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VELA



Growing Aerospace and Defense Industry

- **Economic Contribution:** Aerospace and defense industry makes up over 40% of Colorado Springs' economy.
- **Employment:** More than 111,000 people are employed in over 200 companies within the sector.
- **Economic Impact:** The industry's annual economic impact exceeded \$10.2 billion in 2022.
- **Growth Rate:** The sector experienced a 16% growth from 2017 to 2022.
- **Industry Focus:** Companies in Colorado Springs specialize in space, aerospace, cybersecurity, and defense.



Attracting Future Tech Workforce

2,593 jobs
created from
2015-2021

\$220,809,573
labor income
2015-2021

\$128,000
average
salary of
direct jobs

12 Acres / 250,000 sq ft; 9
buildings



Bluestaq started at Catalyst Campus and was exposed to an incredible ecosystem that helped to address their business operations while the founders focused on the mission side of things.

- Average Salary about \$160,000
- Available positions - 18 (Software Engineer, Project Manager, UI/UX Designer)
- 100% employer-paid PPO Health Insurance coverage

“Catalyst Campus gave us so many opportunities for exposure and networking across the community. We met with other companies we could collaborate with and were able to regularly interact with government customers. Catalyst Campus is such a great incubator for small companies”



Financing Public Improvement S

- Project yield without URA support is less than 6%
- Project yield needed is approximately 6.5%
- Financing gap to achieve required yield is approximately \$11M

Financing Gap for Required Yield	11,000,000
Public Improvements Financed by Developer	12,000,000
Total Public Improvements	23,000,000

Table 8. City of Colorado Springs Property Tax Revenue, 2025-2045

Year	Plan Year	Co. Springs Property Tax: 3.579 mills		
		Base	Increment 1-Yr. Lag	Total
2025	1	\$1,877	\$0	\$1,877
2026	2	\$1,877	\$0	\$1,877
2027	3	\$1,933	\$20,921	\$22,854
2028	4	\$1,933	\$44,346	\$46,279
2029	5	\$1,991	\$44,346	\$46,337
2030	6	\$1,991	\$45,686	\$47,678
2031	7	\$2,051	\$45,686	\$47,737
2032	8	\$2,051	\$47,068	\$49,119
2033	9	\$2,113	\$47,068	\$49,180
2034	10	\$2,113	\$48,491	\$50,603
2035	11	\$2,176	\$48,491	\$50,667
2036	12	\$2,176	\$49,957	\$52,133
2037	13	\$2,241	\$49,957	\$52,198
2038	14	\$2,241	\$51,467	\$53,709
2039	15	\$2,308	\$51,467	\$53,776
2040	16	\$2,308	\$53,024	\$55,332
2041	17	\$2,378	\$53,024	\$55,401
2042	18	\$2,378	\$54,627	\$57,004
2043	19	\$2,449	\$54,627	\$57,076
2044	20	\$2,449	\$56,278	\$58,727
2045	21	\$2,522	\$56,278	\$58,801
2046	22	\$2,522	\$57,980	\$60,502
2047	23	\$2,598	\$57,980	\$60,578
2048	24	\$2,598	\$59,733	\$62,331
2049	25	\$2,676	\$59,733	\$62,409
Total		\$55,952	\$1,158,233	\$1,214,185
Future Tax Revenue				
2050		\$2,676	\$61,539	\$64,215

