

2015 Bluebird Business Improvement District Operating Plan & Budget

2015 Operating Plan

I. Overview

The Bluebird Business Improvement District (the “District”) was formed by the City Council in and for the City and County of Denver (the “City”) pursuant to Ordinance No. 292, Series 2013, on June 24, 2013. The District boundaries are bordered by St. Paul St. on the West, Colorado Blvd. on the East, 14th Avenue on the South and 16th Avenue on the North (consisting of a total of 9 East Colfax blocks.) There are 27 individual property owners and 62 businesses within the 9-block District boundaries, a land area of 478,333 sq. ft. (consisting of approximately 11 acres) with a 2014 assessed valuation as of 8/22/2014 of \$6,918,230. The District will impose a mill levy of 10 mills for collection next year on all taxable commercial property located within its boundaries, projected to be approximately \$69,182.

II. Bluebird Business Improvement District Operating Plan Statement

In general terms, the District’s operations facilitate, promote and oversee activities and actions to:

- Enhance the appearance and attractiveness of the 9-block District for its customers, businesses, employees, neighbors and visitors.;
- Provide a safe and clean shopping environment;
- Attract new businesses and retain contributing existing businesses;
- Promote the District and customer traffic to its constituent businesses through marketing, advertising, public relations and special events;
- Provide transparent fiduciary oversight and management of the District’s operating and capital budgets to enhance relationships with the District’s property and business owners, and public sector agencies providing City and State services

District operations and performance will be evaluated based on quantitative and qualitative measurements, including on-going consumer, business and property owner and developer and real estate surveys, base retail sales data and year-end changes, additions of new businesses and expansion of existing businesses, website and social media responses and media coverage.

Administrative operations will include seeking additional District funding through grant applications, fundraising and special events.

III. 2015 Bluebird Business Improvement District Operations

A. Maintenance & Public Safety

- The District will contract for maintenance services to repair and maintain existing pedestrian lights and assist property owners and merchants with on-going trash/litter pick-up, sidewalk power-washing and graffiti removal services.
- Maintain relationships with the Denver Police Department/District 2 patrol command and line officers; also Graffiti Control, Denver Public Works and the Colorado Department of Transportation (CDOT) to enlist public sector support and assets for the BID's Safe & Clean Agenda.

B. MARKETING AND COMMUNICATIONS

- The District is committed to informing and updating its constituents on a timely basis through its interactive website and email system, social media, public board meetings, news releases, newsletters, calendar of events and by reporting City and State projects and programs pertinent to the District. From time to time, the District also will survey its constituents for their opinions on necessary District physical improvements and retail and business services and community-related issues, (e.g. public safety, pedestrian safety, vehicular and bike traffic, etc.)
- The District's Market Analysis/Profile will be continually updated recounting retail sales, area demographics and employment statistics, new development projects, consumer buying power in the immediate trade area, etc.
- The District will publish an annual report recounting its 2014 work plan, accomplishments and financial information for property owners, Bluebird businesses, government officials, area neighborhood organizations and other interested parties.
- The District will support public events such as the Boo & Brew Halloween Party for Children and Adults and the annual Tasty Colfax restaurant crawl, as well as investigate adding other special events for community participation and fundraising purposes.

C. ECONOMIC AND BUSINESS DEVELOPMENT

The District will emphasize retail and other business recruitment and retention by providing a business support office to develop and maintain real estate for sale and lease property availabilities, establish on-going communications with District property owners, realtors and developers and serve its constituent businesses as a liaison for various public and private loan and business assistance programs.

