



Legislation Text

File #: 22-1428, Version: 1

Other/Miscellaneous Request Template (Appointments; ROW; Code Changes; Zoning Action, etc.)

Date Submitted: 11-07-2022

**Requesting Agency: Finance
Division:**

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Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A bill for an ordinance approving the 2023 Annual Plan and Operating Budget and an Amended 2022 Operating Budget for the Denver Tourism Improvement District.

Approves the 2023 Annual Plan and Operating Budget and amends the 2022 Operating Budget for the Denver Tourism Improvement District, citywide. The Committee approved filing this item at its meeting on 11-9-2022.

Affected Council District(s) or citywide? Citywide

Executive Summary with Rationale and Impact:

Detailed description of the item and why we are doing it. This can be a separate attachment.

The Denver Tourism Improvement District (the "TID") creation ordinance requires the TID to submit to City Council an Annual Plan and Operating Budget for the upcoming year which will outline the TID's revenues, expenditures, projects, and goals. The ordinance represents the City's approval of the Annual Plan and Operating Budget for the District.

EXECUTIVE SUMMARY

The Denver Tourism Improvement District (the "TID") was created when City Council passed ordinance number 2017-0883 and subsequently the TID electors approved the ability of the TID to levy a 1% tax on the purchase of lodging in the City and County of Denver. The TID creation ordinance requires the TID to create an Annual Plan

and Operating Budget and seek approval from City Council. The Annual Plan and Operating Budget is the TID Board of Directors' annual report outlining the TID's revenues, expenditures, projects, and goals. The Annual Plan and Operating Budget for the TID is submitted annually.

General Description of District and Location: The TID boundaries are coterminous with the boundaries of the City and County of Denver and includes all lodging businesses with 50 or more rooms in the City. As of the 2023 Annual Plan and Operating Budget, the TID expects to include 149 hotels by the end of 2022.

District Purpose: The TID was created with three primary purposes 1) to pledge up to \$3.8 million per year in support of the City's certificate of participation financing for the Colorado Convention Center ("CCC") expansion and improvement; 2) to fund future capital improvements and maintenance for the CCC; and 3) to generate revenues for marketing and promotional use by Visit Denver to bring convention and leisure visitors to Denver.

District Structure: The Board of Directors oversees the operations of the TID. The Board has contracted with Visit Denver to provide management functions for the TID. The Board is comprised of seven members. After holding a public hearing, the Board has put forth the TID's 2023 Annual Plan and Operating Budget and 2022 amended Operating Budget. The amended 2022 Operating Budget contemplates total revenues of \$9,500,000 versus originally budget revenues of \$8,200,000 and total expenditures of \$8,244,144 versus originally budgeted expenditures of \$8,200,000. The 2023 Operating Budget proposes total expenditures of \$10,200,000 of which \$5,681,200 are for marketing and promotions, \$3,450,000 are for payments in support of the City's CCC certificates of participation, \$966,800 to fund future capital expansions and maintenance of the CCC, and \$102,000 is for administration. The TID has no debt and will continue to assess a 1% tax on lodging purchases for 2023.

Address/Location (if applicable):

The TID boundaries are coterminous with the boundaries of the City and County of Denver.

Legal Description (if applicable): N/A

Denver Revised Municipal Code (D.R.M.C.) Citation (if applicable): N/A

Draft Bill Attached? No