

November 19, 2024

Denver City Council
1437 Bannock St Room 451
Denver, CO 80202

Dear City Councilmembers:

We are writing to share our concerns about the petition for exclusion from our business improvement district filed by Chair Five Equities, LLC, scheduled for a public hearing before City Council on December 2, 2024.

We have worked closely with the Chair Five Equities owners since 2014 and appreciate their friendship and involvement in the district. **However, we believe that this action, if approved by the City Council, will set a critical citywide precedent and adversely affect our business improvement district.**

The Colfax Mayfair Business Improvement District was created by commercial property owners and tenants in 2014, who agreed to assess themselves annually to pay for services above the City's standard level to improve the area and support local businesses. We serve approximately 200 property and business owners on East Colfax Avenue from Eudora Street to Monaco Parkway and in the Mayfair Town Center at Krameria Street and 14th Avenue (see map below). Our modest annual budget of approximately \$144,000 is focused on priorities established by the ratepayers: economic development, public improvements, public safety, and advocacy.

Citywide Precedent

There are 10 business improvement districts in the City and County of Denver involving many thousands of businesses committed to supporting and advancing our City's core downtown, main streets, town centers, shopping districts and visitor destinations. These include districts in Downtown Denver, RiNo, Cherry Creek, Five Points, Santa Fe, Federal Boulevard, and the Colfax Corridor. It is our understanding that **this is the first petition for exclusion from any BID submitted to the City and County of Denver.**

1. The process for petitioning out of a BID simply requires a property owner to identify themselves, their property, pay \$100 and say they want to be excluded from the district. There is no requirement to make any case for this action. It is unfair for one or more disgruntled rate payers to simply "opt out" with ease, while the district must still provide services that benefit the district as a whole.
2. Property owners have other options to affect change, according to the BID statute. They can engage directly with the staff and board; appeal to the board during meetings about annual workplans and public hearings regarding the annual assessment roll and budget; apply to serve on the board; participate in a process to change the assessment methodology or operating plan, or even organize an effort to terminate the district. The board and staff of our district have met individually and as a group with the applicant on many occasions.

3. Easy exclusion from business improvement districts would undermine the key premises of a special district—that everyone contributes to improving an area for the greater good; and that the district can be a partner with the city, leveraging efforts and resources to enhance economic activity, safety, small business development and more.

Adverse Impact to the District

Our board believes that the exclusion of property at 6201 E 14th Avenue and 1401 N Leyden Street would adversely impact the district in many ways:

1. This is a major property in the heart of the Mayfair Town Center, identified in the East Area Plan, the Mayfair Town Center Plan and the Colfax Mayfair BID as a community gathering place offering daily goods and services to local neighborhoods.
2. Crime and Safety: It is also located in a crime and safety hot spot in our district, with very limited nighttime lighting and streetscape amenities on the public right of way on the property perimeter. Community efforts are underway to address crime and safety, with the BID as an active participant.
3. Access to transit and essential services: the property is also located between the Colfax & Krameria Street RTD Route 15 (and future BRT) station and 14th Avenue. The Krameria station serves the general public as well as area workers, seniors, people with disabilities and medical conditions needing access to healthcare services, pharmacies and two grocery stores located immediately north and south of the subject property.
 - a. Since 2015, the BID has successfully advocated for bond-funded streetscape and safety improvements in the public right of way on the Krameria Street and Leyden Street edges of the subject property to make pedestrian access to transit and services safer and more comfortable. The BID will maintain new pedestrian lights, street trees, trash cans, and bike racks.
 - b. If this property is excluded from the district, streetscape improvements will not be installed on the property's edges, affecting safety and transit access for all users.
4. District marketing: The property is at the southern gateway to the district on 14th and Krameria Street, inviting the community in and providing marketing opportunities.
5. District revenue and service provision: The annual assessment paid by the property owner (approximately \$4,280) is needed by the district to maintain new streetscape improvements and provide BID services to ratepayers. If the property is excluded, the BID's budget will be materially impacted.
6. Process fairness: the BID and its funding structure were voted into existence by property owners through an organizational election in 2014. It was subsequently renewed in accordance with state statute and city procedures in 2024. A BID is fundamentally a vote by private property owners to contribute toward enhanced services for a defined area that benefits all ratepayers. It is a "greater good" effort, not a "return on investment" proposition for individual property owners. In addition, if the property is excluded from the BID, the

property will continue to receive the tangential benefits of the services provided by the BID in the surrounding area, but without paying its fair share.

Exhibit: Colfax Mayfair Business Improvement District Map
Subject property highlighted



Obligation of City Council

Pursuant to the BID statute (Sec. 31-25-1220 (2)), City Council should allow the requested exclusion only if the change of boundaries does not adversely affect the district. For the many reasons stated above, the proposed exclusion will adversely affect the BID and the request should be denied.

Thank you for your careful consideration of this unprecedented situation, and for your support of local business in the City and County of Denver.

Sincerely,

Hilarie Portell, Executive Director
Colfax Mayfair Business Improvement District

Cc:

- Dan Murray, Board Chair and Owner, Suburban Toppers
- Candace Wickstrom, Board Vice-Chair and Owner, City Floral Garden Center
- Barbara MacFarlane, Secretary/Treasurer and Owner, Marcyk Fine Foods
- Nathan Beal, Board Member and Owner, Saint Bernard Properties
- Michael Bruntz, Board Member and Owner, Mozart's Denver
- Taylor Woodard, Board Member and Owner, The Shop Outpost