



September 30, 2015

Jose Cornejo
Manager of Public Works
City and County of Denver
c/o Brendan Kelly
201 W. Colfax Ave. Dept. 509
Denver, CO 80202

Dear Mr. Cornejo:

The Downtown Denver Business Improvement District (DDBID) submits the attached preliminary budget and operating plan for 2016.

On the same page, DDBID is submitting separate budgets for the DDBID Intergovernmental Services Enterprise (Enterprise), the DDBID Capital Fund, the DDBID Periodic Maintenance Fund, and the DDBID Special Projects Contingency Fund. The Enterprise's purpose is to implement projects funded by special sources, in compliance with the provisions of Amendment One. The Capital Fund pays for special projects from existing operating reserves that qualify as long-term capital expenses. The Periodic Maintenance Fund pays for special projects of a periodic, but non-annual occurrence that do not qualify as long-term capital expenses. The Special Projects Contingency Fund pays for special projects not covered by the above funds. The 16th Street Revitalization Fund pays for activities related to plans for revitalizing the 16th Street Mall infrastructure and design elements.

The DDBID Board will proceed with the certification of property owner assessments prior to December 5, 2015.

In addition to the 2016 Operating Plan and Budget, also attached are:

- A copy of the 2015 Budget, which shows the original amounts approved, the amended amounts approved in July 2015, and the projected year-end budget vs. actual expenditures and revenues;
- A copy of the 2014 BID audit conducted in 2015;
- A copy of the BID By-Laws;
- A list of official BID Board actions in 2015 to date;
- A copy of the current Board of Directors list; and
- Board member attendance records for 2015.
- A list of tangible impacts and statistical performance measures.

There have been no material departures from the 2015 Operating Plan.

The Downtown Denver BID has no planned or outstanding indebtedness.

Please contact me at 303-571-8204 if you have questions or require additional information.

Sincerely,



John M. Desmond
Executive Director

cc: Debra Johnson, Clerk and Recorder
Mr. Michael Kerrigan, Sr. Financial Management Analyst
Mr. Norman. F. "Rick" Kron, Spencer Fane Britt and Browne

Enclosures

County Clerk and Recorder File Number: 03-778-_____.

**DOWNTOWN DENVER BUSINESS
IMPROVEMENT DISTRICT**

**2016 Preliminary Budget -
September 2015 Proposed**

		2016 Budget Preliminary Sept 15
I.	REVENUE	\$ 6,873,534
	EXPENDITURES:	
	Maintenance & Repair	\$ 2,673,417
	Skyline Park	213,359
	Management Services	1,061,959
	Marketing and Communications	224,146
	Winter in the city	339,315
	Economic Development Services	105,348
	Research	147,571
	Safety	800,129
	Mall Vending	205,683
	Pedestrian Environment	887,709
	Periodic Maintenance Reserve	142,500
	Contribution to Capital Reserve	55,216
	TOTAL EXPENDITURES	\$ 6,856,353
	BID FUND BALANCE	\$ 17,180
II.	CAPITAL FUND	
	Expenditures	\$ 16,875
III.	PERIODIC MAINTENANCE FUND	
	Expenditures	\$ 183,053
IV.	SPECIAL PROJECTS CONTINGENCY	
	Expenditures	\$ 100,000
V.	ENTERPRISE	
	BID Enterprise Revenue	\$ 466,603
	BID Enterprise Expenses	\$ 466,603
	BID ENTERPRISE FUND BALANCE	

DOWNTOWN DENVER BUSINESS IMPROVEMENT DISTRICT 2016 OPERATING PLAN

OVERVIEW

The Downtown Denver Business Improvement District (BID) is a property-owner funded management organization that strives to provide a clean, safe and vibrant downtown environment for workers, residents and visitors in a 120-block area that includes all of Downtown Denver. Through their annual assessments, BID property owners fund a series of district-wide programs that enhance Downtown Denver, including cleaning and maintenance efforts, consumer marketing and advertising programs, economic development and transportation initiatives, security programs and capital improvement projects.

Since 2001, when BID electors overwhelmingly supported a proposal to significant increase special assessments, the BID initially increased its core maintenance services - litter and trash removal, sidewalk sweeping, and alley cleaning throughout Downtown and subsequently broadened its safety services. These safety services include Downtown Ambassadors, a homeless outreach program, and the hiring of off-duty police. These programs are slated to continue in 2015 and remain at the core of the BID's mission, but will undergo a broad re-examination as part of the BID's hiring of a new contractor for maintenance and safety services.

In 2016, the most visible BID initiatives will focus on the safety of and the Revisioning of the 16th Street Mall, the repair of significant areas of 16th Street Mall sidewalk areas, and continued activation of public spaces. The activation efforts will be centered on the 16th Street Mall and Skyline Park, including continued enhancements to the Garden Block (located between Curtis and Champa, initially implemented in 2013) and the Patio 16 block (located between Stout and California, initially implemented in 2014), development of a different, uniquely-themed program on a different Mall block, expansion of the Meet in the Street event (a festival on the 16th Street Mall on between June and September) promotion of other special events and weekend activities on several blocks of the Mall, and a variety of programs and physical enhancements to Skyline Park. The BID will also work on the development of a "vision plan" that will examines options for how the Mall might function in the overall context of Downtown Denver. The BID will also continue to expand its "off-Mall" activities, including support of better Downtown-wide bicycle facilities, and tree care and flower plantings in a variety of locations throughout the BID service area. Additionally, the BID will continue its core focus on clean and safe activities noted above as well as funding marketing, communications, holiday, economic development, and research programs.

AUTHORITY

The Downtown Denver Business Improvement District (BID) was created pursuant to the provisions of the “Business Improvement District Act,” Part 12 of Article 25 of Title 31, Colorado Revised Statutes. The services, facilities and improvements to be provided by the BID are not intended to duplicate or supplant the services, facilities, and improvements provided by the City and County of Denver within the BID boundaries. The BID was created to provide enhanced or otherwise unavailable services, facilities and improvements within the BID.

BOUNDARIES

The Boundaries of the District and its service area are generally described as starting at a point at the intersection of Grant Street and 20th Avenue, extending west along 20th Avenue to its intersection with 20th Street, extending northwest along 20th Street to its intersection with Wewatta Street (or Wewatta Street extended), extending southwest along Wewatta Street (or Wewatta Street extended) to its intersection with Speer Boulevard, extending generally southeast along Speer Boulevard to its intersection with 12th Street, extending southeast along 12th Street to its intersection with Colfax Avenue, extending generally east along Colfax Avenue to its intersection with the alley between Sherman and Grant Streets, extending north along the alley between Sherman and Grant Streets to its intersection with 16th Avenue, extending east along 16th Avenue to its intersection with Grant Street, and extending north along Grant Street to the point of beginning. Pursuant to statute, the District shall contain only that taxable real and personal property within said boundaries which is not classified for property tax purposes as either residential or agricultural.

RENEWAL

The BID has all the powers, functions and duties specified in the “Business Improvement Act” except as expressly stated in this Operating Plan. Specifically, the BID shall have perpetual existence unless, in the tenth year thereafter, the District fails to file with the City Council of the City and County of Denver a petition requesting continuance signed by persons who own real and personal property in the service area of the BID having a valuation for assessment of not less than fifty percent of the valuation for assessment of all real and personal property in the service area of the District and who own at least fifty percent of the acreage in the BID. The City Council shall determine whether the petition threshold has been met and may, upon the filing of any challenges to the signatures, hold a public hearing on such question. If the City Council determines that the petition threshold has not been met or if no petition is filed prior to expiration of a ten-year period, the City Council shall declare, by ordinance, that the BID is dissolved and shall direct the existing directors to take such actions as are necessary to conclude its affairs. The last renewal occurred in 2011, and the next renewal is scheduled for 2021.

COMPOSITION OF THE BOARD OF DIRECTORS

The board of directors of the BID consists of seven electors of the district, appointed by the Mayor of the City and County of Denver. Members appointed to the board shall represent a cross-section of interest in the district, including large property owners, small property owners, Lower Downtown, the Central Business District, retail owners, office owners, and unimproved land owners. Each director shall serve a three-year term and may be appointed for one additional consecutive term.

FUNDING

The operations of the BID are financed by a special assessment on real property within the district. A benefit study was undertaken in 2001 and approved by the BID Board to support changes in the special assessment methodology. In addition, the BID may accept and spend moneys from any grant, gifts, bequest, donation, or other similar source and may enter into contracts for the funding and provision of any of its services, facilities or improvements. Further, the BID may establish special assessment districts pursuant to the provision of 31-25-1219, C.R.S. unexpended moneys at the end of the fiscal year may be placed in one or more reserve funds to be expended as determined by the BID Board, including for capital expenses.

MAINTENANCE AND REPAIR

16th Street Mall Services

In 2016 the BID will contract with Consolidated Services Group for cleaning and maintenance services. Creativexteriors will continue designing and maintaining the flower plantings on the Mall, off the Mall, in the Federal District and on California Street. Mountain High Tree Service will continue in 2016 to maintain the trees and irrigation along the Mall and on Curtis and California between 14th and 16th Streets. In 2016 the BID will contract with on-call contractors for plumbing, electrical and paver repair services.

The following services are currently being provided on the 16th Street Mall between Broadway and Wewatta Street and will continue to be provided in 2016.

- Daily sidewalk and transit lane cleaning
- Daily maintenance and trash and recyclables removal
- Painting and repairs of infrastructure and furnishings
- Mall Granite Inspection and Repair – (Mall Bus Transit Lanes not included)
- Graffiti Removal
- Snow removal
- Flower planting
- Activation, holiday and entertainment program support
- Tree maintenance
- Light Fixture Repair and Maintenance
- Electrical, irrigation, plumbing and fountain maintenance
- Daily Mall Inspection
- Special Projects

Other Streets

The following services are currently provided on all streets throughout the 120-block BID service area in 2015 and will continue to be provided in 2016:

- Litter pick-up
- Removal of graffiti from public fixtures
- Emptying of BID trash receptacles
- Bicycle rack maintenance
- Sidewalk cleaning services, primarily periodic power washing, spot power washing as necessary for public health purposes
- Power washing of alleys – April – October and as weather allows
- Daily inspection

These additional services are currently provided on Curtis and California Streets, between 14th Street and 16th Street and will continue as routine contract services for 2016.

- Snow removal
- Tree maintenance and irrigation
- Flower planting
- Trash removal

These additional services are currently provided on East 16th Avenue, between Broadway and Grant Street and will continue to be provided in 2016:

- Light fixture maintenance
- Flower planting
- Trash and Graffiti Removal

These additional services are currently provided on Larimer Street, between 15th Street and 17th Street and will continue to be provided in 2016:

- Tree maintenance and irrigation
- Electrical charges for new pedestrian lights

Alleys

In 2016, the strategy for the cleaning of alleys will continue to focus on alleys adjacent to the 16th St. Mall. These have the most restaurants, create the most sanitation challenges and affect the greatest number of people. Alleys away from the Mall will be cleaned 2x per year or as requested however, the frequency will depend on the need and the level of services allocated to the different BID assessment zones. Alley Inspections and cleanliness assessments will be performed regularly throughout the BID. Special focus will be on odor mitigation at 16th Street Mall entrances.

- In addition, the BID's contractor responds to calls for assistance by property owners whenever there are problems in alleys due to overflowing dumpsters, illegal dumping, or unpleasant odors. It is expected that this policy will continue in 2016 but will be monitored to assure consistency in services. Staff will continue to meet with City inspectors and adjacent property owners to ensure compliance with City ordinances and minimize problems in alleys due to overflowing dumpsters, grease traps, or inadequate maintenance. A maintenance plan for Mall alleys will be developed to improve inspection, sanitation and communication to property owners about scheduled contracted cleaning schedules in 2016.

LoDo Cleaning

In 2011, the BID expanded its cleaning services in LoDo and funded an additional employee 7 days a week dedicated solely to the LoDo area. In 2016 the BID will continue the same level of services in LoDo. In 2016 BID staff will monitor the impacts of increased usage due to an increase in development, visitors, residents, events and the connection of RTD transportation between DIA and Denver Union Station.

Recycling/City Trash Receptacles

The contractor will continue to collect and dispose of the recycled material from 10 recycle containers along the 16th Street Mall. The recycling program will be evaluated in 2016 to determine expansion opportunities.

SKYLINE PARK

Skyline Park will remain a priority for the BID in 2016. The park has seen many successes and a few setbacks. A cooperative partnership with the City of Denver Parks and Recreation Department along with BID-supported activation and enhancements have seen an increase in awareness and use of Skyline Park. However the increased homeless and street youth or ‘traveler’ population has been highly visible and widely perceived as a mostly negative presence in Skyline Park throughout the spring and summer. While in general this population does not directly disrupt the lunchtime crowds, the presence, appearance and language of groups throughout the day can be disturbing and affect the perception of safety, particularly for families. Increased safety measures and continued activation and programming are intended to benefit the area.

Park Enhancements and Supplementary Maintenance

The BID will continue to fund maintenance support of the park in 2016. This includes daily concierge service of the tables and frequent power washing of troublesome areas.

Safety and Security

Continued support and monitoring of use of the Information Kiosk. The Denver Police Department uses half of the Information Kiosk space for a DPD presence in the park; and the Denver Park Rangers work out of the other half, providing additional eyes on the park activities. The BID will monitor these uses and recommend changes as needed.

Events and Programming

2016 BID Recommendations for Skyline Park

- **Programming Agreement** – The BID will pursue an agreement with the City of Denver Parks and Recreation Department for a year round programming agreement, allowing the BID to activate and program on a regular and often daily basis.
- **Block 1** (15th to 16th) – The BID will continue to work diligently with its clean and safe contractor and DPD to improve the safety and overall cleanliness of the block. In addition to occasional targeted activation days, the BID will explore implementing team building programs for Downtown businesses and supporting them with the BID-owned games and materials.
- **Movies** - The BID will continue support of the movie series, building on previous years’ successes with the continued commitment to safety and enhanced marketing.
- **Block 2** (16th to 17th) –The BID will continue the mini-golf and games programming, and staffing a Games Host position in block 2. This is daily operation with longer hours on the weekends. The BID is also exploring the feasibility of a summertime beer garden or similar use that would occupy a large portion of Block 2.
- **Block 3** (17th to 18th)–In 2015, the BID funded the temporary infrastructure to create two specific use areas in Block 3 for the summer months including a dedicated children’s play area and a dog park. Each was fenced, and installed to be easily removable. This

initiative will be repeated in 2016, possibly for a longer period of time. In addition the BID will seek to continue the partnership with the adjacent fitness center, established during the 2015 pilot month, to create free fitness experiences in the park. The overall goal of each of these elements is to bring a more positive use to the area that is rarely used for event programming.

SAFETY

The Safety category will undergo a significant change in 2016. In summer 2015, the Downtown Denver Partnership (DDP), supported by \$25,000 in funding from the BID, hired KPMG to conduct a comprehensive Security Action Plan focusing on the 16th Street Mall. The plan is scheduled for completion in October 2015. Plan recommendations will focus on a wide variety of strategies, actions, and priorities that will have major effects on the BID's Downtown Ambassador, Off-Duty Police, and Social Service Outreach programs. There will be increased collaboration between all entities affected by safety and social service programs on the Mall, including both public and private sector stakeholders. The BID Board of Directors will have significant input on the recommendations. However, until the recommendations are finalized and reviewed by the BID Board there will not be specific work plan recommendations. Staff anticipates a revised work plan document for the Safety Category in November 2015.

MANAGEMENT SERVICES

The Management Services provided by the Downtown Denver Partnership to the BID cover three areas:

- Management Direct Expenses
- Administrative Overhead
- Program Management

Management Direct Expenses, Administrative Overhead and Program Management are itemized in the Management Services department and represents staff utilization charges for administrative requirements. These charges are separate and distinct from the Program Management charged in the department operations to carry out the BID program elements.

There are five components that make up the contract value integrated in the proposed 2016 budget detailed below:

1. Administrative Overhead
2. Management Services Program Management
3. Departmental Program Management
4. Winter in the City Direct Expenses
5. Management Fees for non-operating funded activities

The Administrative Overhead charged to the BID under the contract is an allocation of DDP administrative expenses common to both BID and DDP. Unique expenses applicable to DDP are excluded from this shared overhead expense pool. The overhead resources are allocated proportional to BID staff utilization. Staff utilization is driven by the programmatic choices included in the 2016 work program.

Direct Expense BID line items of C&CD billing fees, Insurance, Legal and Audit Services in this department showed an overall increase of 5.8%. This increase is driven largely by proposed increase in legal fees from \$25,000 to \$30,000, and Board expenses from \$8,000 to \$8,500 to allow for anticipated outgoing Board recognition expenses.

