754,008
REVENUE					
Income from Mill Levy - Other	822,406	822,116	597,713	822,132	963,821
Specific Ownership Tax	98,210	82,212	43,406	82,213	96,382
Interest Income - Mill collections	1,062	100	85	100	100
Interest Income	6,824	3,829	497	923	1,120
Cottonwood Pymts/Interest	28,800	28,800	14,400	28,200	28,800
Advertising	-	5,000	7,900	7,900	7,000
Misc. Income	270,930	-	8,000	13,000	9,000
Mill Contributed Services	-	-	-	-	-
Rent Income	-	-	-	32,600	8,000
Line of Credit Repayment	-	-	-	-	-
Income from TIF - Other	951,026	1,133,367	752,968	1,060,670	1,759,412
Interest Income - TIF Collection	1,255	100	112	46	100
Total revenue	<u>2,180,513</u>	<u>2,075,524</u>	<u>1,425,082</u>	<u>2,047,784</u>	<u>2,873,735</u>
Total funds available	<u>4,397,427</u>	<u>3,323,290</u>	<u>2,672,848</u>	<u>3,295,550</u>	<u>4,627,744</u>
EXPENDITURES					
Administrative	52,681	52,976	29,115	53,009	69,678
Board Support	2,679	3,750	3,017	3,308	4,250
Professional Services	28,700	47,400	19,524	32,212	38,000
Other Administrative	1,200	3,150	650	1,250	3,150
Program	1,189,528	1,285,856	388,467	836,921	1,408,279
Artspace	10,512	18,492	13,592	35,690	18,350
Gateway	3,311	4,900	8,300	5,200	11,000
TIF	1,861,051	1,121,045	201,254	570,190	2,108,180
Total expenditures	<u>3,149,661</u>	<u>2,537,569</u>	<u>663,921</u>	<u>1,537,780</u>	<u>3,660,887</u>
Total expenditures and transfers out requiring appropriation	<u>3,149,661</u>	<u>2,537,569</u>	<u>663,921</u>	<u>1,537,780</u>	<u>3,660,887</u>
ENDING FUND BALANCES	<u>\$ 1,247,766</u>	<u>\$ 785,721</u>	<u>\$ 2,008,927</u>	<u>\$ 1,757,770</u>	<u>\$ 966,856</u>
EMERGENCY RESERVE	\$ 51,200	\$ 27,283	\$ 19,500	\$ 27,371	\$ 32,020
OPERATIONS RESERVE	-	-	-	381,401	381,401
SPECIAL REVENUE RESERVE	-	-	-	200,000	200,000
AVAILABLE FOR OPERATIONS	<u>1,196,566</u>	<u>758,438</u>	<u>1,989,427</u>	<u>1,145,236</u>	<u>353,435</u>
TOTAL RESERVES	<u>\$ 1,247,766</u>	<u>\$ 785,721</u>	<u>\$ 2,008,927</u>	<u>\$ 1,754,008</u>	<u>\$ 966,856</u>