



## Legislation Text

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**File #:** 22-385, **Version:** 2

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

**Presenter:**

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**Summary:**

The Catalyst Campus 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.

This BID anticipates initiating the construction of public improvements in 2023 which may include walking paths and sidewalks perimeter lighting, and security enhancements.

**Background:**

The District was organized in 2021, a special election for the District, consisting of debt and related issues and questions was held on November 2, 2021. The boundaries of this BID encompass about 15.545 acres initially, however, the District anticipates inclusion and exclusion requests as development within the District occurs. By State law, any future district inclusions or exclusions must be approved by City Council.

The District currently has three vacancies on the Board, the 2023 Operating Plan requests that the City Council take action to appoint three individuals as listed in the Operating Plan to the vacant seats on the Board of Directors.

This Operating Plan and Budget allows for a mill levy cap of up to 50.000 mills for debt service and up to 10.000 Mills for general operations and administrative expense. However, in 2023 the District will not be certifying a mill levy. The District currently receives developer funding as its primary source of revenue, and notes they may also be the beneficiary of revenues derived from a privately imposed public improvement fee (PIF). The amount of these PIFs is not specified at this time and is not budgeted in 2023.

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 creation of this BID in 2021 (Ordinance No. 21-75).

This item was introduced in a City Council Work Session on October 10, 2022.

**Financial Implications:**

The District does not have any existing debt and does not anticipate issuing debt in 2023. The combined maximum debt authorization for this BID is \$90,000,000. The District will not be certifying a mill levy in 2022 for collection in 2023.

The District has estimated an outstanding developer advance balance of \$186,300 at the end of 2022, which accrues interest at a rate of 8% for operating and maintenance advances and 8% for advances related to the public improvements. As of December 31, 2022, the estimated accrued interest on the developer advance balance will be \$13,800. The 2023 budget includes a developer advance of \$50,000 for operating expenditures.

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 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 Catalyst Campus Business Improvement District

N/A