



## AGENDA

### MANAGEMENT AND FINANCE POLICY COMMITTEE

September 28, 2021

1:00 pm

VIRTUAL MEETING

City of Aurora, Colorado

15151 E Alameda Parkway

Public Participant Dialing Instructions

Dial Access Number: 1-408-418-9388

Enter Participant Code: 2488-704-8084

Council Member Gardner, Chair

Council Member Gruber

Deputy City Manager Roberto Venegas

Finance Director Terri Velasquez

The Management and Finance Committee oversees the following Council goal and objectives:

#### PROVIDE A WELL-MANAGED AND FINANCIALLY STRONG CITY

- Ensure the delivery of high-quality services to residents in an efficient and cost-effective manner.
- Maintain superior financial reporting, financial controls, appropriate reserves, budgeting financial management, and transparency, and invest in capital and infrastructure to support efficient and effective long-term provision of services.
- Maintain a high financial credit (bond) rating, maintain debt policies and debt practices that allow the assessment of appropriate debt levels, and periodically review debt and debt service to minimize costs.
- Provide appropriate stewardship of natural resources to ensure long-term sustainability for the city.

**Pages**

1. **Call to Order**
2. **Approval of Minutes** 1
3. **Consent Items**
  - 3.a. **August 2021 Sales Tax Chart** 16  
Greg Hays, Budget Officer (5 minutes)

<b>4.</b>	<b>General Business</b>	
4.a.	<b>Career Service Commission Overview</b>	20
	Pat Sylvester, Employee Relations Supervisor (15 minutes)	
<b>5.</b>	<b>2022 GID BUDGETS ITEMS</b>	
	-	
5.a.	<b>Consideration of A RESOLUTION of the City of Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Fitzsimons Business Improvement District</b>	22
	Chad Agentar, Sr Development Project Manager (5 minutes)	
5.b.	<b>Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Porteos Business Improvement District</b>	39
	Carol Toth, Manager of Accounting (5 minutes)	
5.c.	<b>Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Parkside at City Centre Business Improvement District</b>	60
	Jennifer Orozco, Project Manager (5 minutes)	
5.d.	<b>Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Citadel on Colfax Business Improvement District</b>	80
	Carol Toth, Manager of Accounting (5 minutes)	
5.e.	<b>Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District No. 1</b>	98
	Carol Toth, Manager of Accounting (5 minutes)	
5.f.	<b>Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District No. 2</b>	115
	Carol Toth, Manager of Accounting (5 minutes)	

- 5.g. **Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Tower Business Improvement District** 132

Carol Toth, Manager of Accounting (5 minutes)

- 5.h. **Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Havana Business Improvement District** 153

Chad Argentar, Sr Development Project Manager (5 minutes)

- 5.i. **Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Windler Business Improvement District No. 1** 172

Carol Toth, Manager of Accounting (5 minutes)

- 5.j. **Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Windler Business Improvement District No. 2** 189

Carol Toth, Manager of Accounting (5 minutes)

**6. Miscellaneous Matters for Consideration**

Next meeting tentatively scheduled for October 26 at 1:00 pm WebEx Meeting

**7. Adjournment**

*Total projected meeting time: 70 minutes*

**MANAGEMENT AND FINANCE POLICY COMMITTEE  
WEBEX**

Members Present: Council Member Gardner – Chair, Council Member Gruber

Others Present: J. Marcano, R. Venegas, T. Velasquez, G. Hays, R. Lantz, K. Roberts, S. Newman, H. Hernandez, R. Allen, D. Lathers, Z. DeBoyes, D. Brotzman, T. Sedmak, B. Fillinger, A. Amonick, M. Franks, A. Jamison, W. Sommer, N. Wishmeyer, D. Hudson, M. Murphy, J. Ehmann, J. Giddings, R. Peterson, T. Vaughn, F. Aranda, L. Saqib, M. Franks, K. Claspell, B. Bell, T. Buneta, B. Cammarata, J. Moore, L. Schmidt, E. Rehwalt, S. Van Buren, M. Redding, M. Kipp, M. McGilley, M. Bryant, M. Wasserberger, L. Schmidt, J. Prosser, E. Watson, S. Youngman, and T. Hoyle

**INTRODUCTIONS AND MINUTES**

July 27, 2021 minutes were approved.

**CONSENT ITEMS**

July of 2021 was 11.9 percent higher than July of 2020.

Outcome

The Committee thanked staff. Information only.

Follow-up Action

No follow-up needed.

**PROPOSED 2022 CHANGES TO SERVICE FEES**

Summary of Issue and Discussion

The 2021 service fee review process for 2022 continues the use of fee indexing, as was directed by Council and implemented during the 2007 service fee review process. The 2022 fees are indexed using a 2.0 percent inflation factor, derived from the Employment Cost Index for State and Local Government Compensation. Departments reviewed and evaluated fees, recommended additional changes, requested new fees if necessary, and identified fees that need to be eliminated.

In addition, city staff is working with a consultant, Wildan, to take a much more detailed look at costing fees. This process is still being done, so it was decided to have both fee processes run parallel to each other. Once the detailed Wildan study is done, management will decide which fees to update as appropriate. This version of fees is silent to the Wildan process. Attachment 1 provides the detail for individual admin fees by department. The format is similar to that used in previous years and includes revenue information, proposed 2022 fee rates, the change in the fee from 2021 to 2022, and a comments section.

Some of the more significant changes were discussed, including several capital impact fees being changed by the third year of a three-year phase in.



### Committee Discussion

Council Member Gruber (CM): I have a quick question. The transportation fees we talked about it briefly and Adams County has implemented it. So, are you saying the transportation fees will come to the Management and Finance Policy Committee (M&F) next month?

G. Hays: I don't think so. It will be with full Council. I'm not certain but I do believe that's the case. Remember we did all the fees except for the transportation fees. They said it will take a different process to get it done. So, it will come back to Council the same way as the rest of the fees to show what those numbers will look like.

CM Gruber: The concern I have obviously is the Aurora Regional Improvement being implemented on the newer metro districts. The older parts of the city having to pay zero and how that lays out. Because that's going to be a complex discussion especially with South Aurora Improvement Authority, Aurora Regional Authority, Aerotropolis Regional Transportation Authority and the other transportation authorities that we have setup in the city.

G. Hays: They're working through that. So actually, that will be coming from Public Works.

CM Gardner: On the 2%, I know we use an index to drive that. But do you think that's actually representative of costs increases because it seems like that would be a little higher?

G. Hays: That's a great question. I will tell you that I try not to think too much about the reality of it. We just use the same number. What happens sometimes is that you may have some inflation and have a month that's lower because we're comparing a timeframe to a timeframe. Sometimes you miss it and sometimes you get it and maybe next year it will look like a 4.0 percent. So, it's consistent with what we have used which is employment costs index for state local government compensation.

CM Gardner: But then I assume also the 3<sup>rd</sup> party that we hired. Once they come in and if there's anything out of whack. We can do another adjustment at that time.

G. Hays: Absolutely.

CM Gruber: I have a question on the marijuana delivery. That's a new fee that we're adding. I noticed that there's a charge in the neighborhood of \$2,500 for the stores and a charge of \$300 for the drivers themselves. That's because of the economic disadvantaged drivers that we're going to have. So, my question in terms of cost regeneration or being able to recoup our costs from the fees. I was wondering whether or not the marijuana enforcement folks were going to bring in new FTE's because there's going to be fairly complex program to monitor. Much more complex than simply visiting the stores so many times per month.

T. Velasquez: I can respond to that. With regard to the new delivery fee as well as the social consumption license that was passed last night, we are considering an additional FTE to help us with the management. It's something that Robin and I need to talk to others about. It's definitely driven by the request for those businesses, so we'll be analyzing that. Then we'll be in touch. But I think you realize as well, that the financial impact of the social equity component basically just means the general fund absorbs the rest. Therefore, whatever we propose know that it will be because the fee is lower, and the general fund may have to cover any additional FTE costs for those programs.

