

General Improvement Districts (GIDs) Business Improvement Districts (BIDs) & Tourism Improvement District (TID)

2020 Plan & Budget Approvals & Five Points & Federal Blvd. BID Board Expansions

Department of Finance
Capital Planning and Programming Division



City Council Requested Action

18 Action Items:

- Approve Annual Work Plans and Budgets for each of the 3 GIDs, 12 BIDs, and 1 TID.
- Approve expansion of Five Points & Federal Blvd. BID boards of directors

Recommendation:

Approve annual plans and budgets for each GID, BID, and TID. Approve the Five Points & Federal Blvd. BID boards of directors expansion.

Schedule:

- Oct. 22nd - Committee Presentation
- Oct. 29th - Mayor Council
- Nov. 4th & 12th - Announce Public Hearing for each GID Work Plan and Budget at City Council meeting.
- Nov. 12th (Tues.) - 1st Reading for BID and TID Ordinances
- Nov. 18th - 2nd Reading for BID and TID Ordinances
- City Council acting as GID Board holds 3 Public Hearings for GID Work Plan and Budget.



Types of Districts

State Statutory Special Districts

Title 32: Special District Act of 1981

Metropolitan Districts

Title 31

General Improvement Districts

Business Improvement Districts

Urban Renewal Authority
Downtown Development Authority

Denver Charter Districts

Local Improvement Districts

Local Maintenance Districts

Tourism Improvement Districts



District Structures

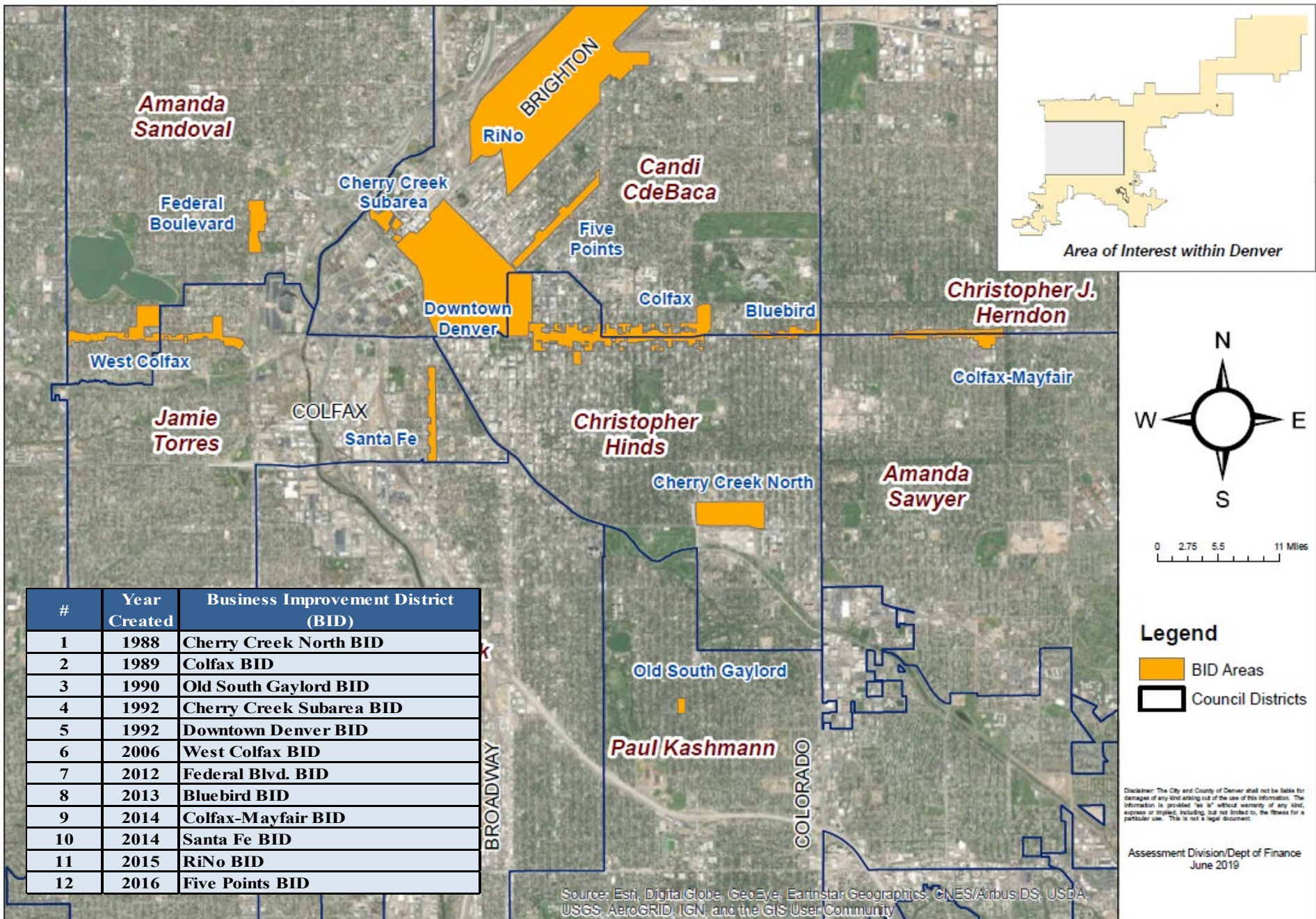
	Statutory Districts			City Charter District
	Metro Districts (Title 32)	GID (Title 31)	BID (Title 31)	TID
Primary Purpose	Public Infrastructure & Maintenance	Public Infrastructure & Maintenance	Economic Development & Marketing	Tourism Improvements & Services
District Eligible Properties	Commercial & 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 increased property owner burden. (Taxes, Rates, Fees Tolls, Charges)			
How Created	Service Plan Approval	Creation Ordinance Approval	Creation Ordinance Approval	Creation Ordinance Approval
	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

