



**FORMAL AGENDA ITEM**

**COUNCIL MEETING DATE:** October 27, 2009

**TO:** Honorable Mayor and Members of City Council

**VIA:** *Penelope Culbreth Graft*  
Penelope Culbreth-Graft, DPA - City Manager

**FROM:** Terri Velasquez, Chief Financial Officer *Terri Velasquez*  
Kara Skinner, Financial Services Manager *Kara Skinner*  
Leslie Hickey, Principal Analyst, Financial Services Division *Leslie Hickey*

**Subject Title: COLORADO SPRINGS DOWNTOWN DEVELOPMENT  
AUTHORITY 2010 BUDGET**

**Strategic Goal(s) this item supports:** The Downtown Development Authority is a vehicle to provide public infrastructure to support current development and to provide a catalyst for future development.



**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 2010 Budget.

**PREVIOUS COUNCIL ACTION:** City Council has approved the DDA Budget annually since its formation in 2007.

**BACKGROUND:** The DDA board intends to utilize a portion of the voter-approved property tax revenues to create incentive programs to support the following goals of Imagine Downtown: *residential growth and variety of housing; retail growth; job retention and employment growth; arts and culture and entertainment activities; urban design and environmental improvements; sustainability components; parking supply and management; transportation options and pedestrian-orientation.*

**FINANCIAL IMPLICATIONS:** The proposed mill levy for the DDA in 2010 is 5.000 mills and is the same as was levied in 2009. As a separate legal entity, the financial activities of the DDA are separate from those of the City.

**ALTERNATIVES:** N/A

**BOARD/COMMISSION RECOMMENDATION:** The DDA Board of Directors recommends City Council's approval of the 2010 Budget.

**RECOMMENDATION:** Staff recommends approval of the attached proposed 2010 Budget.

**PROPOSED MOTION:** A motion to approve the proposed 2010 Budget for the Colorado Springs Downtown Development Authority.

C: Mike Anderson, Assistant City Manager  
Nancy Johnson, Assistant City Manager  
Public Communications

**List of attachments for this item:**

Colorado Springs Downtown Development Authority 2010 Budget



September 4, 2009

Ms. Leslie Hickey  
City of Colorado Springs  
Finance  
30 S. Nevada Ave.  
Colorado Springs, CO 80903

Dear Ms. Hickey:

Please find attached the Preliminary 2010 Budget for the Colorado Springs Downtown Development Authority as approved by the Board of Directors at their September 2, 2009 Public Hearing.

On March 27, 2007 City Council passed a resolution adopting the Imagine Downtown Final Plan of Development as the Plan of Development for the Authority. The Plan of Development is the Operating Plan for the DDA; however, a Scope of Work is adopted annually by the Board in order to identify specific goals and programs for the budget year. The DDA Board will continue to create assistance programs to support the following goals of the Imagine Downtown Plan:

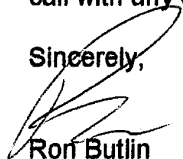
- Residential growth and variety of housing
- Retail growth
- Jobs retention and employment growth
- Arts and Culture, and entertainment activities
- Urban design and environmental improvements
- Technology, sustainability components
- Parking management improvements
- Transportation options and pedestrian-orientation

To date the DDA has issued over \$500,000 in matching Challenge Grants to further these goals. Additionally, the DDA invested in, and made possible the acquisition of a major cultural facility and supported local events that benefit all of Colorado Springs.

The DDA continues to review and collaborate on a myriad of economic development and revitalization projects. 2009 also saw the approval of the new Imagine Downtown Master Plan and Form Based Code.

As is the established pattern, upon receipt from the County of the final certification of assessed property valuation for the DDA area, the CSDDA Board will approve and submit a final budget to the City. Please call with any questions you may have.

Sincerely,



Rori Butlin  
Executive Director

Cc: Kathryn Young  
City Clerk

Enclosures:

2010 Scope of Work  
2010 Budget  
DDA Boundary Map

Colorado Springs Downtown Development Authority  
General Fund

	2007 Actual	2008 Actual	2009 Estimated	2010 Budgeted
Beginning balance - January 1	0.00	-183,695.00	89,247.00	179,990.00
<b>REVENUES</b>				
Property taxes	0.00	725,204.00	739,425.00	792,237.00
TIF	0.00	20,122.00	18.00	61,399.00
Interest income	1,838.00	6,813.00	500.00	1,000.00
Specific ownership taxes	0.00	84,408.00	75,000.00	75,000.00
Other		15,000.00		
Investments	0.00	0.00	32,239.00	42,987.00
Total Revenues	1,838.00	851,547.00	847,182.00	972,623.00
Total Funds Available	1,838.00	667,852.00	936,429.00	1,152,613.00
<b>EXPENDITURES</b>				
Programs	0.00	360,452.00	585,631.00	891,568.00
Operations and Overhead	9,756.00	147,476.00	165,408.00	72,334.00
Formation and Election Costs	170,599.00	0.00	0.00	
Interest Expense	5,178.00	70,677.00	5,400.00	7,500.00
Professional				
Total Expenditures	185,533.00	578,605.00	756,439.00	971,402.00
Fund Balance	-183,695.00	89,247.00	179,990.00	181,211.00