CM Gruber: I appreciate that, also I appreciate the fact that the marijuana businesses contribute substantially to the general fund. So, I have no problem with taking some of those tax revenues that are within the general fund to subsidize these areas. The concern which I like to study a little bit more is that as we modify all this, the cost of the department will increase. So, I would just like to have some sense as to the amount of that cost to that department as applied to fees, as opposed to money that will come out of the general fund. I agree with you. That I think we'll need some number of FTE's beyond what we already have in order to manage the complexities of the programs that Council has approved.

T. Velasquez: We can provide that additional analysis. Once we know a little bit more the demand for those new programs.

CM Gardner: Is that something Terri that we could have maybe at September or October M&F.

T. Velasquez: We certainly can try. But a lot of it will unfold once businesses and individuals apply for those licenses.

CM Gardner: Okay. Well keep us posted. And if we can have a presentation maybe in October. That would be great.

CM Gruber: There's substantial fee changes in water and substantial fee changes in oil and gas. I see that many of those fees are new. I'm wondering, and you folks might not hear it because they don't pay the fees to your department. Are we getting any push back from the citizens? Last year we had a discussion which this affected me after my water heater went out and I had to buy a new water heater. There was a fee that surprised me. I didn't realize that it was going to be as expensive. But I'm hearing from some of the developers and some of the home builders and contractors in the city that they're surprised at the cost of these fees. So, I'm asking a couple of different questions. First off, oil and gas, were there any substandard changes other than the fact that they moved them? And Water it looks like some were added and are they substandard. Finally, the third question would be to the comparison as to Aurora fees as opposed to Denver, Westminster, and the surrounding cities and towns in the metro area. Are we in the same ballpark or are we cheaper or more expensive? That's a general question. Not a point by point by point questions.

J. Moore: I'm happy to answer that. CM Gruber. Thank you for your question. In terms of the oil and gas fees the permitting fees were in existence. They just have been moved to this new category in the chart. The inspection fees are new and those were approved as part of the oil and gas manual. That was approved by Council back in June. At \$3,000 dollars per site per well at an annual basis. Those are more than other jurisdictions in the metro area. There's been one operator that has one well in the city that has an issue paying so far. They have flat out refused to pay anyone's inspection fees. In fact, they've been recently fined by the Oil and Gas Conservation Commission because of poor operatorship and other issues they had. We're working with them on that. But I don't believe the issue is based on the fee amount.

J. Giddings: The water fee is new. Because previously we required contractors to do this work. And it never really worked out with our system. So, we decided instead of requiring contractors to do it, that we would do it ourselves. So, it really probably should be a wash. Then as far as some of our increases and how they relate. We really do look at how our costs are. I know that in our shutoff and our turn on

fees. We did a comparison with Denver and we were quite a bit lower than they were. I'll let Fernando fill in because he does the work.

F. Aranda: The new fee actually was something that the developers asked us to take on. Before they had to go through a contractor to install those. The contractor was a lot more expensive and not doing a very good job. When we were to review and see if they were installed correctly. We saw a lot of problems and so the developers actually asked us. Aurora Water started installing because it was costing them a lot of time and work. We worked with the contractors and we started working on setting them up. We did the basic installation and charged for it. But in general, the majority of the fees that we have there. We don't see that much of a push back. The ones that are more expensive or the developers tend to complain more about are the connection fees. Which are approved and go to a separate approval process. But in general, even with the connection fees when we have done any kind of survey. We are right there in the middle and sometimes the surveys are very complicated. Because there are so many things that is difficult to compare apples to apples. But when we tried to account for everything. We're right there in the middle. We're not the most expensive we're not the cheapest one. But we're very competitive.

CM Gruber: Thank you, Fernando. The final question was in general and its talking across all our fees. Do we do a sensitivity analysis to determine where we fall within metro area cities?

G. Hays: You know that's a great question. That's actually one of the things we are having Wildan do for us in addition to the deep dive in every fee. They're going to be giving us a comparison of metro area fees as well. My thought is that we're probably in the middle. That's just a guess overall.

CM Gruber: The fact you're looking into it and will be able to say we analyzed our fees and we're in fact fair and we're in the same ballpark as the other joining and surrounding cities, and we stand behind these fees without any pushback will be useful for Council and the city

G. Hays: I will tell you. And this is sort of analytic doodle as well but when working with Wildan in the beginning and the first couple meetings I sat in while they were working with the departments. And more than half the time they were looking at fees and saying yes these could be higher.

CM Gardner: I had a couple questions and one was in Planning. There were increases in Aurora SBDC sessions. The justification given was due to the COVID, and its impact. So, are we trying to recoup costs that happen from COVID? Or can we talk a little bit more about that one.

M. McGilley: We did not charge any fees at all in 2020. The entire year and parts of the first quarter of this year due to COVID pandemic. We are trying to establish our fees because we do get to consider the amount of funding from program income and from are training fees. Some are free. They're all low costs and below anything on the market. I do a study every year for the other small business development centers across the state. And I take into consideration the social economics of our particular area and what can be afforded. The last thing I like to point out is that we do offer scholarships when asked and needed by our citizens.

CM Gardner: Thank you for that. And my other question is on the Fire Treat No Transport fee. I know that Council decided to eliminate that. So, my question is as part of the budget process last year when all the departments had to submit their cuts scenarios. Having that fee was one of the ways to not have a

further cut in the Fire budget, so I'm curious. Were there further adjustments required in their budget with getting rid of that fee? Or were we able to absorb that basically.

G. Hays: We were able to absorb it. Because of the strength of the sales tax and other revenues that are coming in.

#### Outcome

The Committee thanked the staff. Move forward to Budget Workshop.

#### Follow-up Action

Proposed 2022 Changes to Service Fees will be provided at the September 25, 2021 Budget Workshop and next to Regular Session.

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### **PAY RESOLUTION**

#### Summary of Issue and Discussion

Annually, in collaboration with the annual budget process, Human Resources prepares an updated pay table and submits the table with a Resolution for Council's approval. As part of the 2022 budgetary process and to sustain the compensation and classification structure adopted by the city, the attached is proposed for classification, including, but not limited to, career service, civil service, department directors, appointees, part-time, variable hour and seasonal positions.

Does the Management and Finance Policy Committee support approval of the resolution of the 2022 Pay Table and Classification, and sending for full Council consideration at a regular meeting?

#### Committee Discussion

CM Gruber: I see this is a huge task. And every year I'm amazed at the complexity that goes into it. I appreciate the fact that you've made it easier to read and easier to filter through. So, thank you for that. I do have a question. There was a letter to the editor in the Denver Post talking about handicapped children or people with disabilities and the law that came out with the letter. It talked about the fact that as a result of recent law saying that people with handicaps or other disabilities must be paid at the same rate that many positions went away. So, people that were working even making less than minimum wage now lost their jobs. I was wondering in the City of Aurora if we have a program like that, and if you've seen any effect.

R. Lantz: Part of the Equal Pay and Equal Work Act we did ensure that we were including all genders, race, and disabilities. Making sure that our paid practices are in alignment with it. We don't have anything specific that really highlights those with disabilities. But we are inclusive in our pay practices and our classification.

CM Gardner: No questions for me. I appreciate the presentation though. I know the equal pay analysis that was done allowed us to do some salary adjustments which was a good thing. So, I appreciate the presentation.

#### Outcome

The Committee thanked the staff. Move forward to Budget Workshop.

#### Follow-up Action

2021 Pay Resolution will be provided at the September 25, 2021 Budget Workshop and next to Regular Session.

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## **BENEFIT UPDATE**

### Summary of Issue and Discussion

Ryan Lantz, Interim Human Resources Director presented an overview of the 2022 employee benefits program.