Management fees for Capital Expenditures, Alternatively Funded Projects and BID Enterprise activities are part of this 2015 budget. These fees are in response to the variability, complexity, staff time and DDP resources required to undertake this work. Management fees vary by category. In the Capital Expenditures and Special Projects / Contingency Reserve category, fees are 12.5% of estimated project costs and are built into the individual line item costs for each separate item. If all Capital Expenditures and Special Project / Contingency projects are completed at the proposed costs, the fees will be \$14,375. In the BID Enterprise Category, DDP fees are set at 9% of the proposed budget, equaling \$34,590.

MARKETING AND COMMUNICATIONS

Annual Report

The BID Annual Report presents the BID work plan, recent accomplishments and brief budget information for property owners, Downtown businesses, government officials and others. We work to include more information in the report about what the BID does so the document can be used to educate property owners and other stakeholders. We will evaluate the existing document branding and potentially update in 2016 within budget parameters.

BID Happenings

The BID remains committed to informing and updating all its constituents on a timely basis. The BID will continue to produce the “BID Happenings” electronic newsletters on a monthly basis and continue to monitor the effectiveness of the newsletter to assure all BID constituent communication needs are met throughout 2016. Newsletters will focus on a variety of topics including infrastructure updates, upcoming events in the BID, status of BID programs and initiatives, BID visibility in the press and other relevant subjects. Reach = 375 BID property owners

Web and Photo Resources

The BID helps support a vibrant website that is the one-stop-shop for all information on Downtown, www.downtowndenver.com. \$5,000 has been budgeted for 2016 to continue to update the website and photography resources.

Efforts will be made in late 2015 and early 2016 to update the BID’s presence on downtowndenver.com, including establishing a resource page for Wynkoop Plaza.

Targeted Marketing

Map and Directory

The Downtown Denver Map and Directory continues to be among the most highly valued publications produced by the BID. It contains a comprehensive listing of Downtown retail businesses, hotels and attractions and a full map of Downtown on the back panel. The directories are distributed in the Mall wayfinder signs, information kiosks and throughout hotels, restaurants and businesses in Metro Denver and at all conventions. The BID prints 350,000 copies annually, 87,500 every three months.

In 2011, the BID decided to publish the directory twice in one year to increase potential advertising revenue. In 2014 the BID switched to a three month publishing cycle to increase revenue and aggressively promote advertising in the Map and Directory so that the directory will pay for itself.

Conventions and Welcome

Each year the BID contributes \$1,500 for the VISIT DENVER welcome signs for conventions in Downtown Denver. They are distributed to businesses throughout Downtown and on the RTD Mall shuttle.

Event Flyer

Event Flyer highlights events at a glance with event name, date and web site, phone and locations. These flyers are printed approximately 11 times a year (with the Winter in the City Holiday Guide replacing the December edition) and distributed in the 16th Street Mall wayfinder signs and information kiosks and to Denver hotels, property managers and businesses. Proposing to redesign the Event Flyer to match the Only Downtown Denver branding that was launched summer 2013.

HOLIDAY

Given the significance of 4th quarter sales to the Downtown economy, the BID collaborates with Downtown hotels, retailers, the City, and VISIT DENVER during the winter/holiday season to promote Downtown Denver as the center of seasonal activity for the region.

As part of the annual **Winter in the City** program, the BID will continue to use this platform for all winter/holiday activities including events, downtown decor, retailers and restaurants. Winter in the City will continue to create and market an inviting experience that makes Downtown Denver a seasonal destination.

The Winter in the City programming runs from Thanksgiving through the end of January and targets both a local and regional audience. The marketing of the program not only highlights BID-funded programming, but leverages other holiday events to showcase all that Downtown Denver has to offer. The campaign features shopping as an important part of the downtown experience. The marketing campaign will include web, social media, brochures, posters, and targeted media buys.

As the most significant component of the holiday program, décor and lighting will be approximately 56% of the total holiday budget. The focus continues to be on the 16th Street Mall, Skyline Park, the D&F Tower and connections on California, Curtis and Larimer Streets to the Colorado Convention Center and the Denver Performing Arts Complex.

The BID holiday plan also includes events and entertainment to further the efforts to attract Downtown residents, employees and visitors. This includes events such as a collaborative Downtown Denver Grand Illumination lighting event and New Year's Eve fireworks, programs that will be leveraged with approximately \$100,000 from the City and VISIT DENVER plus extensive marketing. In addition, the BID will host the annual Tuba Christmas concert in Skyline Park. A seasonal promotion of the popular public piano program will be used to activate the mall during the holidays. In addition, seasonal entertainment and programming will be implemented in the Garden Block. DDP has secured the sponsorship of Southwest Airlines to fully fund the ice skating rink for winter of 2015-2016 in block two of Skyline Park. We hope to have the continued full sponsorship by Southwest Airlines in the winter of 2016-2017 in order to be able to continue it in 2016 without BID funding. (no BID funding is included for the skating rink in the 2016 budget.) The BID also will provide marketing support to the Denver Christkindl Market that takes place in Skyline Park between Thanksgiving and Christmas. All of the holiday events have been created to help drive business to hotels, restaurants, bars and retail outlets in Downtown.

The goal of the entertainment/program funding is to ensure that throughout the holiday season, visitors will be able to experience entertainment or unique activity in addition to helping keep visitors in Downtown longer. This will be enhanced by promoting the variety of events already taking place in Downtown Denver.

ECONOMIC DEVELOPMENT

The 2016 BID strategy will emphasize retail recruitment and retention; business recruitment and retention; and identifying, supporting and attracting start-up businesses.

Business Retention Program

- Retention efforts include contacting all companies occupying 10,000 square feet or more of office space that have leases coming up for renewal in the next 18 to 24 months. In a typical year, about 35 companies occupying a total of approximately one million square feet of commercial office space and representing about 4,000 employees are contacted.
- Organize and execute the Mayor's Executive Reception, a gathering of 200+ business leaders.
- Arrange and participate in meetings with the Mayor and CEOs of Downtown's top employers.
- Continue to enhance the strong relationships with the state Office of Economic Development & International Trade, the Denver Office of Economic Development, Metro Denver Economic Development Corporation (MDEDC) and other regional economic development organizations.

Business Recruitment Program

- The BID will continue to be the primary representative for Downtown Denver with metro, regional and national companies considering relocation to, or expansion in, Colorado.
- The BID will continue to be represented as appropriate at CoreNet, NAIOP, ULI, BOMA and ICSC events and conferences in 2016.
- Conduct Downtown Development and Trends presentations for commercial brokers, investors, property owners and businesses for the purpose of highlighting Downtown as a great office location.
- The BID will participate in the 2016 Site Selection Conference.
- The BID will participate in Metro Denver EDC's National Marketing Program to ensure Downtown Denver is able to take advantage of regional, national and international media opportunities.

Startup Business Support

- Support programming and promote events at The Commons on Champa.
- Participate in events like Denver Startup Week to help identify Denver's entrepreneurial business community, as well as to generate more visibility for Downtown as the center of innovation and entrepreneurship.

Retail Recruitment and Retention Program

2016 retail activities will be focused in the following areas:

- Continued implementation of Retail Development Plan with focused outreach to retail prospects in the following categories; soft goods (men's, women's and children's clothing/accessories), daily needs and first/new to market concepts.
- Distribution of the Retail Video and Electronic Book to prospective retailers, property owners and brokers.

- Provide coordination, research and assistance as appropriate to owners of major retail complexes, as well as individual new retail businesses to help them expand, reposition or open new locations in the BID area.
- Promote the newly created database and interactive map for the Retail Space Inventory Project and begin possible implementation and evaluate the expansion of it with second phase which will cover the entire BID area.
- Work with property owners/developers to share the downtown retail vision and identify opportunities for retail development, including Market Street Station, California Mall/Cotrells and Block 162.
- Continue to work with Target as it evaluates potential sites for its latest urban format store. This includes working with property owners with research and other information.
- Give quarterly presentations to retail brokerage offices on Downtown retail development and other statistics.
- Attend the ICSC 2016 RECON, ICSC Western Regional and New York National Conferences as part of the retailer outreach strategy.
- Conduct site visits to meet with key retailer prospects or their tenant representatives to determine the feasibility of a Downtown location.
- Distribute the quarterly Economic Research Report to retail brokers and property owners.
- Pursue meetings with retailers such as Zara, Charlotte Russe, Primark, Jos. A. Bank, Target, Old Navy, Sephora, Whole Foods, LuLuLemon Athletica, Top Shop, Cotton On, Uniqlo, Nordstrom Rack, DSW, Whole Foods, Trader Joe's, Costco, Intermix, Kitson, Joe Fresh, Club Monaco and others to establish/cultivate relationships and discuss the possibility of a Downtown location.

RESEARCH

Downtown Denver continues to be in an exciting position to play a lead role in attracting and retaining quality business to the metro area, as well as increasing numbers of visitors – both locally and nationally. In the interest of pursuing the most efficient use of resources, every effort is being made to regularly re-evaluate the relevance of data either gathered or created by the BID in view of the ever-changing needs and demands of the commercial, retail and hospitality development and investor markets. In 2016 the research staff will:

- Produce the State of Downtown Denver report, Pedestrian Count report, Quarterly Economic Update reports and other key research documents to “tell the story” of Downtown Denver. Data points include pedestrian counts, vacancy rates, hotel room rates and occupancy percentages, housing trends, office market development, Downtown demographics and more. Other research activities conducted by the Downtown Denver Partnership, but that contribute to the overall research program of the two organizations include the annual Commuter Survey and the Parking Inventory.
- Continue to track and update all Downtown development, including a summary of mixed-use, hotel, office, public and residential developments. This commonly requested information is available on the downtowndenver.com website, through quarterly electronic reports and an annual printed report.
- Manage the Pedestrian Count program to understand pedestrian traffic in Downtown Denver. Continue to implement automatic pedestrian counters and analyze data from automatic pedestrian counters to understand how pedestrian traffic changes throughout the day, throughout the week, and throughout the year.
- Observe and analyze key public spaces in Downtown Denver using the Public Space Public Life methodology. Use this methodology to measure impacts of potential interventions and/or changes in Downtown public spaces.

PEDESTRIAN ENVIRONMENT

In 2016 the Pedestrian Environment will continue to be a major focus for the BID and the overall budget will increase 8%.

The Mall Flower Program, and its companion item, the Off-Mall Planters, are the two most significant costs in the Pedestrian Environment budget. The Mall Flower Program will see a modest increase of 4%, attributable entirely to increased contractor costs.

The off-Mall component was initiated with 150 planters in 2008 and has since grown to 454 planters. Most of this growth has been attributable to a program of property owners paying the BID for the initial capital cost of the planters and the first year of planting and maintenance. The BID then takes ownership of the planters and provides the flowers and maintenance for the life of the planters, which has resulted in steadily increasing maintenance costs and responsibilities for the BID each year. This program will be frozen at the existing level in 2016. The reduction in expenses in the Off-Mall Planters line item is due to the fact that the BID will not be purchasing additional planters in 2016. This figure is offset by a reduction in the Streetscape Contributions line in the Revenue budget, which is where the property owner contributions are tracked.

In 2014, the Garden Block was added to Pedestrian Environment as a new budget category. The Garden Block was implemented in 2013 as a Special Project, in partnership with the Denver Botanic Gardens, who helped raise grant money to initiate the program. The primary current funding source will expire in 2015 and staff is in the process of finding other partners and funding sources to support the Garden Block plantings and activation for 2016 and future years.

The \$20,000 allocated for Mall Programming will be used to activate the Mall with various types of attractions or entertainment, focused on activities that will activate the median both on a one time and ongoing basis. This will include continued support of Your Keys to the City (the placement of pianos on the mall during the summer) and the "Meet in the Street" initiative. Staff anticipates that Meet in the Street will be expanded substantially from the 5 occurrences in 2015, and will also be refocused to be less staff and program intensive, with a greater emphasis on furnishings and other capital items. In 2015, Meet in the Street was funded entirely as a Special Project. Now in its third year in 2016, funding will be split between the Pedestrian Environment (\$50,000) reflecting contractor and other soft costs, and Special Projects (\$100,000) reflecting hard costs and other one-time costs.

Patio 16 is another activation project entering its third year, which was previously funded as a Special Project. In 2016, maintenance funds for Patio 16 have been moved into the Pedestrian Environment budget, with contract staffing costs remaining in the Safety budget.

MARKETPLACE ON THE MALL

Marketplace on the Mall represents the BID's focused strategy to enhance the 16th Street Mall environment through positive activation of the public space between Court and Wewatta Street. The program has transitioned tactically from a City permitting process to proactive and ongoing management of a program with emphasis on activity vs revenue, quality vs quantity and assurance of a positive customer experience.

Seven of the **BID-owned Retail Merchandising Units (RMUs)** were placed in storage at the end of 2014. One remains occupied by a long-term sunglass vendor who upgraded from a wooden pushcart. While selling them remains the primary objective, it was agreed that the units have likely reached full depreciation reducing the sense of urgency. Relaunch would require appropriate placement, likely near Pavilions, and a fresh, unique strategy. Motion will be in place by Q2 2016.

Special Events continue to be the strongest area of opportunity in terms of both activation and revenue. Interest and diversity in this category continue to grow. Safety and quality issues surrounding relatively new "tent markets" were alleviated by the BID's purchase of smaller footprint 8' x 8' pop-up tents. Creating strong alliances with national and local marketing firms remains key in encouraging their clients' product launches and promotions on the Mall. Primary deterrents to many of the national tours and promotions remain the narrow width of the median, interference from Mall shuttles and prohibited use of vehicles in promotions.

Visionary Strategies

In accordance with recommendations of the 16th Street Mall Urban Design Plan and the BID's Core Block Strategy, efforts continue to analyze, capture and support unique characteristics on various blocks to further solidify a "sense of place". The Denver Botanic Gardens block, Patio 16 and a Service Vending Kiosk cluster in the Mall's business district are examples of this strategy.

Going forward, this "block districting" will be integrated with efforts to incorporate cultural partners, influences and amenities into the Mall experience. This may include Meet in the Street strategies as well as potential sponsorship or activation opportunities.

Conversations are in play to continue the **SCFD series in the Garden Block** for a third season. The series, which is revenue neutral, meets our goal of bringing culture to the Mall on an ongoing basis. Renewal of the partnership agreement between Denver Botanic Gardens and the Downtown Denver Partnership will determine whether the series continues into 2016.

Patio 16, launched in 2014 is a public dining/patio seating area between California and Stout streets. The primary goal was to create a family friendly and smoke-free public dining destination in conjunction with a food vending cluster. This was achieved by receiving the first-ever City of Denver outdoor food court permit. The food court permit allows the BID to implement a good neighbor code of conduct and requires the enforcement of food court regulations; including

disallowing smoking and pets. Response has been positive with steady workforce use during lunchtime and consistent family use on Saturdays.

Pedestrian observations were conducted before and after the Patio 16 launch. It is safe to say that traditional negative, but legal, behaviors within the median areas have been greatly reduced and that this portion of the block has experienced a dramatic transformation in perception of safety and cleanliness.

Programmatic Strategies

The ordinance and subordinate documents governing 16th Street Mall Vending, Special Events and Entertainers remain in need of revision in conjunction with Citywide ordinances impacting City vending, mobile food vehicles, peddler permits, food trucks, conducting business at parking meters, and several associated items. This is a big picture item to be addressed across multiple departments and with City participation.

Pricing adjustments were made in 2014 to reduce financial hardship and turnover rates of Mall vendors, to ensure continued interest from local small businesses, and to avoid decline of overall activation on the Mall.

Rates will not be further adjusted in 2016, however a required short-term trial period will be implemented before long-term agreements will be offered in order to reduce ongoing abandonment issues. It should be anticipated that less time is spent on receivables and legal action but also that a percentage of applicants will refuse to make a substantial financial investment for a two to three month commitment.

The interest in utilizing kiosks vs mobile vending units has become almost exclusive. Virtually every applicant requests use of a BID-owned kiosk. With only three kiosks to offer, more and more vendors are becoming determined to purchase a kiosk in order to avoid the challenges of mobile vending. Selecting a preferred footprint, design and manufacturer should be a top priority in 2016, from which the BID could determine feasibility in purchasing a number of “pre-leased” units.

The **Central Platte Valley Management District** reached out the BID to explore opportunities to contract for its services to manage the vending and activation in their district in a manner similar to the 16th Street Mall’s Cluster Permit. With staff time focused on the Meet In The Street initiative, it was decided not to take on this project in 2015. For the time-being, CPVMD has hired a contractor to perform these services.

PERIODIC MAINTENANCE RESERVE

In 2016, funds are being allocated for updated Wayfinder maps, Fountain pump repair and replacement, Mall granite rehabilitation, new Mall banners, maintenance equipment purchase/lease funding and Skyline Park furniture replacement in the Periodic Maintenance Reserve Projects fund. Mall Granite rehabilitation was moved to Periodic Maintenance Reserve from Capital Projects. The BID makes a contribution to the Periodic Maintenance Reserve annually to cover the costs for items and projects that do not happen annually but are recurring and then draws money from that Reserve as necessary to fund specific projects.

