



## State of Downtown Colorado Springs 2022 Executive Summary

### Development & Investment

- Downtown is experiencing \$2.15 billion in completed, under construction or announced new development – a 25 percent increase and \$400 million over the year prior.
- About half of the investment pipeline represents multifamily projects.
- The \$264 million value in Downtown building permits filed in 2021 represents 15 percent of permit values citywide.
- An estimated \$600 million in Downtown projects are leveraging Qualified Opportunity Funds as part of their capital stack.

### Residential

- About 3,000 residential units will be completed, under construction or breaking ground in 2022, with another roughly 2,000 in the near-term pipeline.
- About 700 units in the residential pipeline can be categorized as affordable, with another roughly 450 hovering around Area Median Income (AMI).
- Downtown asking rents per unit hit \$1,654 – compared with \$1,339 average citywide.

### Shopping & Dining

- Downtown ended 2021 with 38 new storefront businesses opened – believed to be a record. About a dozen new businesses already have announced for 2022.
- Gross sales Downtown hit over \$410 million in 2021 – a 24 percent increase over 2020 and a 4 percent increase over 2019.
- Vacancy rates by Q4 2021 stood at just 3 percent, slightly lower than the citywide 4.9 percent.
- Average rents Downtown have jumped by 35 percent in two years – an indicator of demand yet also a challenge in maintaining the unique local character of Downtown.

### Tourism & Attractions

- The three Downtown attractions made possible by the City for Champions initiative brought just over 350,000 patrons to Downtown in 2021. That's made up of about 200,000 at Weidner Field (half of which were for Switchbacks games and half for concerts, tournaments, graduations, and special events); 35,592 ticketed visitors at Ed Robson Arena (every Colorado College Tiger home game sold out); and 115,000 visitors at the U.S. Olympic & Paralympic Museum (more than 9,000 ZIP codes represented).
- Downtown delivered 161 new hotel rooms with the openings of Kinship Landing and Hyatt Place.
- Downtown's hotel occupancy rate was 62 percent, which compares with 48 percent in 2020 and 70 percent in 2019 (pre-pandemic year).



### **Office, Business & Talent**

- Bucking pandemic trends, Downtown office vacancy rates have stayed level, ending the year at 4 percent, down slightly from 4.1 percent the year prior. Downtown vacancy rates remain significantly lower than citywide.
- For the first time in five years, base rents have stalled: \$16.97 in 2020 and \$16.88 in 2021.
- At just over \$30 million, sales volume was the second highest seen Downtown in at least a decade.
- With 77,086 total sqf leased in 2021, net absorption moved from negative to positive by about 19,000 sqf.
- Months on market in 2021 peaked at a median of 17.5 months compared to a median of 11.5-14 months during years 2017-2020. This is reflective of a few long-stagnant properties being snatched up as more buyers see opportunities in previously neglected spaces.
- 2021 employee visits to Downtown were 29 percent less than the pre-pandemic year of 2019 – a challenge, but far better than what is being reported by many urban areas.

### **Mobility & Outdoors**

- Nearly 24,000 riders on PikeRide bike share or scooters traveled 116,611 miles in 2021 – resulting in 4.8 million pounds of carbon emission reduction.

### **Arts, Culture & Entertainment**

- With a Creative Vitality Index score of 4.77, Downtown boasts nearly five times the national average of creative activity and employment.
- About one-third of the storefront businesses that opened Downtown last year bolster the cultural offerings of the city center. These include live music venues Epiphany and Fritzy's (plus the late-2020 opening of ICONS); La Burla Bee, offering the art of burlesque; G44 Gallery, which after nine years on the westside moved to Downtown; the Rocky Mountain Motorcycle Museum; the new Southern Colorado Public Media Center; and the Movement Gallery, operated by Dance Alliance of the Pikes Peak Region.

Complete report available at [DowntownCS.com/Reports](https://DowntownCS.com/Reports)

### **Additional information:**

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