### Committee Discussion

CM Gruber: I'm impressed by what I see here. I see here that price is going up. I see that the City has done a good job negotiating these rates. The loaded costs per employee. I guess that's the most important factor in my mind as far as determining the overall costs of running the city personnel obviously being the most expensive part of the City. So, the loaded cost per employee to include salary, benefits, time off, and so on. Did you have a target for that or has that stayed the same. Is that going up 2%, 3%? Do we have an idea? And again, we're going to talk next about another holiday. But with the holidays what do we have right now?

R. Lantz: No, that's a great focus. And it's something from a HR benefit standpoint we focus on. If this goes in alignment with the compensation project that we're just doing. We're focusing on this concept of total rewards. So, it's not just the base salary but it's how much the City is paying for benefits paid time off all these costs of the City. But we're also focusing on all the things like soft costs. Not only the paid time off in the vacations but work life balance and anything else that we can provide. We provide a wellness program and we have City of Aurora Addiction Rehabilitation Services (CAARS) program which supports employees who have such as addiction needs and there's so many other benefits. So, we are going to start issuing a total rewards statement. That will calculate for the employees what the total cost of employment is for employees. And that number is 40, 45 and sometimes even higher than that in terms of the base salary. So, we are focusing on calculating that and then communicating that to employees moving forward. We also want to build it into our recruiting process as well, so we can communicate how some of these extra benefits at the City's providing.

CM Gruber: Okay. I guess having this answer at your fingertips would surprise me. But what I'm looking for is that we have what about 3500 employees. We have a salary, a payroll like you said a loaded benefit. What I'm curious about and not today but maybe at our next meeting. If you could explain the total loaded salary for all of the employees last year versus the total loaded salary for all the employees next year and what that delta is. I want to try to just do an apple to apple cost comparison. So, I understand the costs or the impact of inflation. I understand the impact of health costs going up. But what I'm looking for and I'm figuring back of the envelope that we're anywhere from 2% to 4%. But I would like to see that from the City as to what that number is.

R. Lantz: I can definitely work on getting that.

CM Gardner: I had a question on the cost share changes but I think I know the answer. But for example, on the DHMO option and the Triple option. The employee cost share portion isn't consistent. Is that because we're working towards getting those consistent?

R. Lantz: Correct. We're evolving over time to get to where we need to be with that. And that's just that migration from where we're at with 2020 to 2021 and now with 2022. So, we just wanted to be cognizant of not hitting employees' paychecks too much.

CM Gardner: Then on the HSA option. Are we seeing more employees transferring to that option? If your young and healthy it's a good way to carry insurance, but I just don't know with the amount we pay. I think it's great that we pay that extra amount but are we seeing employees switch to that?

R. Lantz: Yes, each year we've seen a migration. Last year we introduced the city funded piece of it. We're increasing it this year, so we anticipate additional migration over time. And considering how low the premiums are and how much the City contributes, and the fact that we have decent out of pocket maxes and deductibles, it is one of our richest plans right now.

CM Gardner: Yes, it's great. Thank you for the presentation Ryan. I know a lot goes into this and it's obviously, no pun intended, a great benefit that all these are available for our employees. So great.

#### Outcome

The Committee thanked staff. Information only

#### Follow-up Action

No follow-up needed.

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## **PROPOSED PAID JUNETEENTH HOLIDAY**

### Summary of Issue and Discussion

Ryan Lantz, Interim Human Resources Director introduced. The "Juneteenth National Independence Day Act," which designates Juneteenth National Independence Day as a legal public holiday was signed into law on June 17, 2021. After research, discussions and consideration, the City Manager and Human Resources propose to designate June 19th as Juneteenth and a legal paid holiday for the City of Aurora, Colorado, to commemorate the end of slavery in the United States. The proposal includes adding Juneteenth as the city's eleventh paid holiday. Additionally, the ordinance includes updating the legal holiday policy to recognize the fourth Friday in November, commonly called Friday after Thanksgiving.

### Committee Discussion

CM Gruber: There are other holidays that people are talking about having added to cities for example, election day. There's been a major push to make election day a holiday and in addition, Indigenous People Day. My concern is that once you give a holiday, you can never take it back. So, I'm a little concerned as to these other holidays and what will happen with them and the City. I'm also concerned about the state. Why hasn't the state moved forward on this as a holiday itself. I guess the fundamental question is have you looked at election day, Indigenous People Day, or any other holidays that are out there that people are talking about?

R. Lantz: Yes. We definitely researched all the other holidays to be considered. One of the things that we talked internally a lot about is why Juneteenth, as opposed to all these other holidays. I think one of the catalysts was the fact that the federal government recognized it. The fact that just over the last couple years there's a lot more conversations about some of these social issues that are happening. So, a lot of that was discussed. Right now, the idea is really relying on the fact that the federal holiday was recognized as Juneteenth. And there's been a lot of conversations with other municipalities and private

sector companies as well that really are related to the Juneteenth. But not too much consensus about some of the other holidays.

CM Gruber: Do you know what the population of African Americans are in the City of Aurora?

R. Lantz: We do have that data. I would feel comfortable to follow up with that. We do have that data both for the City employees, but also for the community is. I was reviewing that data a couple weeks ago. But before just throwing out a number. I would definitely like to look into that and follow up.

CM Gardner: Couple questions. If I recall correctly from last year. I think President Biden declared Juneteenth holiday last year. So then subsequently it was changed to be added to the rotation if you will. Is that correct? I think last year was a onetime thing.

R. Lantz: Yes. This is now an ongoing holiday.

CM Gardner: I looked at the federal holiday list and it was listed on there going further out so. My other question. This isn't related to our conversation but then I guess it is. On the cost of the extra holiday. Can you explain what's the police code 3077, and the fire holiday and police holiday.

R. Lantz: Yes. So, I did include a description of some of those codes that are here. The 3077 reflects the earnings of hours worked on actual day of holiday. As you know we have some employees that are working in twenty-four seven operations. So, in collaboration with payroll, who really broke all these codes down, they have a good understanding of which employees have to work on that day and what the additional holiday benefits are and paying them for those days. There's an impact with the overtime piece with it. So, on the supplemental information I did break down the codes that are associated with the costs. Which really anything in red are the ones that are the additional cost beyond the actual paying for employee's salaries while they're not working, so those are soft cost there.

CM Gardner: So, maybe I don't know what that is. So, do police officers receive a special pay rate on holidays and fire don't?

R. Lantz: It's how the code is set up. They both receive the benefit for working on those holidays. I would have to follow up with Payroll to understand why this one is broken up separately.

CM Gardner: Okay. I might follow up offline. I'm not interested in that.

R. Lantz: I definitely will follow up offline with you. Just to make sure that we have the coding appropriately explained.

CM Gardner: Okay. I don't have any further questions. CM Gruber, do you want to move this forward or where are you at?

CM Gruber: I think Council needs to discuss this, so will move it forward.

CM Gardner: Yes, I agree. So, let's move this forward.

### Outcome

The Committee recommended the item move forward to Study Session.

### Follow-up Action

Staff will forward the item to October 4, 2021, Study Session.

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## **ANNUAL GID BUDGETS ORDINANCES**

### Summary of Issue and Discussion

Andrew Jamison, Debt & Treasury Sr. Analyst presented a brief overview.

