



Legislation Text

File #: 19-414, **Version:** 2

Proposed 2020 Budget for the Colorado Springs Downtown Development Authority

Presenter:

Carl Schueler, Comprehensive Planning Manager

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, it is necessary for City Council to review and approve the proposed 2020 Budget.

Previous Council Action:

City Council approved creation of the DDA in 2006 and 2007 (Ordinance Nos. 06-135 and 07-15), and has approved its Budget annually since then. City Council also periodically appoints members of the DDA board. 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.

This item was introduced in a City Council work session on October 7, 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 mill levy for the DDA in 2020 is 5.000 mills and is the same as was levied in 2019. 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, in combination with a substantial prior year's balance, will result in a substantial programmatic appropriation for 2020 (over \$1.4 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. DDA staff will be available at this hearing if requested to further describe their program funding process and experience including highlights of activities in 2019 to date. 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:

The DDA Board of Directors recommends City Council's approval of the proposed 2020 budget.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve the proposed 2020 budget for the Colorado Springs Downtown Development Authority.

N/A