

## **2025 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, programmatic 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 2025 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. Auditors for 2023 fiscal year and recent prior years were Erickson, Brown & Kloster, 90 S. Cascade Ave. Ste. 200, Colorado Springs CO 80903. Auditors for 2024 fiscal year will be Biggs Kofford, 630 Southpointe Ct. Ste. 200, Colorado Springs, CO 80906.

**Ownership of property and major assets:** DDA currently does not own any property. Major capital assets primarily include several monument-style signs installed at Downtown gateways.

**Capital investment reserves:** The DDA maintains an operating reserve representing six months of ordinary operating expenses.

## **MAJOR ACTIVITIES**

### **Grant and loan programs**

DDA provides competitive grants through an application process open to businesses and nonprofits. Grants are primarily categorized as Building Enhancement Grants, Retail Incentive Grants, Special Project Grants and other categories. 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 Skirted Heifer at 204 N. Tejon St.; tree canopy and streetscape enhancement at 324 E. Pikes Peak Ave.; energy efficiency improvements at Illegal Pete's restaurant; and retail incentive grants to businesses such as LuLu's Downtown, bringing Downtown its only club dedicated to live music, and Evergreen restaurant, bringing Eastern European fare to Downtown. New in 2024, DDA created a Loan Program for Tenant Ownership, offering low-interest loans to assist existing Downtown businesses in owning a property for their business in order to establish greater stability and build equity.

### **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, geotargeted digital ad campaigns, 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 Master Plan and Plan of Development in a catalytic manner. DDA has approved 18 TIF Reimbursement Agreements to date, of which 10 are completed and thus receiving TIF reimbursement. Additional projects are anticipated to close out I 2024 and thus begin receiving annual payments.

### **Master plan update**

DDA anticipates engaging with consultants throughout much of 2025 to produce a significant update to the Experience Downtown Plan of Development and Master Plan.

### **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.
- 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**

**Chris Lieber, Chair**

N.E.S. Inc  
Appointed to first full term June 2019  
[clieber@nescolorado.com](mailto:clieber@nescolorado.com)

**Troy Coats**

Niebur Development  
Appointed to first partial November 2022  
[troy@nieburdevelopment.com](mailto:troy@nieburdevelopment.com)

**Carrie Bartow, Secretary/Treasurer**

CliftonLarsonAllen  
Appointed second term June 2022  
[Carrie.Bartow@claconnect.com](mailto:Carrie.Bartow@claconnect.com)

**Jordan Empey**

Stockman Kast Ryan & Co.  
Appointed to second term June 2023  
[jempey@skro.com](mailto:jempey@skro.com)

**Amber Brannigan**

Colorado College  
Appointed to first term June 2023  
[abrannigan@coloradocollege.edu](mailto:abrannigan@coloradocollege.edu)

**Jeff Finn**

Norwood Development Group  
Appointed to second term June 2022  
[JFinn@Norwood.dev](mailto:JFinn@Norwood.dev)

**Patrick Stephens**

O'Neil Group Company  
Appointed to first term June 2022  
[Patrick.stephens@ogcos.com](mailto:Patrick.stephens@ogcos.com)

**Jeremy Shirley**

Olive Real Estate Group  
Appointed to first term June 2023  
[jeremys@oliverereg.com](mailto:jeremys@oliverereg.com)

**Laura Neumann**

LN Consulting  
Appointed to first full term June 2024  
[laura@lnbusinessconsult.com](mailto:laura@lnbusinessconsult.com)