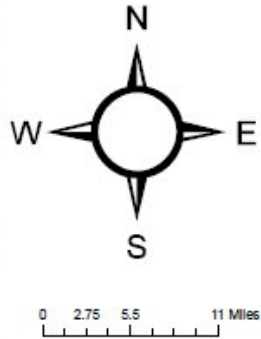


#	Year Created	General Improvement District (GID)
1	1994	Gateway Village GID
2	2009	Denver 14th St. GID
3	2015	RiNo GID

BUSINESS IMPROVEMENT DISTRICTS WITHIN DENVER



#	Year Created	Business Improvement District (BID)
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



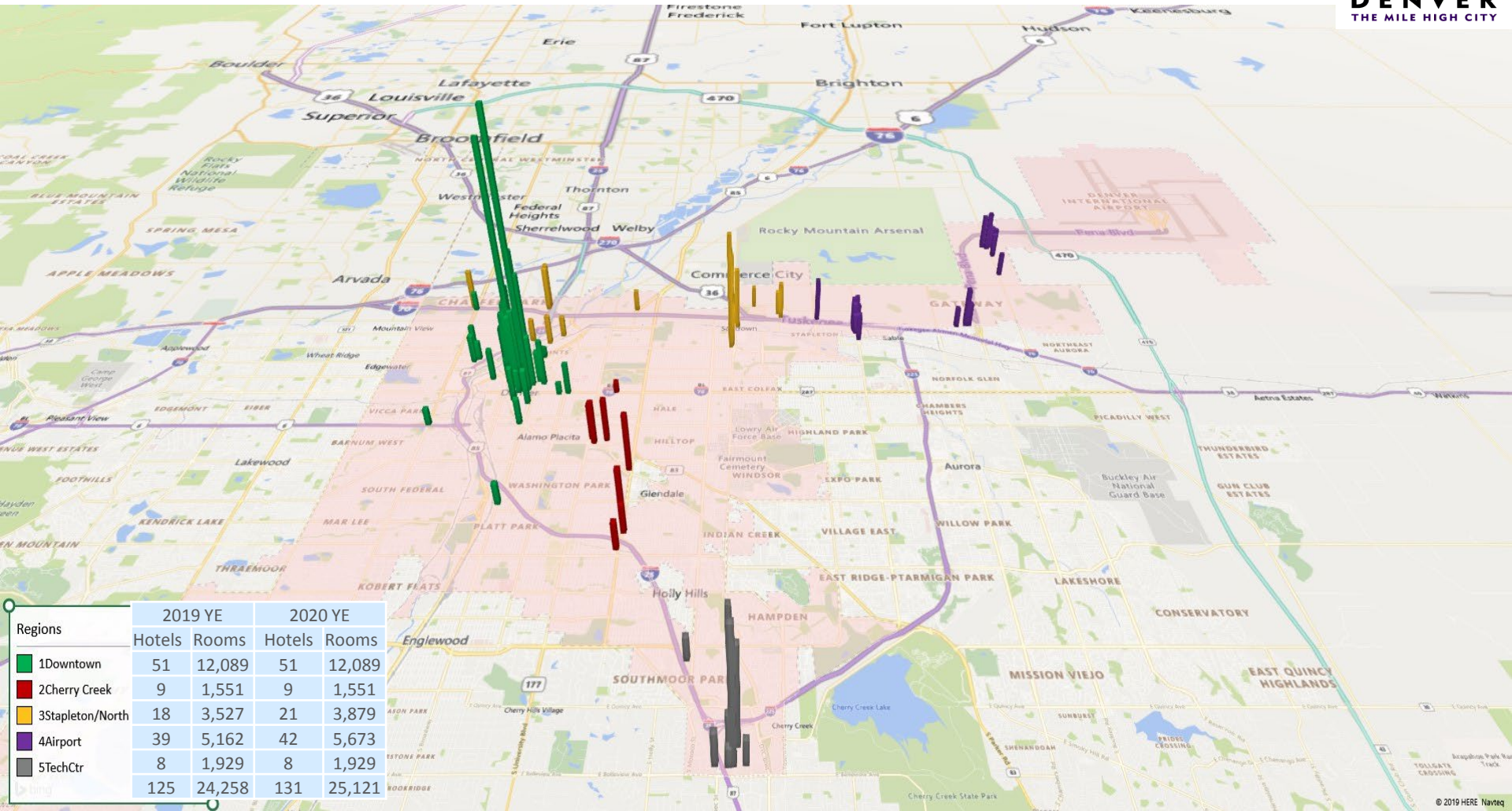
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Assessment Division/Dept of Finance
June 2019

