

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY

2011 SCOPE OF WORK

In November of 2006 the voters approved the creation of the Colorado Springs Downtown Development Authority (DDA). 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 2011 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 Plan:

- Residential growth represented by a variety of housing types and price points
- Retail growth including aggressively seeking to fill vacancies
- Job retention and employment growth
- Arts, culture and entertainment activities
- Urban design and environmental improvements
- Technology
- Sustainability components
- Parking supply and management
- Better utilization of public spaces such as alleys and parks
- Transportation options and pedestrian-orientation

GRANT PROGRAM

Incentive programs in 2010 included a new grant classification; *Signature Events*. These events, such as the very popular Blues Under the Bridge and Pikes Peak Arts Fest, experience a multiple year growth period in order to become established with the public. The DDA has identified their potential to draw visitors to the downtown area from across El Paso County, and surrounding counties. Signature events

benefit all businesses downtown, with the ability to also increase sales tax collections. The Board anticipates continuing this program in 2011.

Since its inception in 2008, the *Challenge Grant* program has funded over \$530,000 supporting 51 projects. The total investment in the DDA area was over a million and half dollars in improvements, renovations, landscaping and art and music events. All of which helped to further the goals of the Imagine Downtown Plan, the Operating Plan of the Downtown Development Authority. In 2011 the DDA Board will re-evaluate the Challenge Grant program and seek to add new programs in its place that will stimulate development of projects with an even greater impact to the area. Additionally, the Board will review and act on programs designed to retain and bring more businesses and employees downtown; such as business relocation assistance, creation of relocation literature, Wayfinding improvements and event support.

CAPITAL INVESTMENT 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. For 2011 they have allocated up to \$350,000 for this purpose and these funds could be accumulated in future years in anticipation of a project with larger impact.

TIF REIMBURSEMENT AGREEMENT

TIF funds are based on the valuation of the District and its growth. In these economic times the area has not experienced sufficient growth to accumulate a “project able” base of TIF funds.

Tax Increment Financing (TIF) funds are anticipated to spur economic activity and vibrancy through catalytic projects that further the 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 a given 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.

The DDA will continue to seek opportunity for future investment of these 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.