D. ADMINISTRATIVE SERVICES

The District has a part-time executive director under contract to manage District operations, programs and finances, to include but not limited to:

- Interface with District property and business owners and city/state/neighborhood agencies and organizations and real estate community. Prepare periodic board meeting agendas, minutes, financial reports and and external communications
- Coordinate all BID programming and event activities
- Seek additional funding resources

IV. 2015 Preliminary Bluebird BID Budget

Preliminary 2015 Bluebird BID budget approved by the board on 9/22/2014

Income	
Grants	20,000.00
Ownership Taxes	3,850.00
Property Taxes	69,182.00
Total Income	<u>\$ 93,032.00</u>
Expenses	
Accounting (CPA)	1,000.00
1% City Collection Fee	692.00
Bookkeeping	1,600.00
Contract services	31,000.00
Insurance	1,477.00
Legal	7,200.00
Memberships	638.00
Total Administration	<u>\$ 43,607.00</u>
Bank Service Charge	100.00
Computer and Internet Expenses	250.00
Capital Reserve fund	\$20,000.00
Maintenance	
Contract Services/ Capital Improvements	10,000.00
Streetscape Capital Improvements	3,000.00
Streetscape Repairs	3,000.00
Total Maintenance	<u>16,000.00</u>
Marketing	
Advertising/ PR	5,000.00
Website Upgrade/Maintenance	5,000.00
Total Marketing	<u>10,000.00</u>
Tabor 3% Reserve- Expense	2,075.00
Utilities	1,000.00
Total Expenses	<u>\$93,032.00</u>

Addendum & Exhibits 1-9

1. 2014 Bluebird BID Budget and Budget-to-actual projections as of 8/31

	Actual YTD as of 8/31	Budget	over Budget	% of Budget	Total 2014 Budget	% Bu
Income						
OED Grant	13,748.21	12,000.00	1,748.21	114.57%	20,000	23%
Ownership Taxes	2,412.52	2,638.00	-225.48	91.45%	3,850	4%
Property Taxes	60,939.80	60,361.00	578.80	100.96%	64,416	73%
Total Income	\$77,100.53	\$74,999.00	\$2,101.53	102.80%	88,266	100%
Expenses						
Accounting	100.00	0.00	100.00		100	0.10%
Administration	0.00	0.00	0.00			
1% City Collection Fee	611.01	604.00	7.01	101.16%	645	1%
Bookkeeping	1,000.00	1,680.00	-680.00	59.52%	2,640	3%
City BID formation Fee	954.17	3,000.00	-2,045.83	31.81%	3,000	4%
Executive Director	16,000.00	16,000.00	0.00	100.00%	24,000	29%
Insurance	1,298.31	1,300.00	-1.69	99.87%	1,300	2%
Legal	3,000.00	3,600.00	-600.00	83.33%	6,000	10%
Memberships	203.13	616.00	-412.87	32.98%	616	1%
Total Administration	\$23,066.62	\$26,800.00	-\$3,733.38	86.07%	38,201	46%
Bank Service Charge	84.00	0.00	84.00		0	
Computer and Internet Expenses	153.20	0.00	153.20		0	
Maintenance	0.00	0.00	0.00		0	
Other Maintenance	0.00	3,000.00	-3,000.00	0.00%	0	
Streetscape Repairs	2,574.97	3,000.00	-425.03	85.83%	3,000	4%
Total Maintenance	\$2,574.97	\$6,000.00	-\$3,425.03	42.92%	3,000	4%
Marketing	0.00	0.00	0.00			
Advertising/ PR	750.00	3,000.00	-2,250.00	25.00%	5,000	6%
Website Upgrade/Maintenance	4,500.00	3,000.00	1,500.00	150.00%	5,000	6%
Total Marketing	\$5,250.00	\$6,000.00	-\$750.00		10,000	12%
Meals and Entertainment	75.77	0.00	75.77		0	
Start up Costs	23,904.00	23,904.00	0.00	100.00%	23,904	28%
Tabor 3% Reserve- Expense	0.00	1,811.00	-1,811.00	0.00%	1,933	3%
Utilities	522.26	0.00	522.26		0	
Total Expenses	\$55,730.98	\$64,515.00	-\$8,784.02	86.38%	84,038	100%

2. The 2014 operating plan and budget submitted to the City in December 2013 did not list the additional revenue of \$20,000 from a grant received from the Office of Economic Development, the contract of which was not approved by the City until April 2014. The above 2014 financials include the contract's revenue and expenses.