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



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City 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



2019 GID Highlights

- **Audits:** All GIDs received positive unqualified audit opinions.
- **Debt:** All GID debt payments are current
 - 14th St. GID debt balance was \$3.8M at Y.E. '18
 - RiNo Denver GID debt balance was \$2.08M at Y.E. '18
- **2019 Expected Expenses vs. Budget:**
 - Gateway GID lower expenses than budget due to lower contingency for landscape project.
 - 14th St. GID expected expenses insignificantly different from budget.
 - RiNo Denver GID expenses higher than budget requiring a budget amendment, due to greater reserve transfer.



2020 GID Budgets

#	GID Name	2020 Projected Mills/Charges (Change from 2019)	2020 Budgeted Revenue (Change from 2019)	2020 Budgeted Expense (Change from 2019)	Forecasted '19 Debt Balance
1	Gateway Village GID General Fund	20.000 (0.0%)	\$696,003 (12.3%)	\$1,325,489 (-11.1%)	\$0
2	14th St. GID Capital Charge Maintenance Charge Total	\$311,130 (-0.2%) \$231,791 (1.5%) \$542,921 (0.5%)	\$579,201 (0.6%)	\$579,201 (0.6%)	\$3,640,000
3	RiNo GID General Fund Assessment Charge	4.000 (0.0%) \$16.67 (0.0%)	\$1,159,214 (36.5%)	\$917,214 (-8.4%)	\$1,993,492



2019 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 only district with debt, current on payments**
 - Colfax Ave. BID authorized \$2.5M in '17, have yet to issue.
- **2019 Expected Expenses vs. Budget:**
 - Cherry Creek Subarea, Santa Fe, and Five Points are expecting greater expenses than budget in '19 and will need budget amendments.
 - Colfax received extra revenue received in '19 related to the Colfax Work program and will need a budget amendment.



