



2025 Plan & Budget Approvals - General Improvement Districts (GIDs), Business Improvement Districts (BIDs) & Tourism Improvement District (TID)

Dennis Wegienek, Department of Finance
November 6, 2024

Agenda

- Requested City Council Actions
- District Overviews
- Annual Review Process
- Budgets
- Q&A



City Council Requested Actions

Business Improvement Districts (BIDs)

Approve annual work plans and budgets for each of the twelve BIDs, CB24-1544 thru 1555

General Improvement Districts (GIDs)

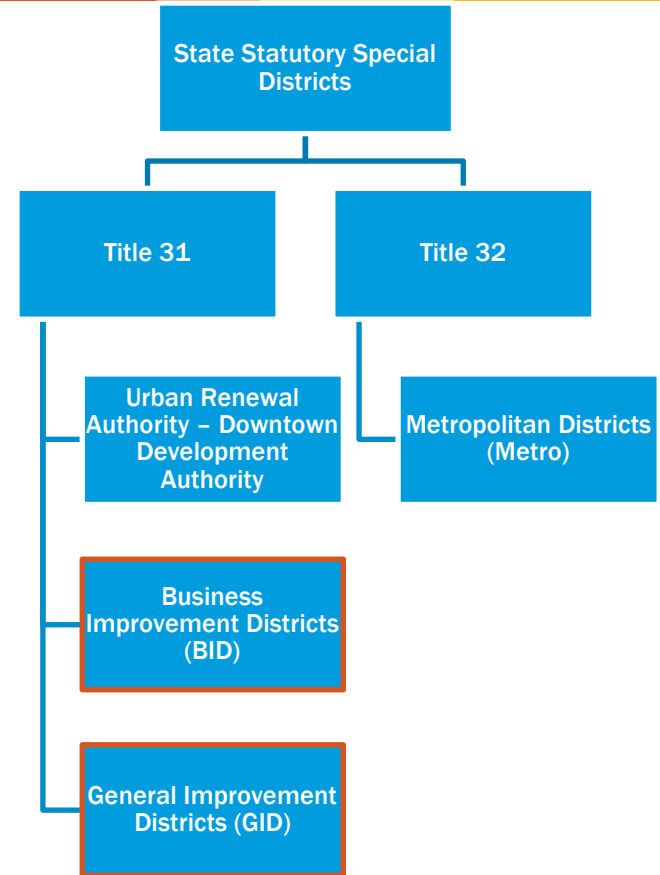
Approve annual work plans and budgets for each of the four GIDs, CB24-1556 thru 1559

Tourism Improvement District (TID)

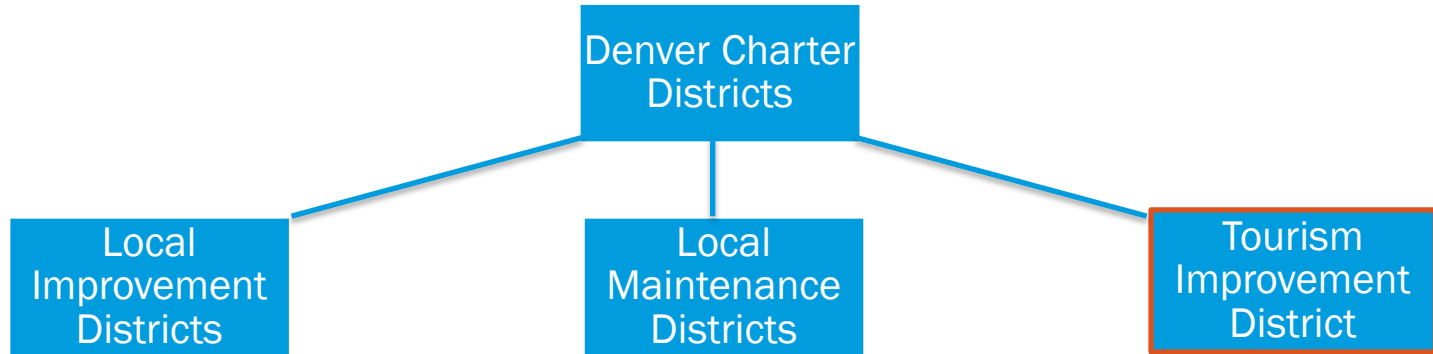
Approve annual work plans and budgets for the tourism improvement district, CB24-1560

December 5 is the statutory and ordinance deadline for City Council to approve or disapprove the special districts' budgets and plans

