



## Legislation Text

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**File #:** 24-277, **Version:** 1

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An Ordinance of the City of Colorado Springs determining it is necessary to establish the Old Colorado City Downtown Development Authority and submitting a question of creating the Old Colorado City Downtown Development Authority, a question of establishing an ad valorem tax mill levy at a rate not to exceed five mills within the boundaries of said district, a question of exempting revenues collected for the Old Colorado City Downtown Development Authority from Article X, Section 20 of the Colorado Constitution, Section 7-90 of the Charter of the City of Colorado Springs, and statutory revenue limitations, and a question of authorizing the issuance of debt for the Old Colorado City Downtown Development Authority by the City of Colorado Springs at the election on November 5, 2024, and authorizing certain other actions concerning the election, determining organizational aspects of the Old Colorado City Downtown Development Authority Board, and providing other details related thereto.

### **Presenter:**

Jamie Giellis, President, Centro Inc.

### **Summary:**

This ordinance is related to the creation and organization of a Downtown Development Authority (DDA) for Old Colorado City (OCC). Specifically, the ordinance would approve sending questions to the electors of the district, which include property owners, businesses owners, and residents registered to vote within the boundaries of the district.

The questions involve three main parts: whether or not the electors wish to create the DDA, would they vote to establish an ad valorem tax mill levy at a rate not to exceed five mills within the boundary of the district, and do the electors authorize the issuance of debt for the OCC DDA. All of these questions would be submitted to the electors of the district at an election on November 5, 2024.

The OCC DDA would be utilized to support investments in 6 categories within the DDA boundaries: Leadership and advocacy, safety and security, placemaking, investment and redevelopment, economic development, marketing and community building.

Should electors approve the DDA at the November election, a Plan of Development would be established and would come back to City Council for approval.

### **Background:**

Centro Inc., led by Jamie Giellis, was hired by the OCC Partnership in September 2023 to assess future opportunities for improvements, investment and coordinated leadership in OCC. The scope of work Centro was asked to provide included the following:

- Identify existing conditions of Old Colorado City, including organizational, physical, and economic
- Engage with the Old Colorado City community to identify current perceptions, as well as needs and desires for the future

- Work with the City to understand their desires for the future of Old Colorado City
- Identify a clear vision for Old Colorado City and priority investments to achieve it
- Explore organizational and funding tools to achieve goals and establish clear partnership opportunities between the public and private sectors
- Make a recommendation on the best pathway forward to guide Old Colorado City towards transformation

Significant community engagement was conducted through a survey and two separate rounds of stakeholder focus groups. Centro also met with city staff from nearly every department, and other community organizations. Finally, an analysis of property and business owner data and resident data was completed.

All of this information helped to identify the most critical investments desired by stakeholders.

Centro analyzed potential organizational and funding structures that would support the needs and desires of the OCC area, including:

- Business Improvement District (BID)
- General Improvement District (GID)
- Downtown Development Authority (DDA)

Ultimately, a DDA was identified as the most appropriate tool because the DDA tool allows OCC to do everything identified as a priority and assesses both residential and commercial property. While the cap on the mill levy is 5 mills, the DDA also generates revenues through both sales and property tax TIF, meaning that the relatively low-density and lightly valued district can capture future incremental increases in sales tax and property tax in the area and reinvest it, giving them multiple channels to invest in improving the area.

It is estimated that year one revenues from the DDA mill levy would total just under \$300,000, while additional future revenues from TIF as well as other sources would increase the operational budget total.

**Previous Council Action:**

N/A

**Financial Implications:**

There are no direct implications to general City taxpayers and ratepayers outside of the boundaries of the proposed OCC DDA.

**City Council Appointed Board/Commission/Committee Recommendation:**

N/A

**Stakeholder Process:**

Community engagement was conducted through a survey and two separate rounds of stakeholder focus groups, as detailed earlier in this memo. Centro also met with city staff from nearly every department, and other community organizations. The outreach findings are detailed in the attached presentation.

**Alternatives:**

City Council can choose to approve or deny the ordinance.

**Proposed Motion:**

Adopt an ordinance allowing the questions to be put before the electorate within the district

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