3. Status of any planned or outstanding indebtedness

Colfax on the Hill, Inc. ("COTH") provided the District formation funding in 2013. The District approved an advance and reimbursement agreement with COTH at its organizational meeting held on June 28, 2013 to establish the terms and conditions upon which the District will reimburse COTH for COTH's associated costs and expenses incurred in funding the District's organization and operations activities in the amount of \$15,904. The \$15,904 debt to Colfax on the Hill, Inc. will be retired as of Dec. 31, 2014. The BID has no other outstanding debt and plans no future debt acquisition at this time.

4. The District did not begin operations until January 1, 2014 so there was no City audit required for 2013.

5. Bluebird Business Improvement By-Laws

BLUEBIRD BUSINESS IMPROVEMENT DISTRICT BY-LAWS

These By-Laws of the Bluebird Business Improvement District are adopted by the Board of Directors of the District pursuant to Title 31, Article 25, Part 12, Colorado Revised Statutes and Ordinance No. CB13-0292, City and County of Denver. In the event of a conflict between these By-Laws and either the State Statute or City Ordinance, the Statute and/or Ordinance shall govern.

ARTICLE I

THE DISTRICT

Section 1. Name of the District. The name of the District shall be the "Bluebird Business Improvement District" (the "District").

Section 2. Office of the District. The office of the District shall be located within the boundaries of the District at such place as the Board of Directors from time to time, shall by resolution, determine.

Section 3. Boundaries of the District. The Service Area boundaries of the District are East 16th Avenue on the north, East 14th Avenue on the south, Colorado Blvd. on the east and St. Paul Street on the west. The boundaries of the District include any taxable real and personal property located within the Service Area, which is not classified for tax purposes as either residential or agricultural. Such residential and agricultural property located within the Service Area is not located within the District until such time as such property changes classification to commercial. A map of the Service Area boundaries and the approximate District boundaries is maintained in the office of the District.

ARTICLE II OFFICERS

Section 1. Election of Officers and Terms. The officers of the District shall be a President, Secretary and Treasurer who shall be elected from among the members of the Board at the first regular meeting of the fiscal year. The office of Secretary and Treasurer may be filled by one person. One or more assistant Secretary(ies) may be elected to assist the Secretary in carrying out the duties of Secretary. Officers shall serve for a term of one year or until their successors are duly elected. The Board shall serve at the pleasure of the governing municipality.

Section 2. President. The President of the District shall preside at all meetings of the District; shall have such other duties as the Board may direct; and, shall have general supervision over the business and affairs of the District, as well as be responsible for day to operations. The President shall provide direction to personnel/contract staff for the District, and be available to such persons as needed for guidance and approval of operational activities. The President can assign varies duties as she/he see fit to hired consultants/employee's of the District to help with the day-to-day functions of the District.

Section 3. Secretary. The Secretary shall act as Secretary of the meetings of the District, shall record all votes, keep a record of the proceedings of the District, maintain a record of all resolutions adopted by the District, and perform all duties incident of this office. The Secretary shall keep in safe custody the seal of the District and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the District. The Secretary shall preside over all meetings of the District in the absence of the President or in any event of his/her inability or refusal to act and shall have the powers and perform the duties of the President in the event the office of President is vacant or in the temporary absence of the President.

Section 4. Treasurer. The Treasurer shall take care and have custody of the funds and financial records of the District, and shall deposit District funds in such bank or banks as the District may select. The Board may also, as they see fit, engage the services of an accountant to assist with the financial duties of the District.

Section 5. Assistant Secretary. The Assistant Secretary(ies) shall act as Secretary of the meetings of the District, shall record all votes, keep a record of the proceedings of the District, maintain a record of all resolutions adopted by the District, and perform duties incident of the Secretary's office in the absence of the Secretary or in any event of his/her inability or refusal to act. The Assistant Secretaries shall have the powers and perform the duties of the Secretary in the event that the office of Secretary is vacant or in the temporary absence of the Secretary.

Section 6. Additional Duties. The officers shall, from time to time, perform additional duties as assigned by resolution or the President of the Board. The primary function of the Board, with the exception of the duties assigned in these By-Laws, is to determine policy for the District. The Board can assign varies duties as they see fit to hired consultants/employee's of the District to help with the day-to-day functions of the District.