State Statutory Special Districts



Denver Charter Districts

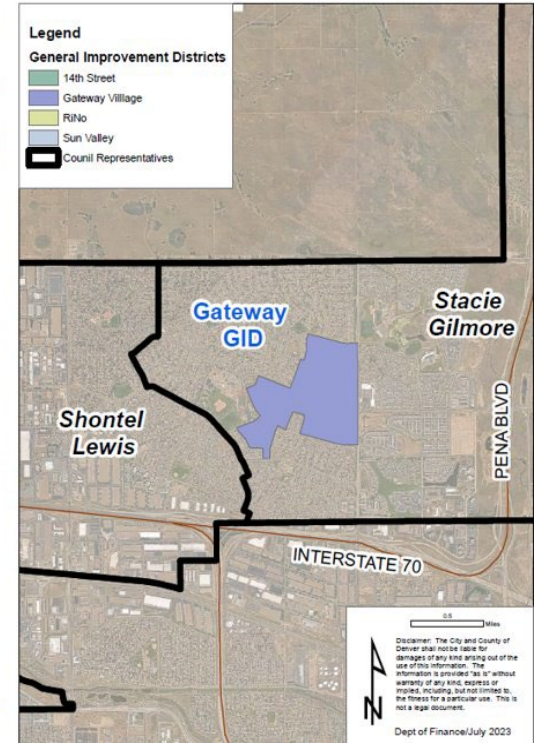
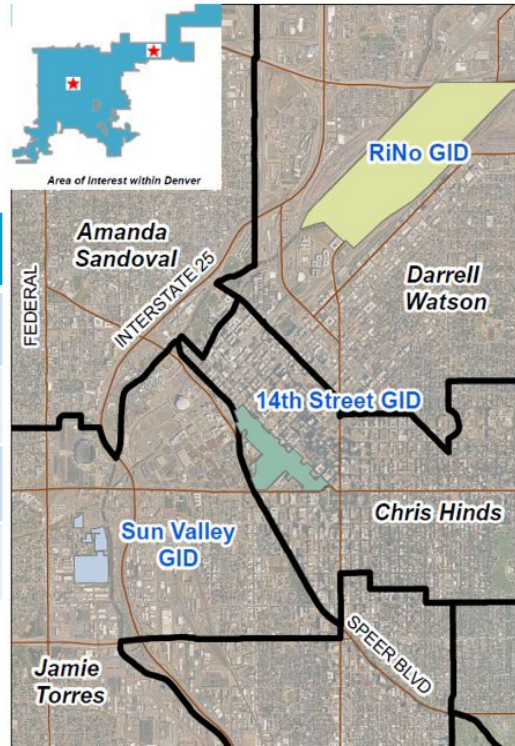


District Structures

	Statutory Districts			City Charter District
	Metro Districts	GID	BID	TID
Primary Purpose	Public Infrastructure & Maintenance	Public Infrastructure & Maintenance	Economic Development & Marketing	Tourism Improvements & Services
District Eligible Properties	Commercial & Residential	Commercial & Residential	Commercial Only	50+ Room Lodging Establishments
Governance	Board of Directors	City Council as Board of Directors	Board of Directors	Board of Directors
Revenue Generation	Raised through property owners (taxes, rates, fees, tolls, charges)			
How Created	Service Plan	Creation Ordinance	Creation Ordinance	Creation Ordinance
	Created by local vote of the eligible electorate			
Debt Authority	Financing available if approved by voters			
Annual Budget Approval	Board of Directors	City Council as Board of Directors	Board of Directors & City Council	Board of Directors & City Council

