



Legislation Details (With Text)

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Title: A Resolution of the City Council of Colorado Springs, Colorado Approving the Proposed 2023 Operating Plan and Budget for the First and Main Business Improvement District

Presenter:
 Carl Schueler, Comprehensive Planning Manager
 Michael Tassi, Assistant Director, Planning and Community Development

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2023 Operating Plan - First _ Main BID, 2. Res. First and Main BID 2023 approval without Exhibit E, 3. Signed Resolution No. 159-22

Date	Ver.	Action By	Action	Result
10/25/2022	1	City Council	adopted	Pass
10/10/2022	1	City Council Work Session	referred	

A Resolution of the City Council of Colorado Springs, Colorado Approving the Proposed 2023 Operating Plan and Budget for the First and Main Business Improvement District

Presenter:

Carl Schueler, Comprehensive Planning Manager
 Michael Tassi, Assistant Director, Planning and Community Development

Summary:

The First and Main 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 2023 Operating Plan and Budget for the BID.

The Operating Plan and Budget for this BID includes no significant anticipated activities or changes other than District administration and payment of outstanding bonds.

Background:

The boundaries of this development-specific BID were established pursuant to an election in 2003 and were modified in 2009. This District's elected board is comprised of individuals associated with Nor'wood Development Group. The District is authorized to provide the acquisition of improvements, construction of improvements, operation and maintenance of parking facilities, roadways, lighting, driveways, public utilities, and landscaping.

The District entered into an Intergovernmental Agreement for Operational Cost Sharing January 1,

2014 with First and Main Business Improvement District No. 2. The intergovernmental expenditures represent transfers to First and Main Business Improvement District No. 2 to provide funding for the overall administrative and operating costs of the District.

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

Previous Council Action:

City Council approved formation of this BID in 2003 (Ordinance No. 03-37) and has approved the BID Operating Plan and Budget annually since its formation. City Council also approved the BID's issuance of its 2009 and 2011 bonds (see below), as well as a boundary modification associated with formation of the First and Main Business Improvement District No. 2 in 2008. In 2014, Council approved an ordinance authorizing this BID to convert from a Council-appointed to an elected board of directors. This conversion was subsequently formalized via a May 2014 election.

This item was introduced in a City Council Work Session on October 10, 2022. Council had no comments or questions that were uniquely pertinent to this Operating Plan and Budget.

Financial Implications:

The BID issued \$1,650,000 in Limited Tax General Obligation Bonds, Series 2009 for infrastructure improvements. The 2009 bonds carry an interest rate of 8.5% and are subject to optional redemption beginning December 1, 2012 and mandatory redemption on December 1st of each year. As described in the 2021 Operating Plan, the District will annually review the interest rates on its bonds regarding market interest rate and evaluate possibilities to refund such bonds to the extent allowed, pursuant to the bond documents. In 2011, the BID issued a small \$55,816 special revenue bond that has been paid off. The proposed mill levy for the BID in 2023 is 51.000 mills (1.000 mill for general expenses and 50.000 mills for debt service). This mill levy is unchanged from 2022. Fund balances and projected revenues are adequate to meet this District's current financial obligations.

The District does not currently have any outstanding developer advance obligations.

As a separate legal entity, the financial activities of the BID are separate from those of the City and the obligations of the BID are limited to the properties within its boundaries.

City Council Appointed Board/Commission/Committee Recommendation:

The BID Board of Directors recommends City Council's approval of the 2023 Operating Plan and Budget.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve the Resolution approving the proposed 2023 Operating Plan and Budget for the First and Main Business Improvement District.

N/A