2020 BID Budgets

#	BID Name	2020 Projected Mills/Charges (Change From 2019)	2020 Budgeted Revenue (Change From 2019)	2020 Budgeted Expense (Change From 2019)	Forecasted Year End '19 G.O. Debt
1	Bluebird BID	10.000 (0.0%)	\$173,988 (36.0%)	\$173,988 (36.0%)	-
2	Cherry Creek North BID General Fund Debt Service Mill Total	12.042 (11.1%) 3.100 (-27.9%) 15.142 (0.0%)	\$6,902,277 (29.4%)	\$6,524,242 (17.9%)	\$13,495,000
3	Cherry Creek Subarea BID	0.122 (-28.2%)	\$15,010 (0.0%)	\$15,740 (-28.8%)	-
4	Colfax Ave BID	10.099 (0.8%)	\$1,027,162 (51.2%)	\$1,041,342 (8.5%)	-
5	Downtown Denver BID	Formula Based on building size, land size, and geographic location, assessment rate increased ~4% due to TABOR allowed increases.	\$8,988,277 (6.6%)	\$9,169,207 (4.1%)	-
6	Colfax-Mayfair BID Assessment Per Lot Assessment Per Sq. Ft.-Above Grade Assessment Per Sq. Ft.-Below Grade	\$0.075 (0.0%) \$0.075 (0.0%) \$0.038 (0.0%)	\$117,976 (0.0%)	\$115,976 (-1.7%)	-
7	Federal Blvd BID	10.000 (0.0%)	\$69,099 (0.9%)	\$69,099 (0.9%)	-
8	Old S. Gaylord BID	4.185 (0.5%)	\$54,000 (0.0%)	\$54,000 (0.0%)	-
9	Santa Fe BID Street Frontage Assessment Building Size Assessment	\$7.81 (0.0%) \$0.099 (0.0%)	\$133,371 (24.2%)	\$133,371 (29.4%)	-
10	West Colfax BID	\$0.1352 (5.0%)	\$264,303 (-1.0%)	\$264,302 (-1.0%)	-
11	Five Points BID	10.000 (0.0%)	\$210,000 (21.2%)	\$275,116 (22.9%)	-
12	RiNo BID	4.000 (0.0%)	\$1,837,763 (51.2%)	\$1,849,000 (53.8%)	-