Section 7. Vacancies. Should any officer position become vacant, such vacancy shall be filled, for the remainder of the unexpired term, by a qualified candidate who has been appointed by the Mayor of the City and County of Denver and confirmed by ordinance.

Section 8. Expenses. Members shall receive no compensation for services but may be reimbursed for expensed incurred on behalf of the District pursuant to authorization by the President.

Section 9. Staffing. The District may employ personnel, or contract personnel, as necessary to perform the functions of the District. Such persons shall be appointed by the Board, and serve at the pleasure of the Board. Selection and compensation shall be determined by the Board. A committee may be formed to interview and make recommendations regarding the hiring of personnel if the Board desires.

ARTICLE III

MEETINGS

Section 1. Meetings. At the first meeting of the fiscal year, the Board shall determine the schedule for the regular meetings for the remainder of the year, including the time and location of the meetings and the posting place for such meetings. Special meetings can be called as deemed necessary and by the provisions in these By-Laws and in accordance with applicable State statute.

Section 2. Special Meetings. The President, or any two members of the Board, may call a special meeting when determined necessary or expedient. At least seventy-two hours prior notice must be given for a special meeting.

Section 3. Quorum. At all meetings of the Board, a quorum must be present for the Board to take District action and set policy. A quorum is comprised of four members, if all Board seats are filled. If vacancies on the Board exist, a majority of the then-appointed Board constitutes a quorum, but must be no less than three members at any time. When a quorum is in attendance, action may be taken by the District upon affirmative vote of the majority of the Directors present. Directors may be in attendance in person or by telephone, but physical presence is necessary for the purposes of achieving a quorum and for voting on any particular agenda item.

Section 4. Manner of Voting. Voting shall be called for after a motion has been made and seconded, and any desired discussion taken place. All nay votes and abstentions shall be recorded by Director name in the minutes. All Directors counting toward the quorum are entitled to vote, including the Board President. Unless the President is the only Board member remaining on the Board due to vacancies the President may not make a motion for any Board action, but may provide for a second. Voting by proxy is not permitted.

Section 5. Conflict of Interest. Board members are required to disclose any potential conflicts of interest in any transaction before the Board. In the case where Board action will promote financial gain of individual Board Members, Board members shall disclose their financial involvement and abstain from voting on such motion or attempting to include any of the contracting parties in such transaction.

Section 6. Open Meetings. All meetings of the Board of Directors shall be open to the public,

pursuant to C.R.S. Section 24-6-402, as may be amended. The Board may go into executive session, as permitted under C.R.S. Section 24-6-402, as may be amended, by a vote of two-thirds of the quorum of the Board members in attendance.

The Board shall take no action during an executive session, and will only conduct such executive sessions pursuant to the criteria listed in C.R.S. Section 24-6-402, as may be amended.

Section 7. Resolutions. The Board shall act pursuant to either resolution or motion. Resolutions shall be used for all actions of a general or permanent nature. Motions may be used for acts of a temporary character or statements of general policy. All resolutions shall be in writing, recorded and authenticated by the signature of the Secretary, and shall be kept on file in the District offices. All motions shall be set forth in the minutes of the District. Resolutions and motions shall be effective immediately unless otherwise stated.

ARTICLE IV -- FISCAL MATTERS

Section 1. Fiscal Year. The fiscal year of the District shall be the same as a calendar year.

Section 2. Checks. District checks in excess of \$1,000 shall require two Board member signatures. All checks of lesser amounts can be signed by one authorized Board member.

Section 3. Execution of Instruments. The Board of Directors may authorize an officer, employee, or any other agent of the District to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District. Any such authorization shall specify the particular contract or instrument, or the category of contracts or instruments, authorized to be so executed.

The Treasurer, or the Treasurer's designee, shall have the care and custody of all funds of the District and shall deposit same in the name of the District in such bank or banks as the District may select.

Section 4. Loans. No loan or advance shall be contracted on behalf of the District, and no note, bond or other evidence of indebtedness shall be executed or delivered in its name, except as may be authorized by the Board of Directors pursuant to applicable law.

