

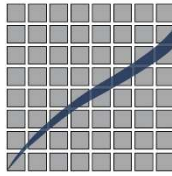
**COLORADO SPRINGS DOWNTOWN
DEVELOPMENT AUTHORITY
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
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YEAR ENDED DECEMBER 31, 2025**

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BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Colorado Springs Downtown Development Authority
El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Colorado Springs Downtown Development Authority ("Authority"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2025, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BiggsKofford LLP

Colorado Springs, Colorado

March 27, 2026

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

The management of the Colorado Springs Downtown Development Authority (the Authority) offers the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2025.

Financial Highlights

- Net position increased \$174,950 in 2025 (3.07%).
- Change in net position went from \$1,170,375 in 2024 to \$174,950 in 2025.
- Total revenues increased \$632,799 in 2025 (17.37%).
- Total expenses increased \$1,628,224 from \$2,473,720 to \$4,101,944 in 2025, an increase of 65.82%.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of the three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the Authority's assets, deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position.

The statement of activities presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 1-2 of this report.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority are governmental funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains one major governmental fund (general fund). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for this fund.

The Authority adopts an annual budget for its general fund. A budgetary comparison statement has been provided for this fund in the basic financial statements to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

Notes to financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 7-25 of this report.

Other information: Information on taxes levied and collected can be found on pages 27 and 28 of this report.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

	December 31,	
	2025	2024
ASSETS		
Current Assets	\$ 5,190,091	\$ 4,581,732
Other Assets	4,881,487	4,073,615
Capital Assets Net of Depreciation	835,154	866,640
Total Assets	10,906,732	9,521,987
LIABILITIES		
Current Liabilities	10,737	8,083
TIF Reimbursement Payable	393,181	-
Total Liabilities	403,918	8,083
DEFERRED INFLOWS OF RESOURCES		
Property Tax Revenue	1,246,380	1,080,134
Incremental Property Tax Revenue	3,383,924	2,736,210
Total Deferred Inflows of Resources	4,630,304	3,816,344
NET POSITION		
Net Investment in Capital Assets	835,154	866,640
Restricted for:		
TIF	2,815,098	2,315,670
Emergency Reserve	128,000	80,200
Unrestricted	2,094,258	2,435,050
Total Net Position	\$ 5,872,510	\$ 5,697,560

Net position may serve as a useful indicator for the Authority's financial position. In the Authority's case, for the years ended December 31, 2025, and 2024, total assets were valued at \$10,906,732 and \$9,521,987 respectively, with outstanding liabilities of \$403,918 and \$8,083, respectively. The Authority's assets consist primarily of cash and investments, current receivables, and fixed assets. The Authority's liabilities consist primarily of accounts payable and TIF reimbursements payable.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

	December 31,	
	2025	2024
REVENUES		
General Revenues:		
Property Taxes	\$ 1,102,243	\$ 1,126,927
Incremental Property Tax	2,711,087	2,113,269
Specific Ownership Taxes	129,845	125,327
Miscellaneous Income	42,073	10,740
Advertising	7,800	8,650
URA Reimbursement	13,800	11,912
Interest Income	270,046	247,270
Total Revenues	<u>4,276,894</u>	<u>3,644,095</u>
EXPENDITURES		
General Government	4,101,944	2,473,720
Total Expenditures	<u>4,101,944</u>	<u>2,473,720</u>
CHANGES IN NET POSITION	174,950	1,170,375
Net Position - Beginning of Year	<u>5,697,560</u>	<u>4,527,185</u>
NET POSITION - END OF YEAR	<u><u>\$ 5,872,510</u></u>	<u><u>\$ 5,697,560</u></u>

Financial Analysis of the Government's Funds

The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Authority's governmental fund reported ending fund balances of \$4,851,118. Of this balance, \$33,099 was nonspendable due to a prepaid amount recorded at year-end, \$2,815,098 was restricted to be used with TIF projects, and \$128,000 was restricted for emergencies (TABOR).

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

General Fund Budgetary Highlights

Total expenditures of 2025 are below the budgeted amount of \$7,193,265 by \$3,006,662. The difference between the budgeted revenue of \$3,583,192 and the actual revenue of \$4,404,250 was \$821,058.

Capital Assets

The activity related to capital assets during 2025 is as follows:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Being Depreciated:				
AdAmAn Alley	\$ 546,951	\$ -	\$ -	\$ 546,951
Monument Signs	380,924	-	-	380,924
Wayfinding Sign	16,716	-	-	16,716
Total Capital Assets, Being Depreciated	944,591	-	-	944,591
Less Accumulated Depreciation for:				
AdAmAn Alley	(18,232)	(18,232)	-	(36,464)
Monument Signs	(59,533)	(12,697)	-	(72,230)
Wayfinding Sign	(186)	(557)	-	(743)
Total Accumulated Depreciation	(77,951)	(31,486)	-	(109,437)
Total Capital Assets, Being Depreciated, Net	866,640	(31,486)	-	835,154
Governmental Activities Capital Assets, Net	<u>\$ 866,640</u>	<u>\$ (31,486)</u>	<u>\$ -</u>	<u>\$ 835,154</u>