### Aurora Conference Center

As the Aurora Conference Center GID has already been formed, this is a technical mechanism to create the budget authority for the upcoming year. The budget for the Aurora Conference Center GID, for collection in 2022, is \$14,000,000 and the mills will be 40.000 mills. The revenue shall be used to defray the general expenses of the Aurora Conference Center GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

### Cherry Creek Racquet Club

As the Cherry Creek Racquet Club GID has already been formed and the bond issuance related to the fence has already been approved, this is a technical mechanism to create the budget authority and mill levies for the upcoming year. The budget and proposed mill levy for the Cherry Creek Racquet Club GID for 2022, combined with a portion of available cash on deposit in the GID's debt account, will be sufficient to bring in an estimated \$67,000 for debt service and another \$3,000 to defray maintenance costs. The revenue shall be used to defray the general expenses of the GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

### Cobblewood

As the Cobblewood GID has already been formed and the bond issuance related to the street improvements have already been approved; this is a technical mechanism to create the budget authority and mill levies for the upcoming year. For 2022, the budget and proposed mill levy for the Cobblewood GID, combined with a portion of available cash on deposit in the GID's account, will be sufficient to bring in an estimated \$95,000 for debt service. The revenue shall be used to defray the general expenses of Cobblewood GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

### Peoria Park

As the Peoria Park GID has already been formed and the bond issuance related to the fence has already been approved, this is a technical mechanism to create the budget authority and mill levies for the upcoming year. The budget and proposed mill levy for the Peoria Park GID, combined with a portion of available cash on deposit in the GID's debt account, for 2022 will be sufficient to bring in an estimated \$36,000 for debt service and another \$5,825 to defray maintenance costs. The revenue shall be used to defray the general expenses of the Peoria Park GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

### Pier Point 7



As the Pier Point 7 GID has already been formed and the bond issuance related to the sewer line improvements have already been approved; this is a technical mechanism to create the budget authority and mill levies for the upcoming year. For 2022, the budget and proposed mill levy for the Pier Point 7 GID, combined with a portion of available cash on deposit in the GID's account, will be sufficient to bring in an estimated \$371,277 for debt service. The revenue shall be used to defray the general expenses of Pier Point 7 GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

#### Meadow Hills

As the Meadow Hills Country Club General Improvement District has already been formed and the bond issuance related to the fence has already been approved, this is a technical mechanism to create the budget authority and mill levies for the upcoming year. The budget and proposed mill levy for the Meadow Hills Country Club GID for 2022, combined with a portion of available cash on deposit in the GID's debt account, will be sufficient to bring in an estimated \$71,000 for debt service and another \$5,060 to defray maintenance costs. The revenue shall be used to defray the general expenses of Meadow Hills Country Club GID for the fiscal year commencing January 1, 2022 and ending December 31, 2022.

#### Committee Discussion

No questions asked.

#### Outcome

The Committee thanked staff. Move forward to Budget Workshop.

#### Follow-up Action

GID Budget will be provided at the September 25, 2021 Budget Workshop and next to Regular Session.

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### **INVESTMENT ADVISORY COMMITTEE APPOINTMENT**

#### Summary of Issue and Discussion

Currently, the IAC has the opportunity to add an additional volunteer member. Brendan Morgan, RTD Senior Manager of Debt & Investments has volunteered to serve in this capacity for a three-year term. Staff fully supports this appointment. A short biography for Mr. Morgan follows:

Mr. Morgan has over 20 years of experience in diversified finance roles. For the past nine years he has served as the investment and capital financing manager for the Regional Transportation District where he oversees a ~\$800 million investment portfolio and a ~\$3.3 billion debt portfolio. During this period, he also served on the board of the Colorado Surplus Asset Fund (CSAFE) and the Douglas County School District's fiscal oversight committee. Prior to 2012, Mr. Morgan served as debt manager for Jefferson County, Colorado, worked in corporate financial planning and analysis and worked in the mutual fund industry.

Does the Committee wish to appoint Brendan Morgan to the IAC for a three-year term?

#### Committee Discussion

Committee recommended Mr. Morgan for the three-year term.

Outcome

The Committee approved the appointment of Mr. Morgan.

Follow-up Action

No follow-up needed.

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**RENEWAL AGREEMENT & VARIOUS BANKING SERVICES WITH WELLS FARGO  
RESOLUTION**

Teresa Sedmak, City Treasurer, reviewed the renewal proposal presented to the City by Wells Fargo Bank. The City and Wells Fargo entered into a Master Agreement (the Agreement) for treasury management services and ACH services in July of 2006. The Agreement has been renewed since its execution and is currently due to expire on December 31, 2021. The City remains satisfied with the services provided by Wells Fargo, the bank's level of customer service and its responsiveness to needs which occur in the normal scope of business.

The treasury management services the City receives from Wells Fargo Bank include, among other things: ACH (electronic transfers of funds), branch services, cash vault, lockbox, wires, account reporting and reconciliation. Fees for these services are based upon utilization (unit volume).

Typically, as an offset for the cost of services, banks offer an "earnings credit rate" or ECR, which is applied to balances held in its funds and accounts. The ECR is a bank-managed rate which is based upon market conditions and subject to periodic adjustments.

In determining a recommended action related to the renewal of this contract, staff undertook an analysis of services and fees, earnings credit rate and credit strength of Wells Fargo and several other financial institutions which provide treasury services to government entities in the region. A summary of that analysis follows.

Services and Fees:

To determine whether the service fees proposed by Wells Fargo are competitive in the current market, staff first reviewed current services provided by Wells Fargo, as detailed in its monthly analysis statement. Staff then provided competitors with service descriptions, along with average volumes, and solicited pricing indications from three other financial institutions which provide similar services to large government entities within the region. The banks solicited included: J.P. Morgan Chase Bank, Key Bank and U.S. Bank.

Responses received from Key Bank and U.S. Bank revealed that, while pricing differences existed between banks for certain services, Wells Fargo's pricing was significantly better than either Key Bank or U.S. Bank (a 24% advantage in one case, 47% pricing difference in the other). It is true that banks charge for services differently, so making an "apples-to-apples" comparison is not an exact science. However, this analysis allowed staff to evaluate responses and decide upon a path forward in relation to this contract.

JP Morgan Chase opted not to provide a line-item pricing comparison. However, it reviewed the fees charged by Wells Fargo for cost competitiveness in today's market and made the following observations:

- Current pricing appears competitive and generally in line with market conditions and consistent

with prior contract pricing.

- While JP Morgan Chase could provide lower pricing for some processes, Wells Fargo offers lower pricing for others.
- The earnings rate offered by Wells Fargo is well above market.

#### Earnings Credit Rate:

In addition to product pricing, each bank was asked to provide the earnings credit rate that it would offer on the City’s deposits. As stated above, the earnings credit rate is applied to balances held in its funds and accounts to offset service charges. It is a bank-managed rate, based upon market conditions and subject to periodic adjustments.

Wells Fargo offered an earnings credit rate of 50 basis points (.50%) for one year, with a 35-basis point minimum, triggering on January 1, 2023, for the life of the contract. This is a premium variable-rate with downside protection and is superior to rates indicated by their competitors. For comparison purposes, U.S. Bank stated that it would typically utilize a variable rate, adjusted to an index (i.e. Fed Funds, which are currently at 25 basis points). Key Bank responded with an indicative rate of 25 basis points (0.25%). This means that the amounts required to be held at Wells Fargo to fully offset treasury-related fees is at least half of what would be required at competing institutions.

To put the proposed earnings credit rate into perspective, in the current standard overnight money market, rates range from approximately one basis point (.01%) and 5 basis points (0.05%).

#### Credit Strength:

While pricing and service levels are important, the financial strength of the institution is also of importance. While all of the competing banks are capable and qualified to provide banking services to the City, and all are eligible public depositories, qualified by the State of Colorado, their credit ratings differ.

The long-term credit ratings of the banks, as assigned by the major U.S. credit ratings organizations are summarized below:

<u>Bank</u>	<u>Moody’s</u>	<u>S&amp;P</u>	<u>Fitch</u>
Wells Fargo Bank, N.A.	Aa2	A+	AA
JP Morgan Chase Bank, N.A.	Aa2	A+	AA
U.S. Bank, N.A.	A1	AA-	AA
Key Bank	A3	A-	A

Please note that these are current ratings, which will likely change as circumstances warrant.

#### Proposed Renewal:

It is recommended that the City’s contract with Wells Fargo Bank, for treasury-related services, which expires on December 31 of this year, be renewed for an additional five-year term, beginning January 1, 2022 and concluding on December 31, 2026, with a six-month extension option upon mutual agreement.