ARTICLE V -- AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the District at any regular meeting or special meeting of the District by affirmative vote of the majority of Directors constituting a quorum in attendance.

ARTICLE VI - INDEMNIFICATION

Section 1. Indemnification. The District shall indemnify any Director, officer, employee or former Director, officer or employee of the District, against any expenses actually and

reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, or for any loss or claim resulting from any such action, suit or proceeding, in which he or she is made a party by reason of being or having been a Director, officer, or employee including any matter as to which he or she is adjudged in

such action, suit or proceeding, to be liable for negligence in the performance of his or her duty to the District, so long as such Director, officer or employee (past or present) conducted himself or herself in good faith and either in the best interest of the District or at least not opposed to the

District's best interest. Such indemnification shall not extend to criminal acts that the Director, officer or employee knows or should have known were illegal. The indemnifications contained within this Article VI, Section 1 shall be memorialized in a duly-adopted resolution of the District and shall be subject to annual appropriation.

Section 2. Insurance. The District is authorized to obtain such policy or policies of insurance for the purpose of providing such indemnification of the Directors, officers, and employees of the District and for other purposes as needs may arise.

Section 3. No Waiver. The indemnification provided for under this article does not constitute a waiver, either partial, or complete, or any immunities or limitations on judgments applicable to the District or any of its Directors, officers, or employees and provided for by law or otherwise.

ARTICLE VII RULES OF ORDER/PROCEDURES

In the absence of rules governing points of procedure of the meetings and actions of the Board of Directors of the District, the latest revised edition of "Roberts Rules of Order" shall govern the actions of the Board.

ADOPTED AUGUST 13, 2013

6. List of official board actions in the past year

- The Bluebird Business Improvement District (BBID) board of directors adopted its Annual Administrative Resolution ordering submittal of the proposed operating 2014 operating plan and budget, holding a public hearing on the proposed budget; filed of the certified 2014 mill levy.
- Motions to elect board officers and began BBID operations effective January 1, 2014 implementing operating plan and budget; recruited and hired contract services for executive manager, attorney counsel, bookkeeping and marketing; established banking affiliation, opened utilities account for district pedestrian lighting; contracted for insurance coverage through the Colorado Special Districts Insurance Pool.

- Effected repairs of existing pedestrian lights. Conducted inventory of public right-of-way streetscape amenities and their condition, i.e. street trees and tree grates, sidewalks.
- Implemented business support services for district business and property owners for business retention and soliciting new businesses, supported and administered under a grant from the Denver Office of Economic Development. Initiated design and programming for the new Bluebird Business Improvement Website.
- Prepared modeling of storefront facade design -- architecture concepts, facade components and budget costs and financing assistance resources.
- Authorized supplemental budget and appropriation due to addition of the 2014 Denver Office of Economic Development grant approved in April.
- Drafted outline of a BBID strategic marketing plan to be designed and executed over the third and fourth quarters of 2014. The 18-page marketing outline sets forth a list of potential deliverables for branding, digital stakeholder services, collateral materials, promotional and advertising and special events programming. Priorities including updating the BBID website, logo, and collateral materials; data bases and business support services for BBID property and business owners.
- Updated the Bluebird District property and business owners database, listing businesses/property owners roster, contact information, business types, number of employees, property square footage and improvement square footage.
- Sponsored Bluebird District business and community special events (Tasty Colfax Pub/Restaurant Crawl and Boo & Brew Halloween party.) Sponsorship of the 2014 Bluebird District Flavor Guide.
- Approved 2015 Bluebird B.I.D. preliminary operating plan and budget on Sept. 22, 2014

7. Current Bluebird BID District Board of Directors & Officers

Don Novak, President

3121 East Colfax Avenue

Denver, CO 80206

720-326-6246

don@propagandalabs.com

Term: Appointed June 2013 – term expires May 2016

Tom Secrist, Secretary/Treasurer

1532 Milwaukee Street

Denver, CO 80206

303-523-9681

secristproperties@gmail.com

Term: Appointed June 2013; expired May 2014; re-appointed, 2014; expires May 2017

