



Legislation Text

File #: 19-444, **Version:** 2

Approval of the Proposed 2020 Operating Plan and Budget for the Powers & Woodmen Commercial Business Improvement District

Presenter:

Carl Schueler, Comprehensive Planning Manager

Summary:

The Powers & Woodmen Commercial 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 approved formation of this BID in 2004 (Ordinance No. 04-52) and has approved the Operating Plan and Budget annually since its formation. City Council also approved the BID's 2010 bond issuance (see below). In 2013, City Council excluded a property from this district based on its conversion to multifamily uses. State statute does not allow BIDs to tax non-commercial property.

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

Background:

The boundaries of this development-specific BID were established pursuant to an election in 2003. This BID has an elected board, comprised of individuals associated with the Nor'wood Development Group. The BID is authorized to provide the acquisition of improvements, construction of improvements, operation and maintenance of parking facilities, roadways, lighting, driveways, public utilities, and landscaping.

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

This BID does not anticipate any major changes or new activities in the coming year.

Financial Implications:

The BID issued \$1,850,000 in Limited Tax General Obligation Bonds, Series 2010 for public improvements. These have an interest rate of 8.5%. The proposed mill levy for the BID in 2020 is 26.000 mills (1.000 mill for general expenses and 25.000 mills for debt service). This will remain unchanged from the prior year. This BID does not have an associated public improvement fee (PIF) at this time. As of December 31, 2017 the District had \$2,213,922 in outstanding developer advances, this budget includes \$840,000 as partial repayment to the developer for prior capital infrastructure advances. It was noted last year that the District was accumulating a substantial fund

balance, this planned repayment to the Developer in 2020 significantly reduces the fund balance for the District.

Fund balances and projected revenues are adequate to meet financial obligations. As a separate legal entity, the financial activities of the BID are separate from those of the City. Any financial obligations of this BID are specific to the property included within its boundaries and do not constitute an obligation of the City.

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 Powers & Woodmen Commercial Business Improvement District.

N/A