The 2016 items include:

- \$6,553 for Wayfinder map replacement for 25 signs
- \$5000 for repair and replacement of decorative fountain pumps
- \$75,000 for Mall granite replacement in pedestrian walkways and medians.
- \$6,500 for new Banners for the 16th Street Mall
- \$80,000 maintenance equipment lease/purchase costs
- \$10,000 for Skyline Park tables, chairs and umbrellas. The tables, chairs and umbrellas in the park were replaced in 2014. This line item is for park furnishings that may need maintenance or replacement due to loss or damage in 2016

CAPITAL FUND

Capital funding for 2016 has been established based on a capital reserve goal and formula approved by the BID Board and initiated in 2004. Currently, the BID makes a contribution of 1% of Special Property Assessments annually to the Capital Project Fund to cover periodic capital projects and then draws money from that Fund as necessary to fund specific projects. In 2016, the BID will fund \$16,875 for the replacement of off-Mall trees; focusing on BID-responsible locations including Curtis Street, California Street, Larimer Street and the LoDo portion of the 16th Street Mall. \$75,000 was allotted in 2015 for a comprehensive granite paver assessment which was completed in 2015. The Mall granite rehabilitation program has been moved to the Periodic Maintenance account.

SPECIAL PROJECTS

In 2016, the BID will fund one special project, the third year of Meet in the Street. The initial allocation for this is \$100,000, to complement the \$50,000 allocation in the Pedestrian Environment budget. The current plan is for Meet in the Street to be held on both Saturdays and Sundays between Memorial Day and Labor Day, or up to 30 times in one year. In this scenario, the emphasis will need to shift to less labor-intensive programming and more repetitive programming, such as expansion of sidewalk cafes and deployment of furnishings. One-time programming may still occur on certain occasions, but partners such as cultural institutions will be sought to assist and “own” more of the one-time and repetitive programming activities. If Meet in the Street continues in future years, it should gradually transition from a special project to a part of the annual operating budget. The 2016 Special Project funding is primarily aimed at one-time purchases such as furnishings to be used at and special one-time programming such as landscape installations and equipment needed to facilitate other one-time or unique programming activities.

Downtown Denver Business Improvement District

Financial Statements and Required Supplementary Information

December 31, 2014

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Engle, P.C.

Certified Public Accountants

Downtown Denver Business Improvement District

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Independent Auditor's Report

Board of Directors Downtown Denver Business Improvement District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Downtown Denver Business Improvement District (the BID), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the BID's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Downtown Denver Business Improvement District as of December 31, 2014, the changes in financial position and the budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Board of Directors
Downtown Denver Business Improvement District**

Other Matter

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

KUNDINGER, CORDER & ENGLE, P.C.

April 2, 2015

Management's Discussion and Analysis

Management's discussion and analysis of the Downtown Denver Business Improvement District's (BID's) financial performance provides an overview of the BID's financial activities for the year ended December 31, 2014. This annual report consists of a series of financial statements. The Statement of Net Position (on page 6) and the Statement of Activities (on page 7) provide information about the activities of the BID as a whole and present a longer-term view of the BID's finances. For governmental activities, these statements explain how these services were financed in the short term, as well as what remains for future spending.

The 2014 BID revenues of \$6,679,805 were \$489,947 or 7.9% higher than 2013. Assessment revenue was up \$171,459 or 3.5%. Contract revenues were up \$266,505 or 21.5%.

Total 2014 expenditures were \$553,368 higher or an increase of 9.0% compared to 2013. Increases in Maintenance and Repair expenses \$145,629 and Management and Administration \$75,276 and Security and Safety expenses \$17,211 offset decreases in Skyline Park expenses (\$28,553), Special Projects \$69,044 and Contract Expenses \$47,689 with more modest changes in other categories covered below in comments in the Review of Expenditures category. Overall maintenance and safety service levels provided by the BID were sustained in 2014.

Net position of \$2,037,402 at December 31, 2014, remained flat compared to 2013 due to slight decreases in net capital assets from depreciation.

Statements of Net Position:

The following table shows the condensed statements of net position as of December 31 for the past two years:

	<u>2014</u>	<u>2013</u>
Current assets	\$ 2,136,238	1,969,394
Assessments receivable	5,283,866	5,097,796
Capital assets	<u>665,349</u>	<u>689,979</u>
Total assets	<u>8,085,453</u>	<u>7,757,169</u>
Current liabilities	764,185	618,145
Deferred assessments revenue	<u>5,283,866</u>	<u>5,097,796</u>
Total liabilities and deferred inflows	<u>6,048,051</u>	<u>5,715,941</u>
Capital assets	665,349	689,979
Restricted-emergency reserve	183,789	172,058
Unrestricted	<u>1,188,264</u>	<u>1,179,191</u>
Net position	<u>\$ 2,037,402</u>	<u>2,041,228</u>

Review of Revenues:

	<u>2014</u>	<u>%</u>	<u>2013</u>	<u>%</u>
Special property assessments	\$ 5,119,809	77%	4,948,350	80%
Intergovernmental	408,500	6%	303,500	5%
Contract revenue	1,094,981	16%	933,476	15%
Other income	<u>56,515</u>	<u>1%</u>	<u>4,532</u>	<u>0%</u>
Total revenues	<u>\$ 6,679,805</u>	<u>100%</u>	<u>6,189,858</u>	<u>100%</u>

Special property assessments represent 77% of total revenues for 2014 which increased by \$171,459 (3.5%) due to TABOR-driven assessment increases.

Contract revenues were higher in 2014 by \$266,505 (21.5%) due to increased revenue from expanded Central Platte Valley and Riverfront Park contracts, and additional contract work performed under the Intergovernmental agreement for the City and County of Denver.

Other income increased by \$51,983 (91%), a portion of which was grant funding for the Garden Block project/program, as well as funds contributed toward Outreach Services provided by the BID.

Review of Expenditures:

	<u>2014</u>	<u>%</u>	<u>2013</u>	<u>%</u>
Maintenance and repair	\$ 2,387,826	36%	2,242,197	37%
Management and administration	1,040,602	16%	965,326	16%
District marketing and promotions	529,555	8%	482,320	8%
Economic development	264,002	4%	247,384	4%
Security and safety	677,937	10%	660,726	11%
Pedestrian environment	758,793	11%	595,574	10%
Contract expenses	563,858	8%	516,169	8%
Skyline Park	198,479	3%	227,032	3%
Special projects	<u>262,579</u>	<u>4%</u>	<u>193,535</u>	<u>3%</u>
Total expenditures	<u>\$ 6,683,631</u>	<u>100%</u>	<u>6,130,263</u>	<u>100%</u>

Maintenance and Repair expenses increased by \$145,629 (6.5%). The maintenance contractor changed to a new provider effective December 1, 2014. In addition, there were increased costs for Mall granite repairs as well as for program management funding.

Management and Administration expenses were \$75,276 (7.8%) higher than 2013 due to higher costs of IT security and technology support as well as higher BID program staffing levels which drives administrative expense sharing.

District Marketing and Promotions was \$47,235 higher (9.8%) due to increases in program management, Map and Directory expenses and holiday décor capital purchases.

Economic development increased \$16,618 (6.7%) due to increases in the program management funding.

Security and Safety expenses increased by \$17,211 (2.6%), this reflects the shift of concierge expenses in the Skyline Park category to the Security and Safety expenses.

Pedestrian environment increased by \$163,219 (27.4%) due to purchases of tables and chairs, an expanding off-mall flower program, a contribution to a Denver streetscape study, and program management.

Skyline Park expenses decreased by (\$28,553) (12.6%), primarily due to a shift of concierge expenses to the Security and Safety category.

Special projects expenses grew by \$69,044 (35.7%) due to the addition of tactical-urbanism-type of projects: an alley demonstration project, 18th Street 2-way enhancements, Meet in the Streets programming, Patio 16 food court, and Oh Heck Yeah participation.

Contract expenses increased \$47,689 (9.2%) resulting from expanded services provided as part of the Central Platte Valley contract and work for the City and County of Denver as well as program management funding.

Budgetary Highlights:

The categories of Maintenance and Repair; Security and Safety; Pedestrian Environment and Management and Administration were the BID's primary expenditures in 2014. Special program enhancements for 2014 included:

- Patio 16 Food Court added to the median of 700 Block of the 16th Street Mall;
- Alley Demonstration Project which included permanent art work and bistro lighting;
- 18th Street 2-way Enhancements including flower planters and trash receptacles; and
- Meet in the Streets program, two Sundays when Free Mall Shuttles were re-routed off of the Mall to other streets so that activities and programming could occur on the Mall.

Financial Contact:

The BID's financial statements are designed to present users with a general overview of the BID's finances and to demonstrate the BID's accountability. If there are any questions about the report or additional information is needed, please contact Downtown Denver Business Improvement District, 511 16th Street, #200, Denver, Colorado 80202.

Downtown Denver Business Improvement District
Statement of Net Position and Governmental Funds Balance Sheet
December 31, 2014

	<u>General Fund</u>	<u>NTR Fund</u>	<u>Total</u>	<u>Adjust- ments</u>	<u>Statement of Net Position</u>
Assets:					
Cash and cash equivalents	\$ 1,690,152	-	1,690,152	-	1,690,152
Accounts receivable	262,064	151,133	413,197	-	413,197
Assessments receivable	5,283,866	-	5,283,866	-	5,283,866
Prepaid expenses	32,889	-	32,889	-	32,889
Property and equipment, net (note 2)	-	-	-	665,349	665,349
Total assets	<u>\$ 7,268,971</u>	<u>151,133</u>	<u>7,420,104</u>	<u>665,349</u>	<u>8,085,453</u>
Liabilities:					
Accounts payable	\$ 672,435	72,089	744,524	-	744,524
Internal balances	(79,044)	79,044	-	-	-
Total liabilities	<u>593,391</u>	<u>151,133</u>	<u>744,524</u>	<u>-</u>	<u>744,524</u>
Deferred Inflows of Resources:					
Deferred revenue	19,661	-	19,661	-	19,661
Deferred assessments revenue	5,283,866	-	5,283,866	-	5,283,866
Total deferred inflows	<u>5,303,527</u>	<u>-</u>	<u>5,303,527</u>	<u>-</u>	<u>5,303,527</u>
Fund Balances/Net Position:					
Fund balances:					
Reserved for emergencies	183,789	-	183,789	(183,789)	-
Assigned for cash flow and capital	393,987	-	393,987	(393,987)	-
Assigned for periodic maintenance	260,104	-	260,104	(260,104)	-
Assigned for operating reserves	534,173	-	534,173	(534,173)	-
Total fund balances	<u>1,372,053</u>	<u>-</u>	<u>1,372,053</u>	<u>(1,372,053)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,268,971</u>	<u>151,133</u>	<u>7,420,104</u>		
Net Position:					
Investment in capital assets				665,349	665,349
Restricted for emergencies				183,789	183,789
Unrestricted net assets				1,188,264	1,188,264
Total net position				<u>2,037,402</u>	<u>2,037,402</u>

See accompanying notes to the financial statements.

Downtown Denver Business Improvement District
Statement of Activities and Governmental Fund Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2014

	General Fund	NTR Fund	Total	Adjust- ments	Statement of Activities
Revenues:					
Special property assessments	\$ 5,119,809	–	5,119,809	–	5,119,809
Intergovernmental (note 4)	408,500	–	408,500	–	408,500
Contract revenue	768,155	403,274	1,171,429	(76,448)	1,094,981
Other income	56,515	–	56,515	–	56,515
Total revenues	6,352,979	403,274	6,756,253	(76,448)	6,679,805
Expenditures:					
Maintenance and repair	2,387,826	–	2,387,826	–	2,387,826
Management and administration	896,795	–	896,795	143,807	1,040,602
District marketing and promotions	529,555	–	529,555	–	529,555
Economic development	264,002	–	264,002	–	264,002
Security and safety	677,937	–	677,937	–	677,937
Pedestrian environment	758,793	–	758,793	–	758,793
Contract expenses	237,032	403,274	640,306	(76,448)	563,858
Skyline Park	198,479	–	198,479	–	198,479
Special projects	262,579	–	262,579	–	262,579
Capital projects	119,177	–	119,177	(119,177)	–
Total expenditures	6,332,175	403,274	6,735,449	(51,818)	6,683,631
Excess of (deficiency in) revenue over expenditures	20,804	–	20,804	(24,630)	(3,826)
Fund balances/net position at beginning of year	1,351,249	–	1,351,249	689,979	2,041,228
Fund balances/net position at end of year	\$ 1,372,053	–	1,372,053	665,349	2,037,402

See accompanying notes to the financial statements.

Downtown Denver Business Improvement District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
— Budget and Actual —
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance— From Final
Revenues:				
Special property assessments	\$ 5,097,796	5,097,796	5,119,809	22,013
Intergovernmental (note 4)	408,500	408,500	408,500	—
Other income	798,835	764,165	824,670	60,505
Total revenues	6,305,131	6,270,461	6,352,979	82,518
Expenditures:				
Maintenance and repair	2,481,317	2,406,317	2,387,826	18,491
Management and administration	889,481	889,381	896,795	(7,414)
District marketing and promotions	517,157	527,157	529,555	(2,398)
Economic development	285,880	285,880	264,002	21,878
Security and safety	682,922	692,451	677,937	14,514
Pedestrian environment	780,880	822,645	758,793	63,852
Contract expenses	280,205	259,376	237,032	22,344
Skyline Park	193,046	193,046	198,479	(5,433)
Special projects/contingency	—	—	262,579	(262,579)
Total current expenditures	6,110,888	6,076,253	6,212,998	(136,745)
Capital projects	50,978	50,978	119,177	(68,199)
Period maintenance reserve	205,746	220,871	—	220,871
Total capital expenditures and operating reserves	256,724	271,849	119,177	152,672
Total expenditures	6,367,612	6,348,102	6,332,175	15,927
Excess of revenue over expenditures	(62,481)	(77,641)	20,804	98,445
Fund balances at beginning of year	1,351,249	1,351,249	1,351,249	—
Fund balances at end of year	\$ 1,288,768	1,273,608	1,372,053	98,445

See accompanying notes to the financial statements.

Downtown Denver Business Improvement District
Notes to Financial Statements
December 31, 2014

(1) Summary of Significant Accounting Policies

(a) General

The Downtown Denver Business Improvement District (the BID) is a quasi-municipal corporation and political subdivision of the State of Colorado, created by Ordinance and governed pursuant to the provisions of the Business Improvement District Act, C.R.S. §31-25-1201, et seq. The BID service area encompasses the central business district of the City and County of Denver (the City), Colorado, including the Sixteenth Street Mall and the immediately surrounding area. The BID began operations October 26, 1992 upon the legal sunset of the Sixteenth Street Mall Management District, and in the fall of 2011, was renewed by constituents for a ten-year period ending in 2021.

The BID provides a variety of services to its constituents, including:

- Continuous maintenance and repairs
- Security and public safety
- Custodial services, snow removal and grounds beautification
- Planning and administration of economic and urban development activities
- Promotion and marketing of the BID area to existing and prospective businesses and their employees
- Organization, promotion, marketing and management of public events
- Project funding and management for design and for construction of capital improvements

(b) Basis of Accounting and Financial Statement Presentation

The BID is a legally separate governmental unit. However, the Mayor of the City appoints the BID's Board of Directors, and the Denver City Council approves the annual budget and operating plan. For financial statement purposes, the BID is considered to be a component unit of the City because control of the BID essentially rests with the City.

Government-Wide Statements

The BID reports as a special-purpose government engaged in governmental activities. The BID's basic financial statement include both government-wide (reporting the BID as a whole) and fund financial statement (reporting the BID's major funds). These financial statements have been combined with an adjustments column to reconcile between the two statements.

In the government-wide statement of net position, the governmental activities columns (a) are presented on a consolidated basis by column and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The BID's net position is reported in three parts—investment in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The BID first utilizes restricted resources to finance qualifying activities.

Downtown Denver Business Improvement District Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting and Financial Statement Presentation, Continued

The government-wide statement of activities reports both the gross and net cost of each of the BID's functions. The functions are also supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants column reflects capital-specific grants.

The net costs are normally covered by general revenue.

The BID does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating fund that is eliminated like a reimbursement to recover the direct costs of General Fund services provided.

This government-wide focus is more on the sustainability of the BID as an entity and the change in the BID's net position resulting from the current year's activities.

