



## Legislation Text

---

**File #:** 19-443, **Version:** 2

---

Approval of the Proposed 2020 Operating Plan and Budget for the Interquest Town Center Business Improvement District

**Presenter:**

Carl Schueler, Comprehensive Planning Manager

**Summary:**

The Interquest Town 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 2020 Operating Plan and Budget for the BID.

**Previous Council Action:**

City Council originally approved formation of this BID in 2017 (Ordinance No. 17-105).

This item was introduced in a City Council Work Session on October 7, 2019.

**Background:**

The initial boundaries of this public improvement BID were established when this BID was created in 2017. The BID includes approximately 19 acres. No additional inclusion or exclusion requests are expected in 2020. Under State statute, any such inclusions must be approved by separate City Council ordinance.

The BID has a 5-member elected board of directors. The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District. The District is authorized to exercise all the powers, functions, and duties specified in the Business Improvement District Act.

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

The District anticipates funding the design, installation, or acquisition of additional public improvements during 2020, including street improvements, water and wastewater improvements, and transportation projects.

**Financial Implications:**

To date the District has not issued any debt, however, they do anticipate the issuance of debt during 2020. City Council authorization is required prior to the issuance. The District is planning on certifying a mill levy for the first time in 2019 for collection in 2020. The proposed total mill levy for the BID in 2020 is 55.000 mills (5.000 mills for operational expenses and 50.000 for debt service). The District is

in the development stage, as such the operating and administrative expense will be mainly funded by the Developer, and a significant portion of the capital expenditures are also expected to be funded by the Developer. The 2020 budget includes a \$5,058,681 developer advance to fund operating and capital expenditures. This BID also levies a public improvement fee (PIF) of 1.5% on the sale of goods and services. For 2020, \$15,000 in PIF revenues are projected.

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.

The 2020 budget does not include any actual expense for 2018 and through 8/31/19, as part of the review of the operating plan staff has confirmed with the District that there have been no formally booked expenditures as of the 8/31/19 reporting date. However, expenditures are expected prior to the end of this year.

**Board/Commission Recommendation:**

The BID Board of Directors recommends City Council's approval of the 2020 Operating Plan and Budget.

**Stakeholder Process:**

N/A

**Alternatives:**

N/A

**Proposed Motion:**

Move to approve the proposed 2020 Operating Plan and Budget for the Interquest Town Center Business Improvement District.

N/A