Request for Information

This report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

111 S. Tejon Street, Suite 703
Colorado Springs, CO 80903

BASIC FINANCIAL STATEMENTS

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	\$ 2,246,993
Cash and Investments - Restricted	2,943,098
Accounts Receivable - County Treasurer	10,346
Miscellaneous Accounts Receivable	21,500
Current Loan Receivable - ICONS	11,681
Long-Term Loan Receivable - ICONS	174,557
Prepaid Expenses	33,099
Property Taxes Receivable	1,246,380
Incremental Property Tax Receivable	3,383,924
Capital Assets:	
Capital Assets Net of Depreciation	835,154
Total Assets	<u>10,906,732</u>
LIABILITIES	
Accounts Payable	10,737
TIF Reimbursement Payable	393,181
Total Liabilities	<u>403,918</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	1,246,380
Deferred Tax Increment Revenue	<u>3,383,924</u>
Total Deferred Inflows of Resources	<u>4,630,304</u>
NET POSITION	
Net Investment in Capital Assets	835,154
Restricted for:	
Emergency Reserve	128,000
TIF	2,815,098
Unrestricted	<u>2,094,258</u>
Total Net Position	<u><u>\$ 5,872,510</u></u>

See accompanying Notes to Basic Financial Statements.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES
DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS	Expenses				
Primary Government:					
Governmental Activities:					
General Government	\$ 4,101,944	\$ -	\$ -	\$ -	\$ (4,101,944)
Total Governmental Activities	<u>\$ 4,101,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	(4,101,944)
GENERAL REVENUES					
Property Taxes					1,102,243
Specific Ownership Taxes					129,845
Miscellaneous Income					42,073
Incremental Property Taxes					2,711,087
Advertising					7,800
URA Reimbursement					13,800
Interest Income					270,046
Total General Revenues and Transfers					<u>4,276,894</u>
CHANGES IN NET POSITION					174,950
Net Position - Beginning of Year					<u>5,697,560</u>
NET POSITION - END OF YEAR					<u>\$ 5,872,510</u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET – GOVERNMENTAL FUND
DECEMBER 31, 2025**

	General Fund
ASSETS	
Cash and Investments	\$ 2,246,993
Cash and Investments - Restricted	2,943,098
Miscellaneous Accounts Receivable	21,500
Accounts Receivable - County Treasurer	10,346
Property Tax Receivable	1,246,380
Incremental Property Tax Receivable	3,383,924
Prepaid Expenses	33,099
	<u>9,885,340</u>
Total Assets	<u><u>\$ 9,885,340</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
LIABILITIES	
Accounts Payable	\$ 10,737
TIF Reimbursement Payable	393,181
Total Liabilities	<u>403,918</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	1,246,380
Deferred Tax Increment Revenue	3,383,924
Total Deferred Inflows of Resources	<u>4,630,304</u>
FUND BALANCES	
Nonspendable:	
Prepaid Expense	33,099
Restricted for:	
Emergency Reserves	128,000
TIF	2,815,098
Assigned to:	
Board-Designated Reserves	1,087,729
Unassigned	787,192
Total Fund Balances	<u>4,851,118</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 9,885,340</u></u>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	\$ 835,154
Loan Receivable	<u>186,238</u>
Net Position of Governmental Activities	<u><u>\$ 5,872,510</u></u>

See accompanying Notes to Basic Financial Statements.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
DECEMBER 31, 2025

	<u>General</u>
REVENUES	
Property Taxes	\$ 1,102,243
Incremental Property Taxes	2,711,087
Specific Ownership Tax	129,845
Advertising	7,800
Miscellaneous Income	35,823
Interest Income	265,254
URA Reimbursement	13,800
Total Revenues	<u>4,265,852</u>
EXPENDITURES	
Administrative	88,612
Board Support	4,154
Professional Services	33,420
Other Administrative	2,999
Program	1,559,267
Gateways and Alleyways	8,981
TIF	2,373,025
Total Expenditures	<u>4,070,458</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	195,394
OTHER FINANCING SOURCES (USES)	
Gift Card Funding	(116,145)
Gift Card Sales	122,395
Loan Principal	11,200
Loan Interest	4,803
Total Other Financing Sources (Uses)	<u>22,253</u>
NET CHANGE IN FUND BALANCES	217,647
Fund Balances - Beginning of Year	<u>4,633,471</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 4,851,118</u></u>

See accompanying Notes to Basic Financial Statements.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$	217,647
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Depreciation Expense		(31,486)
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Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

ICON Loan Principal		(11,200)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.

