



Legislation Text

File #: 17-1087, **Version:** 1

Approval of the Proposed 2018 Operating Plan and Budget for the Briargate Center Business Improvement District

Presenter:

Carl Schueler, Comprehensive Planning Manager

Summary:

The Briargate 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 2018 Operating Plan and Budget for the BID.

Previous Council Action:

City Council approved creation of this BID in 2002 (Ordinance No. 02-24) and has approved the BID Operating Plan and Budget annually since its formation. Council has also approved 2002 bond issuances as well as 2006 and 2012 bond refinances (see below).

This item was introduced in a City Council Work Session on October 9, 2017.

Background:

The boundaries of this development-specific BID were established pursuant to an election in 2001 and approved by City Council in 2002. This BID has an elected board. The Briargate Center is also known as The Shops at Briargate. Primary services provided by the BID are the financing and maintenance of street improvements, parking areas, sidewalks, pedestrian malls, retaining walls, and common landscaping. All originally planned improvements are completed. In 2014, this BID was contemplating financing the installation of a traffic signal on Briargate Parkway, as well as certain other site-related redevelopment improvements to be financed by the District. This 2018 Operating Plan and Budget contains the option of issuing additional subordinate debt to finance the traffic signal and other costs without an increase in their overall mill levy. This activity was discussed for 2016, but has not yet occurred.

Around 2002, this BID created a special improvement district (SID) coterminous with its boundaries. This allows it to collect revenues from assessments on properties in addition to collecting property taxes. These assessments are pledged toward this BID's 2002 Special Assessment Bonds (see below).

This Operating Plan and Budget is provided in a format consistent with the new standard template approved by Council in August 2014 for these documents.

Financial Implications:

The BID issued \$2,895,000 in Limited Tax General Obligation Bonds, Series 2002A in Special Assessment Revenue Bonds, Series 2002B and \$6,875,000 in Special Assessment Revenue Bonds, Series 2002B for the purpose of financing the construction and/or acquisition of public improvements needed to serve the Business Area. In 2006, the BID refunded its 2002B Special Assessment Bonds through the issuance of \$7,360,000 in Special Assessment Refunding Revenue Bonds, Series 2006. In 2012, the BID refinanced its Series 2002A bonds in the form of a Series 2012A loan for \$4,335,000. The proceeds of this loan also reimbursed the developer for certain prior public improvements costs.

The proposed total mill levy cap for the BID in 2018 is 39.0 mills (29.0 mills for debt service and 10.0 for operations). This represents no change from 2017. As a separate legal entity, the financial activities of the BID are separate from those of the City. The BID's financial obligations are specific to the property within the BID boundaries, and therefore do not constitute an obligation of the City.

Board/Commission Recommendation:

The BID Board of Directors recommends City Council's approval of the 2018 Operating Plan and Budget.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move to approve the proposed 2018 Budget and Operating Plan for the Briargate Center Business Improvement District.

N/A