

2021 BID Operating Plans and Budgets

City Council Work Session
October 12 2020

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Summary



- Annual approvals required- by motion
- BIDs (15) Operating Plans and Budgets
 - Standard form for these documents
- Formal (individual) agenda items on 10/27/20
- Highlights only today (primarily changes)
- Additional focus on USAFA Visitors Center BID
 - Due to dynamism of that project
- No Gallagher adjustments for BIDs
- This year, the DDA budget will be reviewed on a separate and later scheduling track
 - Separate stand-alone Downtown update today
- Modifications being made to initially submitted operating plans and budgets- in response to staff comments

Refinements for this Cycle



- Focus on Council-approved maximum debt authorizations
- BID-owned properties
- Developer advances

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
- Separate Downtown presentation today

List of Other BIDs



- Barnes and Powers North*
- Barnes and Powers South*
- Briargate Center*
- Creekwalk Marketplace*
- First and Main*
- Frist and Main No. 2*
- First and Main North*
- Interquest North*
- Interquest South*
- Interquest Town Center**
- MW Retail (no property tax debt)
- Powers/ Woodmen*
- Southwest Downtown*
- USAFA Visitors Center**

* Formal debt issued

** Debt issuance pending

Underline =
privately placed
debt

Mill Levy Changes



- USAFA Visitor's Center
 - Not likely to certify full levies (of 50.0 for debt service and up to 10.0 for operations)-for the first time in 2021
 - Only if debt was issued yet this year
- Briargate Center
 - 9.0 mill increase of operating mill levy (for business promotion)
 - Offset by 9.0 mill decrease in debt service mill levy
 - **Would temporarily increase O&M mill levy to 13 mills**
 - However, overall levy to remain at 39.0 mills
- MW Retail
 - No property tax levy in 2021
 - Only BID with no expected mill levy
- Interquest Town Center and Barnes and Powers South
 - No change from this year; however current mill levies are lower than budgeted for 2020

Planned 2020/2021 Debt Issuances



- MW Retail
 - Up to \$10,000,000 in 2021
- Interquest Town Center
 - \$2,860,000 approved and expected to be issued by the end of 2020.
- USAFA Visitors Center
 - Up to \$80,000,000 late 2020 or 2021
 - Previously authorized
- Interquest North BID
 - Will draw from existing debt
- SWDT issued \$30,500,000 in June, 2020
 - Additional drawdowns in late 2020 or 2021

Developer Advances- examples



- Several districts have or will have developer advances- examples
 - SW Downtown- large developer advances prior to bond drawdowns – 6% interest; operational advances
 - Creekwalk- \$564K @ 8% for operations and 6% for infrastructure
 - Interquest South. 169.4K @ 8%
 - Interquest North (major advances prior to use of bond proceeds- 7% interest)
 - Interquest Town Center- substantial; mostly to be repaid from bond proceeds; more limited operational advances
 - Powers & Woodmen – \$1.97M @ 7.0% (some to be paid back)
 - First and Main No. 2 – about \$10M @ 8% + almost \$9M in accrued interest
 - USAFA Visitors Center- \$170K for administrative operations

Public Improvement Fees (PIFs)



- First and Main No. 2 – 0.75%
- Interquest North - 1.25%
- Interquest South – 1.5%
- Creekwalk Marketplace – 2.5%
- Southwest Downtown – anticipated
- Interquest Town Center- 1.5%
- Air Force Academy Visitor's Center – 3.0%
retail, service and hotel – 2% lodging

Boundary Changes



- Greater Downtown
 - Possible addition, 500 and 600 Blocks, South Tejon St.
- Creekwalk Marketplace
 - Additional inclusions contemplated
- SW Downtown
 - Anticipated inclusions
- MW Retail
 - Small addition
- No other changes identified
- Others possible with residential land use changes

Less Than Full Boards



- Interquest North (4 members)
- Interquest South (4 members)
- Powers and Woodmen (4 members)
- First & Main (4 members)
- First & Main No. 2 (4 members)
- First & Main North (4 members)
- Barnes and Powers North (4 members)
- Barnes and Powers South (4 members)
- MW Retail (4 members)
- USAFA Visitors Center (4 members)
 - All the other BIDs have full boards
 - Downtown has an 11-member board

Ownership and Maintenance- examples



- Interquest North
 - Parking lot and stormwater facilities
- Powers and Woodmen
 - Street improvements
- Southwest Downtown
 - Security and maintenance budgeted for 2021
- Briargate Center
 - Owns public improvements (e.g. sidewalks and parking)
 - Capitalized maintenance and marketing budgeted for 2021
- Interquest South
 - Parking

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

USAFA Visitors Center BID



- Concurrent actions on 2021 Operating Plan and Budget and an extension of authorization to issue debt.
- Budget is dynamic pending timing of debt issuance and next steps for development activity
- May or may not certify a mill levy this December
- Probability of the need for an amended Operating Plan and Budget prior to next year

Other information



- Creekwalk Marketplace BID funding a substantial portion of its interest from reserves
- First and Main and First and Main No. 2 continue to share overhead expenses

Ongoing edits and BID responses



- Further clarifications of voted versus Council-authorized debt limits
- Refinements of BID property ownerships
- Question on inclusions and exclusions in a few cases
- Accounting for developer advances, including accrued interest

Next Steps



- October 27, 2020 Regular Meeting
- Limited option to postpone for one more meeting
 - Please provide any additional questions or concerns in advance of the October meeting