Tourism Improvement District (TID) 2020 Annual Plan



Department of Finance
Capital Planning and Programming Division

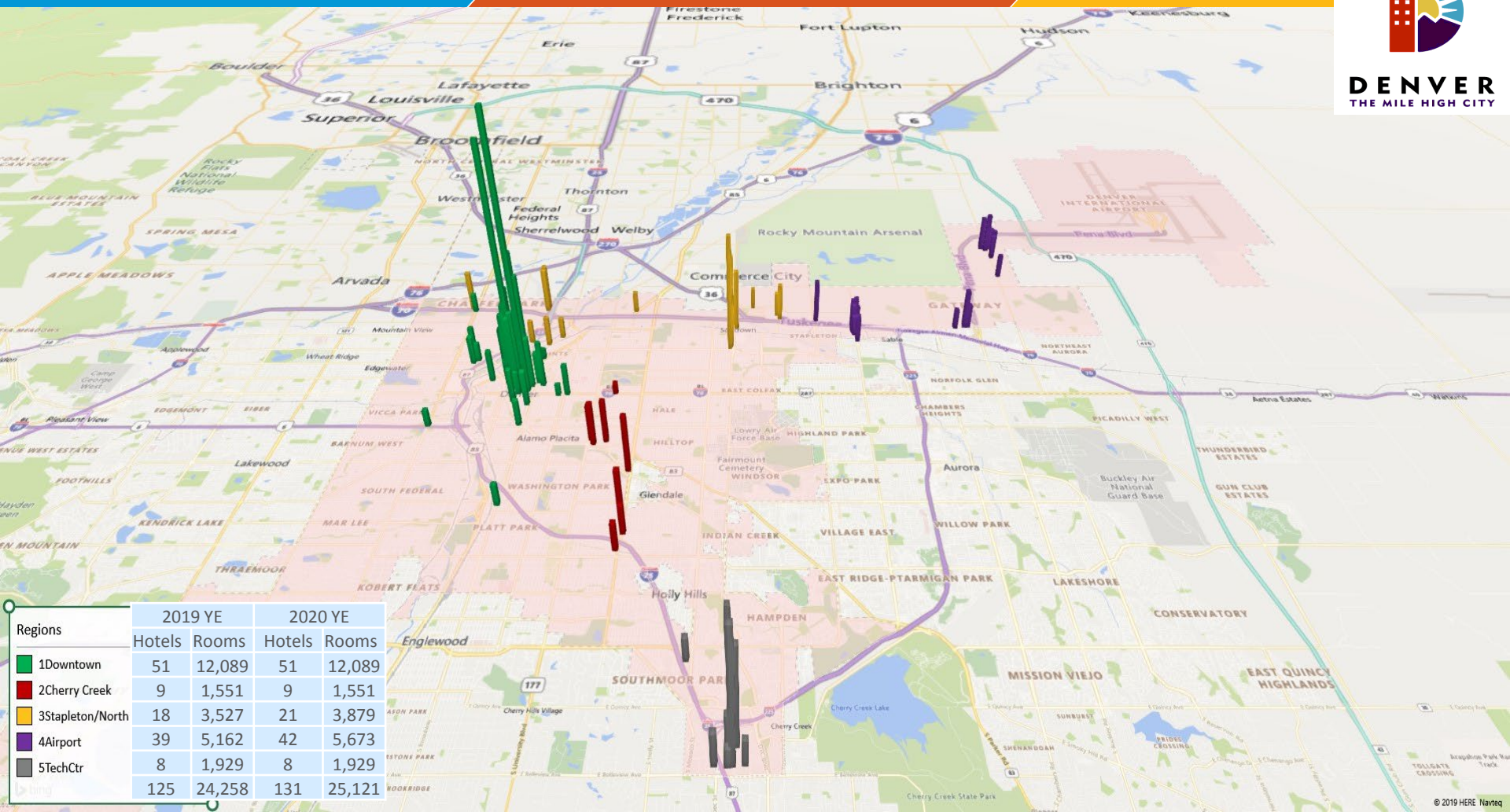


TID Creation

- First TID in Colorado, collaboration of VISIT DENVER, Colorado Hotel and Lodging Association, and City and County of Denver
- TID created by Ordinance 17-0883 in August 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
 - In November 2017, eligible electors supported creation of the TID with 96% support



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108 hotels when TID was created. By end of 2019, there will be 125 TID hotels (24,258 rooms). In 2020, 6 more TID hotels (863 rooms) will be opened.



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TID Purpose

- Colorado Convention Center (CCC) expansion
 - TID pledges up to \$3.45M annually for support of City's \$129M Certificate of Participation
- Marketing and promotions
 - VISIT DENVER to use remaining revenues to help bring convention and leisure visitors to Denver
- CCC future capital improvements
 - In TID's 4th year, 10% of district revenues to be used for future improvements



TID Governance

- IGA between TID and City approved December 2017
- Board of Directors, 2019-2020:
 - Tracy Blair, Director of Sales and Marketing, Sheraton Hotel Denver
 - Navin Dimond, President & CEO, Stonebridge Companies
 - John Everett, General Manager, Westin Denver Downtown
 - Walter Isenberg, President & CEO, Sage Hospitality
 - Greg Leonard, General Manager, Hyatt Regency at the Colorado Convention Center
 - Laura Lojas, General Manager, The Westin Denver International Airport Hotel
 - Allen Paty, General Manager, DoubleTree by Hilton Denver
 - Richard Scharf, President & CEO, VISIT DENVER (ex officio)



2019 TID Budget Performance

Tourism Improvement District 2019 Budget Change Summary

GID Name	2019 Projected Year End Revenue (change from budget)	2019 Projected Year End Expense (change from budget)
Denver Tourism Improvement District	\$9,500,000 (0.0%)	\$8,745,000 (0.0%)

- Goal: Increase demand by convention, meeting and leisure visitors, especially in down- or off-peak seasons, including major holidays and weekends
- 2019 was first full year of TID implementation



2019 TID Budget Highlights

- Client Visits (MEET Denver)
 - May and October 2019 welcomed 136 meeting planners to experience Denver first hand. 43 and 52 hotels respectively participated in showcase. To date, generated 2,227 definite room nights with approximately \$1M in economic impact and 161,616 tentative room nights with approximately \$35.9M in economic impact.
- Advertising Campaign (Reclaim the Weekend)
 - Year-round weekend marketing campaign to encourage short-term travel from regional visitors
 - Nearly 150 million ad impressions, website has had nearly 860,000 visits



2019 TID Budget Highlights, Cont'd

- Chicago sales and marketing takeover
 - Five billboard placements, 11 'head house' rapid transit placements
 - Nine meetings business client events attended by 140 people representing more than \$530 million in booked and potential economic impact
- Client concessions to reduce meeting cost
 - 4 definite bookings represent approximately \$31M in future economic impact, \$2.8M in tax dollars to the City
- Events/festivals
 - UIAA World Cup and Barbegazi Winter Festival, Monster Energy AMA Supercross, Day of Rock and Holiday Tree festivities



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2019 TID Budget Highlights, Cont'd



- Workforce Development
 - Support for CHLA University
 - Encourage people to enter the hospitality industry
 - Retain and promote employees through additional training
 - Courses: Certified Front Desk Representative, Certified Maintenance Employee, Supervisory Skills Builder, Guest Service Gold (partnership with Denver Rescue Mission)
 - Partnership with CU Denver CityCenter
 - Inventory of existing workforce programs for tourism and hospitality industry
 - Focus groups to discuss gaps and opportunities