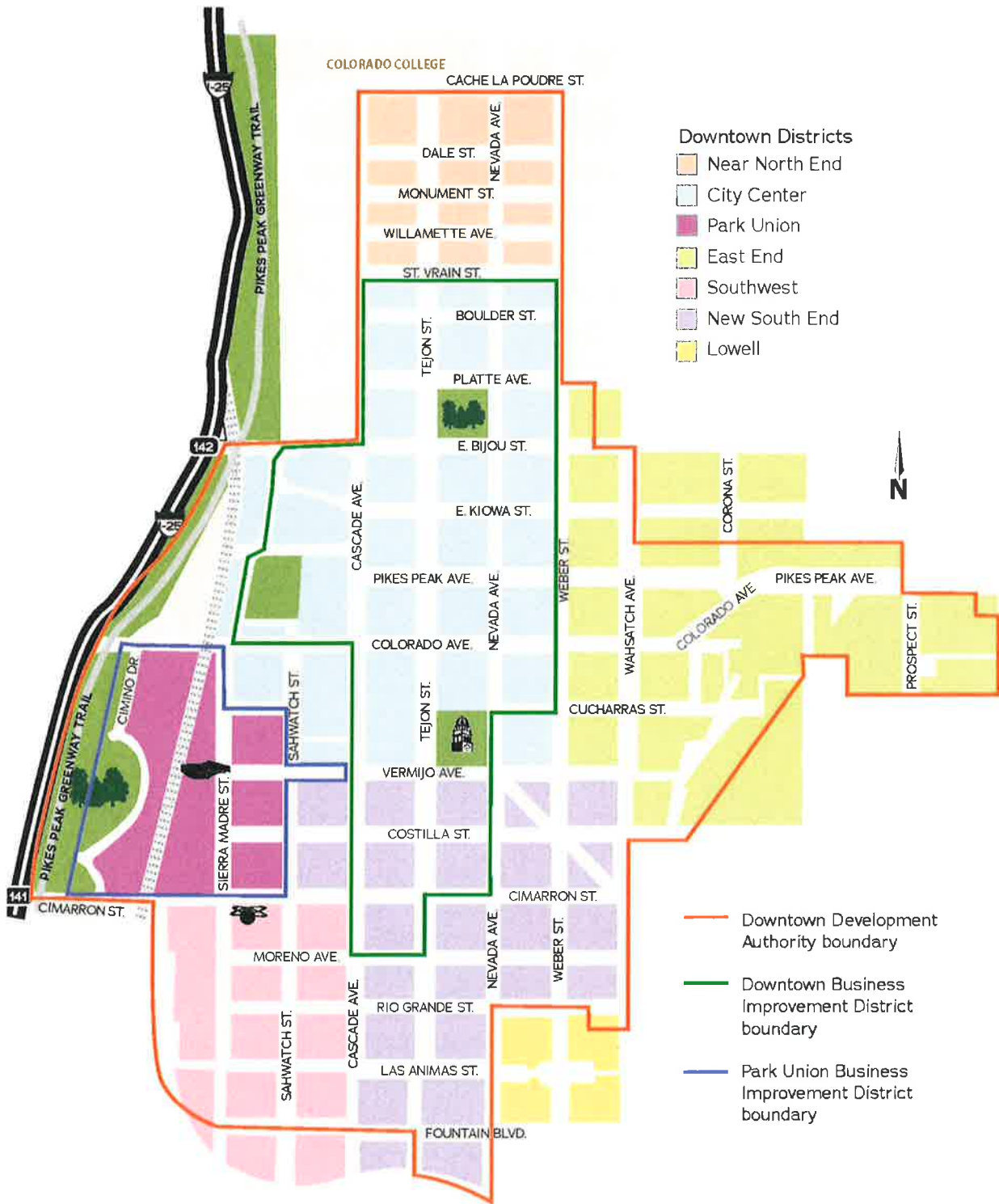
**Jim Smith**

**Owner, Mountain Chalet**  
Appointed to first term June 2024  
[Jim@mtnchalet.com](mailto:Jim@mtnchalet.com)

**Michelle Talarico**

City Council  
Appointed to first term 2023  
[Michelle.Talarico@coloradosprings.gov](mailto:Michelle.Talarico@coloradosprings.gov)

# EXHIBIT B - MAP



**EXHIBIT C**

**EXHIBIT C**  
**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY**  
**SUMMARY**

**2025 PROPOSED BUDGET**  
**WITH 2023 ACTUAL AND 2024 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/9/24                      9/9/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 6/30/2024	ESTIMATE 2024	DRAFT 2025
BEGINNING FUND BALANCES	\$ 3,143,605	\$ 3,646,146	\$ 3,646,146	\$ 3,646,146	\$ 5,125,422
REVENUE					
Income from Mill Levy - Other	940,662	1,103,233	903,657	1,103,233	1,084,087
Specific Ownership Tax	113,434	110,323	50,427	110,323	108,409
Interest Income - Mill collections	3,101	100	262	1,200	100
Interest Income	80,576	51,000	63,882	115,000	108,000
Advertising	9,860	8,000	8,650	8,650	9,000
Misc. Income	150,836	5,500	6,131	8,731	7,500
Income from TIF - Other	1,691,994	2,353,123	1,550,996	2,418,883	2,801,318
Interest Income - TIF Collection	5,421	100	532	2,800	100
Total revenue	<u>2,995,884</u>	<u>3,631,379</u>	<u>2,584,538</u>	<u>3,768,820</u>	<u>4,118,514</u>
Total funds available	<u>6,139,489</u>	<u>7,277,525</u>	<u>6,230,684</u>	<u>7,414,966</u>	<u>9,243,936</u>
EXPENDITURES					
Administrative	77,574	84,617	48,126	48,126	87,890
Board Support	3,618	4,511	3,448	3,448	4,750
Professional Services	30,563	50,000	20,093	20,093	23,000
Other Administrative	2,765	4,000	1,835	1,835	4,000
Program	1,175,975	2,508,631	514,515	514,515	2,833,856
Artspace	1,635	-	-	-	-
Gateway	7,081	9,798	4,587	4,587	9,900
Alleyways	3,384	7,600	2,164	2,164	4,100
TIF	1,190,748	3,651,100	510,493	1,671,630	4,780,676
Total expenditures	<u>2,493,343</u>	<u>6,320,257</u>	<u>1,105,262</u>	<u>2,266,399</u>	<u>7,748,172</u>
Total expenditures and transfers out requiring appropriation	<u>2,493,343</u>	<u>6,320,257</u>	<u>1,105,262</u>	<u>2,266,399</u>	<u>7,748,172</u>
ENDING FUND BALANCES	<u>\$ 3,646,146</u>	<u>\$ 957,268</u>	<u>\$ 5,125,422</u>	<u>\$ 5,148,567</u>	<u>\$ 1,495,765</u>
EMERGENCY RESERVE	\$ 32,012	\$ 36,700	\$ 28,890	\$ 36,703	\$ 36,048
OPERATIONS RESERVE	-	557,078	557,078	557,078	706,391
SPECIAL REVENUE RESERVE	200,000	200,000	450,000	450,000	450,000
AVAILABLE FOR OPERATIONS	<u>3,414,134</u>	<u>163,490</u>	<u>4,089,454</u>	<u>3,499,458</u>	<u>303,326</u>
TOTAL RESERVES	<u>\$ 3,646,146</u>	<u>\$ 957,268</u>	<u>\$ 5,125,422</u>	<u>\$ 4,543,239</u>	<u>\$ 1,495,765</u>