Source: Economic & Planning Systems

Table 13. Colorado Springs Sales Tax Increment, 2024-2049

Year	Plan Yr.	Commercial Tax. Sales ¹ \$7,900/sf \$400/sf	Colorado Springs Sales Tax					City TIF Share Present Val. 5.00%
			TOPS 0.10%	PSST 0.40%	2C Road 0.57%	Gen. Fund 0.25%	TIF Share 1.75%	
2024	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2025	1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2026	2	\$1,611,600	\$1,612	\$6,446	\$9,186	\$4,029	\$28,203	\$26,860
2027	3	\$2,465,748	\$2,466	\$9,863	\$14,055	\$6,164	\$43,151	\$39,139
2028	4	\$3,353,417	\$3,353	\$13,414	\$19,114	\$8,384	\$58,685	\$50,694
2029	5	\$3,420,486	\$3,420	\$13,682	\$19,497	\$8,551	\$59,858	\$49,246
2030	6	\$3,488,895	\$3,489	\$13,956	\$19,887	\$8,722	\$61,056	\$47,839
2031	7	\$3,558,673	\$3,559	\$14,235	\$20,284	\$8,897	\$62,277	\$46,472
2032	8	\$3,629,847	\$3,630	\$14,519	\$20,690	\$9,075	\$63,522	\$45,144
2033	9	\$3,702,444	\$3,702	\$14,810	\$21,104	\$9,256	\$64,793	\$43,854
2034	10	\$3,776,493	\$3,776	\$15,106	\$21,526	\$9,441	\$66,089	\$42,601
2035	11	\$3,852,022	\$3,852	\$15,408	\$21,957	\$9,630	\$67,410	\$41,384
2036	12	\$3,929,063	\$3,929	\$15,716	\$22,396	\$9,823	\$68,759	\$40,202
2037	13	\$4,007,644	\$4,008	\$16,031	\$22,844	\$10,019	\$70,134	\$39,053
2038	14	\$4,087,797	\$4,088	\$16,351	\$23,300	\$10,219	\$71,536	\$37,937
2039	15	\$4,169,553	\$4,170	\$16,678	\$23,766	\$10,424	\$72,967	\$36,853
2040	16	\$4,252,944	\$4,253	\$17,012	\$24,242	\$10,632	\$74,427	\$35,800
2041	17	\$4,338,003	\$4,338	\$17,352	\$24,727	\$10,845	\$75,915	\$34,778
2042	18	\$4,424,763	\$4,425	\$17,699	\$25,221	\$11,062	\$77,433	\$33,784
2043	19	\$4,513,258	\$4,513	\$18,053	\$25,726	\$11,283	\$78,982	\$32,819
2044	20	\$4,603,523	\$4,604	\$18,414	\$26,240	\$11,509	\$80,562	\$31,881
2045	21	\$4,695,594	\$4,696	\$18,782	\$26,765	\$11,739	\$82,173	\$30,970
2046	22	\$4,789,506	\$4,790	\$19,158	\$27,300	\$11,974	\$83,816	\$30,085
2047	23	\$4,885,296	\$4,885	\$19,541	\$27,846	\$12,213	\$85,493	\$29,226
2048	24	\$4,983,002	\$4,983	\$19,932	\$28,403	\$12,458	\$87,203	\$28,391
2049	25	\$5,082,662	\$5,083	\$20,331	\$28,971	\$12,707	\$88,947	\$27,579
Total			\$95,622	\$382,489	\$545,047	\$239,056	\$1,673,389	\$902,591
Avg.			\$3,825	\$15,300	\$21,802	\$9,562	\$66,936	\$36,104