Change in Accrued Interest Receivable on Loan		(11)
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Changes in Net Position of Governmental Activities	\$	174,950
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COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GENERAL FUND – BUDGET AND ACTUAL
DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,080,134	\$ 1,102,243	\$ 22,109
Incremental Property Taxes	2,270,345	2,711,087	440,742
Specific Ownership Tax	108,013	129,845	21,832
Advertising	9,000	7,800	(1,200)
Miscellaneous Income	7,500	35,823	28,323
Net Investment Income	108,200	265,254	157,054
URA Reimbursement	-	13,800	13,800
Total Revenues	3,583,192	4,265,852	682,660
EXPENDITURES			
Administrative			
Contract for Services/Admin	69,554	69,552	2
Treasurer's Collection Fee/Mill	16,202	16,639	(437)
Legal Notices	186	179	7
Miscellaneous	500	967	(467)
Bank Service Charges	1,500	1,275	225
Board Support			
Board Development	500	-	500
Board Meeting Expenses	250	156	94
Directors and Officers Insurance	3,979	3,998	(19)
Professional Services			
Accounting/Audit	15,000	19,405	(4,405)
Consultants Fees	8,000	8,100	(100)
Legal Fees	-	5,915	(5,915)
Other Administrative			
Community Relations	1,000	524	476
Membership and Subscriptions	2,000	2,475	(475)
Travel	1,000	-	1,000
Program			
Contract for Svcs Prgrm Adm	668,856	668,856	-
Grants	35,000	50,000	(15,000)
Research/Market Reports	50,000	29,215	20,785
Marketing/Branding	260,000	224,213	35,787
Consultants	300,000	244,702	55,298
Job Retention	20,000	20,000	-
Business Support Projects	1,500,000	322,281	1,177,719
Gateways and Alleyways			
Utilities	7,200	5,432	1,768
Commercial Liability Insurance	3,400	3,327	73
Repairs and Maintenance	4,000	222	3,778
TIF			
TIF SD11 IGA	225,328	261,365	(36,037)
TIF Reimbursements	800,000	1,148,364	(348,364)
Treasurers Collection Fee/TIF	34,697	40,879	(6,182)
Project - TIF	1,500,000	639,614	860,386
Grants - TIF	1,600,000	220,000	1,380,000
TIF LMD IGA	65,113	62,803	2,310
Total Expenditures	7,193,265	4,070,458	3,122,807
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(3,610,073)	195,394	3,805,467
OTHER FINANCING SOURCES (USES)			
Gift Card Funding	-	(116,145)	(116,145)
Gift Card Sales	-	122,395	122,395
Loan Principal	-	11,200	11,200
Loan Interest	-	4,803	4,803
Total Other Financing Sources	-	22,253	22,253
NET CHANGE IN FUND BALANCE	(3,610,073)	217,647	3,827,720
Fund Balance - Beginning of Year	5,125,422	4,633,471	(491,951)
FUND BALANCE - END OF YEAR	\$ 1,515,349	\$ 4,851,118	\$ 3,335,769

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

The Colorado Springs Downtown Development Authority (the Authority) was established in January 2007 by the City Council of Colorado Springs, Colorado (the City). The Authority was organized for the public health, safety, prosperity, security, and welfare of Downtown Colorado Springs in order to halt or prevent deterioration of property values or structures within the central business district, to assist in the planning, development, and redevelopment of this district. Operations are financed primarily by tax revenues collected on real and personal property located within the central business district.

The Authority follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The Authority is not financially accountable for any other organization.

An 11-member Board of Directors, as provided by the City, Ordinance 07-15, governs the Authority.

The Authority has no employees, and all operations and administrative functions are contracted. The Authority normally enters into a short-term Contract for Services Agreement with the Downtown Partnership of Colorado Springs (Partnership), a non-profit corporation. Under this service agreement, the Partnership agrees to manage and administer the Authority in accordance with the Authority's Budget and Scope of Work.

The Authority's annual budget is required to be submitted to and approved by the City, thus enabling the City to impose its will on the Authority. Consequently, the Authority is considered to be a component unit of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the Authority are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the Authority.

The statement of net position reports all financial and capital resources of the Authority. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources is reported as net position.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property tax and incremental property tax. All other revenue items are considered to be measurable and available only when cash is received by the Authority. Expenditures, other than long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The Authority reports the following major governmental funds:

The General Fund is the Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Budgets

In accordance with the State Budget Law, the Authority's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The Authority's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pooled Cash and Investments

The Authority follows the practice of pooling cash and investments of all programs to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating programs based upon each program's average equity balance in the total cash and investments.

Property Taxes

Property taxes are levied by the Authority's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the Authority.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Incremental Property Taxes

The Authority receives incremental property tax revenue for the Downtown Development area. Incremental property tax revenues are the property tax revenues in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Downtown Development area upon a valuation for assessment equal to the property tax base amount. The property tax base amount is certified by the County Assessor as the valuation for assessment of all taxable property within the Downtown Development area last certified by the County Assessor prior to the adoption of the Downtown Development plan. The base amount may be proportionately adjusted for general reassessments in accordance with Colorado law.

Property taxes are levied by various taxing entities in each of the project areas by certification to the County Commissioners. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. Taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the incremental taxes collected monthly to the Authority.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Incremental Property Taxes (Continued)

Incremental property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The incremental property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Buildings and Improvements	40 Years
Monument Signs	30 Years

Grants

The Authority recognizes long term grants payable in the statement of net position and as an expense in the statement of activities when all applicable eligibility requirements, including the time requirements, are met. If all applicable eligibility requirements except a time requirement are met, the grants are recognized as a long term liability and a deferred outflow of resources in the statement of net position.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflow/Outflow of Resources (Continued)

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two items that qualify for reporting in this category. Accordingly, the item, *deferred property tax revenue and deferred incremental property tax*, are deferred and recognized as an inflow of resources in the period that the amount becomes available.