## **COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY**

### **2010 SCOPE OF WORK**

In November of 2006 the voters of the proposed Colorado Springs Downtown Development Authority (DDA) voted in favor of the creation of a Downtown Development Authority. On February 7, 2007 City Council approved Resolution No. 56-07 adopting the Imagine Downtown Plan as the Plan of Development for the DDA. In 2010 The DDA Board intends to utilize a portion of the voter-approved tax revenues to create incentive programs to support the following goals of Imagine Downtown:

- Residential growth and variety of housing
- Retail growth
- Job retention and employment growth
- Arts and culture and entertainment activities
- Urban design and environmental improvements
- Technology
- Sustainability components
- Parking supply and management
- Transportation options and pedestrian-orientation

### **CHALLENGE GRANT PROGRAM**

Incentive programs in 2010 will again include the popular Challenge Grant program. A total of forty matching grants and \$454,250.00 have been awarded since the programs inception in 2008. The DDA has budgeted an additional \$200,000 in 2010 and is discussing extending the application period to allow for two submittal cycles. Appropriate Challenge Grant projects include, but are not limited to, building façade improvements, creation of public spaces, outdoor art, streetscape enhancements, increased

downtown security, and may include unique projects that attract more residents, shoppers and culture patrons. The Challenge Grant program is funded by a 5 mill tax levy within the district.

In addition to the Challenge Grant Program the Board has reserved an additional \$305,000.00 for grants and programs. In the past the Board has supported the summer Gett'n Down Concert Series as well as providing a grant to Colorado Springs Community Ventures for Art on the Streets and an art acquisition fund. The City will be the recipient of the art acquired through this fund. These programs and others like them may be considered in 2010. The Board will review and act on programs designed to retain and to bring more businesses and employees downtown; such as business relocation assistance, creation of relocation literature and "Why Downtown" workshops.

### **FUTURE PROJECT FUND RESERVES**

The DDA Board has identified a need for funds to be available for direct utilization in the event a project of sufficient benefit is identified. They have allocated up to \$112,000 for this purpose and these funds could be accumulated in future years to allow participation in a larger higher impact project.

### **TIF REIMBURSEMENT AGREEMENT**

Tax Increment Financing (TIF) funds will spur economic activity and vibrancy through catalytic projects that further Imagine Downtown goals and serve the public good. Reimbursement Agreements are negotiated based on the amount of property-based TIF estimated to be generated by the project. Financing is restricted to "qualified public improvements" as defined by Colorado state law. These might include façade, landscaping and public space improvements; life-safety features, ADA requirements, public art, etc. – projects that provide a health, safety, welfare or economic public benefit.

In addition to reimbursement agreements, the DDA will reserve a portion of all TIF generated in the district to apply to projects it identifies as important to move forward. Such projects might not generate TIF but are expected to advance the Imagine Downtown Plan and serve the public good in other ways.


Financing of these projects could include a combination of accumulated TIF funds, loans, and City-issued bonds leverage on DDA TIF funds.


#### **ROLE OF STAFF**

The Colorado Springs Downtown Development Authority will renew their Contract for Services with the Downtown Partnership to implement the administrative and management functions of this Scope of Work. It will be the task and responsibility of the committees and the DDA Board to further define and implement the Scope of Work.

 BRISTOL ELEMENTARY SCHOOL







COMMUNITY PREP CHARTER SCHOOL  


PALMER HIGH SCHOOL  




*Legend*

-  DDA Boundary
-  DDA TIF Area
-  Schools

1 inch equals 1,042.06 feet 

**Imagine Downtown Plan Area Map**  
El Paso County, Colorado

Approved by the Board of Directors of the El Paso County Board of Commissioners on 11/15/11. The Board of Commissioners is authorized to execute any and all contracts, leases, licenses, permits, and other instruments that may be necessary to carry out the purposes of this resolution. The Board of Commissioners is authorized to execute any and all contracts, leases, licenses, permits, and other instruments that may be necessary to carry out the purposes of this resolution.