This recommendation is based primarily upon the following factors:

- Satisfaction with offerings and quality of services provided
- Competitive pricing of services
- Above-market earnings credit rate

- Financial strength of the organization

It should be noted that the development of a comprehensive RFP (and associated response) involves many staff hours and considerable organizational effort, on the part of both the issuer of the RFP and the respondent. Further, an actual banking conversion involves a significant cross-organizational effort and substantial cost. For that reason, if: (1) the organization is satisfied with the services it currently receives from its banking partner; (2) pricing is determined to be competitive; and (3) the financial strength of the organization is not in question; the issuance of a full RFP is an exercise which should generally be avoided.

#### Recommendation:

Staff recommends the renewal of its Treasury Management Contract with Wells Fargo Bank, for an additional five-year term, beginning on January 1, 2022 and ending on December 31, 2026, with a six-month extension option upon mutual agreement.

#### Committee Discussion

CM Gardner: I thought the earnings credit rate offering of 50 basic points was really good. It's better than the 25 basic points the other banks are offering. And even their minimum is 10 basis points above, so I think that's great. I'm okay with moving this forward.

CM Gruber: I also support the recommendation.

#### Outcome

The Committee recommended the item move forward to Study Session.

#### Follow-up Action

Staff will forward the item to Study Session.

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## **INTERNAL AUDIT 2<sup>ND</sup> QUARTER PROGRESS REPORT**

### Summary of Issue and Discussion

Wayne Sommer, Internal Audit Manager reviewed the Office's 2nd quarter progress against their annual audit plan and introduced Laiba Saqib, their newest Internal Auditor. Sheree Vanburen, Internal Auditor II gave a brief walk through on the annual risk assessment process.

Through June 30, Internal Audit has completed 26% of scheduled engagements closing out the three carryover engagements from the 2020 audit plan. Another 32% are currently active, all from the 2021 audit plan. One engagement remains—the Succession Planning Survey—from the 2019 audit plan.

In total, 58% engagements are either active or were completed through the first two quarters.

### Committee Discussion

CM Gruber pointed out that we expect to receive many millions of dollars in the near future in grants and that we need to make sure we talk about what reviews will need to be done regarding how the money is spent.

CM Gardner: I had a couple questions. One was on the police engagement for CCJRA responses. Does that include CORA requests as well?

W. Sommer: It does not include CORA requests.

CM Gardner: One of the things that this committee had asked for at the beginning of the year was the audit of the Mayor and Council expenses. Will we still be able to get a report in November?

W. Sommer: Yes. That engagement is active as of now. We commenced that engagement and we expect to have that delivered on schedule this year.

CM Gardner: My last question, and if you had mentioned this before, I apologize. But the engagement surrounding the Civil Service Commission, can you explain a little bit more about what you all are looking to do there?

W. Sommer: Yes, originally, we were going look at the hiring process and essentially flowchart the key processes looking for efficiencies or opportunities to institute controls. Following the latest report from 21CP, we discussed with the City Manager and Jason Batchelor, Deputy City Manager, whether they wanted us to continue with the engagement at that level. They decided it might be better if we just did some research on leading practices related to Civil Service Commission and public safety hiring and recruiting practices. We would bring that back to them so they could see what other groups were doing. They would decide whether to pass that information on to the Civil Service Commission and also Council.

CM Gruber: I have a lot of experience in the risk assessment field. I'm concern about--and we talked about this a little bit at our last meeting--the impact of ransomware attacks. And as you mentioned Sheree. You identify the topic, then you identify the probability of it occurring. and the impact if it occurred. So, for example a City vehicle has a flat tire as a high probability. But the impact probability is low. The car has to be towed or whatever. Whereas the AMC Building burning down has a low probability of occurring. But the impact would be major. So, I appreciate those things. Ransomware bothers me. I'm concerned to see that it pops up in so many cities that I thought we would be well protected. When we talked about it at our last meeting, we addressed several ways to make sure the City is protected. But I hadn't seen a formal risk assessment on the impact of a ransomware attack. So, what I'm saying is that a ransomware attack itself, the probability is low, but the impact is high. But now we're seeing the probability of occurring is going up and the impact remains high. The reason that it's important to me I guess as a Council Member, is that if you came to me, and we're getting ready to go into our Budget Workshop, you came to me to say, "We're seeing that this element, the probability of this element is increasing. The risk of this element is high. And the abatement techniques are A, B & C. One of those techniques is purchasing something that would help better protect us. If you brought that to Council, I think Council would turn around and say we have no choice other than to purchase whatever it is in order to help abate that risk. So, my request would be to take a look at ransomware impact to the City and determine the impact. The probability of the risk, the impact of the risk, and the cost of abating that risk. I would appreciate that.

W. Sommer: We certainly can take a look at that CM Gruber. We do meet quarterly with the City's cyber Information Security Officer to discuss activities that they're conducting regarding various protection strategies for the City. We do discuss those with him. We can talk to him a little bit more about this and see if we can't get a better handle on what the residual risk would be for the City for those abatement and mitigation strategies and also the likelihood of an attack.

Outcome

The Committee thanked staff. Information only.

Follow-up Action

No follow-up needed.

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**MISCELLANEOUS MATTERS FOR CONSIDERATION**

On August 19<sup>th</sup>, the City sold \$265.23 million in Water Revenue Refunding Bonds to realize debt service savings on bonds that were issued in 2016. The combination of strong credit ratings, solid investor demand, and a favorable interest rate market allowed for a pricing which resulted in a 14.6% present value savings. This equates to a present value dollar savings of \$31,910,309, or a cash savings to the Water utility of approximately \$1.7 million per year through 2046.

Committee Discussion

CM Gruber: Outstanding! That's such a great success story. To bring in \$32 million into the city that taxpayers won't have to pay. That's always very good news. I want to congratulate you on your homework. I want to congratulate you on sensing the timing of the market. Accelerating when you saw an opportunity and bringing this deal home for the city. So great work! Thank you very much.

CM Gardner: I'll just echo that. I'm not going to mention names because I'll probably leave somebody out. But just kudos to everyone that was involved. It's just further proof of how financially well run our city is. So just as CM Gruber said. If we can save our taxpayers \$32 million. That's a great day! So, kudos to everybody involved. Thank you, very much for the great news.

- The next meeting is on Tuesday, September 28, 2021 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

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Curtis Gardner, Chair of the Management & Finance (M&F) Committee

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Date



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> August 2021 Sales Tax Chart
<b>Item Initiator:</b> Greg Hays
<b>Staff Source/Legal Source:</b> Greg Hays, Hans Hernandez
<b>Outside Speaker:</b> N/A
<b>Council Goal:</b> 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** N/A

**Regular Meeting:** N/A

### ITEM DETAILS:

- Agenda long title
- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated Presentation/discussion time

August 2021 Sales Tax Chart

Greg Hays

5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input type="checkbox"/> Approve Item and Move Forward to Study Session   | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input checked="" type="checkbox"/> Information Only  |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

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### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

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**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

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**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

Members of the M&F Committee have asked for the monthly sales tax performance chart.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

Attached is the August sales tax performance chart. August of 2021 was 13.9 percent higher than August of 2020.

