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File No. 5111574-0012

September 27, 2013

VIA HAND DELIVERY

Deborah Johnson, City Clerk
City and County of Denver
201 W. Colfax Ave., Dept. 101
Denver, CO 80203

**Re: Cherry Creek Subarea Business Improvement District - 2014 Operating Plan
and Budget - Filing No. 92-228- W**

Dear Ms. Johnson:

Enclosed for formal filing with the City Clerk as provided in Section 31-25-1211, C.R.S. is the proposed 2014 Operating Plan and Budget for the Cherry Creek Subarea Business Improvement District.

If you have any questions regarding this filing, kindly advise the undersigned.

Very truly yours,

SPENCER FANE & GRIMSHAW LLP

Mary L. Carter
Mary L. Carter, Paralegal

MLC/
Enclosure

Cc: Richard Sheehan, Department of Finance (w/encls.)
George Delaney, Manager of Public Works (w/encls.)
Board of Directors (w/encls.)

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2014 OPERATING PLAN AND BUDGET

**CHERRY CREEK
SUBAREA BUSINESS
IMPROVEMENT
DISTRICT**

City and County of Denver, Colorado

Spencer Fane & Grimshaw LLP
9/30/2013

DN 920911.1

OPERATING PLAN AND BUDGET FOR THE CHERRY CREEK SUBAREA BUSINESS IMPROVEMENT DISTRICT

PURPOSE AND SCOPE OF THIS DOCUMENT

A. Why Approve the 2014 Operating Plan Now? The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Cherry Creek Subarea Business Improvement District file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

B. What Must Be Included in the Operating Plan? Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, et seq., C.R.S, as amended, this Operating Plan specifically identifies (1) the composition of the Board of Directors, (2) the services and improvements to be provided by the District, (3) the taxes, fees, and assessments to be imposed by the District, (4) the estimated principal amount of the bonds of the District, and (5) such other information as the City may require.

COMPOSITION OF THE BOARD OF DIRECTORS

The members of the Board of Directors are appointed by the City. The current members of the Board are identified in the attached Exhibit A.

The terms of all current members of the Board expire on December 31, 2013. By approval of this Operating Plan, it is the request of the Board that City Council reappoint all current Board members for an additional two-year period, until December 31, 2015.

SERVICES TO BE PROVIDED

Activities of the District in 2014 will include the following:

1. Maintenance. The District, through an arrangement with Walking Stick Landscape, will continue to maintain flower and tree landscaping along the 15th Street corridor within the District.

2. Landscaping. The District, through its arrangement with Walking Stick Landscape, intends to monitor and correct tree problems as resources are available.

TAXES, FEES, ETC.

The District imposes no fees and has no debt. It is authorized to levy property taxes in an amount not to exceed \$15,000 per year. The 2014 budget is as follows:

GENERAL OPERATING FUND

	2012 Actual	2013 Budget	2013 YTD	2013 Projected	2014 Budget
Balance at Beginning of Year	21,675	27,483	27,483	27,483	31,083
Projected Revenues:					
Ad Valorem Taxes*	13,692.50	15,000.00	12,200.15	12,600.00	15,000.00
Earned interest	29.57				
TOTAL REVENUE	13,722.07	15,000.00	12,200.15	12,600.00	15,000.00
Projected Expenditures:					
Operations, Maintenance	5,815.25	10,000.00	1,582.46	6,500.00	10,000.00
Administration	476.76	300	0.00	500.00	500.00
Legal	1,621.53	2,000.00	1,053.74	2,000.00	2,000.00
TOTAL EXPENDITURES	7,913.54	12,300.00	2,636.20	9,000.00	12,500.00
Reserve Fund **					
Balance at Year End	27,482.53		27,046.95	31,083.00	33,583.00

*Includes the TIF revenue which is intended to allow the District to collect its allowed property tax revenue, and therefore does not increase revenues over the \$15,000 allowed by the District's voted authorization.

**emergency reserves = at least 3% of fiscal year spending, here \$600 of the Balance at End of Year is designated as the emergency reserve.

DOWNTOWN DENVER DEVELOPMENT AUTHORITY AGREEMENT:

In 2008 the Downtown Denver Development Authority ("DDA") and the District entered into the Agreement to set forth their intent to cooperate to assure that the Cherry Creek Subarea BID Incremental Property Tax Revenues are made available to the Cherry Creek Subarea BID for purposes of operating the Cherry Creek Subarea BID in accordance with its Organizational Ordinance and Operating Plan. Said Agreement states in part as follows:

"In consideration of the Cherry Creek Subarea BID providing future services within its boundaries, subject to annual budget and appropriations, the DDA agrees to remit or cause to be remitted to the Cherry Creek Subarea BID the Cherry Creek Subarea BID Incremental Property Tax Revenues on a monthly basis. The parties anticipate that, in accordance with a Resolution of the DDA instructing the City Treasurer to do so, the remittance to the Cherry Creek Subarea BID of the Cherry Creek Subarea BID Incremental Property Tax Revenues will be made directly to the Cherry Creek Subarea BID by the City Treasurer and that there will be no material change from the procedure by which the Cherry Creek Subarea BID has historically received Property Tax revenues.

