

2023 BID Operating Plans and Budgets

City Council Work Session
October 10, 2022

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Summary



- Annual approvals required – traditionally by motion, but this year by resolution*
- 18 Total BIDs
- New model plan format consistent with August 9, 2022 Council action on new Special District Policy
- Formal (individual) agenda items on 10/25/22
- Highlights only today
 - primarily changes from the prior year

* In order to better address future debt authorization

Summary (Continued)



- The DDA budget will be reviewed on a separate and later scheduling track
- Modifications being made to initially submitted operating plans and budgets - in response to staff comments
- A total of three BIDs are requesting “pre-authorization” of future debt with these 2023 Operating Plans and Budgets

Greater Downtown BID



- Mill levy fixed at 5.0
- 11-member Council- appointed board
- Operations and maintenance focus
 - Public space management and consumer marketing
- Possible boundary changes (south downtown)
- No debt

List of Other BIDs



- Barnes and Powers North*
- Barnes and Powers South*
- Briargate Center*
- Catalyst Campus
- Creekwalk Marketplace*
- First and Main*
- Frist and Main No. 2*
- First and Main North*
- Gold Hill North
- GSF
- Interquest North*
- Interquest South*
- Interquest Town Center*
- MW Retail*
- Powers/ Woodmen*
- Southwest Downtown (Park Union)*
- True North Commons*

* Formal debt issued

Underline =
privately placed
debt

Mill Levy Changes



- Barnes and Powers South – planning an increase in debt service mill levy from 14.0 to 18.0
 - total of 19.0 mills including 1.0 mills for operations and maintenance (15.0 in 2022)
- Briargate Center
 - **Would like to maintain O&M mill levy at 13 mills**-for business development and marketing
 - Overall levy to remain at 39.0 mills (26 mills for debt service)-debt service fund balance in good shape
- Creekwalk Marketplace – planning an increase in operating mill levy from 1.0 to 10 mills
 - Total of 60.0 mills including 50.0 for debt service (51.0 in 2022)
- Gold Hill North - planning to impose a 10.0 mill operating mill levy for the first time
- MW Retail – planning to increase operating mill level from 1.0 to 10.0 to offset costs of operating public improvements
- No anticipated changes for the other 13 BIDs

Planned Late 2022 or 2023 Debt Issuances



First & Main No. 2

- About \$3.94 Million in general obligation debt
- About \$6.70 Million in public improvement fee (PIF) debt
 - Approximately \$10M in Developer advances would remain

MW Retail

- 10,000,000 in public improvement fee (PIF) debt

Powers and Woodmen Commercial

- About \$2,519,000 in general obligation debt

No other BIDs anticipate formal debt issuances in 2023

- Although a few (e.g. Interquest North, Park Union), intend to draw on prior approved debt issuances

Developer Advances- examples



Several districts have or will have developer advances – examples below include the year end 2022 estimated balance as reported in the 2023 Operating Plans (all amounts include interest if applicable):

- Barnes and Powers North – \$132,397 @ 7% for operations and 8% for capital
- Briargate Center – Promissory note bal. of \$5,816,105 (no interest)
- Creekwalk – \$4,826,053 @ 8% for operations and 6% for infrastructure
- First and Main No. 2 – \$10,523,838 (interest bal. only)
 - Anticipated 2023 total bond issue of approx. \$10,641,000 (pay off Dev Adv)
- First and Main North – \$215,864 @ 7%
- GSF – \$65,909 @8%
- Interquest North – \$98,065 (interest bal. only) @ 7%
- Interquest South – \$880,611 @ 7% or 8% depending on the Developer
- Interquest Town Center – \$134,872 @ 8%
- MW Retail – \$101,288 @ 8% (\$8.7M advance expected in 2023)
- Powers & Woodmen – \$375,369 @ 7%
- SW Downtown – \$1,483,744 @ 8% for capital and 6% for operations
- True North Commons - \$5,381,252 in pre-development costs @ 8%; \$640,372 for operating @7%

Public Improvement Fees (PIFs)



- Creekwalk Marketplace – 2.5%
- First and Main No. 2 – 0.75%
- Interquest North – 1.25%
- Interquest South – 1.5%
- Interquest Town Center – 1.5%
- Southwest Downtown – 2.0% retail, 4.0% lodging, 1.0% construction activities (all for operations)
- True North Commons – 3.0% retail, service and hotel – 2% lodging- anticipated
- MW Retail – 3.0% either in place or expected to be in place to service anticipated bonds
- GSF – future

Boundary Changes



- Greater Downtown
 - Possible addition: 500 or 600 Blocks, South Tejon St.
- MW Retail
 - Significant multi-family exclusion completed in 2022
- Powers & Woodmen Commercial
 - 11 acres to be excluded (multi-family conversion)
- Gold Hill North
 - Anticipates inclusions as properties develop
- Creekwalk Marketplace
 - No boundary changes anticipated this year
- No other BIDs have identified changes at this time
- Others possible with residential land use changes

Less Than Full Boards



- Catalyst Campus (3 vacancies with request for Council to appoint)
- Interquest Town Center (4 members)
- MW Retail (3 members)
 - All the other BIDs have full boards
 - Downtown has a full 11-member Council-appointed board
 - There will be elections in May 2023 (in the event there are any eligible electors for contested elections)

Ownership and Maintenance- some examples



- Interquest North
 - BID owns several parcels including a large parking lot; stormwater facilities
- Powers and Woodmen
 - Street improvements
- Southwest Downtown/Park Union
 - No land ownership, but significant operation and maintenance functions
- Briargate Center
 - Owns public improvements (e.g. sidewalks and parking)
 - Capitalized maintenance and marketing budgeted for 2021
- Interquest South
 - Parking
- Creekwalk
 - Owns and maintains parking lots and “creekscape”
- Greater Downtown
 - Significant augmented maintenance and services focused on City streets

(Note- O&M functions are authorized in all cases)

Overlapping Districts/DDA



- MW Retail
 - Woodmen Heights and Woodmen Road Metropolitan Districts
- Park Union
 - Park Union Metropolitan Districts; DDA
- GSF
 - - GSF Metropolitan Districts; DDA
- Catalyst
 - Catalyst Metropolitan Districts and DDA
- Creekwalk
 - Limited overlap with Cheyenne Creek Metropolitan District
- Briargate Center
 - Overlap with a related special improvement district (SID)

Overlapping URAs



- Park Union
- Creekwalk Marketplace
- True North Commons
- Gold Hill North

- Also in future for Catalyst and GSF

Other information



- First and Main North continues to have limited debt fund balances, and a reliance on developer advances
- First and Main and First and Main No. 2 continue to share overhead expenses
- The following BIDs may have outstanding related party privately placed bonds with an interest rate more than 400 basis points (4%) higher than the current index rate (however, this applies to debt issued after the new Policy)
 - First and Main
 - First and Main No. 2
 - Interquest North
 - Powers and Woodmen Commercial

BID Websites



- Will be a City requirement as of 2023
- All but the following BIDs appear to have a website now, although some have either not been populated yet, or do not have fully up to date content
 - Briargate Center
 - MW Retail
 - GSF

Next Steps



- October 25, 2022 Regular Meeting
 - Individual actions by motion
- Limited option to postpone for one more meeting
 - Please provide any additional questions or concerns in advance of the October meeting
- Options for items on consent or hearing
- Note again that this year the actions will be by resolution