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**QUESTIONS FOR COUNCIL**

Info only

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**LEGAL COMMENTS**

The city charter requires that the city manager shall keep the council advised of the financial condition, future needs of the city, and the overall general condition of the city, and shall make such recommendations to the council for adoption as deemed necessary or expedient. This item is informational only. (See, Aurora City Charter Art. 7-4 (f)). (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** info Only

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** Info Only

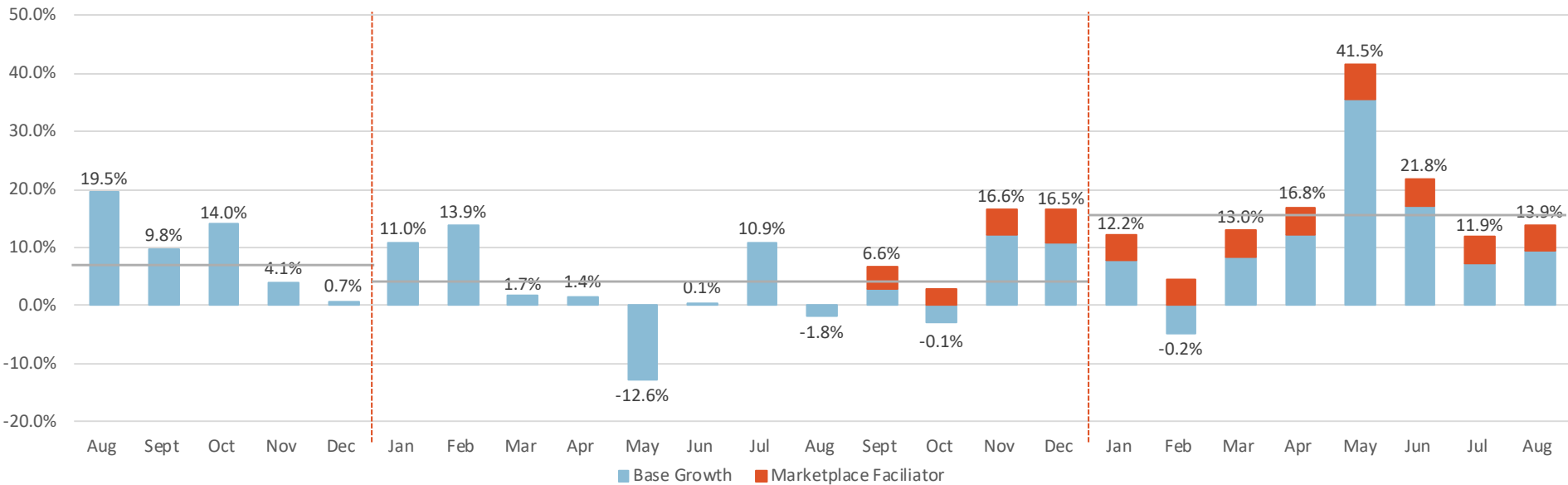


# August 2021 Sales Tax Performance



## Percent Change from Prior Year By Month

August YTD Variance to  
Budget: \$2.8M (1.7%)  
2020: \$21.7M (15.5%)



**2019**  
8.7%

**2020**  
5.3%

**2021**  
15.5%

# August 2021 Sales Tax Performance



2019											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
21,261,542	14,381,591	13,694,934	18,411,530	15,367,303	15,678,576	19,567,045	17,546,377	16,570,069	20,482,667	15,110,710	14,954,977
1,073,579	941,689	969,933	1,668,244	1,104,394	853,685	1,990,632	2,867,198	1,483,060	2,519,146	588,881	109,178
5.3%	7.0%	7.6%	10.0%	7.7%	5.8%	11.3%	19.5%	9.8%	14.0%	4.1%	0.7%

2020											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
23,591,222	16,374,965	13,932,085	18,673,352	13,424,681	15,690,126	21,699,684	17,230,082	17,664,745	20,457,466	17,621,437	17,420,587
2,329,680	1,993,374	237,150	261,822	(1,942,622)	11,550	2,132,639	(316,295)	1,094,676	(25,201)	2,510,726	2,465,610
11.0%	13.9%	1.7%	1.4%	-12.6%	0.1%	10.9%	-1.8%	6.6%	-0.1%	16.6%	16.5%

2021							
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
26,470,356	16,335,916	15,744,292	21,803,394	18,994,248	19,105,339	24,284,022	19,619,225
2,879,135	(39,049)	1,812,207	3,130,042	5,569,566	3,415,214	2,584,338	2,389,143
12.2%	-0.2%	13.0%	16.8%	41.5%	21.8%	11.9%	13.9%



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Career Service Commission Overview
<b>Item Initiator:</b> Ryan Lantz, Director of Human Resources
<b>Staff Source/Legal Source:</b> Pay Sylvester, Employee Relations Manager
<b>Outside Speaker:</b> N/A
<b>Council Goal:</b> 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** n/a

**Regular Meeting:** n/a

### ITEM DETAILS:

n/a

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input type="checkbox"/> Approve Item and Move Forward to Study Session   | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input checked="" type="checkbox"/> Information Only  |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

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### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** Management & Finance

**Policy Committee Date:** 9/28/2021

### Action Taken/Follow-up: *(Check all that apply)*

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |

Minutes Attached

Minutes Not Available

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**HISTORY** *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

The purpose of the Career Service Commission is to hear and determine Appeals made by an aggrieved employee pursuant to the rules and regulations of the Charter and Ordinances of the City as well as the City Employee Manual. Members of the Commission must be registered electors and residents of the city at least one (1) year immediately preceding the date of their appointment.

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**ITEM SUMMARY** *(Brief description of item, discussion, key points, recommendations, etc.)*

This item will serve to update the Management and Finance Policy Committee on the role and function of the Career Services Commission.

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**QUESTIONS FOR COUNCIL**

N/A Informational Item

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**LEGAL COMMENTS**

The city charter requires that the city manager shall keep the council advised of the financial condition, future needs of the city, and the overall general condition of the city, and shall make such recommendations to the council for adoption as deemed necessary or expedient. This item is informational only. (See, Aurora City Charter Art. 7-4 (f)). (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** N/A



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Fitzsimons Business Improvement District

**Item Initiator:** Chad Argentar, Senior Development Project Manager

**Staff Source/Legal Source:** Chad Argentar – Senior Development Project Manager / Hans Hernandez – Assistant City Attorney

**Outside Speaker:** None

**Council Goal:** 2012: 3.0--Ensure excellent infrastructure that is well maintained and operated.

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION of the City Council of the City of Aurora, Colorado approving the 2022 Operating Plan and Budget for the Fitzsimons Business Improvement District.

Chad Argentar – Senior Development Project Manager /Hans Hernandez – Assistant City Attorney

Estimated Presentation/Discussion Time: 2 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

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### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

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**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

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**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

The Fitzsimons Business Improvement District was approved for organization by City Council in 2011. It is generally located Ursula Street between 23<sup>rd</sup> Street and Montview Boulevard.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The Fitzsimons Business Improvement District was approved for organization by City Council in 2011. The 2022 operating plan and budget anticipates funding from square foot charges of commercial buildings for its \$5,859 revenue and expected expenditures. The Fitzsimons BID does not anticipate any major public improvements for 2022 and its expenditures are primarily directed towards administrative costs and parking enforcement.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

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**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. (Sec. 31-25-1211, C.R.S.) (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Fitzsimons Business Improvement District. The BID is projected to generate \$5,859 in revenue through charges per square foot of commercial buildings from within the BID. Fees are based on costs of BID administration, services and improvements.

**2022 OPERATING PLAN AND BUDGET**

**FITZSIMONS  
BUSINESS  
IMPROVEMENT  
DISTRICT**

Spencer Fane LLP

**FITZSIMONS BUSINESS IMPROVEMENT  
DISTRICT  
2022 OPERATING  
PLAN**

**I. SUMMARY**

The Fitzsimons Business Improvement District (“BID”) is an assessment district designed to improve the economic vitality, value and overall commercial appeal of the Ursula Street commercial area through public parking management, signage, enforcement and streetscape improvements between 23rd Street and the southern boundary of The Square at Fitzsimons Filing No. 1, Adams County, in the City of Aurora, Colorado. The BID is financed through charges based on the costs of its improvements and services and the building square footage of commercial property.

BID services are in addition to the services in the area currently provided by the City of Aurora.

**Name:** Fitzsimons Business Improvement District

**Boundaries:** The Service Area is The Square at Fitzsimons Filing No. 1, Adams County, City of Aurora, Colorado, and the streets as shown on the BID Service Area and boundary map attached as Exhibit A, Pages 1 and 2.

