



Legislation Details (With Text)

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Title: A Resolution Setting and Certifying the 2019 Tax Levy for Taxes Payable in 2020 at 5.000 Mills for the Colorado Springs Downtown Development Authority in Colorado Springs, Colorado

Presenter:
Charae McDaniel, Chief Financial Officer

Sponsors:

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Attachments: 1. 01_Res to Set Mill Levy for DDA_11 26 19, 2. Signed Resolution 140-19.pdf

| Date | Ver. | Action By | Action | Result |
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A Resolution Setting and Certifying the 2019 Tax Levy for Taxes Payable in 2020 at 5.000 Mills for the Colorado Springs Downtown Development Authority in Colorado Springs, Colorado

Presenter:
Charae McDaniel, Chief Financial Officer

Summary:

The Colorado Springs Downtown Development Authority (DDA) is a legal entity separate from the City of Colorado Springs. However, as required by State statute, at its Regular meeting on October 22, 2019, City Council approved the DDA's 2020 budget. The same statute requires City Council to pass resolutions to set and certify the mill levy for 2019 with taxes due and payable in the 2020 budget year, and to appropriate sums of money for the 2020 budget year. The Board of Directors of the DDA will take action on the attached resolution requesting City Council approval of the appropriation resolution and mill levy certification resolution.

The 2020 budget provides a total appropriation of \$2,436,956 for programs, grant agreements, operations and overhead, professional services, and other expenditures and an ending fund balance of \$880,599.

Previous Council Action:

City Council approved creation of the DDA in 2006 and 2007 (Ordinance Nos. 06-135 and 07-15). In 2007 City Council passed a resolution adopting the Imagine Downtown Master Plan as the Plan of Development for the Authority. In 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. City Council approved the 2020 DDA Budget on October 22, 2019.

Background:

The DDA board intends to utilize a portion of the voter-approved property tax revenues to create and implement incentive and grant programs to support the goals of the Experience Downtown Master Plan, which it has adopted as the basis for its scope of work. Goals 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.

The ordinances creating the DDA stipulate a specific mix of representation on its City Council-appointed board, to include one member of City Council. Currently, that member is Council Member Gaebler.

Financial Implications:

The proposed 2019 mill levy for the DDA for taxes payable in 2020 is 5.000 mills, which is unchanged from last year. As a separate legal entity, the financial activities of the DDA are separate from those of the City. The DDA has a tax increment financing (TIF) agreement in place, and anticipates substantial TIF revenues in 2020, which will augment its property tax revenues. These revenues will result in a total expense appropriation in 2020 of over \$2.4 million. This approach maximizes budgetary flexibility. However, full expenditure of this amount may not occur and would be subject to careful evaluation of program needs by the board. The DDA has the authority to issue debt. However, none has been issued to date, and if this were to occur in the future, such debt would be issued in close coordination with and subject to approval by the City.

Board/Commission Recommendation:

At its meetings in November/December 2019, the DDA Board of Directors will take action on a Resolution requesting that City Council (1) certify a mill levy of five (5.000) mills on real and personal property within the boundaries of the DDA for taxes payable in 2020, and (2) adopt a resolution to appropriate funds for the benefit of the DDA for 2020.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve the attached resolution to set and certify the 2019 tax levy for taxes payable in 2020 at 5.000 mills for the Colorado Springs Downtown Development Authority.

N/A