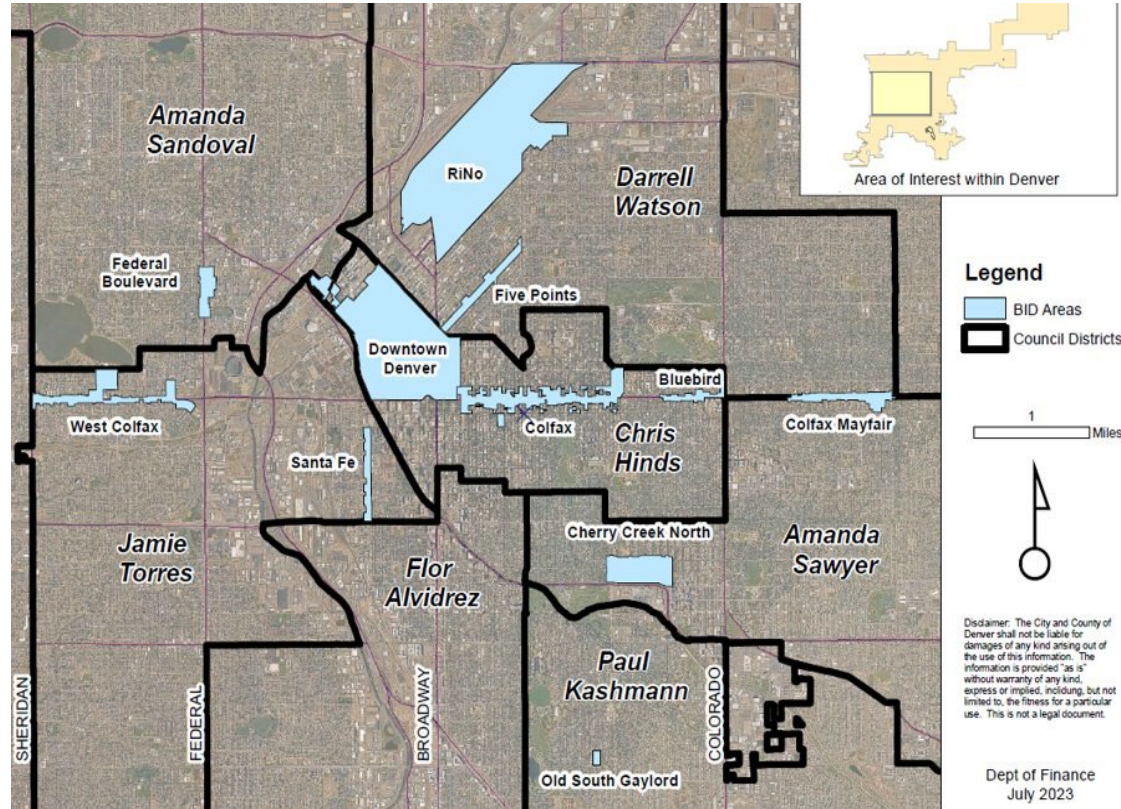
GIDs in the City

No.	Year Created	General Improvement District
1	1994	Gateway Village GID
2	2009	Denver 14 th St. GID
3	2015	RiNo GID
4	2022	Sun Valley Denver GID



BIDs in the City

No.	Year Created	Business Improvement District
1	1988	Cherry Creek North BID
2	1989	Colfax BID
3	1990	Old South Gaylord BID
4	1992	Cherry Creek Subarea BID
5	1992	Downtown Denver BID
6	2006	West Colfax BID
7	2012	Federal Blvd. BID
8	2013	Bluebird BID
9	2014	Colfax-Mayfair BID
10	2014	Santa Fe BID
11	2015	RiNo BID
12	2016	Five Points BID



Annual Review Process

City Requests Financial and Informational Items:

- Budget and work/operating plans
- Estimated year end financial results
- Status of existing and new debt
- Results of audits conducted during year (third-party CPA financial audits)
- Informational items of board of directors and board actions during year

DOF Review:

- Analyze budgets, audits, and planned debt

City Council:

- Vote on budgets and plans as required by state statute for the BIDs and creation ordinances for GIDs and TID



General Improvement Districts (GIDs) – Budgets

2024 GID Highlights

Audits

- 14th St., Gateway Village, and RiNo Denver GIDs received positive unqualified audit opinions
- Sun Valley Denver GID not required to perform an audit yet

Debt: All GID debt payments are current

- 14th St. GID expected debt balance of \$2.5M at Y.E. '24
- RiNo Denver GID expected debt balance of \$1.5M at Y.E. '24

2024 Expected Spending vs. Original Budget

- Gateway Village GID revenues and expenditures expected to be lower than budgeted due to lack of capital transfer and delays in infrastructure improvements
- 14th St. GID expected revenues and expenses are close to approved budget
- RiNo Denver GID expected revenues are close to approved budget. However, expenditures are lower than expected due to delays in infrastructure improvement
- Sun Valley GID has not set up its PILOT arrangements yet, resulting in lower than anticipated revenue

2025 GID Budgets

#	GID Name	2025 Projected Mills/Charges (Change from 2024)	2025 Budgeted Revenue (Change from 2024)	2025 Budgeted Expense (Change From 2024)	Forecasted Year End '24 G.O. Debt
1	Gateway Village GID	10 Mills (0%)	\$445,772 (-1.8%)	\$1,835,355 (243.2%)	\$0
2	14th Street GID				
	Capital Charge	\$310,753 (1.17%)	\$604,655 (1.6%)	\$595,930 (1.8%)	\$2,570,000
	Maintenance Charge	\$224,431 (3.0%)			
	Total	\$535,184 (1.93%)			
3	RiNo GID				
	Mills	4 Mills (0%)	\$1,972,327 (4.3%)	\$2,602,238 (123.5%)	\$1,498,267
	Assessment	\$16.65			
4	Sun Valley Denver GID	6 Mills	\$87,000 (658.7%)	\$86,000 (650.0%)	\$0

