

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **9am on Friday**. Contact the Mayor's Legislative team with questions

Date of Request: October 20, 2023

Please mark one: ☒ Bill Request or ☐ Resolution Request

1. Type of Request:

- ☐ Contract/Grant Agreement ☐ Intergovernmental Agreement (IGA) ☐ Rezoning/Text Amendment
- ☐ Dedication/Vacation ☐ Appropriation/Supplemental ☐ DRMC Change
- ☒ Other: Approve the 2024 Annual Plan and an amended 2023 Operating Budget for the Denver Tourism Improvement District

2. **Title:** A bill for an ordinance approving the 2024 Annual Plan and Operating Budget and an amended 2023 Operating Budget for the Denver Tourism Improvement District.

3. **Requesting Agency:** Finance

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Michael Kerrigan - Finance	Name: Carolina Flores - Finance
Email: michael.kerrigan@denvergov.org	Email: carolina.flores@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

The Denver Tourism Improvement District (the "TID") creation ordinance requires the TID to submit to City Council an Annual Plan and Operating Budget for the upcoming year which will outline the TID's revenues, expenditures, projects, and goals. This ordinance represents the City's approval of the Annual Plan and Operating Budget for the District.

6. City Attorney assigned to this request (if applicable):

Brad Neiman

7. City Council District:

Citywide

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

N/A

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

EXECUTIVE SUMMARY

The Denver Tourism Improvement District (the “TID”) was created when City Council passed ordinance number 2017-0883 and subsequently the TID electors approved the ability of the TID to levy a 1% tax on the purchase of lodging in the City and County of Denver within hotels that contain 50 or more rooms. The TID creation ordinance requires the TID to create an Annual Plan and Operating Budget and seek approval from City Council. The Annual Plan and Operating Budget is the TID Board of Directors’ annual report outlining the TID’s revenues, expenditures, projects, and goals. The Annual Plan and Operating Budget for the TID is submitted annually.

General Description of District and Location: The TID boundaries are coterminous with the boundaries of the City and County of Denver and includes all lodging businesses with 50 or more rooms in the City. As of the 2023 Annual Plan and Operating Budget, the TID expects to include 130 hotels and approximately 25,000 hotel rooms by the end of 2023.

District Purpose: The TID was created with three primary purposes 1) to pledge up to \$3.8 million per year in support of the City’s certificate of participation financing for the Colorado Convention Center (“CCC”) expansion and improvement; 2) to fund future capital improvements and maintenance for the CCC; and 3) to generate revenues for marketing and promotional use by Visit Denver to bring convention and leisure visitors to Denver.

District Structure: The Board of Directors oversees the operations of the TID. The Board has contracted with Visit Denver to provide management functions for the TID. The Board is comprised of seven members. After holding a public hearing, the Board has put forth the TID’s 2024 Annual Plan and Operating Budget and 2023 amended Operating Budget. The amended 2023 Operating Budget contemplates total revenues of \$11,000,000 versus originally budget revenues of \$10,200,000 and total expenditures of \$11,000,000 versus originally budgeted expenditures of \$10,200,000. The 2024 Operating Budget proposes total expenditures of \$11,400,000, of which \$6,698,000 are for marketing and promotions, \$3,448,000 are for payments in support of the City’s outstanding CCC certificates of participation, \$1,140,000 to fund future capital expansions and maintenance of the CCC, and \$114,000 is for administration. The TID has no debt and will continue to assess a 1% tax on lodging purchases in 2024 within hotels that contain 50 or more rooms.

Schedule by Legislative Action

2024 BID & TID Budget Ordinance Calendar:

Date	Item	Notes
10/20/2023	BID & TID Budget and Operating Plan Ordinance: Ordinance Request Deadline	
11/1/2023 (Biz)	BID & TID Budget and Operating Plan Ordinance: Biz Committee or Consent	Presentation - assumes joint presentation on BIDs, GIDs, and TIDs
11/7/2023	BID & TID Budget and Operating Plan Ordinance: Mayor-Council	
11/8/2023 at Noon	BID & TID Budget and Operating Plan Ordinance: Deadline for CAO to file Ordinances	
11/13/2023	BID & TID Budget and Operating Plan Ordinance: City Council - First Reading	
11/20/2023	BID & TID Budget and Operating Plan Ordinance: City Council - Second Reading	No public hearing is required

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