**BID Programs:** The overall goal of the BID is economic development of the commercial property within the BID’s service area. BID functions are as follows:

Parking services and public improvements including:

- \* Parking management
- \* Signage, including designation of parking spaces for business, parking times, and restrictions

Establishing a District Identity and Image including:

- \* Signage, wayfinding and gateways
- \* Design and/or implementation of streetscape and landscape improvements

**Basis of Accounting:** The basis of accounting utilized in preparation for the 2022 budget for the BID is cash basis. The BID’s budget includes projected revenues and expenditures for its general operation fund.

**Budget:** Approximately \$5,859 will be raised in 2022



through charges per square foot of commercial buildings in the BID based upon the costs of BID administration, services, and improvements.

**Methodology:** In order to allocate the costs of the services and improvements to be furnished by the BID in a way that most closely reflects its benefits, the BID will collect charges per square foot levied on commercial property. The estimated annual charge for 2022 will be \$0.3302/sq. ft.

**Term:** The BID is a perpetual BID with a City Council review period every five years if desired by the Council. The review will allow for appropriate adjustments to the charge methodology and/or programming, and will allow business and property owners to address and respond to changes as they occur in the BID.

**City Service:** BID services will be in addition to any City services currently provided.

**Governance:** The BID is managed by a 3-member Board of Directors, all of whom are voting members. The Board represents a diverse mix of commercial properties. The BID does not have plans to fill any vacancies at this time.

**Dissolution:** The BID may be dissolved if property owners representing more than 50% of total commercial acreage and assessed value submit a petition to dissolve it or if the BID fails to submit an operating budget for two successive years and dissolution is approved by City Council.

## **II. RECAP OF 2021 BID ACTIVITIES**

In 2021, the BID monitored parking activities.

## **III. FITZSIMONS BID 2022 OPERATING PLAN**

As determined by area property owners and business owners, the top priorities for improvements and activities within the BID include the below listed items. In addition, the BID is continuing to work cooperatively with the Fitzsimons Redevelopment Authority (“FRA”) to coordinate access to future FRA projects with the need to maintain and maximize available parking within the BID.

**BID Programs:** The following narrative lists BID programs for operating year 2022. The Board may amend program activities in the

subsequent years within the general categories authorized by state law and in future approved annual operating plans and budgets. Final programs and budgets will be subject to the annual review and approval of the BID Board of Directors.

**Parking Management:**

The commercial area in the BID has limited parking. The property owners and tenants have identified problems with parking spaces being used for long-term purposes and for distant destinations. There are approximately 108 on-street parking spaces available. The primary purposes of the BID are to obtain the ability to control the parking spaces so they may be better utilized for the commercial businesses near the spaces, to develop and implement a parking management program, and to take steps to improve parking utilization and turnover. The expectation is that BID parking management may include signs, space designations, and parking duration limits.

The BID may furnish:

- \* Design, planning, financing, installation, operation, maintenance, removal and replacement of signs along the City streets within the BID, or placement in parking lanes, and/or on sidewalks in and adjacent to the premises (i.e. the defined on-street parking space areas as shown on a map attached as Exhibit B). The signs may limit parking times and/or designate allowable uses of parking spaces or areas for particular purposes, and/or words to the effect that parking restrictions will be enforced, potentially including the violators' vehicles will be towed at vehicle owner's expense,
- \* Removing cars at the vehicle owner's expense in substantially the same manner as a private property owner may remove vehicles when parked in violation of comparable signs,
- \* Creation of parking management plans,
- \* Promotion of special events,
- \* Parking striping.

**District Identity:** In order to create a greater sense that the area is a cohesive commercial district, the following initiatives are recommended:

**Visual Identity** intended to promote the overall economic health and attractiveness of the area and augment a sense of visual identity, including:

- \* Gateway signs and/or treatments
- \* Street furniture and amenities
- \* Streetscape and landscape design and implementation
- \* Seasonal banners and decorations
- \* Maintenance

**Capital Improvements** such as streetscape, sidewalk and curb improvements. The BID can issue bonds to pay for capital improvements if the BID voters approve the bonds in an election, the Board chooses to do so, and the use of bonds is approved by the City Council in a future Operating Plan. There are no bonds authorized by this Operating Plan. BID funds can be used to match and leverage funds and other resources. There is public interest and necessity for the improvements described herein.

**BID Operations:** In order for the BID to effectively work for a more successful commercial area, it is recommended that BID contract personnel, with guidance from the BID Board, should implement the following tasks and activities:

- \* Maintain communication with City Council, City staff and other civic leaders, other BID's and constituencies as needed;
- \* Manage and support BID programs; and
- \* Be a point of contact for BID property owners and commercial lessees through periodic discussions, email, in-store visits, and meetings and forums to keep them apprised of the BID's activities.

There are several ways in which the BID Board can determine to manage and staff its programs, including hiring staff and/or contracting with professional(s) to carry out BID programs. Currently, BID tasks are performed by private contractors paid by the BID.

#### **IV. BID 2022 BUDGET**

The BID Board will hold a public hearing and adopt the final budget as required by the Colorado Local Government Budget Law.

As shown in Exhibit C, the proposed 2022 budgeted expenditures will be approximately \$5,859 as shown in the budget, and budgeted revenue of \$5,859 to be raised through an estimated \$0.3302 (thirty-three cents) per square foot charge on commercial uses/buildings within the BID.

The BID will operate in accordance with the terms of the Business Improvement District Act. The last sentence of Section 31-25-1203(10) states: "Property which is not commercial property and which is within the "service area" of a district shall not be subject to the revenue-raising powers of the district until it becomes commercial property and is included within the district's boundaries, as provided in Section 31-23-1208." Therefore, residential properties within the BID will not pay the BID's per square foot charges.

**Charge Methodology:** Under Colorado statutes, business improvement districts can generate revenues through several methods, including charges for services rendered by the district, taxes, special assessments, or a combination of any of these. In order to allocate the costs of the improvements and services to be furnished by the BID in a way that most closely reflects the benefits conferred upon the businesses and commercial properties in the BID, the BID shall be authorized to determine, impose and collect charges based upon costs and the square footage of commercial property located in the District. The charges will continue to be a flat rate per square foot, but may vary in the future based on parking and service-related factors.

#### **V. BID GOVERNANCE AND PROGRAM MANAGEMENT**

The BID is managed by a Board of Directors consisting of three (3) electors, all of whom are voting members. The BID Board has the following responsibilities:

- \* Prepare and file the annual BID operating plan and budget with the City in accordance with state legal requirements and ensure compliance with other state laws.
- \* Provide direction and coordination in carrying out BID funded improvements and services.

## **VI. CITY SERVICES**

BID services are in addition to any City services currently provided in the area.

## **VII. TERM**

The BID has perpetual existence with a review period every five (5) years. The review will allow for appropriate adjustments to the BID boundary, charge methodology and/or programming. The review also allows business and property owners to address and respond to changes as they occur in the area.

