



## Legislation Details (With Text)

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**File #:** 17-1093      **Version:** 1      **Name:** Interquest South  
**Type:** Resolution      **Status:** Passed  
**File created:** 6/20/2017      **In control:** City Council  
**On agenda:** 10/24/2017      **Final action:** 10/24/2017  
**Title:** Approval of the Proposed 2018 Operating Plan and Budget for the Interquest South Business Improvement District

**Presenter:**  
Carl Schueler, Comprehensive Planning Manager

**Sponsors:**

**Indexes:** BID, Operating Plan & Budget

**Code sections:**

**Attachments:** 1. Interquest South Business Improvement District - 2018 Operating Plan and Budget-cleaned

Date	Ver.	Action By	Action	Result
10/24/2017	1	City Council	approved	Pass
10/9/2017	1	Council Work Session	referred	

Approval of the Proposed 2018 Operating Plan and Budget for the Interquest South Business Improvement District

**Presenter:**  
Carl Schueler, Comprehensive Planning Manager

**Summary:**  
The Interquest 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 2018 Operating Plan and Budget for the BID.

Note: Two other City Council actions are currently in process for this BID as separate items on today's City Council agenda. One is an ordinance for exclusion of a property from this BID and the other is a request for authorization to issue debt of \$3,485,000 in the form of special tax revenue bonds. Both actions and activities are included in this Operating Plan and Budget.

**Previous Council Action:**  
City Council approved formation of this BID in 2004 (Ordinance No. 04-438) and has approved the BID Operating Plan and Budget annually since its formation. In September 2015, Council approved a series of three ordinances and one resolution authorizing exclusions of certain property, inclusions of other property, and also allowing for the temporary appointments of two directors for this otherwise elected board of directors. In 2017, City Council approved the temporary appointment of two additional directors, thereby allowing for the total membership to be increased to four individuals.

The City is currently processing a request to exclude one additional property from this BID and to issue up to \$4,000,000 in debt in the form of a 2017 bond issuance.

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

**Background:**

The boundaries of this development-specific BID were initially established pursuant to an election in 2004. This BID has an elected board, comprised of developers associated with this property. The District is authorized to provide the acquisition and financing of improvements, construction of improvements, operation and maintenance of parking facilities, roadways, lighting, driveways, public utilities, and landscaping.

This Operating Plan and Budget contemplates the above-referenced and ongoing petition for exclusion of one property and initial bond issue, to occur in late 2017.

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:**

To date, this BID has not issued any debt and has never certified a debt service mill levy. However, the Operating Plan references recorded developer advances to the BID. The proposed operational mill levy for the BID in 2018 is 1.000 mill and is the same as was levied in 2017. In 2017, this BID had no debt service mill levy. The 2018 budget includes a debt service levy of 5.0 mills to be pledged as revenue for 2017 bonds that are anticipated and in process. The district has indicated this mill levy could be a bit higher, depending on finalization of the debt issuance. However, the pledged property taxes for these bonds are capped at no more than 30.0 mills (which is below the cap in the Special District Policy).

As a separate legal entity, the financial activities of the BID are separate from those of the City, such that any current or future financial obligations of the BID would be specific to the property in this BID, and would not be an obligation of the City.

Some or all of the properties associated with this BID have a public improvement fee (PIF) covenant in place for up to 2.5%. This Operating Plan and Budget contemplates a PIF of 1.5% to be used for a combination of ongoing operations and maintenance as well as pledged revenue for the 2017 bonds currently being processed.

**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:**

Motion to approve the proposed 2018 Operating Plan and Budget for the Interquest South Business Improvement District.

N/A