Sean Mandel, Assistant Secretary

1478 Birch Street

Denver, CO 80220

303-520-7154

seanmandel@gmail.com

Term: Appointed June 2013; term expires May 2016

Tyler Carlson, Assistant Secretary

12460 1st Street

P.O. Box 247

Eastlake, CO 80614

303-552-6160

tcarlson@evgre.com

Term: Appointed June 2013; expires May 2016

Master Sung Hwan "Tiger" Kim, Assistant Secretary

1480 Steele Street

Denver, CO 80206

303-388-1408

mastertigerkim@gmail.com

Term: Appointed June 2013; term expires May 2016

Richard "Buzz" Geller, Assistant Secretary

1430 Larimer Square, #304

Denver, CO 80202

303-399-0508

buzzgeller@paradiselandco.com

Term: Appointed June 2013; term expired May 2014; re-appointed June 2014; term expires May 2017

Drew Gottlieb, Assistant Secretary

1515 Madison Street

Denver, CO 80206

303-870-0268

grewgottliebpc@gmail.com

Term: Appointed June 2013; term expired May 2014; re-appointed June 2014; term expires May 2017

**8. Board Attendance for the past year (September 2013 – September 2014)
Mtg. dates: 9/17/13, 12/10/13; 2014: 1/8, 2/12, 3/9, 4/9, 5/14, 6/11,
7/9, 8/13, 9/10, and 9/22**

Director Don Novak has attended all twelve (12) board mtgs. held to date
Director Tom Secrist has attended all twelve (12) of the board meetings to date
Director Sean Mandel has attended 10 of the 12 board meetings
Director Tyler Carlson has attended 6 of the 12 board meetings but was out of town on business on three of the board meetings he missed.
Director Master Kim has attended 10 of the 12 board meetings
Director Buzz Geller has attended 10 of the 12 board meetings
Director Drew Gottlieb has attended 10 of the 12 board meetings

9. List of Activities performed and planned for 2014 (and 2015)

- Repaired pedestrian lights. Conducted inventory of public right-of-way streetscape amenities and their condition, i.e. street trees and tree grates, sidewalks.
- Implemented business support services for district business and property owners for business retention and soliciting new businesses, supported and administered under a grant from the Denver Office of Economic Development. Initiated design and programming for the new Bluebird Business Improvement Website.
- Prepared modeling of storefront facade design -- architecture concepts, facade components and budget costs and financing assistance resources.
- Drafted outline of a BBID strategic marketing plan to be designed and executed over the third and fourth quarters of 2014. The 18-page marketing outline sets forth a list of potential deliverables for branding, digital stakeholder services, collateral materials, promotional and advertising and special events programming. Priorities including updating the BBID website, logo, and collateral materials; data bases and business support services for BBID property and business owners.
- Updated the Bluebird District property and business owners database, listing businesses/property owners roster, contact information, business types, number of employees, property square footage and improvements square footage.
- Sponsored Bluebird District business and community special events (Tasty Colfax Pub/Restaurant Crawl and Boo & Brew Halloween party.) Both events will be held in 2015.
- Sponsored the 2014 Bluebird District Flavor Guide. – brochure of restaurants, Bluebird district history to be published in 4th quarter in partnership with the Mile High Business Alliance.

- In concert with the West Colfax Business Improvement District, the Colfax Business Improvement District and the recently-approved Fax/Mayfair Business Improvement District held meetings with developers and Community Planning Development (CPD) representatives to the Main Street Zoning Code requirements, which CPD currently is reviewing for potential code amendments. The Colfax BIDs will continue to meet quarterly to work on other common issues.
- BBID executive director represented BID as a member of the Colfax Corridor Connection Stakeholders Committee to review Denver Public Works plan for Bus Rapid Transit on Colfax from I-25 to I-225.
- BBID executive director appointed to represent the BID on the Central Denver Recreation Center stakeholders committee.
- In 2015 begin Master Planning for the redevelopment of the Bluebird District to include Public/Private Partnership recommendations

