



Legislation Details (With Text)

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Title: A Resolution of the City Council of Colorado Springs, Colorado Approving the Proposed 2024 Operating Plan and Budget for the Interquest Town Center Business Improvement District

Presenter:
Peter Wysocki, Director, Planning and Community Development
Michael Tassi, Assistant Director, Planning and Community Development

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2024 Operating Plan - Interquest Town Center BID, 2. Res. Interquest Town Center BID 2024 approval without Exhibit E, 3. Signed Resolution No. 159-23.pdf

Date	Ver.	Action By	Action	Result
10/24/2023	2	City Council	adopted	Pass
10/9/2023	1	Council Work Session	referred	

A Resolution of the City Council of Colorado Springs, Colorado Approving the Proposed 2024 Operating Plan and Budget for the Interquest Town Center Business Improvement District

Presenter:

Peter Wysocki, Director, Planning and Community Development
Michael Tassi, Assistant Director, Planning and Community Development

Summary:

The Interquest Town Center Business Improvement District (BID) is a legal entity separate from the City of Colorado Springs. However, as required by State statute, it is necessary for City Council to review and approve the proposed 2024 Operating Plan and Budget for the BID.

The Operating Plan and Budget for this BID anticipates increasing its mill levy in 2024 and provides two different mill levy and budget scenarios depending on whether Proposition HH passes or does not pass. If Proposition HH is not approved at the November 7, 2023 election and relevant provisions of Senate Bill 23-303 do not go into effect, the District anticipates imposing 5.197 mills for operations and maintenance and 41.577 mills for debt service in 2024. If Proposition HH is approved by voters, the District anticipates imposing 5.215 mills for operations and maintenance and 41.723 mills for debt service in 2024. Other than the mill levy change the District does not anticipate any additional debt issuances or boundary changes, however, the District does have a Board vacancy that they anticipate filling in 2024. This BID will continue servicing outstanding debt, install public infrastructure and perform operations and maintenance functions.

Background:

The initial boundaries of this public improvement BID were established when this BID was created in 2017. The BID includes approximately 19 acres. No additional inclusion or exclusion requests are expected in 2024. Under State statute, any such inclusions must be approved by separate City Council ordinance.

This BID currently has one vacancy that they expect to fill in 2024. The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District. The District is authorized to exercise all the powers, functions, and duties specified in the Business Improvement District Act. The District's operating plan indicates District does not currently own any real property.

This Operating Plan and Budget is provided in a format consistent with the standard template approved by Council in August 2022 for these documents.

The District anticipates funding the design, installation, or acquisition of additional public improvements during 2024, including street improvements, water and wastewater improvements, and transportation projects. The District anticipates providing landscaping services in 2024.

Previous Council Action:

City Council originally approved formation of this BID in 2017 (Ordinance No. 17-105). On June 14, 2020 Council authorized issuance of Series 2020 bonds by this BID (Resolution 54-20).

This item was introduced in a City Council Work Session on October 9, 2023.

Financial Implications:

On December 29, 2020, the District issued \$2,860,000 in Limited Tax General Obligation Bonds, Series 2020 to fund public improvements. The Series 2020 Bonds bear interest at a rate of 7%.

The Operating Plan and Budget for this BID anticipates increasing its mill levy in 2024 and provides two different mill levy and budget scenarios depending on whether Proposition HH passes or does not pass. If Proposition HH is not approved at the November 7, 2023 election and relevant provisions of Senate Bill 23-303 do not go into effect, the District anticipates imposing 5.197 mills for operations and maintenance and 41.577 mills for debt service in 2024. If Proposition HH is approved by voters, the District anticipates imposing 5.215 mills for operations and maintenance and 41.723 mills for debt service in 2024. Both scenarios represent an increase from 2023 which was 40.000 mills for debt service and 5.000 mills for operations. This BID also levies a public improvement fee (PIF) of 1.5% on the sale of goods and services. For 2024, \$95,000 in PIF revenues are projected.

The District estimates an outstanding developer advance balance of \$114,183 at the end of 2023, which accrues interest at a rate of 8%. As of December 31, 2023, the accrued interest on the developer advance balance is estimated to be \$28,783.

As a separate legal entity, the financial activities of the BID are separate from those of the City. Its financial obligations are specific to the properties included in the BID and do not constitute an obligation of the City.

City Council Appointed Board/Commission/Committee Recommendation:

The BID Board of Directors recommends City Council's approval of the 2024 Operating Plan and

Budget.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve the Resolution approving the proposed 2024 Operating Plan and Budget for the Interquest Town Center Business Improvement District.

N/A