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Fund Financial Statements

The financial transactions of the BID are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the BID:

Governmental Fund Type

The *General Fund* is the general operating fund of the BID, and is used to account for all financial resources and expenditures of the BID related to the provision of the goods and services pursuant to its organizational ordinance and annual operating plan. The focus of the governmental funds' measurement is upon determination of financial position rather than upon net income.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Downtown Denver Business Improvement District
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting and Financial Statement Presentation, Continued

The *NTR Fund* (an alternative program fund) is used to account for specific contract revenues and expenses associated with BID services delivered outside of the traditional BID boundaries or within its boundaries and beyond the standard services provided by the BID.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

The BID considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

(e) Concentrations of Credit Risk

Financial instruments which potentially subject the BID to concentrations of credit risk consist principally of cash and cash equivalents and special assessments receivable. The BID's bank accounts at year-end were entirely covered by federal depository insurance or by collateral held by the BID's custodial banks under provisions of the Colorado Public Deposit Protection Act (PDPA).

PDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the BID to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements and money market funds. The BID does not have a further investment policy.

At December 31, 2014, the BID had \$167,386 invested in the Colorado Liquid Assets Trust, an SEC Rule 2a7-like investment pool. Investments are valued at amortized cost with each share valued at \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. This investment is rated AAAM by Standard and Poors.

At December 31, 2014, the BID held \$636,246 in a liquid asset savings account at FirstBank.

Downtown Denver Business Improvement District
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Concentrations of Credit Risk, Continued

Concentrations of credit risk with respect to special assessments are considered to be minimal because failure to pay may result in foreclosure and sale of the property being assessed (note 1(f)). Historically, uncollectible assessments have been minimal.

(f) Special Assessments

Special assessments are certified by the BID board of directors on or about December 15 each year. The assessment is transmitted to the City and becomes a perpetual lien on the property as of the date the assessment notices are mailed to the payers. The assessments are payable by the end of April. Delinquent payers are notified in August and tax sales of delinquent properties are held in November. Assessment collections are remitted by the City to the BID on a monthly basis.

At December 31, 2014, the BID board of directors had certified and levied assessments of \$5,283,866 for collection during 2015. This amount has been reflected in the accompanying balance sheet as assessments receivable and as deferred assessments revenue.

(g) Budgets

In accordance with the State Budget Law and the Business Improvement District Act, the BID prepares and submits an annual operating plan and budget to the City on or before September 30 each year for the ensuing year and following public notice, the BID conducts a public hearing prior to adopting the final budget and appropriating sums. The budgetary reporting basis is the same as the financial reporting basis, and the appropriation is set at the total fund-expenditures level.

The NTR Fund had original budgeted expenditures of \$335,792, final budgeted expenditures of \$438,492, and actual spending of \$403,274.

(h) Property and Equipment

The BID capitalizes property and equipment with an initial cost, or fair value if donated, over \$5,000 and an estimated useful life of more than one year. Assets purchased for ownership by the City, the use of which benefits the BID, are not capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to ten years.

(i) Fund Equity

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are legally restricted by law or outside parties for use for specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

Downtown Denver Business Improvement District
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(i) Fund Equity, Continued

Restricted for Emergencies

These restrictions are established to comply with TABOR. Recorded TABOR emergency reserves at December 31, 2014 are \$183,789.

Assigned fund balances, if any, are amounts the District intends to use for specific purpose. Intent can be expressed by the Board of Directors or by an official to which the Board delegates authority. Restricted funds are considered to be spent first followed by assigned and unassigned, for an expenditure for which any could be used.

Fund Equity Assignments

Assignments of unrestricted fund balances indicate management's intention for future utilization of such funds and are subject to change with the board of director's approval.

The board has assigned an operating reserve for working capital and future capital expenditures, beginning with \$100,000, and adds annual contributions of $\frac{3}{4}\%$ of the annual property assessment, which for 2014 was \$50,978. Expenditures applied to the cash flow and capital reserve in 2014 totaled \$43,750. At December 31, 2014, the assigned cash flow and capital reserve had a total balance of \$393,987.

The board has assigned an operating reserve for period maintenance. The BID makes a contribution to the periodic maintenance reserve annually to cover the costs for items and projects that do not happen annually but are recurring and then draws money from that reserve as necessary to fund specific projects. Contributions to the periodic maintenance reserve totaled \$142,500 in 2014 and were offset by expenditures of \$105,074. The assigned periodic maintenance reserve had a total balance of \$260,104 at December 31, 2014.

(j) Interfund Activity

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payable as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

(k) Subsequent Events

Management is required to evaluate, through the date the financial statements are issued or available to be issued, events or transactions that may require recognition or disclosure in the financial statements, and to disclose the date through which subsequent events were evaluated. The BID's financial statements were available to be issued on April 2, 2015, and this is the date through which subsequent events were evaluated.

Downtown Denver Business Improvement District
Notes to Financial Statements, Continued

(2) Property and Equipment

Property and equipment, including changes thereto, were as follows during 2014:

	January 1, <u>2014</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2014</u>
Street furniture and fixtures	\$ 489,096	68,772	-	557,868
Landscaping	892,958	50,405	-	943,363
Artwork	<u>11,000</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Total property and equipment	1,393,054	119,177	-	1,512,231
Less accumulated depreciation	<u>(703,075)</u>	<u>(143,807)</u>	<u>-</u>	<u>(846,882)</u>
Property and equipment, net	\$ <u>689,979</u>	<u>(24,630)</u>	<u>-</u>	<u>665,349</u>

(3) Related Party

The BID contracts with a related party, the Downtown Denver Partnership, Inc. (DDP) to manage and account for its operations under the terms of an annual agreement. During 2014, the BID paid DDP \$2,269,675 for these services.

(4) Intergovernmental Agreement

The BID and the City provide services and other benefits to one another pursuant to the terms of an annual intergovernmental agreement. During 2014, the BID paid \$65,000 to the City for certain billing, collection, security and other services, and the BID was paid \$331,000 by the City in lieu of special assessment of certain property belonging to the City within the special assessment district boundaries. The City also had a contract with the BID totaling \$77,500 for the Safety Ambassador program.

(5) Reconciliation of the Governmental Funds Balance Sheet and the Statement of Net Position

Amounts reported in the statement of net position at December 31, 2014 are different because:

Fund balance of Governmental Funds	\$ 1,372,053
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Funds	<u>665,349</u>
Total net position	\$ <u>2,037,402</u>

Downtown Denver Business Improvement District
Notes to Financial Statements, Continued

(6) Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities

Year ended December 31, 2014:

Net change in fund balance - Governmental Funds \$ 20,804

Amounts reported for *governmental activities* in the statement of activities are different because:

The Governmental Funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year. (24,630)

Change in net position of Governmental Activities \$ (3,826)

(7) "Tabor" Amendment

In November 1992, Colorado voters approved a state constitutional amendment (§20 of Article X of the State Constitution), the stated purpose of which is to restrain government growth (as measured by revenues and expenditures) without a vote of local citizens. The key mechanisms for restraining growth without a vote are:

- a. The prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth.
- b. The prohibition of new taxes or higher tax rates.
- c. The prohibition of new debt and financial obligations with maturities exceeding one year.
- d. The prohibition of the retention of any revenue collected in excess of revenue limitations.

The amendment also requires the maintenance of an emergency reserve equal to at least 3% of fiscal year spending. Fiscal year spending limitations are computed based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless voters approve its retention. In November 2011, voters approved a ballot issue to authorize the BID to collect, retain and expend for public purposes the full amount received by the BID from any revenue source except assessments, notwithstanding any spending, revenue raising or other limits, including this amendment. Assessments not to exceed \$3,400,000 were approved for 2003 with subsequent increases not to exceed inflation plus local growth. The amendment is complex and subject to judicial interpretation; however, the BID believes it is in compliance with the requirements of the amendment.

(8) Risk Management

The BID is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The BID purchases commercial insurance for risks and loss in excess of deductible amounts. Settled claims have not exceeded this coverage in any of the past four fiscal years.

**DOWNTOWN DENVER BUSINESS IMPROVEMENT DISTRICT
BYLAWS**

Preamble

These bylaws are adopted pursuant to the laws of the State of Colorado and the ordinances of the City and County of Denver. In the event of a direct conflict between these bylaws and state law or city ordinance, the state law or city ordinance shall govern.

Article I

General

Section 1. The name of the district shall be the "Downtown Denver Business Improvement District", also known as the "Downtown Denver BID" or the "Downtown BID".

Section 2. The office of the Downtown BID shall be located within the boundaries of the Downtown BID at such place as the board of directors shall, by resolution, determine.

Article II

Directors and Officers

Section 1. There shall be the number of directors provided by ordinance of the City and County of Denver on the board of directors of the Downtown BID (Board).

Section 2. A vacancy on the board occurs when a director ceases to be an elector of the Downtown BID, resigns, is removed from office as provided by law, or dies.

Section 3. A vacancy on the board shall be filled in the manner provided by law.

Section 4. There shall be a chairman, a vice-chairman, a secretary and a treasurer of the board who shall be officers of the Downtown BID. The office of secretary and treasurer may be filled by one person. The board may appoint an assistant secretary who need not be a member of the board.

Section 5. Officers shall be elected annually by the board at the first regular meeting of the fiscal year and shall serve a term of one year or until their successor is elected.

Section 6. The chairman shall preside at all meetings of the board and the Downtown BID, shall sign all documents on behalf of the Downtown BID upon approval by the board, and shall have such other duties as the board may direct. The chairman shall appoint such committees and task forces as are authorized by the board.

Section 7. The vice-chairman shall perform the duties of the chairman in the absence of the chairman or in the event of the chairman's inability or refusal to act and shall have such other duties as the board may provide.

Section 8. The secretary shall keep a record of all proceedings, minutes of meetings, certificates, contracts, and corporate acts of the board and shall be custodian of the seal of the Downtown BID which shall be affixed to all contracts and instruments authorized by the board.

Section 9. The treasurer shall keep permanent records containing accurate accounts of all money received by and disbursed on behalf of the Downtown BID and shall make all required reports. The treasurer shall have the care and custody of all Downtown BID moneys and shall deposit such moneys in the manner provided by law and as authorized by the board.

Section 10. The board may provide such additional duties for any officer as it deems necessary.

Section 11. A vacancy in any office shall be filled by the board at its next regular meeting for the remainder of the unexpired term.

Section 12. Directors and officers shall receive no compensation for their service but may be reimbursed for expenses incurred in the performance of their duties in the manner provided by the board by resolution.

Article III

Personnel and Management

Section 1. The Downtown BID may employ such personnel or contract for such services as it deems necessary to exercise its powers and perform its duties and function. The terms and conditions of such employment or contracts, together with the duties to be performed, shall be determined by the board in conformance with the law.

Article IV

Meetings

Section 1. The regular meeting of the board shall be held the 1st Thursday of each month at 2:00 P.M. at 511 16th Street, Suite 200, Denver, Colorado, office Board room. If the regular meeting date falls on a legal holiday, the regular meeting shall be held on the next succeeding business day at the same time and place.

Section 2. The chairman or any two members of the board may call a special meeting of the board upon at least twenty-four hours' written notice to each member. Such notice shall state the purpose for which such special meeting is called.

Section 3. Public notice of all meetings of the board shall be given as provided by law and shall contain the date, time, place and type of meeting, and specific agenda information where possible. Public notice of any meeting shall be posted at least twenty-four hours in advance at such public place or places as the board may designate annually at its first regular meeting in the fiscal year.

Section 4. A majority of the directors in attendance shall constitute a quorum of the board for the purpose of conducting its business, but a smaller number may adjourn from time to time until a quorum is obtained. Directors may be in attendance at any meeting in person or by a telephonic connection, but any such connection shall permit any director not attending in person to hear all discussion concerning any item upon which action is to be taken and shall permit all persons in attendance to hear the director attending by telephone.

Section 5. When a quorum is in attendance, action may be taken by the board upon an affirmative vote of a majority of the directors in attendance, but a majority of all directors shall be required to approve the annual budget and operating plan, to approve budget and appropriations resolutions and certification of mill levies and special assessments, to elect officers, to amend the bylaws, and to approve any contracts or agreements in excess of Ten Thousand and No/100 Dollars (\$ 10,000.00).

Section 6. Voting on all questions except election of officers shall be by a roll call vote which shall be entered into or appended to the minutes of the meeting. Election of officers shall be by secret ballot. No director may abstain from voting except in the case of a conflict of interest which has been disclosed as provided by law. No proxy voting shall be permitted.

Section 7. All meetings of the board for any purpose whatsoever shall be open to the public except that the board may go into executive session in the manner and for the purposes provided by law.

Section 8. Action on any item shall be taken only at a regular or special meeting by motion or by resolution. Resolutions shall be used for all

actions of a general and permanent nature, shall be in writing, shall, upon adoption, be authenticated by the secretary, and shall be contained in a well-bound book, properly indexed. All motions shall be set forth in the minutes of the meeting. Resolutions and motions shall become effective on the day of adoption unless otherwise stated.

Article V

Fiscal Matters

Section 1. The fiscal year of the Downtown BID shall be the calendar year.

Section 2. The board shall establish limits on the check writing authority of officers, employees, and agents of the Downtown BID, but two signatures shall be required on all checks over Three Thousand and No/100 Dollars (\$3,000.00). One of the signatures shall be a board member for checks over Ten Thousand and No/100 Dollars (\$10,000.00).

Section 3. The board may authorize an officer, employee, or agent of the Downtown BID to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Downtown BID. Any such authorization shall specify the particular contract or instrument, or the category of contracts or instruments, so authorized.

Section 4. No loan or advance shall be made or contracted on behalf of the Downtown BID and no note, bond, or other evidence of indebtedness shall be executed or delivered in its name except in the manner provided by law and as authorized by the board.

Article VI

Amendments

Section 1. These bylaws may be amended or repealed, and new bylaws adopted, by the board at any regular or special meeting subject to the requirements of Section 5 Article IV of these bylaws.

Article VII

Indemnification

Section 1. The Downtown BID shall indemnify any director, officer, employee, or agent or any former director, officer, employee, or agent for any expense actually incurred in connection with any action, suit, or proceeding or

for any loss or claim resulting from any such action, suit, or proceeding in which such person has been made a party by reason of being or having been such director, officer, employee, or agent, including any matter as to which such person is adjudged to be liable in such action, suit, or proceeding except for such person's willful and wanton acts or omissions in the performance of official duties.

Section 2. The Downtown BID is authorized to obtain such policy or policies of insurance for the purpose of providing such indemnification and for such other purposes as the board deems necessary.

Section 3. The indemnification provided in this article does not constitute a waiver, either partial or complete, of any immunities or limitations on judgments provided by law with respect to the Downtown BID or its directors, officers, employees, or agents.

Article VIII

Procedural Matters

Section 1. In the absence of rules adopted by the board or provided by law governing rules of order or procedure, the latest revised edition of Roberts Rules of Order shall govern the actions of the board.

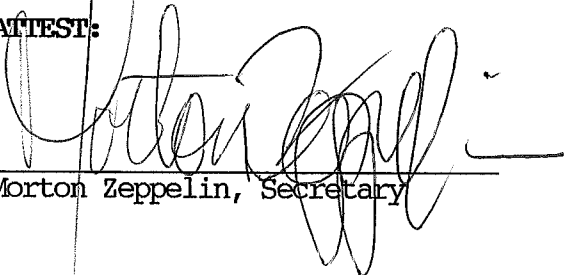
Adopted by the Board of Directors of the Downtown Denver Business Improvement District this 3rd day of September, 1992.



Eugene H. Rock, Chairman

9/4/92

Date

ATTEST:


Morton Zeppelin, Secretary

9/5/92

Date

DOWNTOWN DENVER BUSINESS IMPROVEMENT DISTRICT

Resolution No. 15-01

A RESOLUTION AMENDING THE BUDGET FOR OPERATIONS IN FISCAL YEAR 2015.

WHEREAS, a proposed amended budget for fiscal year 2015 has been presented to the Board of Directors of the Downtown Denver Business Improvement District (DDBID) in accordance with statutory requirements; and

WHEREAS, the Board of Directors has caused a notice of public hearing and availability of the proposed budget to be published as provided by law; and

WHEREAS, the Board of Directors has held the public hearing on August 6, 2015 at which electors of the DDBID and any interested persons were given the opportunity to be heard on the proposed budget; and

WHEREAS, the Board of Directors after due consideration of all relevant information, has made any necessary adjustments to the proposed amended budget; and

WHEREAS, the Board of Directors determines that the proposed amended budget, together with any adjustments, is balanced in terms of revenue and expenditures as required by law; now, therefore,

Be It Resolved by the Board of Directors of the
Downtown Denver Business Improvement District:

That the attached amended budget for fiscal year 2015 is approved and adopted and the revenues shown for each of the funds are budgeted and appropriated for their respective purposes.