2020 Budget Proposal

Tourism Improvement District

2019 to 2020 Budget Change Summary

GID Name	2020 Projected Tax (Change from 2019)	2020 Budgeted Revenue (Change from 2019)	2020 Budgeted Expense (Change from 2019)
Denver Tourism Improvement District	1% (0.0%)	\$10,555,000 (11.1%)	\$10,555,000 (20.7%)

- Lodger’s tax collection projected to increase 11.1% compared to 2019 budget
- Programs implemented in 2019 will continue



2020 Programs and Goals:

- Continued Goal: Increase demand by convention, meeting and leisure visitors, especially in down- or off-peak seasons, including major holidays and weekends
- Strategy areas:
 - Aggressive convention sales and marketing efforts
 - Support for sports and major tourism events
 - Leisure consumer tourism marketing
 - Industry events that expose convention and media clients to Denver
 - Future events and legacy projects
 - Workforce development and training

14th St. GID

2020 Budget and Work Plan





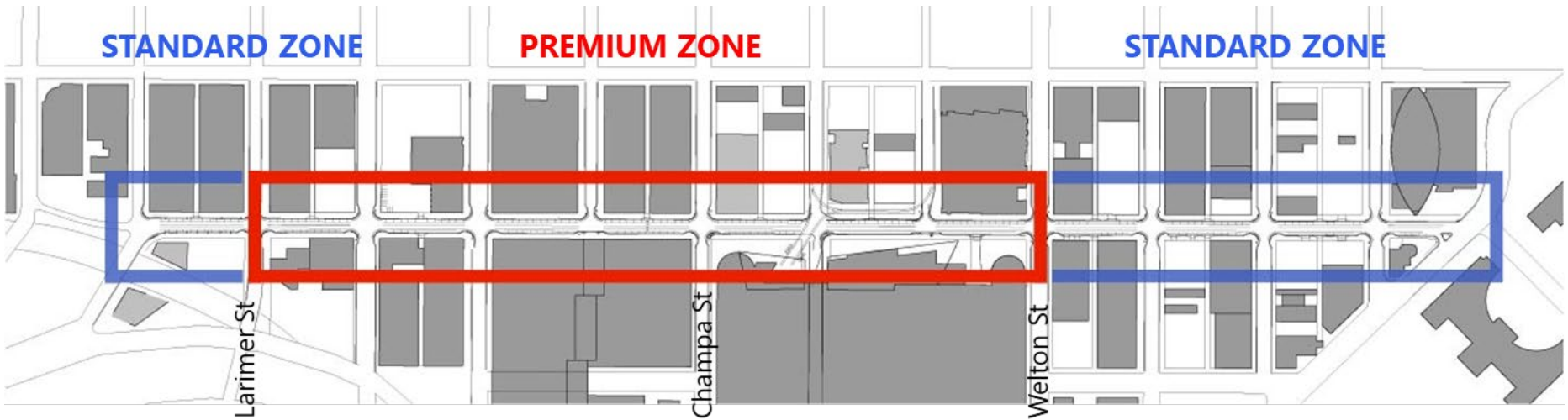
District Formation: Denver 14th Street General Improvement District (GID) Creation

Pursuant to a petition to Denver City Council by property owners of Denver 14th Street General Improvement District, the District was created. Ordinance No. 464, Series of 2009 Outlines the scope of the GID:

- Finance
- Construct and install
- Maintain streetscape improvements

Section 10. District Improvements, Standard Zone Improvements, Premium Zone Improvements, District Services.

(a) District Improvements. A general description of the public benefits and improvements to be furnished by or for the District includes, but is not limited to: finance, acquire, construct, install, operate or maintain street improvements, including but not limited to curbs (except for those in the right of way), gutters, culverts, and other drainage facilities, underground conduits, sidewalks, trails, parking, paving, lighting, grading, landscaping, bicycle paths and pedestrian ways, bicycle parking and facilities, retaining walls, fencing, entry monumentation, streetscaping, street furniture, benches, trash receptacles, newspaper corrals, bridges, median islands, irrigation, signalization, signing and striping, area identification, driver information and directional assistance signs, together with all necessary, incidental, and appurtenant facilities, equipment, land and easements and extensions of and improvements to such facilities, in the 14th Street right-of-way and connections, subject to the Charter, ordinances and rules and regulations regarding the use of dedicated right of way, thereto and the provision of services related thereto for the District. Such connections may include





