



Legislation Text

File #: 22-383, **Version:** 2

A Resolution of the City Council of Colorado Springs, Colorado Approving the Proposed 2023 Operating Plan and Budget for the Barnes & Powers South Business Improvement District

Presenter:

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Summary:

The Barnes & Powers South 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 proposed mill levy for the BID in 2023 is 19.000 mills (1.000 mill for general expenses and 18.000 mills for debt service), this is a change of 4.000 mills for debt service as compared to the mill levy certified for 2022. The District activities in 2023 will focus on administration and servicing its remaining debt.

Background:

The boundaries of this development-specific BID were established pursuant to an election in 2004. This BID has an elected board 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. With the exception of the small parcel included in 2014, the balance of this District is owned by a single retail use (Costco). The District does not anticipate additional infrastructure work for commercial development in 2023. Barnes & Power North Business Improvement District provides maintenance and operation services on behalf of the District.

This Operating Plan and Budget is provided in 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 2004 (Ordinance No. 04-50) and has approved the BID's Operating Plan and Budget annually since its formation. In 2007, City Council approved issuance of \$835,000 in bonds by this BID. A limited additional issuance of \$73,549 was also approved in 2011. In 2014, via Ordinance No. 14-3, Council approved a very small inclusion of property (which was first excluded from the Barnes & Powers North BID), all with the intent of maintaining a property interest of the current board and thereby allowing it to continue administering this BID.

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

Financial Implications:

The District issued \$835,000 in privately placed Limited Tax General Obligation Bonds, Series 2007 to complete capital improvements in an area that was built by the developer as outlined in the 2007 Operating Plan. These bonds have an interest rate of 6.5% and are currently scheduled to be paid off in approximately 2026. The District also issued its Taxable Subordinate Limited Tax General Obligation Bond, Series 2011 in the aggregate amount of \$73,549. This second issue has been paid off in its entirety. The proposed mill levy for the BID in 2023 is 19.000 mills (1.000 mill for general expenses and 18.000 mills for debt service), this is a change of 4.000 mills for debt service as compared to the mill levy certified for 2022.

The District does not currently have any outstanding developer advances.

The 2023 Operating Plan and Budget project adequate revenues to meet the financial obligations of this BID and to maintain a positive fund balance. As a separate legal entity, the financial activities of the BID are separate from those of the City, and its indebtedness is a responsibility of the property within the BID.

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 Barnes & Powers South Business Improvement District.

N/A