Accounts Receivable

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the Authority's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- *Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

- *Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- *Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures ("Statement 102"). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 2,246,993
Cash and Investments - Restricted	2,943,098
Total Cash and Investments	<u>\$ 5,190,091</u>

Cash and investments as of December 31, 2025, consist of the following:

Deposits with Financial Institutions	\$ 414,143
Investments	4,775,948
Total Cash and Investments	<u>\$ 5,190,091</u>

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the Authority's cash deposits had a bank balance of \$425,034 and a carrying balance of \$414,143.

Restricted cash included Emergency Reserves as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 12) of \$128,000 at December 31, 2025.

Investments

The Authority has not adopted a formal investment policy; however, the Authority follows state statutes regarding investments.

The Authority generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the Authority is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- . Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2025, the Authority had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 4,775,948
		<u>\$ 4,775,948</u>

COLOTRUST

The Authority invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value that the Authority records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2025 follows:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Being Depreciated:				
AdAmAn Alley	\$ 546,951	\$ -	\$ -	\$ 546,951
Monument Signs	380,924	-	-	380,924
Wayfinding Sign	16,716	-	-	16,716
Total Capital Assets, Being Depreciated	944,591	-	-	944,591
Less Accumulated Depreciation for:				
AdAmAn Alley	(18,232)	(18,232)	-	(36,464)
Monument Signs	(59,533)	(12,697)	-	(72,230)
Wayfinding Sign	(186)	(557)	-	(743)
Total Accumulated Depreciation	(77,951)	(31,486)	-	(109,437)
Total Capital Assets, Being Depreciated, Net	866,640	(31,486)	-	835,154
Governmental Activities Capital Assets, Net	<u>\$ 866,640</u>	<u>\$ (31,486)</u>	<u>\$ -</u>	<u>\$ 835,154</u>

NOTE 5 NET POSITION

The Authority has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the Authority had net investment in capital assets calculated as follows:

Net Investment in Capital Assets:	
Capital Assets, Net	\$ 835,154
Net Investment in Capital Assets	<u>\$ 835,154</u>

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 NET POSITION (CONTINUED)

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Authority had restricted net position as of December 31, 2025 as follows:

Restricted Net Position:

Emergencies	\$ 128,000
TIF	2,815,098
Total Restricted Net Position	<u>\$ 2,943,098</u>

The Authority's unrestricted net position as of December 31, 2025 is \$2,094,258.

Incremental property taxes received by the Authority are restricted by the City of Colorado Springs to be used to support the plan of development – currently the Experience Downtown Plan.

NOTE 6 COMMITMENTS AND CONTINGENCIES

Job Retention Agreement

On May 21, 2013, the Authority entered into an agreement with a significant downtown employer for the purpose of job retention. The agreement provides for 20 annual payments of \$20,000 beginning April 1, 2014. The payments are contingent upon the employer having entered into a 20-year lease extension, not defaulting on the terms of the lease, remaining in the leased property through March 31, 2034, maintaining its corporate headquarters at the leased facility, maintaining at least 200 employees at the Colorado Square location, and annual appropriation by the Authority's Board of Directors.

During 2009 and again in 2013, the corporation entered into an agreement with the Authority to maintain its headquarters in the downtown area of Colorado Springs, beginning April 1, 2010 and ending March 31, 2034. The Authority's goal is to promote economic strength, vitality and increase the number of workers in the downtown area, as well as indirectly support regional and local workers.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 6 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Job Retention Agreement (Continued)

The terms stipulate the Authority will make annual payments of \$20,000, to the corporation, for a period not to exceed 20 years. As of December 31, 2025, both parties have complied with the aforementioned agreement, and assuming both parties comply with the terms in the future, the Authority will make nine additional payments to the corporation.

PikeRide

The Authority has an agreement with PikeRide to provide \$35,000 in operating expenses annually. In December of 2024, the Authority agreed to grant an additional \$15,000 in operational funding given the money was allocated within the boundaries of the DDA. In 2025, \$50,000 was paid under this agreement.

TJ & TC Three LLC

On September 10, 2024, the Authority entered into an agreement with TJ & TC Three LLC for the purpose of a Building Enhancement Grant. The agreement provides for \$100,000 in total grant money, \$50,000 each for 525 and 531 S Weber Street. In 2025, no payments were made under this agreement.

Pikes Peak Housing Network

On October 22, 2024, the Authority entered into an agreement with the Pikes Peak Housing Network (PPHN) for the purpose of a Grant. The agreement provides for \$20,000 per year for two (2) years, not to be paid until PPHN secures a minimum of \$175,000 of pledged monies toward the campaign. In 2025, \$20,000 was paid but PPHN returned the funds during 2025 as the agreement was discontinued.

5085 List Drive LLC

On December 12, 2024, the Authority entered into an agreement with 5085 List Drive LLC for the purpose of a Building Enhancement Grant. The agreement provides for \$50,000 in total grant money. In 2025, no payments were made under this agreement.