GID Purpose

- **The Denver 14th Street General Improvement District was formed in order to:**
 - Create a place that feels comfortable and safe
 - Create a destination that encourages retail
 - Improve aesthetics, creating a place people want to visit and will remember
 - Build upon the public and private investments



GID Governance: Ordinance 463, Series 2009

1 BY AUTHORITY
 2 ORDINANCE NO. 463 COUNCIL BILL NO. 442
 3 SERIES OF 2009 COMMITTEE OF REFERENCE: Economic Development

4
 5 **A BILL**
 6 For an ordinance creating a District Advisory Board for the Denver 14th
 7 Street General Improvement District and authorizing said District Advisory
 8 Board to exercise certain powers.

9
 10 WHEREAS, the Denver 14th Street General Improvement District (the "District")
 11 is being created by an ordinance being approved by the Council of the City and County
 12 of Denver ("City Council") simultaneously herewith ("Creation Ordinance"); and

13 WHEREAS, Section 31-25-609, C.R.S., provides that the governing body of the
 14 municipality in which the District is located shall constitute ex officio the Board of
 15 Directors of the District and shall be authorized to exercise certain powers under the

**City Advisory Board Members
(per creation ordinance)**

- Candi CdBaca – District 9 Councilperson
- Karen Good – Denver Public Works – GID Advisory Board Vice President
- Michael Kerrigan – Denver Finance/Special Districts --- GID Advisory Board Treasurer
- Lance Zanett – Colorado Convention Center

Current Private Stakeholder Advisory Board Members

- Mark Katz – NAI Shames Makovsky– GID Advisory Board President
- Jeani McDowell – 1401 Lawrence GM/Cushman & Wakefield – GID Advisory Board Secretary
- Ed Blair – The Curtis – Downtown Denver
- Creighton Ward – The Spire/Nichols Partnership
- Vacant Seat (2)

Intergovernmental Agreements (IGA):

- 2011 – District and City entered into an IGA relating to project funds, operations, maintenance, and administrative matters, including maintenance of the constructed/installed improvements.
- 2015 – District and City entered in an IGA relating to landscape installation, care and maintenance of perennial beds and large pots located at the Webb Building.
- 2017 – District and City entered in an IGA related to landscape installation, care and maintenance of perennial beds and large pots located at the Denver Performing Arts Complex (DPAC).



2019 GID Budget Performance

GID Name	2019 Projected Year End Revenue (change from budget)	2019 Projected Year End Expense (change from budget)
14th St. GID	\$577,953 (0.3%)	\$553,132 (-4.0%)

- Maintenance of streetscape elements along the corridor
- Repair and/or replace damaged streetscape amenities – including coordination with insurance provider to make and collect claim/s
- Contract with appropriate service providers for maintenance and landscape services
- Bill and collect capital and maintenance charges for 2019
- Maintain insurance and reserve fund
- Work with City on maintenance related to amenities adjacent to City property
- Research and work on pilot repair and replace in-grade lighting system
- Communication to 14th Street Property Owners when appropriate



2020 GID Budget Highlights

GID Name	2020 Projected Mills/Charges (Change from 2019)	2020 Budgeted Revenue (Change from 2019)	2020 Budgeted Expense (Change from 2019)	Forecasted '19 Debt Balance
14th St. GID				
Capital Charge	\$311,130 (-0.2%)	\$579,201 (0.6%)	\$579,201 (0.6%)	\$3,640,000
Maintenance Charge	\$231,791 (1.5%)			
Total	\$542,921 (0.5%)			

- Maintenance of streetscape elements along the corridor
- Contract with appropriate service providers for maintenance and landscape services
- Bill and collect capital and maintenance charges for 2020
- Maintain insurance and reserve fund
- Work with City on maintenance related to amenities adjacent to City property
- Monitor work on pilot repair and replace in-grade lighting system
- Communication to 14th Street Property Owners when appropriate.



Five Points BID 2020 Budget and Operating Plan

Department of Finance
Capital Planning and Programming Division

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BID Creation

- Five Points Business Improvement District was created in 2016 by Ordinance No. 0341, Series of 2016.