2025 GID Highlights

Gateway Village GID

- District's revenues are constant; expenditures are increasing from fund balance
- District plans on completing infrastructure improvements and landscape project in 2025

14th St. GID

- District's revenue and expenditures remain insignificantly different from 2024
- Expense growth in 2025 mostly due to higher maintenance expenses for seasonal planting

RiNo Denver GID

- Growth in District revenue in 2025 is driven primarily by increased specific ownership tax
- Expenses anticipated to increase in 2025 as District spends it greater resources on capital improvement investments which were delayed in 2024

Sun Valley Denver GID

- In 2025, District anticipates setting up its PILOT arrangements to generate revenue as the site is developed
- District expects to expend its funds on irrigation/landscape maintenance, district management, and legal



Business Improvement Districts (BIDs) – Budgets

2024 BID Highlights

- **Audits:**

- Cherry Creek North, Colfax, Downtown Denver, and RiNo received positive unqualified audit opinions
- Others not required to perform an audit

- **Debt:**

- Cherry Creek North BID is the only BID with debt and is current on payments. The District's expected principal balance is \$8.61M at year-end 2024
- Colfax Ave. BID authorized \$2.5M in 2017 but has yet to issue

- **2024 Expected Expenses vs. Budget:**

- Districts requiring budget amendments include Cherry Creek North, Colfax-Mayfair, and West Colfax

2025 BID Budgets

#	BID Name	2025 Projected Mills/Charges (Change from 2024)	2025 Budgeted Revenue (Change from 2024)	2025 Budgeted Expense (Change from 2024)	Forecasted Year End '24 G.O. Debt
1	Bluebird BID	10.000 Mills (0%)	\$176,254 (7.5%)	\$172,651 (23.5%)	\$0
2	Cherry Creek North BID Lodging Fee Mills	\$600,000 (20%) 17.962 Mills (0%)	\$10,657,716 (6.9%)	\$10,493,489 (9.4%)	\$8,610,000
3	Cherry Creek Subarea BID	Cannot exceed \$15k	\$15,250 (-3.1%)	\$19,500 (138.3%)	\$0
4	Colfax Ave BID	10.100 Mills (0%)	\$1,105,391 (-2.6%)	\$1,270,147 (6.1%)	\$0
5	Colfax-Mayfair BID Assessment - Lot Size Assessment - Above Grade Assessment - Below Grade	\$0.083/SF \$0.083/SF \$0.0415/SF	\$149,606 (3.9%)	\$137,845 (-3.9%)	\$0

2025 BID Budgets

#	BID Name	2025 Projected Mills/Charges (Change from 2024)	2025 Budgeted Revenue (Change from 2024)	2025 Budgeted Expense (Change From 2024)	Forecasted Year End '24 G.O. Debt
6	Downtown Denver BID	Assessment based on building size, land size and geographic location	\$13,894,983 (26.5%)	\$13,987,377 (24.9%)	\$0
7	Federal Blvd BID	7.000 Mills (0%)	\$127,144 (41.6%)	\$149,166 (40.2%)	\$0
8	Five Points BID	10.000 Mills (0%)	\$362,621 (-2.7%)	\$493,603 (35.9%)	\$0
9	Old S. Gaylord BID	5.500 Mills (N/A)	\$71,596 (11.4%)	\$71,596 (28.3%)	\$0
10	RiNo BID	4.000 Mills (0%)	\$3,108,109 (8.1%)	\$3,474,800 (65.6%)	\$0
11	Santa Fe BID				
	Street Frontage Assessment	\$11.24/LF (11.1%)	\$204,839 (34.0%)	\$204,830 (38.8%)	\$0
	Building Size Assessment	\$0.12/SF (9%)			
12	West Colfax BID	\$0.157/SF	\$436,501 (83.8%)	\$460,938 (79.8%)	\$0

