

## ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by **9 am 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 Operating Plan and Budget and amend the 2023 Budget for the Cherry Creek North Business Improvement District

**2. Title:** A bill for an ordinance approving a 2024 Operating Plan and Budget and amending the 2023 Budget for the Cherry Creek North Business 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: <a href="mailto:michael.kerrigan@denvergov.org">michael.kerrigan@denvergov.org</a> | Email: <a href="mailto:carolina.flores@denvergov.org">carolina.flores@denvergov.org</a> |

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

State statute requires that City Council approves or disapproves the BID budget for the upcoming year. The ordinance represents the City's approval for the expenditures and revenues necessary to execute the responsibilities of the district.

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

Brad Neiman

**7. City Council District:**

Council District #5 – Councilwoman Sawyer

**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

Business Improvement Districts (BID's) are organized for the benefit of commercial properties to assist with infrastructure improvements and their maintenance, as well as having the ability to perform marketing and economic development activities. This is the annual operating plan and budget for **Cherry Creek North Business Improvement District** ("CCN" or the "District").

**General Description of District and Location:** The District is located just southeast of central downtown Denver and covers a 16-block area. The CCN boundaries generally are University Boulevard on the west, Steele Street on the east, between 1st and 3rd Ave.

The District encompasses a mixed-use area including retail, office and residential development that was originally created to fund and maintain streetscape improvements installed in 1989. Since then the District has experienced significant growth prompting it to implement a Capital Improvement Plan to revitalize the area. Improvements constructed in 2010-2011 totaled \$18.5M and included: improvements to Fillmore Plaza, streetscape enhancements, lighting, signage and directories. The District issued bonds to finance this work and through the years has advance-refunded the original bonds to take advantage of interest rate and maturity savings. As of year-end 2023, the District expects to have \$9,720,000 in principal debt outstanding.

The District also provides services such as:

- Maintenance
- Marketing & advertising of district events & programs
- Security for businesses & public areas within the District
- Snow & trash collection.

Operations, improvements, and debt service of the BID are financed by a mill levy assessed only on taxable commercial real property within the District. Additionally, the District has authorized a Lodging Fee to be paid by hotels within the District's boundaries. The District plans to assess a 17.642 total mill levy during 2024. Additionally, the District anticipates collecting \$500,000 in Lodging Fees in 2024. The total budgeted expenditures and reserve allocations for 2024 are **\$9,069,330**. The 2023 amended budget includes a new revenue line item of \$210,000 for Lodging Fees collected in 2023, resulting in total revenues of \$7,332,153 versus original revenues of \$6,976,950; the 2023 amended budget includes budgetary expenditures of \$7,612,050 versus original expenditures of \$7,382,839.

**District Structure:** The Board of Directors oversees the operations of the District. These duties include annually recommending the mill levy to be imposed to support operational activities, a work plan, and a budget. The District has a 13-member Board of Directors which is currently composed of 12 electors with 1 vacant seat.

For all BIDs that have mill levies: City Council will pass a resolution in December to levy all special district mill levies for the 2024 budget year.

### 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                                     |

*To be completed by Mayor's Legislative Team:*

Resolution/Bill Number: \_\_\_\_\_

Date Entered: \_\_\_\_\_