Jinya Ramen

On December 18, 2024, the Authority entered into an agreement with CO Ramen 3 LLC (Jinya Ramen) for the purpose of a Building Enhancement Grant. The agreement provides for \$50,000 in total grant money. In 2025, \$50,000 was paid under this agreement.

Tejon Revitalization Project

On March 3, 2025, and amended on September 23, 2025, the Authority entered into an agreement with the City to pledge funding to a historic intersection within the boundaries commonly known as the "Busy Corner". In 2025, \$633,224 was paid under this agreement.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 6 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Yobel

On March 18, 2025, the Authority entered into an agreement with RDJ Cascade Properties LLC (Yobel) for the purpose of a Building Enhancement Grant. The agreement provides for \$20,000 in total grant money. In 2025, \$20,000 was paid under this agreement.

The Brit Pub

On March 19, 2025 the Authority entered into an agreement with Brit Pub LLC for the purpose of a Building Enhancement and Retail Incentive Grant. The agreement provides for \$75,000 and \$25,000, respectively, in total grant money. In 2025, \$100,000 was paid under this agreement.

Early Connections Learning Centers (ECLC)

On April 24, 2025, the Authority entered into an agreement with ECLC for the purpose of a Building Enhancement Grant. The agreement was modified in 2025 to allow for an address change. The agreement provides for \$50,000 in total grant money. In 2025, no payments were made under this agreement.

Eden Oaks

On August 27, 2025, the Authority entered into an agreement with Eden Oaks Inc, for the purpose of a Retail Incentive Grant. The agreement provides for \$15,000 in total grant money. In 2025, \$15,000 was paid under this agreement.

Green Mountain Haven

On July 24, 2025, the Authority entered into an agreement with Green Mountain Haven for the purpose of a Retail Incentive Grant. The agreement provides for \$10,000 in total grant money. In 2025, \$10,000 was paid under this agreement.

Good Intentions

On October 23, 2025, the Authority entered into an agreement with Good Intentions for the purpose of a Retail Incentive Grant. The agreement provides for \$25,000 in total grant money. In 2025, \$25,000 was paid under this agreement.

Totem

On September 18, 2025, the Authority entered into an agreement with Totem Restaurant LLC for the purpose of a Retail Incentive Grant. The agreement provides for \$50,000 in total grant money. In 2025, no payments were made under this agreement.

The Urban Grocer

On October 23, 2025, the Authority entered into an agreement with The Urban Grocer for the purpose of a Building Enhancement and Retail Incentive Grant. The agreement provides for \$50,000 and \$50,000, respectively, in total grant money. In 2025, no payments were made under this agreement.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 COMMITMENTS AND CONTINGENCIES (CONTINUED)

415 S Weber

On July 1, 2025 the Authority entered into an agreement with Triforce Ventures LLC for the purpose of a Building Enhancement Grant. The agreement provides for \$50,000 in total grant money. In 2025, no payments were made under this agreement.

31 N. Tejon

On August 1, 2025, the Authority entered into an agreement with 31 N Tejon LLC for the purpose of a Building Enhancement Grant. The agreement provides for \$12,500 in total grant money. In 2025, no payments were made under this agreement.

The Authority enters into grant agreements in the normal course of business and grants have been agreed to subsequent to December 31, 2025.

NOTE 7 RECEIVABLES

ICONS

On May 15, 2024, the Authority loaned Those Gays, LLC \$200,000. The terms of the loan are as follows:

- Term Length of 180 months
- Interest rate of 2.5% per annum
- \$1,334 due on the 15th of each month
- First four (4), June 15 – September 15, payments are interest only as follows:
 - \$417, \$415, \$413, \$411
- Late charge of 5% on any payment not received within ten (10) days after payment is due.

An analysis of the changes in this loan for the year ended December 31, 2025 follows:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025	Due Within One Year
Governmental Activities:					
Long Term Loans					
ICONS	\$ 197,240	\$ -	\$ 11,200	\$ 186,040	\$ 11,483
Total Long Term Loans					
Receivable	197,240	-	11,200	186,040	11,483
Plus Interest Receivable					
for:					
ICONS	209	198	209	198	198
Total Interest					
Receivable	209	198	209	198	198
Governmental Activities					
Long Term Loans	<u>\$ 197,449</u>	<u>\$ 198</u>	<u>\$ 11,409</u>	<u>\$ 186,238</u>	<u>\$ 11,681</u>

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 RECEIVABLES (CONTINUED)

The loan matures as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 11,483	\$ 4,520	\$ 16,003
2027	11,774	4,229	16,003
2028	12,060	3,627	15,687
2029	12,376	3,627	16,003
2030	12,689	3,314	16,003
2031-2035	68,416	11,599	80,015
2036-2039	57,242	2,760	60,002
Total	<u>\$ 186,040</u>	<u>\$ 33,676</u>	<u>\$ 219,716</u>

3E's Comedy Club

In April of 2022, the Authority gave a loan to 3E's Comedy Club in the amount of \$24,071 at a 2% interest rate per annum over a 24-month repayment term. The Authority received payment in 2022 but has not been successful yet with any further collections. The remaining balance was fully allowed for in 2024 and was fully written off in 2025.