The DDA will use its best efforts to ensure that the DUS Plan and City/DDA Cooperation Agreement are not modified to affect or change, and the DDA shall not take any action which affects or changes, the payment of the Cherry Creek Subarea BID Incremental Property Tax Revenues directly to the Cherry Creek Subarea BID by the City Treasurer, or the amount thereof.

Every year in which the DDA collects the Cherry Creek BID Incremental Property Tax Revenues, the DDA shall cause its staff or consultants to include sufficient revenues to pay the Cherry Creek Subarea BID Incremental Property Tax Revenues to the Cherry Creek Subarea BID to be included in the proposed annual budget and appropriations resolutions or measures of the DDA for presentation to the DDA governing body. Nothing herein shall impair the power of the DDA governing body to modify or eliminate such budget and appropriations for any given year by resolution. Any amounts of the Cherry Creek Subarea BID Incremental Property Tax Revenues that are unpaid in any year shall be included in the DDA's proposed annual budget and appropriations for possible payment in the subsequent fiscal year."

Payments have been made as provided in the Agreement.

REPORT

An email dated August 20, 2013 from Richard Sheehan of the City's Department of Special Districts & Conduit Debt requested eight specific items. The District's responses are reported below:

1. 2014 budget and "budget to actual" financial reports. See above.
2. Any material departures from the 2013 Operating Plan. See above.
3. The status of any planned or outstanding indebtedness. None.
4. The results of any audits conducted during the year. None.
5. A copy of the By-laws, if any, in effect in 2013/2014. None.
6. A list of official board actions (motions) in the past year. The Board meeting minutes for the 2013 meetings are attached. No meeting of the Board is expected until later in the year to approve the 2014 budget.
7. Current list of all Board members including name, address, phone, fax and email as well as term appointment and expiration date. See Exhibit A.
8. Board members attendance records for the past year. See attendance lists in the meeting minutes.

CONCLUSION

The District Board appreciates the opportunity to continue to work with the City to help maintain our part of Denver.

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
CHERRY CREEK SUBAREA BUSINESS IMPROVEMENT DISTRICT**

Held: Wednesday, the 12th day December, 2012, at 10:00 a.m. at 1444 Wazee Street, Denver, Colorado.

ATTENDANCE:

A special meeting of the Board of Directors of Cherry Creek Subarea Business Improvement District, City and County of Denver, Colorado was called as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Paul Stann, President
David P. Veldman, Director
Dan Reagan, Director

Absent was: Amy Harmon. There is one vacancy on the Board at this time.

Also present was: Lloyd Goff and Mary L. Carter of Spencer Fane & Grimshaw LLP.

CALL TO ORDER:

On behalf of the Board, Ms. Carter noted that a quorum was present and called the meeting to order.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

On behalf of the Board, Ms. Carter reported that disclosure statements of potential conflicts of interest had been placed on file. There were no suggested additions or changes to the previous disclosures and no public comments

APPROVAL OF PRIOR MEETING MINUTES:

Following discussion, on motion duly made, seconded, and unanimously approved, the Board approved the minutes of November 15, 2011 as presented.

BOARD VACANCY:

The Directors discussed the fact that Director Amy Harmon was no longer qualified as a Director due to the fact that the entity who had designated her as their elector had sold their property. The Directors then discussed asking the new property owner to designate an elector for possible appointment to the Board. President Stann was directed to contact the new owner and get back to the Board.

2013 BUDGET HEARING:

On behalf of the Board, Ms. Carter opened the public hearing on the District's 2013 budget. There being no members of the public present, the public hearing was closed.

DISCUSSION AND APPROVAL OF 2013 BUDGET:

Ms. Carter explained the budget presented for approval. Following further discussion, upon motion duly made by Director Reagan, seconded by Director Veldman, and unanimously approved, the 2013 budget and appropriations were approved, and a total mill levy of .644 was certified for 2012 for collection in 2013.

DISCUSSION OF ANNUAL ADMINISTRATIVE MATTERS:

Ms. Carter presented a Resolution to the Board concerning annual administrative matters.

Following discussion, the following officers were elected for 2013:

President:	Paul Stann
Secretary/Treasurer	Dan Reagan
Vice-President/Asst Secretary:	David Veldman

Upon motion duly made, seconded, and unanimously approved, the Resolution Concerning Annual Administrative Matters was approved as presented.

OTHER BUSINESS:

The Board discussed the fact that new construction in the District would mean no new landscaping until the construction had been completed. The Board will consider 2014 landscaping at their meeting in early August.

Ms. Carter was directed to poll the Board in July for a meeting date in early August to discuss the 2014 Operating Plan and Budget, 2014 landscaping needs and any other business needing to come before the Board.

ADJOURNMENT:

There being no further matters to come before the Board, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above referenced meeting.

Secretary of the District