Select BID 2025 Activity

- **Bluebird:** Maintenance and streetscape improvements, pilot a program that provides wrap-around services for area employees; BRT planning, outreach, and marketing
- **Cherry Creek North:** Continue maintenance and marketing activities; capital and landscape improvements
- **Cherry Creek Subarea:** Maintenance of District landscaping
- **Colfax:** Continue streetscape and maintenance services, work with groups to bring more mental health resources to Colfax, continue slate of events, and help fill vacant spaces
- **Colfax Mayfair:** Support District businesses through economic development and construction impact programs, safety, and maintenance
- **Downtown Denver:** Snow removal, landscape and streetscape maintenance, cleaning, and marketing of the District; support 16th Street reconstruction; support Skyline Park

Select BID 2025 Activity

- **Federal Blvd:** Physical improvements, economic development, and other marketing-related upgrades like a new website under development
- **Five Points:** Maintenance, safety, and marketing for the District, and sponsorship of up to 40 events in 2025
- **Old S. Gaylord:** Continue maintenance of District assets; upgrades to planter beds and landscaping are underway
- **RiNo:** Advocacy, marketing, and maintenance; continue tree canopy project, Denver Walls mural festival, and funding social impact grants
- **Santa Fe:** Maintain District amenities and continue supporting street closures for First Friday Art Walks in August
- **West Colfax:** Maintenance of District assets and business support; supporting District events, and advocate for more iconic Colfax signage and other beautification efforts



Tourism Improvement District

2025 Annual Plan

TID Creation and Purpose

- First TID in Colorado (created in 2017)
- Imposes a 1% tax on the purchase of lodging at all hotels with 50 or more rooms in the City and County of Denver to be used for, in order of priority:
 - Colorado Convention Center (CCC) expansion - \$3.45M annually for support of city's \$129M Certificate of Participation (COP)
 - CCC future capital improvements - 10% of district revenues to be allocated for future improvements
 - Marketing and promotions - VISIT DENVER to use remaining revenues for convention and leisure visitor marketing

TID Governance

- IGA between TID and City approved December 2017
- Board of Directors:
 - Chris Cheney, VP Hotel and Performance, Stonebridge Companies
 - Amanda Parsons, General Manager, The Thompson Denver
 - Walter Isenberg, President & CEO, Sage Hospitality
 - Greg Leonard, General Manager, Hyatt Regency at the Colorado Convention Center
 - Allen Paty, General Manager, Pyramid Global Hospitality
 - Siiri Lobe, Director of Sales and Marketing, Sheraton Denver Downtown Hotel
 - Richard Scharf, President & CEO, VISIT DENVER (ex officio)
 - Vacant

2024 TID Budget Performance

Name	2024 Projected Year End Revenue (Change from budget)	2024 Projected Year End Expense (Change from budget)
Denver Tourism Improvement District	\$11,300,000 (-0.8%)	\$11,300,000 (-0.8%)

- CCC COP obligations to the city are being met
- CCC capital improvements are expected to be funded with ~\$1.2M of TID revenues
- In 2024, the TID continued its various campaigns including regional leisure marketing, client concessions and incentives, holiday advertising, and online travel agency co-operative
 - The District’s “Do More Denver” campaign has helped generate an estimated 178,000 room night rentals and more than \$32M in hotel sales through July alone

2025 TID Budget Change Summary

Name	2025 Projected Tax (Change from 2024)	2025 Budgeted Revenue (Change from 2024)	2025 Budgeted Expense (Change from 2024)
Denver Tourism Improvement District	1% (0%)	\$11,700,000 (3.54%)	\$11,700,000 (3.54%)

- Lodger’s tax collection is projected to increase 2.63% compared to the original 2024 budget; a 3.54% increase compared to the amended 2024 budget
- After CCC COP and 10% CCC capital improvement obligations are met, projecting there will be approximately \$6.7M for marketing or promotional efforts in 2025

2025 TID Activities

- Continued holiday season marketing campaign highlighting the Mile High Tree targeting tv, digital banners, electronic newsletters, radio, billboards, and other mediums
- Anticipate continuing to offer convention center discounts and financial incentives to book large citywide business
- Helped launch new effort to assist with hospitality workforce recruitment, development and training
- Regional marketing campaign based on music concerts, cultural events/exhibitions, and festivals
- Support an online travel cooperative and target advertising for specific Denver events
- Accrue District revenues for future capital improvements. Not expected to expend any capital improvement funds during 2024

Legislative Schedule

November 6

- Business, Arts, Workforce, Climate & Aviation Committee

November 12

- Mayor-Council

November 18

- City Council first reading for BID and TID ordinances

November 25

- City Council second reading for BID and TID ordinance
- City Council acts as ex-officio GID board and holds four public hearings for each GID work plan and budget



Questions?