NOTE 8 CONTRACT FOR SERVICES

The Authority entered into a Contract for Service Agreement with the Downtown Partnership of Colorado Springs (the Partnership) for a 12-month period ended December 31, 2025. Terms of the agreement specify that the partnership would manage and administer the Authority in accordance with the 2025 budget and operating plan. The Partnership's compensation under the agreement was \$738,408.

Effective January 1, 2026, the Authority entered into an agreement, similar to the above, for 2026 services. The Partnership's total compensation under this agreement is not to exceed \$1,027,936.

NOTE 9 TIF REIMBURSEMENT AGREEMENTS

Blue Dot Place

In March 17, 2015, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown apartments. Under this agreement, the Authority will back the developer with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. Construction was completed and the apartments were available for occupancy as of January 29, 2016. In 2025, \$39,124 was paid under this agreement.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 9 TIF REIMBURSEMENT AGREEMENTS (CONTINUED)

117-119 East Bijou LLC and 117-121 Bijou LLC (Bijou Lofts)

On April 11, 2016, the Authority entered into an agreement with property owners to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown condos. Under this agreement, the Authority will back the owners with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The owners shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$15,862 was paid under this agreement.

333 ECO, LLC

On March 24, 2017, the Authority entered into an agreement with a property owner to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown apartments. Under this agreement, the Authority will back the owner with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The owner shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$147,930 was paid under this agreement.

609 S Cascade, LLC (Mae on Cascade)

On April 11, 2017, the Authority entered into an agreement with a property owner to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown apartments. Under this agreement, the Authority will back the owner with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The owner shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$200,682 was paid under this agreement.

528 South Tejon LLC

On January 25, 2018, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the redevelopment of a mixed use building. Under this agreement, the Authority will back the developer with 60% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$25,512 was paid under this agreement.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 9 TIF REIMBURSEMENT AGREEMENTS (CONTINUED)

418 South Tejon (Casa Mundi)

On May 18, 2018, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown lofts. Under this agreement, the Authority will back the developer with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 0.5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$21,986 was paid under this agreement.

415 South Nevada (Kinship Landing)

On January 18, 2019, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown lofts. Under this agreement, the Authority will back the developer with 60% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 2.5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$33,963 was paid under this agreement.

322 Vermijo & 230 S. Wasatch (VIM)

On August 4, 2022, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of a 154-unit apartment complex at 230 S. Wasatch Ave and 322 Vermijo Ave. Eligible expenses are capped at \$6,552,378. Under this agreement, the Authority will back the developer with 100% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 5% annual administration fee paid to the Authority for the first five (5) years. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$109,733 was paid under this agreement.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 9 TIF REIMBURSEMENT AGREEMENTS (CONTINUED)

312 Vermijo (VIM II)

On August 25, 2025, the Authority entered into a redevelopment and reimbursement agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of a 122 apartment-unit apartment complex at 229 South Weber, 231 South Weber, and 314 E Vermijo. Eligible costs are capped at \$7,945,063. Under this agreement, the Authority will back the developer with 80% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TID allocations is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 5% annual administrative fee paid to the Authority for the first five (5) years. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, no payments were made under this agreement.

316 North Tejon Street (TGFF LLC)

On April 15, 2022, the Authority entered into a redevelopment and reimbursement agreement with TGFF LLC to allocate tax increment financing under Colorado Revised Statutes. This agreement aims to assist in the redevelopment of the property located at 316 North Tejon Street. Under this agreement, the Authority will remit 60% of the net tax increment revenue generated by and attributable to the commercial portion of the property for the TIF period. The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by any increment due to local entities and a 5% annual administration fee paid to the Authority. The Developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$11,815 was paid under this agreement.

710-750 East Pikes Peak Ave (Plaza at Pikes Peak)

On June 18, 2020, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown lofts. Under this agreement, the Authority will back the developer with 75% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$96,657 was paid under this agreement.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 9 TIF REIMBURSEMENT AGREEMENTS (CONTINUED)

400 East Pikes Peak Ave (Fiona)

On December 22, 2020, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown lofts. Under this agreement, the Authority will back the developer with 75% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$258,310 was paid under this agreement.

345 East Rio Grande (Village at New North End)

On October 1, 2021, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of downtown lofts. Under this agreement, the Authority will back the developer with 75% of the net tax increment generated by and attributable to the residential portion of the property for the TIF period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, and 5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$33,133 was paid under this agreement.

225 E. Cimarron St. (The Hunter)

On September 13, 2022, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of a 214-unit multi-family property. Under this agreement, the Authority will back the developer with 50% of the net tax increment generated by and attributable to the residential portion of the property for the TIF Period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. The total allocation is then reduced by the increment due to a local school district, the increment due to the DDA, net of County Treasurer's fees and 5% annual administration fee paid to the Authority. The developer shall only be eligible to receive a rebate of taxes in the actual amount paid up to \$16.76 million. In 2025, no payments were made under this agreement.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 9 TIF REIMBURSEMENT AGREEMENTS (CONTINUED)

The Avian

On August 19, 2021, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of approximately 169 apartment units with structured parking and approximately 6,000 sqf of amenity space. Under this agreement, the Authority will back the developer with 65% of the net tax increment generated by and attributable to the residential portion of the property for the TIF Period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the Property as of the Effective Date from the total property taxes generated annually based on the valuation of the Property for each year following the Effective Date, less a one-time legal fee of \$3,000 in the first year, less the increment due to Colorado Springs School District 11, less the DDA mill levy and increment on the mill levy, less the applicable treasurer's collection fee on the Project, and less an annual administrative fee of 5% of the total increment in the first 5 years of the agreement, and 2.5% for the remaining years to be paid to the DDA and multiplying such final amount by 65%. Developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$18,786 was paid under this agreement.