ADOPTED: August 6, 2015

Downtown Denver
Business Improvement District


Chair

ATTEST:


Secretary

**DOWNTOWN DENVER BUSINESS
IMPROVEMENT DISTRICT**

**2015 Budget - August 2015 Proposed
Amended**

		2015 Budget Proposed Dec 2014	2015 August Proposed Amended
I.	REVENUE	\$ 6,683,983	\$ 6,683,983
	EXPENDITURES:		
	Maintenance & Repair	\$ 2,614,116	\$ 2,614,116
	Skyline Park	218,051	218,051
	Management Services	902,947	922,454
	Marketing and Communications	288,137	288,137
	Winter in the city	349,541	349,541
	Economic Development Services	136,930	136,930
	Research	134,107	134,107
	Safety	730,857	730,857
	Mall Vending	269,302	269,302
	Pedestrian Environment	821,778	821,778
	Periodic Maintenance Reserve	142,500	142,500
	Contribution to Capital Reserve	52,839	52,839
	TOTAL EXPENDITURES	\$ 6,661,104	\$ 6,680,612
	BID FUND BALANCE	\$ 22,879	\$ 3,371
II.	CAPITAL FUND		
	Expenditures	\$ 104,625	\$ 104,625
III.	PERIODIC MAINTENANCE FUND		
	Expenditures	\$ 118,000	\$ 118,000
IV.	SPECIAL PROJECTS CONTINGENCY		
	Expenditures	\$ 167,978	\$ 336,913
V.	ENTERPRISE		
	BID Enterprise Revenue	\$ 593,030	\$ 448,070
	BID Enterprise Expenses	\$ 593,030	\$ 448,070
	BID ENTERPRISE FUND BALANCE		

Downtown Denver Business Improvement District
Board of Directors
2015

Dorit Fischer

NAI Shames Makovsky
Commercial Real Estate Broker
1400 Glenarm Pl., Suite 100
Denver, CO 80230
303-534-5005 w
303-667-6873 m
dfischer@shamesmakovsky.com

B-5 Property

CHAIR

1st term, expires 12/31/2015

Gina Guarascio

Jones Lang LaSalle
1700 Lincoln St., Suite 2500
Denver, CO 80203
303-863-1303 w
gina.guarascio@callahan-management.com

Large Property

VICE CHAIR

1st term, expires 12/31/2016

Connie O'Murray

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Property Management
1225 17th Street, Suite 1900
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303-301-5605 m
connie.omurray@am.jll.com

Office Property

1st term, expires 12/31/2016

Rick Kron

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303-839-3838 f
rkron@spencerfane.com

Legal Advisor

No term

Josh Fine

Focus Property Group
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303-296-7550 ext. 15 w
303-296-7696 f
jfine@focuspropertygroup.net

Unimproved Property

TREASURER

2nd term, expires 12/31/2015

Susan Cantwell

The Gart Companies
299 Milwaukee St., Suite 500
Denver CO 80206
303-333-1933 w
303-333-1905 f
scantwell@gartproperties.com

Retail

SECRETARY

2nd term, expires 12/31/2015

Ed Blair

Chief Operating Officer
Mile High United Way
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Denver CO 80205
Tel: 303.561.2333
Cell: 303-884-9060
edwardjblair7120@gmail.com

Small Property

2nd term, expires 12/31/2015

Josh Comfort

Real Estate Development Services
678 Lafayette Street
Denver, CO 80218
303-912-0658 w/m
303-496-0605 f
joshcomfort@jcdevelop.net

B-7 Property

2nd term, expires 12/31/2015

2015 Board Member Attendance

Board Members	January	February	March	April	May	June	July	August	September	October	November	December
Ed Blair	Yes	Yes	Yes	Yes	Yes	Yes	No	No				
Susan Cantwell Secretary	Yes	Yes	No	Yes	No	Yes	Yes	Yes				
Josh Fine Treasurer	Yes	Yes	No	No	No	Yes	Yes	Yes				
Gina Guarascio Vice Chair	Yes	Yes	Yes	No	Yes	No	Yes	Yes				
Connie O'Murray	No	Yes	No	Yes	Yes	No	Yes	No				
Josh Comfort	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				
Dorit Fischer Chair	No	Yes	Yes	No	No	Yes	Yes	Yes				

DOWNTOWN DENVER ECONOMIC UPDATE

AUGUST 2015



EMPLOYMENT



RETAIL SALES



RESIDENTIAL REAL ESTATE



OFFICE MARKET



HOTEL MARKET



Summary

This report contains the most recent economic indicators available for Downtown Denver and the Business Improvement District. According to the most recent indicators, Downtown Denver economic conditions continue to improve. Employment growth is strong, consumers are spending at a healthy pace, and the downtown commercial real estate markets reported rising average lease rates and declining vacancy.

EMPLOYMENT

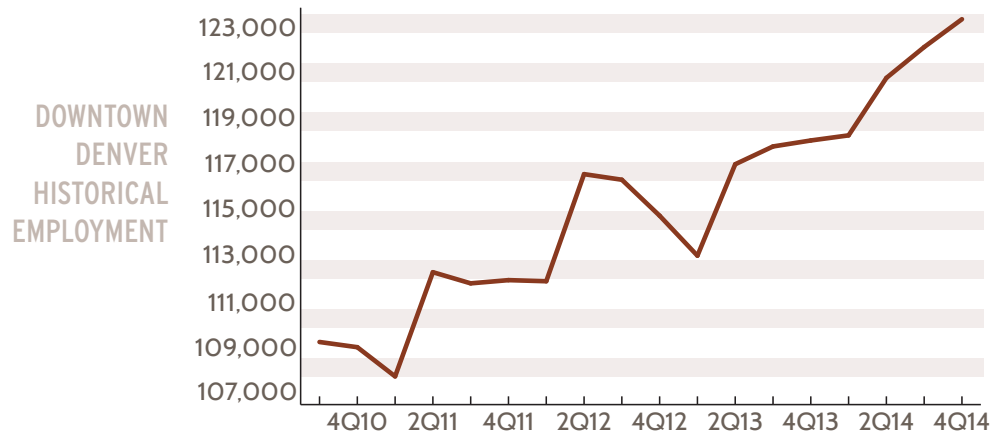
Employment levels continued to rise in both Downtown Denver and the Business Improvement District (BID) between the fourth quarters of 2013 and 2014, with employment levels rising 4.4% and 2.7%, respectively. The natural resources and construction supersector continued to report the strongest growth, generating an additional 1,500 jobs over-the-year in Downtown Denver. Employment in Downtown Denver's largest supersector, prof. and business services, is up almost 6% over-the-year.

Industry	Share	DOWNTOWN DENVER			BID		
		4Q13	4Q14	Change	4Q13	4Q14	Change
Professional & Business Services	31%	36,284	38,299	5.6%	32,301	33,442	3.5%
Government	19%	23,367	23,043	-1.4%	21,157	20,816	-1.6%
Leisure & Hospitality	16%	18,006	19,125	6.2%	12,964	13,246	2.2%
Financial Activities	12%	14,596	15,085	3.4%	11,334	11,470	1.2%
Natural Resources & Construction	9%	9,826	11,329	15.3%	9,261	10,543	13.8%
Information	4%	4,260	4,319	1.4%	3,519	3,529	0.3%
Wholesale & Retail Trade	3%	4,046	4,032	-0.3%	3,029	2,995	-1.1%
Education & Health Services	2%	2,681	2,906	8.4%	1,547	1,659	7.2%
Other Services	2%	2,839	2,810	-1.0%	2,328	2,397	3.0%
Transp., Warehousing & Utilities	1%	1,461	1,491	2.1%	1,380	1,392	0.8%
Manufacturing	1%	848	926	9.2%	116	130	12.4%
Total		118,215	123,365	4.4%	98,937	101,619	2.7%

4Q 2014

Employment Trends

Downtown Denver	+4.4%
Metro Denver	+4.0%
Colorado	+3.7%
United States	+2.1%



Sources: Colorado Department of Labor and Employment, Quarterly Census of Employment and Wages; Colorado Department of Labor and Employment, Labor Market Information, Current Employment Statistics; U.S. Bureau of Labor Statistics; Development Research Partners; Downtown Denver Partnership.

RETAIL SALES

Retail sales tax collections in Downtown Denver were almost 8% higher in the first quarter of 2015 compared with the prior year. Restaurants, Downtown Denver's largest retail category, increased by 11.3% and Hotels & Other Accommodation Services, Downtown Denver's second largest retail category, increased by almost 10%.

RETAIL SALES

Industry	Share	DOWNTOWN			BID		
		1Q14	1Q15	Change	1Q14	1Q15	Change
Restaurants	51%	\$4,764,002	\$5,301,744	11.3%	\$3,694,501	\$3,942,694	6.7%
Hotel & Other Accommodation Svcs.	20%	\$1,923,342	\$2,113,342	9.9%	\$1,684,169	\$1,707,828	1.4%
Clothing/Accessory Stores	6%	\$584,332	\$591,709	1.3%	\$579,655	\$586,727	1.2%
Miscellaneous Stores	6%	\$534,165	\$590,492	10.5%	\$313,108	\$343,179	9.6%
Manufacturing	4%	\$440,864	\$406,278	-7.8%	\$350,652	\$322,573	-8.0%
Information Producers/Distributors	3%	\$392,113	\$323,693	-17.4%	\$388,635	\$320,451	-17.5%
Motor Vehicles & Auto Parts	3%	\$295,009	\$366,114	24.1%	\$109,924	\$180,328	64.0%
Other Categories (<i>under 3% each of</i>)	7%	\$775,556	\$771,696	-0.5%	\$504,802	\$491,448	-3%
Total		\$9,709,383	\$10,465,068	7.8%	\$7,625,446	\$7,895,228	3.5%

RESIDENTIAL REAL ESTATE

The residential real estate market in Downtown Denver and the City Center Neighborhoods began the year in a strong position. The total number of homes sold increased in both areas over-the-year, despite continuing struggles with low inventory. The average price per square foot of homes sold in the City Center Neighborhoods increased over 13%, however, in Downtown Denver, the average price per square foot decreased slightly.

	DOWNTOWN			CITY CENTER NEIGHBORHOODS			METRO DENVER		
	1Q14	1Q15	Change	1Q14	1Q15	Change	1Q14	1Q15	Change
CONDOMINIUMS/TOWNHOMES									
Total Homes Sold	96	114	18.8%	215	226	5.1%	2,494	2,819	13.0%
Ave. Sales Price	\$477,214	\$433,178	-9.2%	\$346,703	\$355,086	2.4%	\$195,536	\$214,016	9.5%
Ave. Price/sf	\$390	\$373	-4.4%	\$322	\$343	6.5%	\$167	\$187	12.0%
SINGLE FAMILY HOMES									
Total Homes Sold	0	0	--%	67	80	19.4%	7,332	7,795	6.3%
Ave. Sales Price	N/A	N/A	--%	\$433,381	\$476,556	10.0%	\$335,050	\$377,509	12.7%
Ave. Price/sf	N/A	N/A	0.0%	\$269	\$269	0.0%	\$188	\$211	12.2%
ALL HOMES									
Total Homes Sold	96	114	18.8%	282	306	8.5%	9,826	10,614	8.0%
Ave. Sales Price	\$477,214	\$433,178	-9.2%	\$367,296	\$386,843	5.3%	\$299,639	\$334,086	11.5%
Ave. Price/sf	\$390	\$373	-4.4%	\$305	\$346	13.3%	\$184	\$207	12.3%

OFFICE, RETAIL & INDUSTRIAL MARKET

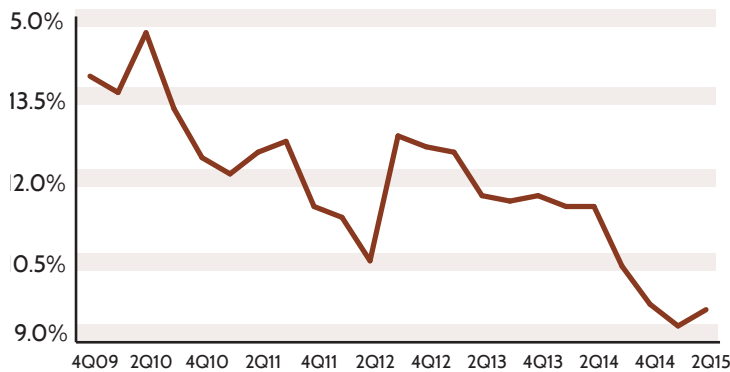
The commercial real estate market improved in the Downtown Denver market area between the second quarter of 2014 and 2015. Downtown Denver reported declining vacancy rates in both the office and retail markets, where rates fell 1.8 percentage points and 0.7 percentage points, respectively. The average lease rate for office space in Downtown Denver rose almost 10 percent, while the average lease rate for retail space rose 19 percent.

* Vacancy and average lease rates are for direct space only. Retail and industrial rates are triple-net.

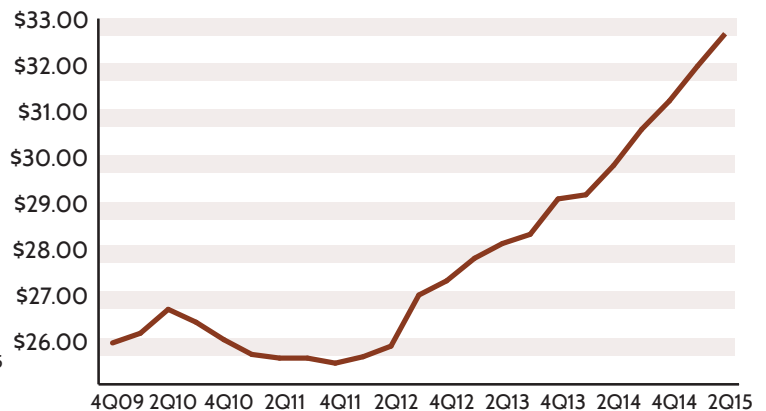
** The BID contains one industrial property, which is occupied.

	VACANCY RATE*			AVG. LEASE RATE*		
	2Q14	2Q15	Change	2Q14	2Q15	Change
OFFICE						
BID	12.1%	10.2%	-1.8	\$29.99	\$32.86	9.6%
Downtown	11.4%	9.6%	-1.8	\$29.75	\$32.62	9.6%
Metro Denver	10.9%	9.8%	-1.1	\$22.44	\$23.56	5.0%
INDUSTRIAL						
BID **	0.0%	0.0%	0.0	-	-	-
Downtown	0.0%	0.6%	0.6	\$10.00	\$15.54	55.4%
Metro Denver	3.7%	2.9%	-0.8	\$5.60	\$6.63	18.4%
RETAIL						
BID	7.4%	6.3%	-1.1	\$26.67	\$32.36	21.3%
Downtown	5.0%	4.3%	-0.7	\$24.82	\$29.53	19.0%
Metro Denver	5.7%	5.0%	-0.7	\$15.47	\$15.78	2.0%

HISTORICAL OFFICE VACANCY RATE



HISTORICAL OFFICE AVE. LEASE RATE



HOTEL MARKET

Indicators show the hotel market in Downtown Denver remains strong. While occupancy rates were slightly down, Average Daily Room Rates and RevPAR both increased. Also, retail sales tax collections from Hotel and Other Accommodation Services have been posting significant increases in recent quarters.

	OCCUPANCY RATE	AVERAGE DAILY ROOM RATE	REVENUE PER AVAILABLE ROOM (REVPAR)
2015 Year-to-Date*	77.1%	\$175.86	\$135.66
2014 Year-to-Date*	78.0%	\$166.65	\$129.92
Change	-1.2%	5.5%	4.4%

*Data through end of June

RESIDENTIAL DEVELOPMENT

Residential development in Downtown and its City Center neighborhoods continues at a brisk pace with 1,836 residential units created so far in 2015. Recently completed projects include 2785 Speer, Lumina, Platform at Union Station and Studio LoHi. Skyhouse Denver, one of the tallest planned rental towers in Downtown's history, is under construction and will add 354 new rental units to the Central Business District when the 26-story project is completed in 2016. Another new 34-story rental tower, The Confluence, is also under construction in the Central Platte Valley neighborhood and will add 288 new units when it is completed in 2017. On the for-sale front, there are 132 townhomes currently planned or under construction throughout the Downtown neighborhoods.

For more information about development in Downtown Denver, refer to the Quarterly Development Map Updates at www.downtowndenver.com/resources-downloads.

RESIDENTIAL DEVELOPMENTS PLANNED OR UNDERWAY AS OF AUGUST 2015

City Center Neighborhood	For-Sale Units	Rental Units	Number of Projects
Auraria	-	-	-
Ballpark	28	169	2
Capitol Hill	-	347	3
Central Business District	-	729	2
CPV/Denver Union Station	-	1,780	6
Curtis Park/Five Points	67	435	5
Golden Triangle	-	938	4
Highland	10	572	3
Jefferson Park	27	179	2
La Alma/Lincoln Park	-	397	2
Lower Downtown	-	-	-
Uptown	-	471	2
Total	132	6,017	31

Sources: Downtown Denver Partnership, Metro Denver Economic Development Corporation, Denver Business Journal, Denver Post.

