DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

BUILDING A VIBRANT DOWNTOWN DENVER

WHAT IS HAPPENING DOWNTOWN?

Downtown Denver’s post-pandemic economic recovery is lagging other parts of the city.

- Upper downtown, which is the traditional central business district from roughly Lawrence to Lincoln, has the highest concentration of commercial real estate in the region. But since the pandemic, commercial office vacancy rates in this part of downtown have more than doubled from 13% in 2019 to more than 30% in 2023.

- Overall, downtown lost 145 businesses from 2018 to 2022, a 26% decline. The hardest-hit have been food/beverage and neighborhood-serving businesses.

- No new housing has come online in the upper downtown area since 2020.

- Visitation to upper downtown has declined 30% since 2019. Among office employees, the decline is 45%. This impact is acutely felt at the ground floor level, where there are 13 different blocks that have at least three vacant or inactive storefronts (85 inactive spaces total).

- The impact is not limited to retail and office spaces. Of all of downtown’s major retail, academic, sports, and cultural offerings (museums, libraries, and theaters), only Ball Arena has met or exceeded its pre-pandemic visitation, thanks to two professional sports championships.

WHY DOES IT MATTER?

Strategic investment in Downtown Denver creates long-term economic growth and increases the tax base to support vital services citywide.

- Downtown has significantly underperformed in recent years. While citywide sales and use taxes rose by 40% from 2017 – 2023, sales and use taxes generated in Downtown Denver only grew by 1% during this same timeframe.

- Downtown produces more than 23 times its tax-assessable property value relative to land area. Representing less than 1% of Denver’s land mass, downtown produces more than 14% of the city’s tax assessed property value.

- As the center of the region’s public transportation network, Downtown Denver is ideal for employers looking to reach a large and diverse employment base and for prospective residents who want urban, walkable, and car-free living.

- Downtown already has core water, wastewater, broadband infrastructure, and allows denser development needed to accommodate future growth. New housing and job options downtown reduces growth pressures elsewhere in the city, and sprawl in the region.

- Downtown Denver is a source of pride for long-time Denver residents. Without intervention, it will continue to face a growing number of economic and social challenges.
WHAT IS THE CITY AND COUNTY OF DENVER DOING?

We are working with residents, businesses, and organizations to turn the tide of downtown.

- We are creating a shared vision for what makes a VIBRANT downtown neighborhood in this post-pandemic era and a long-term funding source via the Downtown Development Authority (DDA).

- The DDA is an existing innovative funding tool that will not increase property or sales taxes.

- By retaining the DDA and expanding its use, we can continue to fund strategic capital investments through 2038 – and leverage these to create a family-friendly, thriving, and vibrant downtown. Examples of capital investments may include:
  - More housing options, child care, and adaptive reuse of vacant office spaces
  - Activated public spaces that are welcoming and accessible to all
  - Keeping world-class businesses and employers where people want to shop and work

DID YOU KNOW?

The city has used a DDA since 2008 to finance the public rail and bus facilities at Union Station and to help preserve the station’s historic charm.

It has helped deliver ~$400 million in public transportation improvements used by thousands of people without raising taxes; however, it is currently limited to this project.

The city will work to update the DDA by December 2024.

TIMELINE

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<th>SPRING/SUMMER 2024</th>
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| Outreach and engagement with stakeholders, property owner interest portal open | Downtown Area Plan kicks off with downtown residents, businesses, & organizations; City Council refers ballot measure. | Vibrant Denver citywide outreach; District special election; City Council actions to update and expand DDA | Property owner petition process formally begins. | Informed by 2024 outreach, city releases application for funding downtown revitalization projects | Anticipated availability of DDA funding for approved projects

LEARN MORE!

Visit Denvergov.org/DDA or scan the QR code.