The Ensley (321-329 E. Cimarron)

On August 31, 2021, the Authority entered into an agreement with a developer to allocate under Colorado Revised Statutes tax increment financing to assist in the construction of approximately 277 apartment units with structured parking and approximately 16,000 sqf of amenity space. Under this agreements, the Authority will back the developer with 75% of the net tax increment generated by and attributable to the residential portion of the property for the TIF Period (property tax increment rebate). The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the Property as of the Effective Date from the total property taxes generated annually based on the valuation of the Property for each year following the Effective Date, less a one-time legal fee of \$3,000 in the first year, less the increment due to Colorado Springs School District 11, less the DDA mill levy and increment on the mill levy, less the applicable treasurer's collection fee on the Project, and less an annual administrative fee of 5% of the total increment in the first 5 years of the agreement, and 2.5% for the remaining years to be paid to the DDA and multiplying such final amount by 75%. Developer shall only be eligible to receive a rebate of taxes in the actual amount paid. In 2025, \$393,181 was expensed under this agreement for assessment years 2021 through 2025 due to completion of construction and is included in TIF Reimbursement Payable.

Lowell Metropolitan District

On June 1, 2021, the Colorado Springs Downtown Development Authority entered into a cooperation agreement with the Lowell Metropolitan District to allocate tax increment financing under Colorado Revised Statutes. This agreement aims to assist in the development within the district boundaries. Under this agreement, the Authority will remit 100% of the net tax increment revenue generated by and attributable to the property within the district for the TIF period. The TIF allocation is calculated by subtracting the property taxes generated annually based on the valuation of the property for each year following the effective date. In 2025, \$62,803 was paid under this agreement.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 URBAN RENEWAL AGREEMENTS

OneVeLa

OneVeLa Removal Agreement

On October 9, 2024, the Authority agreed to the removal of the OneVeLa Urban Renewal Area from the Southwest Downtown Urban Renewal Plan to allow CSURA to proceed with the new OneVeLa Urban Renewal Plan. Because the original plan was adopted in 2001, the amendment does not create any new tax increment revenue sharing obligations. The Authority waived the statutory impact report requirement and certain notice, filing, and consent rights permitted under C.R.S. §§ 31-25-107(9.5)(b) and (11). No financial obligations or payment requirements are imposed on the CSDDA under this agreement.

OneVeLa Intergovernmental Agreement

On October 8, 2024, to formalize the administration of tax increment financing for the new OneVeLa Urban Renewal Plan, the Authority and CSURA established the allocation of TIF revenues generated within the OneVeLa Urban Renewal Area. Under the IGA, CSURA retains 80.00% of the TIF revenue derived from the CSDDA's 5 mill levy, and the CSDDA receives the remaining 20.00%, net of a 3.00% administrative fee, with payments made semi annually. The Authority continues to retain all revenues generated from the base valuation within the area. CSURA must use its share solely for eligible costs associated with the OneVeLa Urban Renewal Plan.

Tejon and Costilla

On December 14, 2018, CSURA and the Authority entered into an Intergovernmental Agreement (IGA) relating to the Tejon and Costilla Urban Renewal Plan within downtown Colorado Springs. The agreement was executed pursuant to the Colorado Urban Renewal Law and the Downtown Development Authority Law.

Under the IGA, the Authority consented to the adoption of the Tejon and Costilla Urban Renewal Plan and waived statutory notice, filing, and consent provisions as permitted under C.R.S. §§ 31-25-107(9.5)(b) and (11). The agreement establishes the allocation of tax increment financing (TIF) revenues generated within the Tejon and Costilla Urban Renewal Area. CSURA is entitled to 60.00% of the TIF revenue derived from the Authority's 5.000 mill levies, with the remaining 40.00%, net of a 3.00% administrative fee, remitted to the Authority and held in a separately maintained account. Revenue derived from the 5.00 mill levies on the base valuation remains fully with the Authority.

TIF revenues retained by CSURA must be used solely for eligible costs of the Tejon and Costilla Urban Renewal Project, including public improvements authorized under the Urban Renewal Law. The agreement creates no debt obligation or financial guarantee for the Authority beyond the agreed-upon revenue distribution.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 URBAN RENEWAL AGREEMENTS (CONTINUED)

City Gate 2.0

On March 14, 2023, CSURA and the Authority entered into an Intergovernmental Agreement (IGA) related to the City Gate 2.0 Urban Renewal Area. The agreement was established pursuant to the Colorado Urban Renewal Law and the Downtown Development Authority Law.