¹Annual escalation of 2.0%

Source: Economic & Planning Systems

City of Colorado Springs Sales Tax TIF Projections***

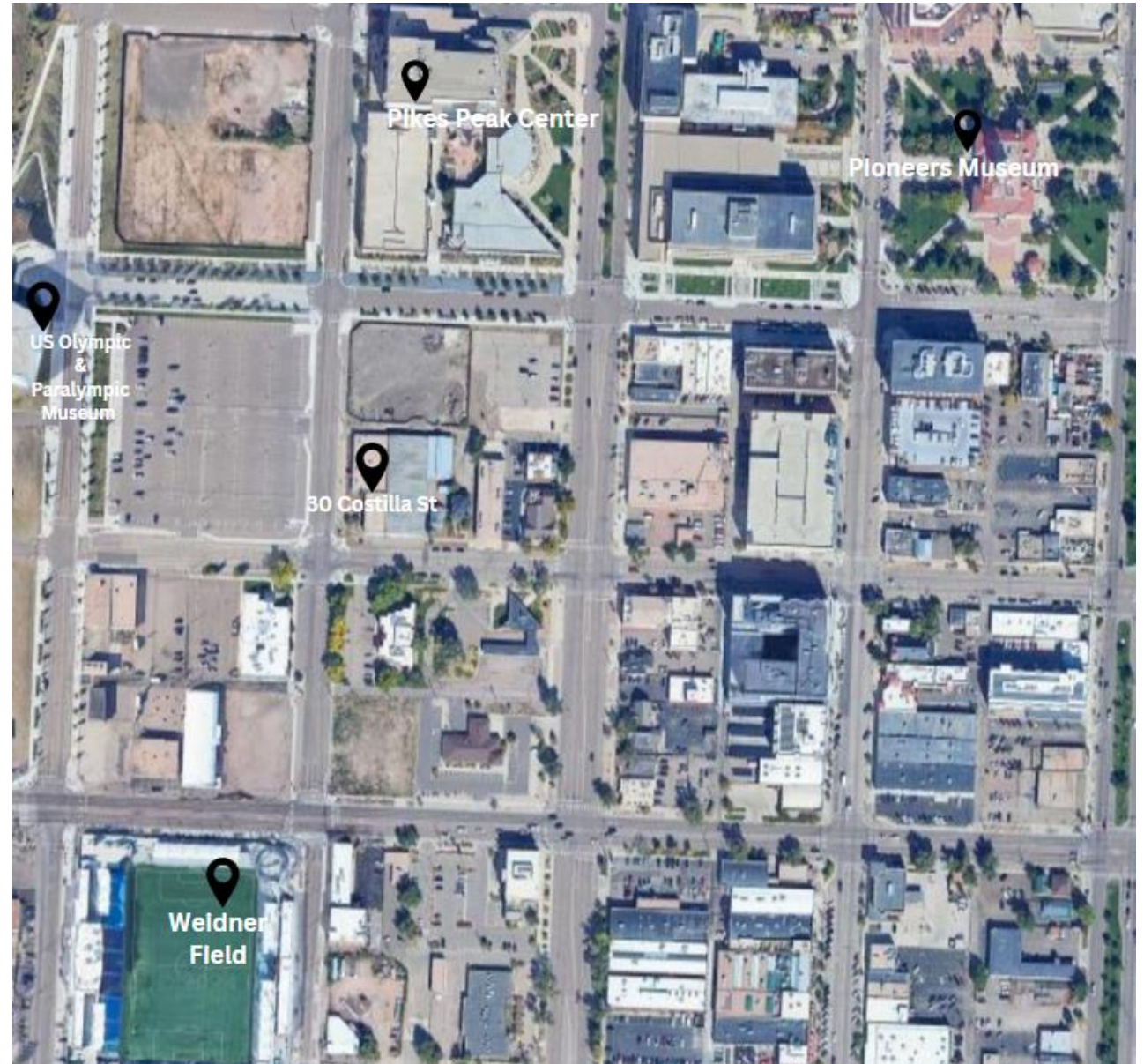
	Overall Increment	Developer Request	City Retained	City Retained %
2024	\$0	\$0	\$0	
2025	\$0	\$0	\$0	
2026	\$49,476	\$28,203	\$21,273	43.00%
2027	\$75,699	\$43,151	\$32,548	43.00%
2028	\$102,950	\$58,685	\$44,265	43.00%
2029	\$105,008	\$59,858	\$45,150	43.00%
2030	\$107,110	\$61,056	\$46,054	43.00%
2031	\$109,252	\$62,277	\$46,975	43.00%
2032	\$111,436	\$63,522	\$47,914	43.00%
2033	\$113,665	\$64,793	\$48,872	43.00%
2034	\$115,938	\$66,089	\$49,849	43.00%
2035	\$118,257	\$67,410	\$50,847	43.00%
2036	\$120,623	\$68,759	\$51,864	43.00%
2037	\$123,036	\$70,134	\$52,902	43.00%
2038	\$125,494	\$71,536	\$53,958	43.00%
2039	\$128,005	\$72,967	\$55,038	43.00%
2040	\$130,566	\$74,427	\$56,139	43.00%
2041	\$133,177	\$75,915	\$57,262	43.00%
2042	\$135,840	\$77,433	\$58,407	43.00%
2043	\$138,557	\$78,982	\$59,575	43.00%
2044	\$141,329	\$80,562	\$60,767	43.00%
2045	\$144,155	\$82,173	\$61,982	43.00%
2046	\$147,038	\$83,816	\$63,222	43.00%
2047	\$149,978	\$85,493	\$64,485	43.00%
2048	\$152,979	\$87,203	\$65,776	43.00%
2049	\$156,039	\$88,947	\$67,092	43.00%
TOTAL	\$2,935,607	\$1,673,391	\$1,262,216	43.00%

***Increment projections prepared by third party URA consultant (Economic Planning & Systems, Inc.)

Site Location

The project is located blocks away from:

- Downtown core retail and restaurant
- Trolley Block
- Olympic and Paralympic Museum
- Weidner Field
- America the Beautiful Park
- Proximity to potential rail system
- Pikes Peak Library
- Pioneer Museum
- Heart of growth and activation in a blighted area



Blight Conditions

17 total conditions observed

Buildings

- 1.05 Deteriorated Exterior Finishes
- 1.07 Deteriorated Stairways / Fire Escapes / Loading Docks

Street Layout

- 2.02 Poor Provisions or Unsafe Conditions for Vehicular Traffic
- 2.03 Poor Provisions or Unsafe Conditions for Pedestrians
- 2.07 Excessive Curb Cuts / Driveways along Commercial Blocks