News & Rankings

- Silicon Valley startup ZenPayroll announced that Downtown Denver will be the location of its second U.S. office. The company plans to hire 100 employees this year and as many as 1,000 employees in the future.
- Forbes determined that the Denver Metro area is America's best place for business and careers in the publication's annual ranking.
- The Denver Metro area was ranked number one in the country for economic and job growth by Area Development magazine.
- In June, Hines broke ground on 1144 Fifteenth, a 40-story office tower on 15th and Arapahoe.
- Denver ranked fifth in the nation for startup activity in the 2015 Kauffman Index.
- WeWork, an international coworking company, leased three floors in the Triangle Building at 16th and Wewatta, adding 70,000 square feet of coworking space to Downtown Denver.
- The U.S. Census Bureau released 2014 population estimates in June. The latest population estimate for the City and County of Denver is 663,862, an increase of over 15,000 from the 2013 population estimate.
- Nerdwallet ranked Denver the sixth best U.S. city for foodies in 2015.
- For the third month this year, metro Denver ranked number one in year-over-year home-price gains, according to the latest S&P/Case-Shiller Home Prices Index report of major U.S. cities.
- Walkscore ranked Denver as the fourth most bikeable city in the U.S.

About This Report

This report includes the most recent quarterly data available and covers economic conditions in three areas. The first and smallest area, the Business Improvement District (BID), is the core of Downtown Denver. The second area, "Downtown," includes the BID as well as a few surrounding districts such as the Golden Triangle. The third area, City Center Neighborhoods, includes the BID, Downtown, and surrounding residential neighborhoods such as Uptown and Highland.

Data in this report was provided by Development Research Partners. For questions or comments, please contact the Downtown Denver Partnership Research Department at 303-534-6161.

Analyzed Pedestrian Counts – 16th Street Mall

Block	Average Daily Pedestrian Traffic
Cleveland to Court	16,464
Court to Tremont	19,808
Tremont to Glenarm	23,616
Glenarm to Welton	30,611
Welton to California	27,596
California to Stout	30,573
Stout to Champa	27,873
Champa to Curtis	21,126
Curtis to Arapahoe	16,154
Arapahoe to Lawrence	18,108
Lawrence to Larimer	21,311
Larimer to Market	11,634
Market to Blake	14,861
Blake to Wazee	17,307
Wazee to Wynkoop	11,967

Block	Average Pedestrians per hour based on 10-minute spot counts on summer Sundays (non-MITS days)
16th btw. Wazee and Blake	820
16th btw. Lawrence and Arapahoe	1325
16th btw. Champa and Stout	1848
16th btw. Welton and Glenarm	1731
16th btw. Court and Tremont	771

**Downtown Denver Business Improvement District
Property Owner Survey Comparison 2009-2015**

updated 9/18/15

Category	2015 Response	2014 Response	2013 Response	2012 Response	2011 Response	2010 Response	2009 Response	2014-15
Number of Responses	56	76	92	124	92	108	100	-26%
Properties in B-5	66%	61%	56%	56%	66%	63%	55%	9%
Properties in B-7	34%	39%	44%	44%	34%	37%	45%	-14%
Aware of BID?	98%	94%	96%	94%	95%	91%	91%	4%
Have You Contacted BID?	40%	54%	31%	32%	41%	47%	67%	-26%
BID Responsiveness								
Very Responsive	45%	74%	61%	53%	63%	64%	60%	-39%
Somewhat Responsive	40%	21%	32%	31%	20%	26%	31%	95%
Somewhat Unresponsive	5%	5%	7%	3%	11%	6%	5%	-2%
Very Unresponsive	10%	0%	0%	14%	6%	4%	5%	n/a
How safe do you feel during day?								
very safe	46%	46%	78%	77%	76%	86%	89%	0%
moderately safe	50%	47%	22%	23%	22%	14%	11%	6%
not safe	4%	7%	0%	0%	1%	0%	0	-39%
How safe do you feel at night?								
very safe	8%	7%	19%	24%	24%	28%	33%	15%
moderately safe	52%	54%	64%	62%	59%	61%	64%	-4%
not safe	40%	39%	17%	14%	16%	11%	3%	3%
Change in Panhandling in Last Year?								
Increasing	71%	40%	22%	35%	36%	20%	20%	76%
Decreasing	0%	8%	10%	12%	20%	18%	32%	-100%
About the Same	24%	48%	60%	45%	34%	51%	42%	-51%
Not Sure	6%	4%	8%	7%	10%	10%	6%	47%
Which of these has happened to you?								
Victim of Personal/Property Crime	14%	16%	19%	16%	19%	17%	18%	-13%
Graffiti/Vandalism on Property	72%	73%	67%	65%	69%	64%	78%	-2%
Panhandled/Harassed by Strangers	94%	92%	89%	93%	92%	88%	94%	2%
Approached/Harassed by Solicitors	90%	80%	84%	81%	76%	74%	78%	13%
Approached Re: Illegal Drug Sale	12%	9%	13%	6%	12%	9%	4%	29%
16th Street Mall								
Very Clean	8%	26%	49%	54%	56%	54%	60%	-70%
Acceptable	65%	66%	44%	37%	36%	40%	36%	-2%
Needs Improvement	20%	8%	7%	9%	7%	6%	3%	148%
Other Downtown Sidewalks								
Very Clean	6%	16%	18%	19%	29%	17%	24%	-63%
Acceptable	65%	70%	55%	58%	44%	63%	57%	-7%
Needs Improvement	29%	14%	27%	23%	27%	20%	19%	103%
Snow Removal								
Very Good	27%	70%	49%	50%	54%	60%	63%	-61%
Acceptable	39%	14%	45%	44%	37%	37%	33%	171%
Needs Improvement	14%	3%	6%	7%	9%	3%	5%	422%
Unsure	20%	13%	NA	NA	NA	NA	NA	49%
Ambassadors make Downtown feel safer?								
a lot	24%	26%	18%	14%	21%	14%	12%	-11%
a little	45%	62%	51%	51%	45%	42%	55%	-27%
no, not at all	31%	12%	11%	11%	9%	14%	12%	165%
not sure	0%	0%	20%	24%	25%	39%	21%	

Preliminary survey results

- Urban Core Survey
 - Commissioned by City of Denver and conducted by Corona Insights as part of the Mall Experience Project
 - Online survey of 1,200 Denver Metro residents
 - Survey results are weighted to accurately reflect area population
- Key findings
 - Most people perceive the 16th Street Mall positively
 - Positive perceptions of the Mall correlate with spending more time there
 - Most people believe the mall has good transit connections, is a great place to bring guests, and is an authentic Denver experience
 - People are much more comfortable on the mall during the day than in the evening
 - On a scale from 1-5, the 16th Street Mall received a satisfaction rating of 3.8

Preliminary survey results

- Safety Perception Survey
 - Conducted by the Downtown Denver Partnership and KPMG as part of the Security Action Plan
 - Online survey of 2,500 residents and visitors
 - Results not weighted to reflect population
 - 58% of survey respondents work in Downtown Denver
- Key findings
 - 42% do not feel safe at all after 8pm on the Mall
 - Top three reasons people do not feel safe: Panhandling, Groups of unruly individuals and Drug dealing/consumption
 - Top three things that would make you feel safer Downtown: more visible police officers, improved cleanliness, increased presence of official downtown security personnel
 - 64% said safety considerations have impacted their decision to use the 16th Street Mall/Downtown Denver



INTER-DEPARTMENT CORRESPONDENCE

TO: Tony Lopez, Commander, District 6

FROM: Magen Dodge, Commander, Operations Support Division

DATE: July 20, 2015

SUBJECT: Reported Offenses – Downtown Business Improvement District

As requested, the attached report summarizes the reported offenses in the Downtown Business Improvement District for January - June 2014 compared to January - June 2015. The statistics are summarized by offense type, day-of-week, month, and hour.

SUMMARY

- Overall, the number of crimes reported from January - June decreased by 6.4% (155) comparing 2014 to 2015.
 - The majority of the decrease was in larceny (-112), all other offenses (-136), and Liquor Law/Drunkenness (-38).
 - Forcible sex offenses were up 47.4% (+9), Drug/Narcotics violations were up 41.1% (+83), and aggravated assault was up 36.1% (+26) compared to 2014.
- Saturday had the highest average number of crimes in 2015 with 16.27, whereas Friday had the highest average in 2014 with 15.58.
- By occurred hour, the 11:00 pm hour led with 156 offenses reported with noon with 145 and 4:00pm with 143 offenses right behind. In 2014, the highest were the 4:00 pm hour at 186 with 6:00 pm (153) and 1:00 pm (150) hours following.
- Compared to June 2014, overall crimes reported in the area were up by 3.1% (467 vs 453) in June 2015.

If you have any questions, please do not hesitate to call.

Cc: Robert C. White, Chief of Police
David Quinones, Deputy Chief of Operations

**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
JANUARY-JUNE 2014 AND 2015**

TYPE OF CRIME		JAN-JUN 2014		JAN-JUN 2015		CHANGE	
		#	%	#	%	#	%
CRIMES AGAINST PERSONS	Murder	0	0.0%	0	0.0%	0	N/A
	Aggravated Assault	72	3.0%	98	4.3%	26	36.1%
	Forcible Sex Offenses	19	0.8%	28	1.2%	9	47.4%
	Non Forcible Sex Offenses	1	0.0%	0	0.0%	-1	-100.0%
	Kidnapping/Abduction	1	0.0%	2	0.1%	1	100.0%
	Simple Assault	163	6.7%	172	7.6%	9	5.5%
	Intimidation	33	1.4%	40	1.8%	7	21.2%
SUBTOTAL		289	11.9%	340	15.0%	51	17.6%
CRIMES AGAINST PROPERTY	Arson	0	0.0%	0	0.0%	0	N/A
	Bribery	0	0.0%	0	0.0%	0	N/A
	Burglary	54	2.2%	52	2.3%	-2	-3.7%
	Counterfeiting/Forgery	10	0.4%	13	0.6%	3	30.0%
	Criminal Mischief/Damaged Property	128	5.3%	102	4.5%	-26	-20.3%
	Embezzlement	1	0.0%	1	0.0%	0	0.0%
	Extortion	1	0.0%	0	0.0%	-1	-100.0%
	Fraud	22	0.9%	34	1.5%	12	54.5%
	Larceny	521	21.5%	409	18.0%	-112	-21.5%
	Theft from Motor Vehicle	108	4.5%	92	4.1%	-16	-14.8%
	Motor Vehicle Theft	42	1.7%	41	1.8%	-1	-2.4%
	Robbery	44	1.8%	61	2.7%	17	38.6%
Stolen Property	2	0.1%	5	0.2%	3	150.0%	
SUBTOTAL		933	38.5%	810	35.7%	-123	-13.2%
CRIMES AGAINST SOCIETY	Drug/Narcotics Violations	202	8.3%	285	12.6%	83	41.1%
	Gambling	1	0.0%	0	0.0%	-1	-100.0%
	Child Pornography	0	0.0%	0	0.0%	0	N/A
	Prostitution	1	0.0%	4	0.2%	3	300.0%
	Weapon Law Violations	31	1.3%	38	1.7%	7	22.6%
SUBTOTAL		235	9.7%	327	14.4%	92	39.1%
ALL OTHER OFFENSES	Fraud - NSF - Closed Account	1	0.0%	3	0.1%	2	200.0%
	Curfew	7	0.3%	8	0.4%	1	14.3%
	Disorderly Conduct / Disturbing the Peace	98	4.0%	110	4.8%	12	12.2%
	Family Offenses / Nonviolent	5	0.2%	5	0.2%	0	0.0%
	Liquor Law/Drunkenness	122	5.0%	84	3.7%	-38	-31.1%
	Other Sex Offenses	8	0.3%	8	0.4%	0	0.0%
	Viol of a Restraining/Court Order	40	1.7%	27	1.2%	-13	-32.5%
	Harassment	10	0.4%	7	0.3%	-3	-30.0%
	Criminal Trespassing	248	10.2%	248	10.9%	0	0.0%
All Other Offenses	430	17.7%	294	13.0%	-136	-31.6%	
SUBTOTAL		969	39.9%	794	35.0%	-175	-18.1%
GRAND TOTAL		2,426	100.0%	2,271	100.0%	-155	-6.4%

All files utilized in the creation of this report are dynamic. Dynamic files allow additions, deletions and/or modifications at any time, resulting in more complete and accurate records in the databases. Due to continuous data entry after reports are compiled, numbers may vary in previous or subsequent reports.

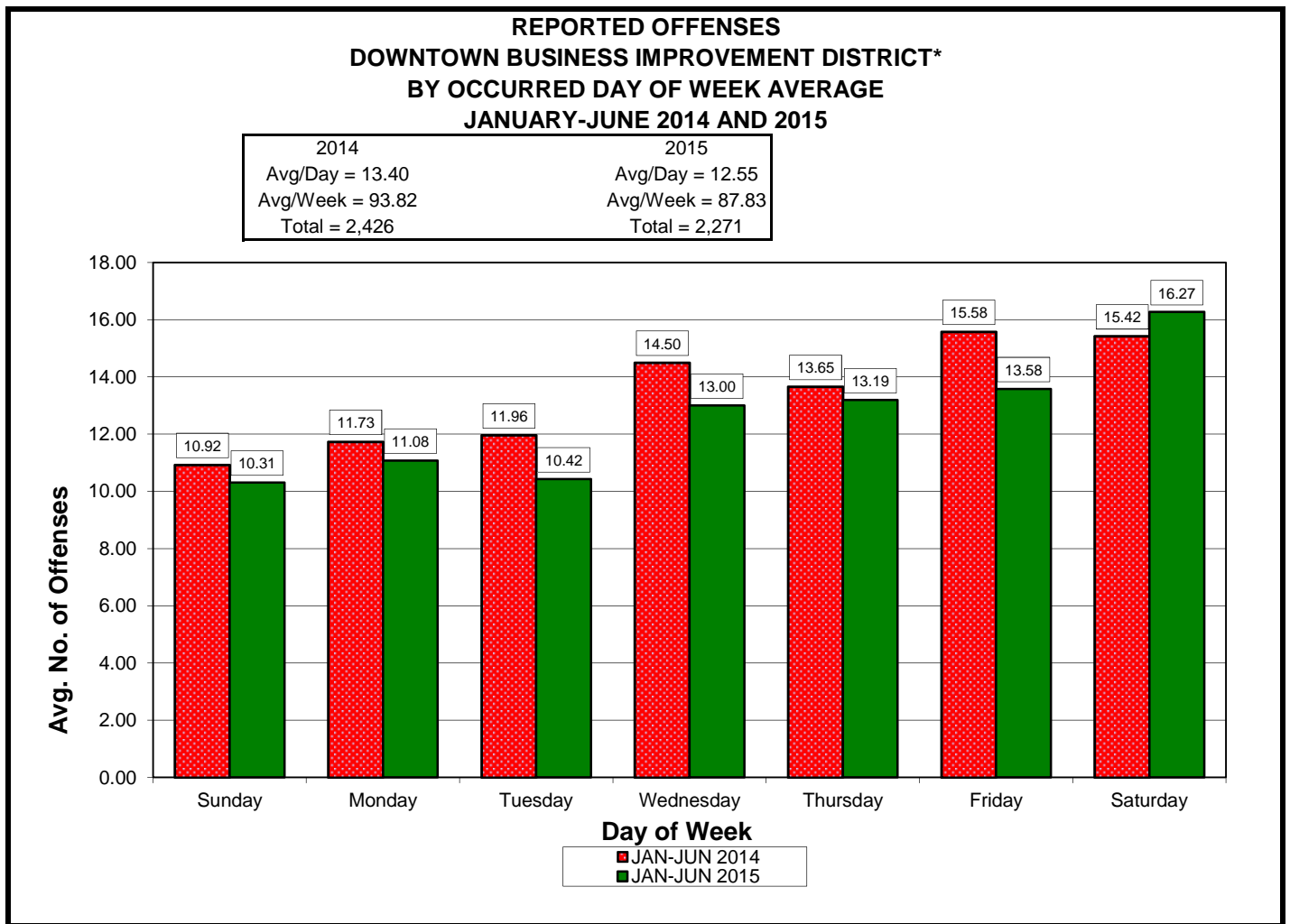
PREPARED TO DEPARTMENT OF SAFETY PUBLIC INFORMATION STANDARDS

Excludes runaways, traffic offenses, unfounded reports and non-criminal activity.

Based on NIBRS Standards.

**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
BY OCCURRED DAY OF WEEK AVERAGE
JANUARY-JUNE 2014 AND 2015**

DAY OF WEEK	JAN-JUN 2014			JAN-JUN 2015		
	Number	Percent	Avg.	Number	Percent	Avg.
Sunday	284	11.7%	10.92	268	11.8%	10.31
Monday	305	12.6%	11.73	288	12.7%	11.08
Tuesday	299	12.3%	11.96	271	11.9%	10.42
Wednesday	377	15.5%	14.50	325	14.3%	13.00
Thursday	355	14.6%	13.65	343	15.1%	13.19
Friday	405	16.7%	15.58	353	15.5%	13.58
Saturday	401	16.5%	15.42	423	18.6%	16.27
TOTAL	2,426	100.0%	13.40	2,271	100.0%	12.55



PREPARED TO DEPARTMENT OF SAFETY PUBLIC INFORMATION STANDARDS

Source: Legacy system geoverified to DenverGIS Street Centerline File.