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 ORD Page: 1 of 10

1 ORD 2016-0341
 2 ORDINANCE NO. 20160341
 3 SERIES OF 2016

BY AUTHORITY

COUNCIL BILL NO. CB16-0341
 COMMITTEE OF REFERENCE:
 Business Development

A BILL

6 For an ordinance creating and establishing the Five Points Business
 7 Improvement District, appointing the initial members of the Board of Directors
 8 of the District, and approving the Initial Operating Plan and preliminary 2016-
 9 2017 budget therefor.

11 **WHEREAS**, the City Council of the City and County of Denver, Colorado (the "City"), has
 12 received a petition for the organization of the Five Points Business Improvement District (the
 13 "District") within the City; and

15 **WHEREAS**, based upon the petition for organization (the "Petition") and other evidence
 16 presented to City Council, the Petition has been signed in conformity with the Business
 17 Improvement District Act, Section 31-25-1201 et seq., C.R.S. (the "Act"), the signatures on
 18 the Petition are genuine, and the signatures of parties thereon represent the persons who
 19 own real property in the service area of the proposed District having a valuation for
 20 assessment of not less than fifty percent of the valuation for assessment of all real property
 21 in the service area of the proposed District and who own at least fifty percent of the acreage
 22 in the proposed District; and





BID Purpose

The mission of the Five Points Business Improvement District is to strengthen and enhance the efforts of business and property owners who live, work in, or contribute to the Historic Five Points neighborhood of Denver. Our District Board's mission is to positively influence financial accountability and cultural responsibility as the area undergoes redevelopment and growth. The Five Points Business Improvement District will hold true to the best values of the past, embrace inclusive opportunities of the present and look forward to a vibrant future.

receptacles.

The work of the FPBID is focused on the following:

1. Maintenance of the public right of way including trash and debris removal and snow shoveling.
2. Marketing and communications to promote business development, cultural promotion and preservation.
3. Capital investment such as street lighting, trash receptacles, and bicycle racks to enhance the experience of the corridor.



BID Governance

- The FPBID Board of Directors is currently comprised of five members representing commercial property owners that pay into the district.
 - Board President Paul Books, property owner
 - Board Co-Vice President Dr. Renee Cousins King, property owner
 - Board Co-Vice President John Pirkopf, property owner
 - Board Treasurer Nathan Beal, property owner
 - Board Member Maedella Stiger, property and business owner



2019 BID Budget Performance

BID Name	2019 Projected Year End Revenue (change from budget)	2019 Projected Year End Expense (change from budget)
Five Points BID	\$178,898 (3.3%)	\$276,052 (23.3%)

- Maintenance
- Snow removal
- Tree care and irrigation
- Safety
- Marketing
 - Banners
 - Events
 - Holiday lights
 - Communication with property owners and business, including:
 - Newsletters
 - Social media



2020 BID Budget Highlights

BID Name	2020 Projected Mills/Charges (Change From 2019)	2020 Budgeted Revenue (Change From 2019)	2020 Budgeted Expense (Change From 2019)
Five Points BID	10.000 (0.0%)	\$210,000 (21.2%)	\$275,116 (22.9%)

- Continuing to provide for the cleanliness of the District with debris removal and power washing sidewalks, provision of additional trash receptacles and customized bike racks.
- Snow removal.
- Continuing to market the corridor through banners, newsletters, social media and traditional media outlets.
- Develop and implement a District community security program.
- Capital investment to include: gateway signage, trees, enhanced business signage, art walk, expanded holiday lighting, street speakers/sound system, community art including Walls of Welton



Five Points BID Board of Directors Expansion

Department of Finance
Capital Planning and Programming Division

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Request to Expand Board from Five to Seven Members

- The Five Points BID Board of Directors respectfully requests that the Denver City Council amend the Creation Ordinance to expand the BID Board of Directors from five members to seven.
- This will also expand the quorum to a majority of board members– and provides the opportunity for more of the District Corridor community members to have a vote and voice in the decisions of the BID.
- Current Board of Directors includes
 - Two members in their 1st terms, term expirations in June 2020
 - Three members in their 2nd terms, term expirations in June 2023

Next Steps for 18 Action Items

- 10/29/19 – [Mayor Council](#)
- 11/12/19 (Tuesday due to Veterans Day) – [1st Reading for 12 BID budgets and plans, 1 TID budget and plan, and 2 BID board expansions](#)
- 11/18/19 – [2nd Reading for 12 BID budgets, plans, and 1 TID budget and plan, and 2 BID board expansions.](#)
 - [City Council convenes as board of directors for 3 GIDs, holds a public hearing, and votes for budgets and plans](#)