Unsafe / Unsanitary

- 4.02 Inadequate Storm Drainage Systems / Evidence of Standing Water
- 4.07 High or Unusual Crime Statistics
- 4.10 Illegal Dumping / Excessive Littering
- 4.11 Vagrants / Vandalism / Graffiti / Gang Activity

Site Improvements

- 5.01 Neglected Properties or Evidence of Maintenance Deficiencies
- 5.03 Deteriorated Fences, Walls, or Gates
- 5.07 Poorly Maintained Landscaping / Overgrown Vegetation

Infrastructure

- 6.01 Deteriorated Pavement, Curb, Sidewalks, Lighting, or Drainage
- 6.02 Lack of Pavement, Curb, Sidewalks, Lighting, or Drainage

Vacancy

- 11.05 Disproportionately Underdeveloped Parcel
- 11.06 Vacant Structures





Traffic Downtown is Declining

- Overall downtown foot traffic has declined in 2024.
- 2024 Nonfood and beverage retail sales **down 4.26%** YoY through August

Downtown Foot Traffic (DDA) :

- Q1 2023: 3,887,712 (up 17.2% YoY)
- Q2 2023: 4,343,360 (up 14.9% YoY)
- Q3 2023: 4,321,734 (up 5.7% YoY)
- Q4 2023: 3,902,060 (up 1.0% YoY)
- Q1 2024: 3,821,358 (down 1.7% YoY)
- Q2 2024: 4,228,482 (down 2.6% YoY)
- Q3 2024: 4,258,568 (down 1.5% YoY)

Creating Dynamic Neighborhoods

- Smaller footprint on land use
- More efficient use of resources
- Density reduces the strain on public services such as Fire and Police
- Increases the tax base without raising taxes
- Unique product for the Colorado Springs market offering a housing choice that does not exist today
- Walkable communities
 - library restaurants, entertainment - arts and culture - sporting events / concerts - more traffic for retail (support local)
 - Walking distance to CCTI and other downtown employment centers
- Beneficial to future front range passenger rail
- Less road impact
- Majestic views
- Quality gathering areas through Class A amenities



A project worthy of its surroundings and unlike any product seen in Colorado Springs.

Class A amenities available to ALL residents and views unlike anything in Colorado Springs.



This project will attract a professional and technical workforce that desires a walkable urban living environment.

The broad unit mix and rental rates create its own economically diverse community

- 40 Units are committed at 100 % AMI or below.
- 28.5% of units are currently priced at 103% AMI or below
- Average unit size is 839 square feet
- Duplex options on some unit types

Class A Amenities available to all tenants

Creation of new retail options downtown

- **7,900 square feet of retail to serve tenants and downtown community neighborhood.**

Public and Private Parking available

- 30 public parking spaces
- 446 Private parking spaces

Description	AMI	Units	% Total	Avg. SF per Unit	RBA	Rent per Unit	Rent per SF
Studio	94%	65	16.1%	390	25,350	\$1,705	\$4.37
Studio	103%	50	12.4%	440	22,000	\$1,871	\$4.25
Studio	111%	45	11.1%	490	22,050	\$2,027	\$4.14
1-Bedroom	133%	61	15.1%	782	47,702	\$2,595	\$3.32
1-Bedroom Den	138%	24	5.9%	896	21,504	\$2,696	\$3.01
1-Bedroom Duplex	149%	21	5.2%	893	18,753	\$2,905	\$3.25
2-Bedroom	153%	66	16.3%	1,153	76,098	\$3,582	\$3.11
2-Bedroom Duplex	208%	42	10.4%	1,394	58,548	\$4,863	\$3.49
2-Bedroom Penthouse	203%	24	5.9%	1,493	35,832	\$4,741	\$3.18
3-Bedroom Duplex	<u>234%</u>	<u>6</u>	<u>1.5%</u>	<u>1,876</u>	<u>11,256</u>	<u>\$6,335</u>	<u>\$3.38</u>
Total/Average	142%	404	100.0%	839	339,093	\$2,901	\$3.46

Source: Developer; Economic & Planning Systems

Description	Units	SF per Unit	RBA	Rent per Month	Monthly per SF
Commercial	1.0	7,900	7,900	\$26,478	\$3.35

Source: Developer; Economic & Planning Systems



Creation of new
retail options
downtown

- 7,900 square
feet of retail
to serve
tenants and
the downtown
community
neighborhood.