* The Downtown Business Improvement District is defined by the following street boundaries:

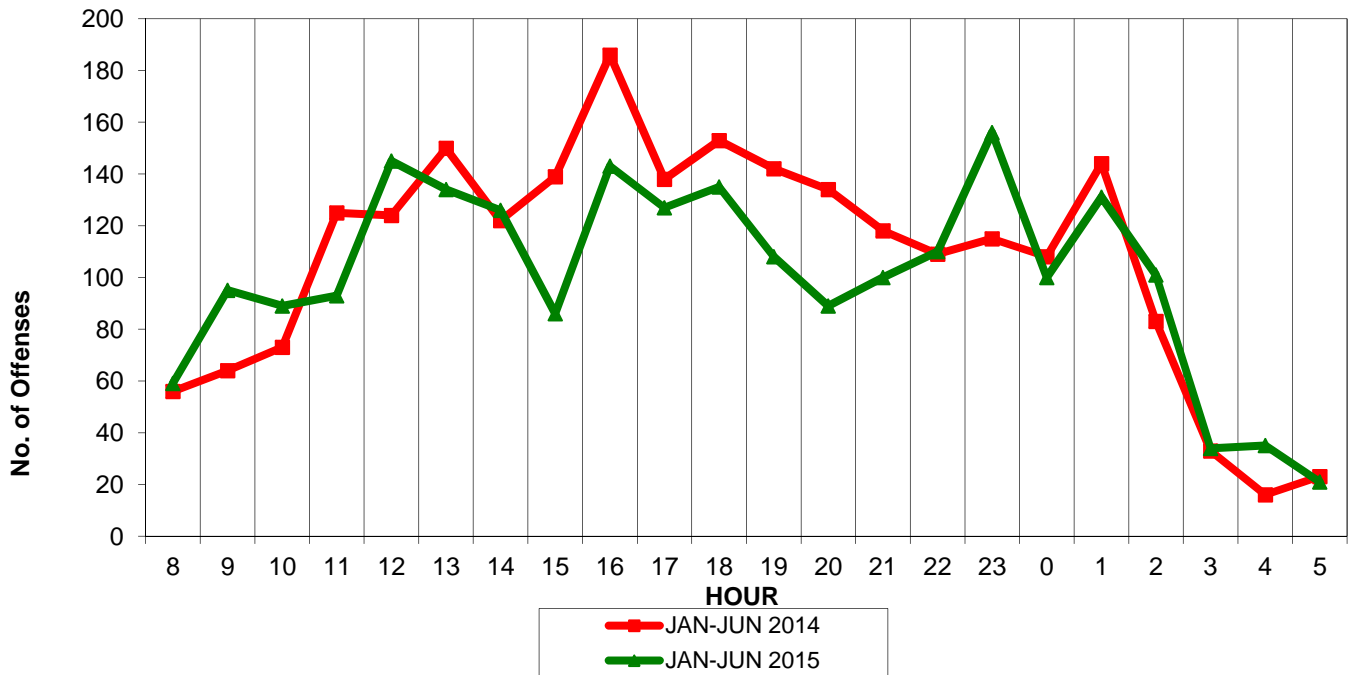
20th St, 20th Av, Grant St, Colfax Av, 12th St, Speer Blvd and Wewatta St.

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**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
BY HOUR OCCURRED
JANUARY-JUNE 2014 AND 2015**

HOUR	JAN-JUN 2014		JAN-JUN 2015		HOUR	JAN-JUN 2014		JAN-JUN 2015	
	Number	Percent	Number	Percent		Number	Percent	Number	Percent
0800-0859	56	2.3%	59	2.6%	2000-2059	134	5.5%	89	3.9%
0900-0959	64	2.6%	95	4.2%	2100-2159	118	4.9%	100	4.4%
1000-1059	73	3.0%	89	3.9%	2200-2259	109	4.5%	110	4.8%
1100-1159	125	5.2%	93	4.1%	2300-2359	115	4.7%	156	6.9%
1200-1259	124	5.1%	145	6.4%	0000-0059	108	4.5%	100	4.4%
1300-1359	150	6.2%	134	5.9%	0100-0159	144	5.9%	131	5.8%
1400-1459	122	5.0%	126	5.5%	0200-0259	83	3.4%	101	4.4%
1500-1559	139	5.7%	86	3.8%	0300-0359	33	1.4%	34	1.5%
1600-1659	186	7.7%	143	6.3%	0400-0459	16	0.7%	35	1.5%
1700-1759	138	5.7%	127	5.6%	0500-0559	23	0.9%	21	0.9%
1800-1859	153	6.3%	135	5.9%	0600-0659	29	1.2%	24	1.1%
1900-1959	142	5.9%	108	4.8%	0700-0759	42	1.7%	30	1.3%
TOTAL						2,426	100.0%	2,271	100.0%

**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
BY HOUR OCCURRED
JANUARY-JUNE 2014 AND 2015**



Note: When the occurred hour is reported missing or unknown, the system defaults to the midnight hour.

* The Downtown Business Improvement District is defined by the following street boundaries:

20th St, 20th Av, Grant St, Colfax Av, 12th St, Speer Blvd and Wewatta St.

modifications at any time, resulting in more complete and accurate records in the databases. Due to

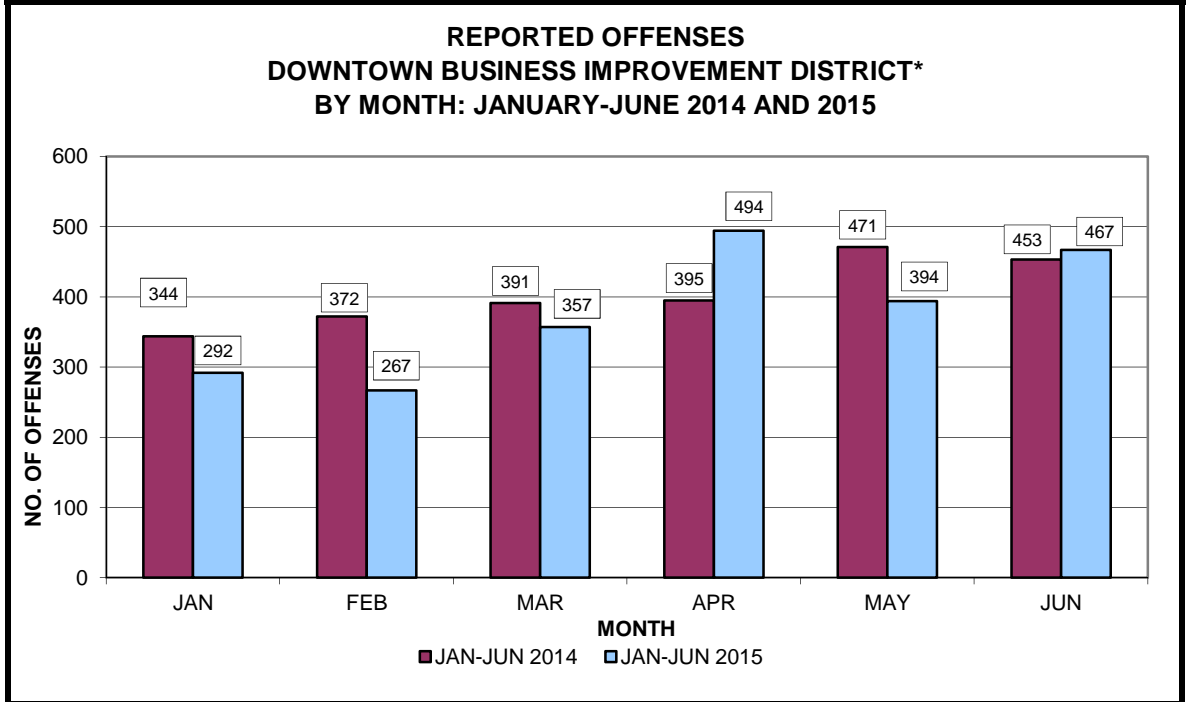
PREPARED TO DEPARTMENT OF SAFETY PUBLIC INFORMATION STANDARDS

Source: Legacy system geoverified to DenverGIS Street Centerline File.

**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
BY MONTH: JANUARY-JUNE 2014 AND 2015**

MONTH	JAN-JUN 2014		JAN-JUN 2015	
	Number	Percent	Number	Percent
JANUARY	344	14.2%	292	12.9%
FEBRUARY	372	15.3%	267	11.8%
MARCH	391	16.1%	357	15.7%
APRIL	395	16.3%	494	21.8%
MAY	471	19.4%	394	17.4%
JUNE	453	18.7%	467	20.6%
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTAL	2,426	100.0%	2,271	100.0%

**REPORTED OFFENSES
DOWNTOWN BUSINESS IMPROVEMENT DISTRICT*
BY MONTH: JANUARY-JUNE 2014 AND 2015**



* The Downtown Business Improvement District is defined by the following street boundaries:

20th St, 20th Av, Grant St, Colfax Av, 12th St, Speer Blvd and Wewatta St.

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PREPARED TO DEPARTMENT OF SAFETY PUBLIC INFORMATION STANDARDS

Source: Legacy system geoverified to DenverGIS Street Centerline File.

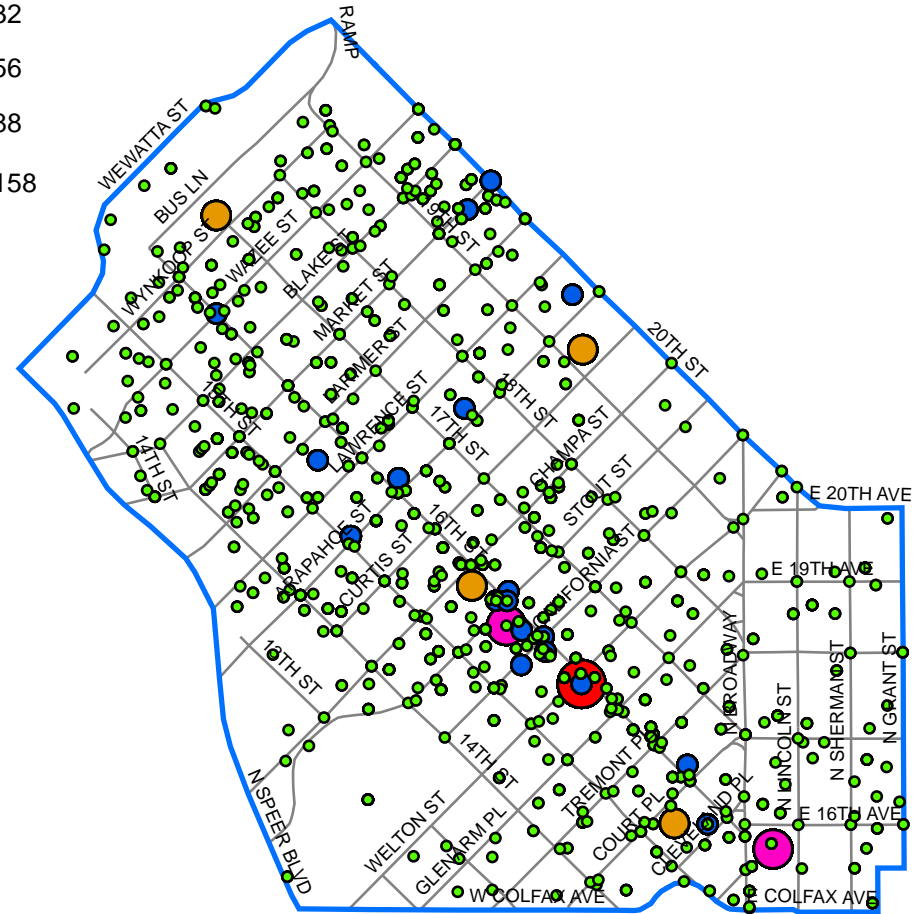
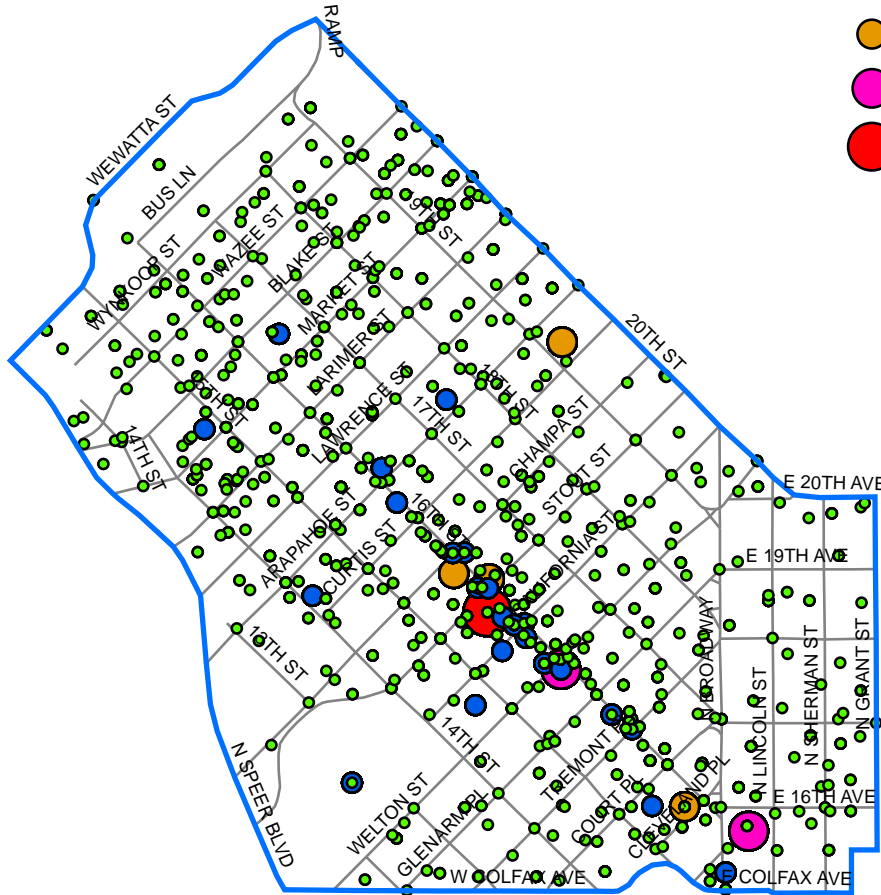
REPORTED OFFENSES DOWNTOWN BUSINESS IMPROVEMENT DISTRICT JANUARY - JUNE 2014 AND 2015

**JAN - JUN 2014
TOTAL = 2426**

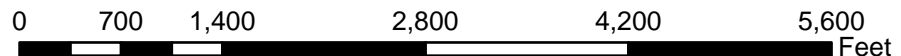
Number of Crimes

**JAN - JUN 2015
TOTAL = 2271**

- 1 - 13
- 14 - 32
- 33 - 56
- 57 - 88
- 89 - 158



The data used to generate this report are dynamic. Dynamic files allow additions, deletions and/or modifications at any time, resulting in more complete and accurate records in the databases. Due to continuous data entry after reports are compiled, subsequent reports are subject to change.





INTER-DEPARTMENT CORRESPONDENCE

TO: Tony Lopez, Commander, District 6

FROM: Magen Dodge, Commander, Operations Support Division

DATE: July 17, 2015

SUBJECT: Aggravated and Simple Assaults in LODO

As requested, the attached report summarizes the reported aggravated and simple assaults in LODO in January - June 2015. The statistics are summarized by type of offense, day-of-week and hour. A map is included for the geographic distribution of offenses.