Under the IGA, the Authority consented to the City Gate 2.0 Urban Renewal Plan and waived statutory notice, filing, and consent provisions as permitted under C.R.S. Sections 31-25-107(9.5)(b) and (11). The agreement provides for the allocation of tax increment financing (TIF) revenues generated within the City Gate 2.0 Urban Renewal Area. CSURA retains 80 percent of the TIF revenue derived from the Authority's 5.00 mill levies, and the Authority receives the remaining 20.00%, net of a 3.00% administrative fee, with payments made semi-annually. Revenues generated from the five-mill levy on the base valuation remain with the Authority.

CSURA must use its share of TIF revenue solely for eligible expenses and improvements authorized under the Colorado Urban Renewal Law and in furtherance of the City Gate 2.0 Urban Renewal Plan. The IGA does not create any debt, guarantees, or long-term financial obligations for the Authority beyond the agreed-upon revenue allocation.

Moreno and Cascade

On October 30, 2025, CSURA and the Authority entered into an Intergovernmental Agreement (IGA) related to the Moreno and Cascade Urban Renewal Area. The agreement was executed pursuant to the Colorado Urban Renewal Law and the Downtown Development Authority Law.

Under the IGA, the Authority consented to the Moreno and Cascade Urban Renewal Plan and waived statutory notice, filing, and consent rights as permitted under C.R.S. Sections 31-25-107(9.5)(b) and (11). The agreement establishes the allocation of tax increment financing (TIF) revenues generated within the Moreno and Cascade Urban Renewal Area. CSURA retains 80 percent of the TIF revenue derived from the Authority's 5.00 mill levies, and the Authority receives the remaining 20.00%, net of a 3.00% administrative fee, with payments made semi-annually. Revenues generated from the five-mill levy on the base valuation remain with the Authority.

CSURA must use its share of TIF revenue solely for eligible expenses and improvements authorized under the Colorado Urban Renewal Law and in furtherance of the Moreno and Cascade Urban Renewal Plan. The IGA does not create any debt, guarantees, or long-term financial obligations for the Authority beyond the agreed-upon revenue allocation.

The city council has approved this agreement subsequent to December 31, 2025 and the agreement will be finalized upon CSURA executing the agreement with a retroactive effective date of October 30, 2025.

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 11 RELATED PARTY TRANSACTIONS

The Authority has entered into the following redevelopment agreements listed in Note 9, 333 ECO, LLC, 609 S Cascade LLC, 528 S Tejon, 322 Vermijo, and 312 Vermijo. Certain members of the Board of Directors are affiliated with those Organizations. In 2025, \$483,857 was paid under those agreements.

In 2018, the Authority entered into an agreement with CliftonLarsonAllen LLP (CLA) to provide consulting services. CLA is affiliated with a Board Member of the Authority. In 2025, \$18,505 was paid under this agreement.

NOTE 12 RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Authority maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 13 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Authority's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and Enterprise qualifications will require judicial interpretation.

On November 7, 2006, the Authority's voters authorized the Authority to increase property taxes \$750,000 annually, at a rate not to exceed five mills. The election also allows the Authority to collect, spend, and retain all revenues without regard to the limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR).

COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

OTHER INFORMATION

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025**

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied	Total Property Taxes		Percent Collected to Levied
			General Operations	Levied	Collected	
2021	\$ 164,423,390	7.03%	5.000	\$ 822,116	\$ 811,867	98.75 %
2022	183,264,840	11.46%	5.000	916,324	940,661	102.66 %
2023	189,070,420	3.17%	5.000	945,352	940,715	99.51 %
2024	220,646,580	16.70%	5.000	1,103,233	1,126,927	102.15 %
2025	216,026,710	-2.09%	5.000	1,080,134	1,102,243	102.05 %
Estimated for Year Ending December 31, 2026	\$ 249,275,910	12.98%	5.000	\$ 1,246,380		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

Source: El Paso County Assessor and Treasurer.

**COLORADO SPRINGS DOWNTOWN DEVELOPMENT AUTHORITY
SUMMARY OF INCREMENTAL ASSESSED VALUATION, MILL LEVY,
AND INCREMENTAL PROPERTY TAXES COLLECTED
YEAR ENDED DECEMBER 31, 2025**

Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy			Combined Mills Levied	Total Incremental Property Taxes		Percent Collected to Levied
	Total	Less:	Net		Levied	Collected	
	Assessed Valuation	Base Valuation	Increment Valuation				
2021	\$ 180,707,700	\$ 164,423,390	\$ 16,284,310	78.375-83.477	\$ 1,062,890	\$ 942,481	88.67 %
2022	207,729,220	183,264,840	24,464,380	78.375-83.477	1,381,800	1,048,568	75.88 %
2023	207,129,766	183,264,840	23,864,926	78.375-83.477	1,600,171	1,369,045	85.56 %
2024	279,571,140	189,070,420	90,500,720	78.375-83.477	2,313,123	2,113,269	91.36 %
2025	270,932,350	216,026,710	54,905,640	78.375-83.477	2,148,164	2,711,087	126.20 %
Estimated for Year Ending December 31, 2026	\$ 324,879,670	\$ 249,275,910	\$ 75,603,760	78.375-83.477	\$ 3,672,011		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

Source: El Paso County Assessor and Treasurer.