ANALYSIS

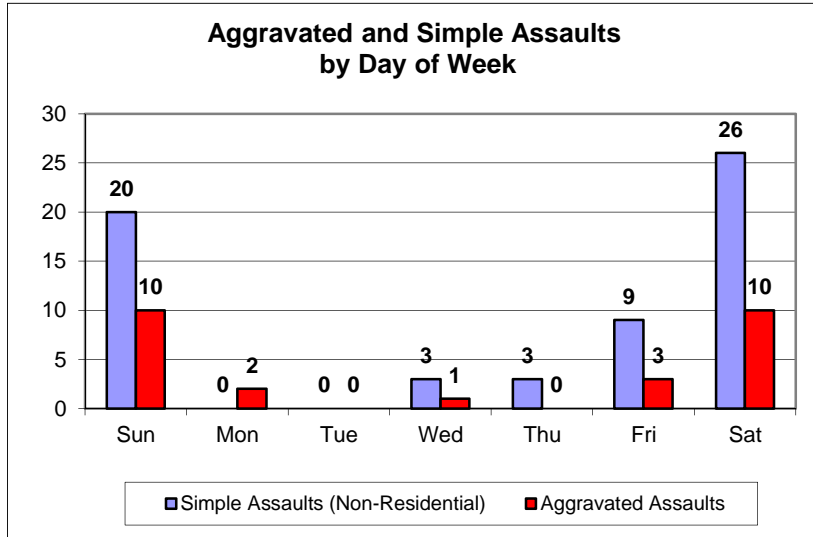
- Saturday accounted for 42.6% of simple assaults and 38.5% of aggravated assaults. Sunday accounted for 32.8% of simple assaults and 38.5% of aggravated assaults in LODO.
- The majority of assaults occurred between 12:00 am and 2:00 am.
- The aggravated assaults were primarily concentrated in the 1400 Block of Market Street area. The 1400 block of Market Street, including individual addresses, had 8 of 26 aggravated assaults. Although three aggravated assaults and three simple assaults were noted at 1445 Market Street (Chloe Disco) during January - April 2015, no additional assaults were reported at this location in May or June.
- Simple assaults were more common between 19th and 21st on Market St with 13 of 61 occurring in this area.

If you have any questions, please do not hesitate to call.

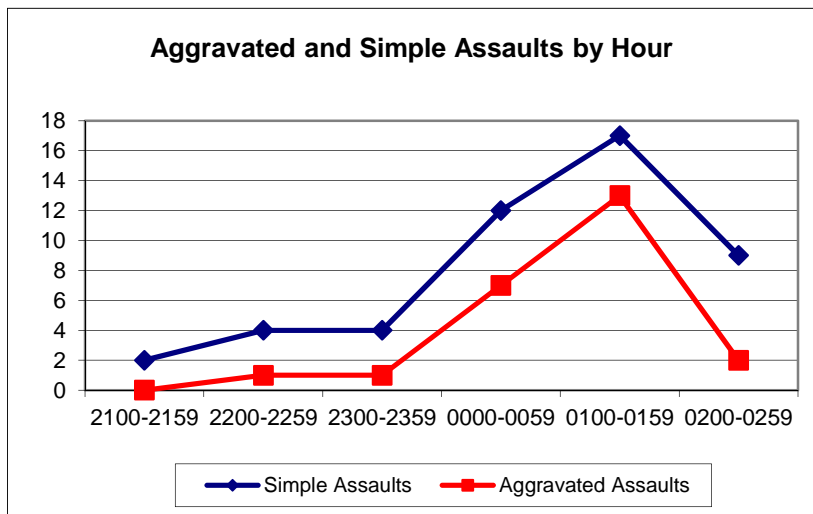
Cc: Robert C. White, Chief of Police
David Quinones, Deputy Chief of Operations

**AGGRAVATED AND SIMPLE ASSAULTS
IN THE LODO AREA
BY DAY OF WEEK AND HOUR
JANUARY - JUNE 2015**

Simple Assaults (Non-Residential)			Aggravated Assaults	
Day of Week	Number	Percent	Number	Percent
Sunday	20	32.8%	10	38.5%
Monday	0	0.0%	2	7.7%
Tuesday	0	0.0%	0	0.0%
Wednesday	3	4.9%	1	3.8%
Thursday	3	4.9%	0	0.0%
Friday	9	14.8%	3	11.5%
Saturday	26	42.6%	10	38.5%
TOTAL	61	100.0%	26	100.0%



Hour	Simple Assaults	Aggravated Assaults
2100-2159	2	0
2200-2259	4	1
2300-2359	4	1
0000-0059	12	7
0100-0159	17	13
0200-0259	9	2



Note: 13 Simple Assaults and 2 Aggravated Assaults occurred between 3:00am and 9:00pm and are not included on this chart.

**LOCATIONS FOR ASSAULTS IN THE LODO AREA
JANUARY - JUNE 2015**

AGGRAVATED ASSAULTS

Address	Number
1445 MARKET ST	3
20TH ST / MARKET ST	2
1400 MARKET ST	2
1410 MARKET ST	2
1800 BLOCK MARKET ST	1
1318 15TH ST	1
1400 BLOCK 15TH ST	1
1400 BLOCK MARKET ST	1
1427 LARIMER ST	1
1500 BLOCK MARKET ST	1
1300 BLOCK 20TH ST	1
1735 19TH ST	1
20TH ST / WAZEE ST	1
18TH ST / BLAKE ST	1
18TH ST / MARKET ST	1
1900 BLOCK BLAKE ST	1
1946 MARKET ST	1
1949 MARKET ST	1
19TH ST / BLAKE ST	1
20TH ST / BLAKE ST	1
16TH ST / MARKET ST	1

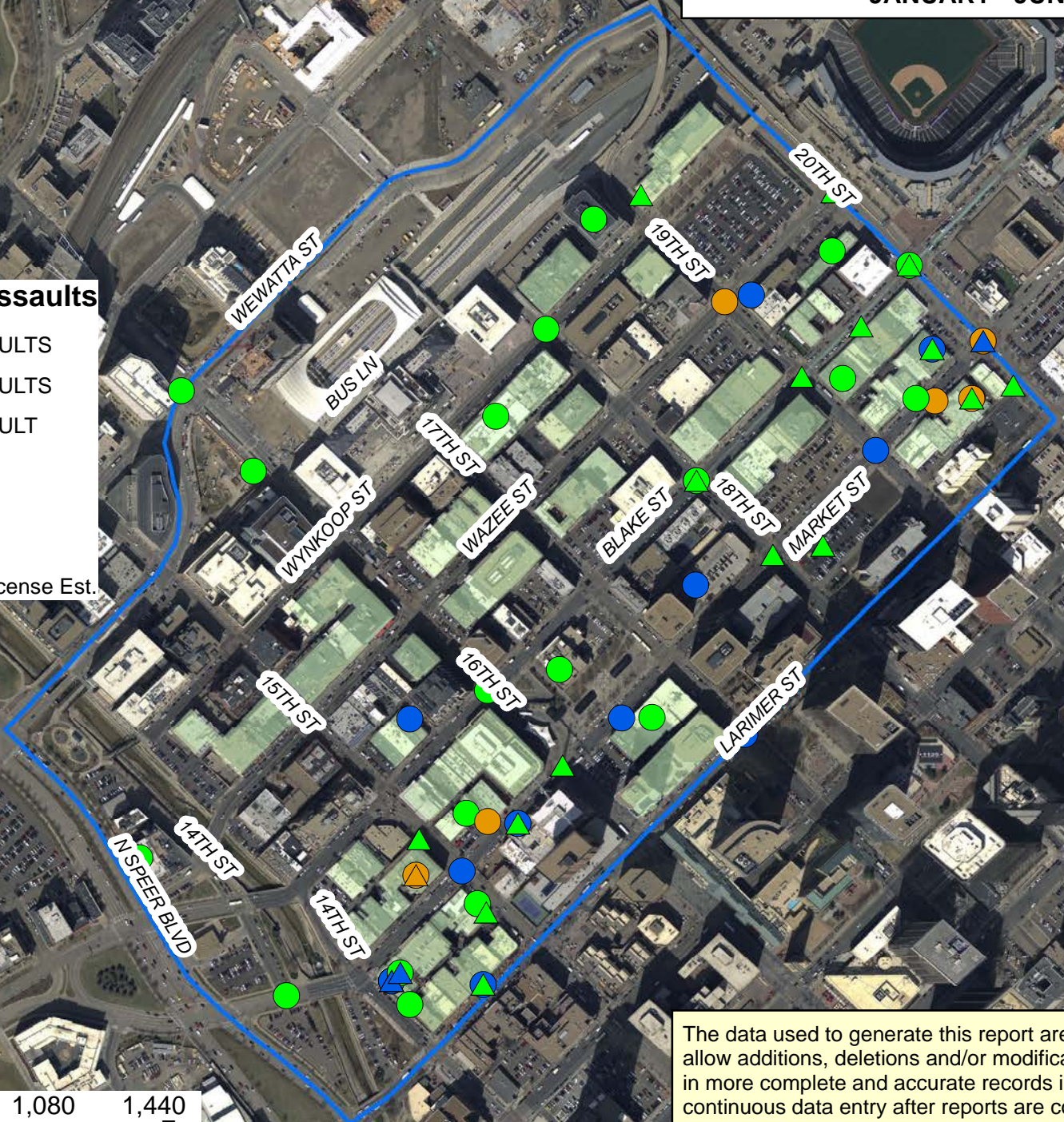
SIMPLE ASSAULTS

Address	Number
1445 MARKET ST	3
1523 MARKET ST	3
1900 BLOCK MARKET ST	3
1946 MARKET ST	3
19TH ST / WAZEE ST	3
20TH ST / MARKET ST	3
1400 BLOCK MARKET ST	2
1400 MARKET ST	2
1401 17TH ST	2
1427 LARIMER ST	2
1500 BLOCK MARKET ST	2
1525 BLAKE ST	2
15TH ST / MARKET ST	2
1600 BLOCK MARKET ST	2
17TH ST / LARIMER ST	2
1900 BLOCK WAZEE ST	2
1949 MARKET ST	2
19TH ST / MARKET ST	2
1301 WAZEE ST	1
1317 14TH ST	1
1324 15TH ST	1
1410 MARKET ST	1
14TH ST / MARKET ST	1
1515 MARKET ST	1
1520 20TH ST	1
1600 BLAKE ST	1
1624 MARKET ST	1
16TH ST / BLAKE ST	1
1700 BLOCK 16TH ST	1
1700 BLOCK WYNKOOP ST	1
1899 WYNKOOP ST	1
18TH ST / BLAKE ST	1
18TH ST / WYNKOOP ST	1
1900 BLK OF 16TH ST	1
1902 BLAKE ST	1
1941 MARKET ST	1
20TH ST / BLAKE ST	1

**REPORTED AGGRAVATED AND SIMPLE ASSAULTS
IN LODO
JANUARY - JUNE 2015**

Type and Number of Assaults

- ▲ 3 AGGRAVATED ASSAULTS
- ▲ 2 AGGRAVATED ASSAULTS
- ▲ 1 AGGRAVATED ASSAULT
- 3 SIMPLE ASSAULTS
- 2 SIMPLE ASSAULTS
- 1 SIMPLE ASSAULT
- Buildings with Liquor License Est.



The data used to generate this report are dynamic. Dynamic files allow additions, deletions and/or modifications at any time, resulting in more complete and accurate records in the databases. Due to continuous data entry after reports are compiled, subsequent reports are subject to change.



St. Francis Center Outreach Report September 2015

Foundational Services*:

The St. Francis Center Outreach team engaged in **1,828** encounters with homeless individuals during July, compared with **1,450** encounters last year. We have successfully referred or helped to obtain **663** foundational services essential in the process of overcoming homelessness:

Housed Successfully	6
State ID's / Birth Certificates Obtained	69
Benefits Obtained (e.g., Social Security, Disability, Food Stamps)	19
Medical Referral	67
Mental Health Referral	22
Substance Treatment Referral	38
Employment Referral	51
Veterans Administration Referral	12
Shelter Obtained	271
Shelter Referral	105
Detox Obtained	3

Population Assessment:

During August St. Francis Center outreach workers made **301** unduplicated contacts in the BID area. Generally we engage a higher number of travelling individuals who don't necessarily identify with being homeless during the summer months. Given a resistance to services, it's a challenge for team members to determine their housing readiness, hence the numbers are skewed more heavily to the last two categories.

Housing Ready (independent) and searching	8%
Housing Ready but need employment/income/benefits	5%
Housing Ready (need program with supportive case management)	15 %
In need of mental health/addiction stabilization before housing	22 %
Unable to house due to barriers (criminal, eviction history, etc.)	1%
Communicate no interest in assistance	23%
Unable to Determine	26%
	100 %

St. Francis Center Day Shelter July Counts 2015 vs. 2014:

	2015	2014	+ / -
Total Unduplicated Guest Count	3,077	3,133	- 1%
SFC Total Guest Visits in July	23,940	22,981	+ 4%

All guests that enter St. Francis Center are now issued identification cards that scan directly into our Homeless Management Information System (i.e., HMIS) database. Allowing for a more seamless entry process, this system cuts down on guest wait times while improving the guest counts. Since the beginning of April more than **5,000** guest ID cards have been distributed.

Other St. Francis Outreach Measurements:

The St. Francis Center Outreach Team builds relationships with homeless individuals in the BID area. The team also informs BID-area businesses of outreach presence and encourages them to contact us when encountering individuals in need of services. We also collaborate with DPD and DDBID ambassadors to help assess and direct individuals; our focus being to stabilize living situations, direct to appropriate medical and/or mental health care, and to assist in the procurement of benefits (e.g., food stamps, Medicaid, AND, SSI). When not physically present on the Mall, team members case manage clients towards the obtainment of foundational services.

Additional output measures provided by the outreach team are as follows:

• Hours provided by SFC Outreach workers in the BID:	305 Hours
• Average Daily Contacts in the BID area:	27 Contacts per day
• DDBID ambassador encounters:	158 Encounters
• Business contacts made in the BID area (see below):	52 Contacts

<u>Name of Business</u>	<u>Contact Date</u>
Marriott Residence Inn Parking Management	08/07/15
Hotel Monaco Parking Management	08/07/15
Visit Denver	08/06/15
Wells Fargo (Independence Plaza)	08/28/15
Caribou Coffee (Independence Plaza)	08/28/15
Overland Sheepskin Co.	08/27/15
Shondiz	08/26/15
Gold & Time	08/26/15
Eyebrow Design & Thread	08/26/15
The Chili Truck	08/26/15
Lechugas	08/26/15
Scuffs	08/26/15
Gigi's Cupcakes	08/26/15
Café 180	08/26/15
McDonalds	08/26/15
TLC Foods	08/26/15
Argonaut Liquors	08/04/15
Biker Jim's Hot Dogs	08/06/15
Greyhound	08/06/15
Ink Coffee	08/27/15
Corner Bakery	08/27/15
Mile High Bike Tours	08/27/15
Starbucks (california)	08/19/15
Ross	08/19/15
Mermaid's Bakery	08/25/15
Starbucks (Curtis)	08/25/15
Rialto Café	08/25/15
Visit Denver	08/19/15
7/11 on Tremont	08/27/15

Sally Beauty	08/26/15
Famous Footwear	08/26/15
Payless Shoes	08/26/15
Century Link	08/26/15
Souvenir Warehouse	08/26/15
Bubble Tea	08/26/15
Mt. Everest Imports	08/26/15
Lechugas	08/26/15
Starbucks California	08/26/15
Einstein Bros. Bagels	08/26/15
Rico Asada Burritos	08/15/15
Starbucks Writer's Square	08/15/15
Sprint Repuplic	08/15/15
Sprint Writer's Square	08/15/15
Westin Hotel	08/15/15
Pavilions Management Office	08/15/15
Parmount Cafe	08/15/15
Marlowe's Restaurant	08/15/15
Simply Colorado	08/15/15
Sugar	08/15/15
Barnes and Noble	08/15/15
McDonald's Cleveland	08/15/15
7/11 Convenience Store on Champa	08/15/15

*** Foundational Services Descriptions and Rationale for Tracking:**

Housed Successfully

This is a primary goal that the homeless outreach team works toward with any client who is able to do so. This is also the most challenging of all services to obtain. Many clients encountered by outreach are without finances, and have disabilities and/or unstable histories which present difficult barriers to successful housing.

State ID's / Birth Certificates Obtained

Without proper ID, very little can be accomplished. ID documents are required for employment, housing, benefits. This is often an important starting point in the helping relationship.

Benefits Obtained (e.g., Social Security, Disability, Food Stamps, Medicaid)

For those unable to work, receiving benefits is often the only form of available income.

Medical Referrals

Referrals to clinics or hospitals to address significant medical conditions.

Mental Health Referrals

Mental health treatment availability for the indigent is low, and is often refused by the person in need. It is considered an important success whenever a person is willing to receive treatment at the same time as an opening in an appropriate program.

Substance Treatment Referrals

As with mental health treatment, substance treatment availability for the indigent is low. Client readiness for change is also an important factor for a successful treatment outcome. When addiction treatment openings can be matched with those who are ready for it, an important success has occurred.

Employment Referrals

For those willing and able to work, gainful employment is critical factor. Limited employment opportunities, along with Denver's low-income housing shortage creates a very difficult path for the chronically homeless to achieve self-sufficiency.

Veterans Administration Referrals

The VA system has prioritized services for homeless veterans in recent years. They are an important and currently available resource for us.

Shelter Opportunities Obtained

Number of people transported to shelters who were unable to get there on their own.

Shelter Opportunity Referrals

Number of those directed to shelter and who said that they would show up on their own.

Detox Episodes Obtained

This service is critical for the safety of the individual requiring detox, and an important intervention that helps maintain public safety and a positive downtown environment.