## **VIII. CONTACT INFORMATION**

BID Contact Person:

Spencer Fane LLP  
Attn: Matt Dalton  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800  
mdalton@spencerfane.com

BID Accountant:

Michelle Smith  
4582 S. Ulster Street, Suite 1700  
Denver, CO 80237  
303-691-4550

Auditor: Not Applicable

**EXHIBIT A**  
(SERVICE AREA AND BOUNDARY MAP)

**EXHIBIT B**  
(PARKING SPACE MAP)

**EXHIBIT C**  
(2022 Budget)



Fitzsimons Business Improvement District												
2022 Budget												
September 16, 2021												
INCOME STATEMENT	2017	2017	2018	2018	2019	2019	2020	2020	2021	2021	2022	
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actual	Budget	Estimated	Budget	
<b>REVENUE</b>												
BID Fee Revenue	8,039	8,039	9,766	4,947	9,766	5,889	10,162	3,926	9,859	1,857	5,859	
Fund Advance												
Other												
Interest												
<b>Total Revenue</b>	<b>8,039</b>	<b>8,039</b>	<b>9,766</b>	<b>4,947</b>	<b>9,766</b>	<b>5,889</b>	<b>10,162</b>	<b>3,926</b>	<b>9,859</b>	<b>1,857</b>	<b>5,859</b>	
<b>EXPENSES</b>												
Accounting	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	0	(1,000)	
Administration									0	0	0	
Advance Reimbursement									0	0	0	
Audit	0	0	0		0		0	0	0	0	0	
Bank Service Charge	0	0	0	0	0	0	0	0	0	0	0	
Dues & Memberships	0	(236)	(236)	(235)	(236)	(320)	(320)	(236)	(320)	(236)	(320)	
Insurance	(1,525)	0	(1,337)	(1,337)	(1,337)	(1,337)	(1,337)	(1,339)	(1,339)	(1,341)	(1,339)	
Legal	(4,012)	(2,900)	(2,900)	(3,493)	(2,900)	(4,131)	(3,200)	(2,230)	(3,000)	(2,230)	(3,000)	
Marketing & Promotions	0	0	0	0	0	0	0	0	0	0	0	
Emergency Reserves (3% of expense)		0	(293)	0	(293)	0	(305)	0	(200)	0	(200)	
Other Purchased Services	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Expenses</b>	<b>(7,537)</b>	<b>(5,136)</b>	<b>(6,766)</b>	<b>(7,065)</b>	<b>(6,766)</b>	<b>(7,788)</b>	<b>(7,162)</b>	<b>(5,805)</b>	<b>(6,859)</b>	<b>(3,807)</b>	<b>(5,859)</b>	
<b>CAPITAL EXPENDITURES</b>												
Parking Enforcement	0	0	0	0	0	0	(3,000)	0	(3,000)	0	0	
Landscaping	0	0	0	0	0	0	0	0	0	0	0	
Parking Striping	(500)	0	(3,000)	0	(3,000)	(3,095)	0	0	0	0	0	
Signs	0	0	0	0	0	0	0	0	0	0	0	
Sign Posts/Installation	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Capital Spending</b>	<b>(500)</b>	<b>0</b>	<b>(3,000)</b>	<b>0</b>	<b>(3,000)</b>	<b>(3,095)</b>	<b>(3,000)</b>	<b>0</b>	<b>(3,000)</b>	<b>0</b>	<b>0</b>	
<b>Total Expenditures</b>	<b>(8,037)</b>	<b>(5,136)</b>	<b>(9,766)</b>	<b>(7,065)</b>	<b>(9,766)</b>	<b>(10,883)</b>	<b>(10,162)</b>	<b>(5,805)</b>	<b>(9,859)</b>	<b>(3,807)</b>	<b>(5,859)</b>	
<b>NET REVENUES</b>	<b>2</b>	<b>2,903</b>	<b>(0)</b>	<b>(2,118)</b>	<b>0</b>	<b>(4,994)</b>	<b>(0)</b>	<b>(1,879)</b>	<b>0</b>	<b>(1,950)</b>	<b>0</b>	
Fund Balance - Beginning of Year	5,005	5,005	7,889	12,913	5,772	10,795	5,801	5,844	3,965	3,965	0	
Fund Balance - End of Year	10,012	12,913	7,889	10,795	5,772	5,801	5,801	3,965	3,965	2,015	0	
			* Parking enforcement estimated at \$17,000 a year. We budgeted \$3,000									
			being back through the BID in 2020 but did not receive the payments to									
			support this so full expense was billed to 21 Fitzsimons									

**Fitzsimons Business Improvement District**  
**Attn: Carole Olite**  
 4582 South Ulster St., Suite 1700  
 Denver, CO 80237  
 (303) 691-4550

The Fitzsimons Business Improvement District (BID) was formed to improve the economic vitality, value and overall commercial appeal of the Ursula Street and E. 22nd Avenue commercial area thru public parking management, signage, enforcement and streetscape improvements between 23rd Street and the southern boundary of The Square at Fitzsimons Filing No. 1, Adams County.

In order to allocate the costs of the services and improvements to be furnished by the BID in a way that most closely reflects its benefits, the BID will collect charges per square foot levied on commercial property on an annual basis.

2022 Calculation of Charges			2022 Budgeted Expenses		\$5,859	\$0.3302	
Bldg. No.	Ste. No.	Address	Tenant Name	Bill To:	Retail S.F.	Charge PSF	Charge
1	20	2100 North Ursula	Cedar Creek Pub	Cedar Creek Pub	4,400	\$0.3302	1,452.88
1	30	2100 North Ursula	Lost Coffee	Lost Coffee	1,170	\$0.3302	386.33
1	2100-45	2100 North Ursula	Vacant	21 Fitz	682	\$0.3302	225.20
2	23	2101 North Ursula	Ursula Brewery	Ursula Brewery	2,740	\$0.3302	904.75
2	25	2101 North Ursula	Ambli Mexico at Fitz	Ambli Mexico at Fitz	2,830	\$0.3302	934.47
3	35	2103 North Ursula	ProCare Pharmacy	ProCare Pharmacy	2,578	\$0.3302	851.26
3	45	2103 North Ursula	Vacant	21 Fitz	1,683	\$0.3302	555.73
3	55	2103 North Ursula	Vacant	21 Fitz	1,660	\$0.3302	548.13
<b>Total</b>					<b>17,743</b>		<b>5,859</b>

**Revenue Notes:**

- 2018 miss in revenue by \$4,818.52 due to Cedar Creek, Ursula Brewery and J&M Liquor not paying fee
- 2019 projected to miss budget by \$3,877.16 due to Cedar Creek and Ursula Brewery not paying yearly dues.
- 2020 Missed revenue due to only Reverie and Aimco paying dues (Cedar Creek, Ursula, Lost Coffee, CVS total \$6,262.60 in unpaid dues)
- 2021 Only payment we anticipate receiving for 2021 is 21 Fitz portion. Other tenants did not pay this year due to the struggles with COVID and Cedar Creek and the brewery still refusing to pay since they do not feel the BID is beneficial.

RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE FITZSIMONS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2011-31 organizing the Fitzsimons Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Fitzsimons Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read 'Hanosky Hernandez', written over a horizontal line.

RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Porteos Business Improvement District
<b>Item Initiator:</b> Carol Toth, Manager of Accounting - Finance
<b>Staff Source/Legal Source:</b> Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney
<b>Outside Speaker:</b>
<b>Council Goal:</b> 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PORTEOS BUSINESS IMPROVEMENT DISTRICT

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

**Policy Committee Date:** N/A

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**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Porteos Business Improvement District (BID) in 2016 (Ord. No. 2016-43). The BID is located generally east of Harvard Road between 56<sup>th</sup> and 68<sup>th</sup> Avenue. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Porteos Business Improvement District 2022 operating plan and budget. The operating plan anticipates beginning fund balance (mainly due to developer advances received in prior years), property taxes and public improvement fees for its \$502,426 revenue and expected expenditures. The Porteos BID will undertake projects as development needs require in 2022.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

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**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Porteos Business Improvement District. Funding is projected at \$502,426 primarily from developer advances received in prior years, property taxes and public improvement fees.

**2022 OPERATING PLAN AND BUDGET**

**PORTEOS  
BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Adams County, Colorado



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EXHIBIT A – Director & District Contact Information

EXHIBIT B – 2022 BID Budget and Additional Financial Information

EXHIBIT C – District Map

**2022**  
**OPERATING PLAN FOR THE**  
**PORTEOS BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE AND SCOPE OF THIS DISTRICT**

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Porteos Business Improvement District (the “District”) file an operating plan and proposed budget with the City Clerk no later than September 30 of each year.

Pursuant to the Business Improvement District Act, Sections 31-25-1201, *et seq.*, C.R.S., as amended (the “Act”), the City of Aurora (the “City”) is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District will operate under the authorities and powers allowed under the Act as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the provisions of the Act, this Operating Plan specifically identifies (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District and (5) such other information as the City may require.

The District’s original 2017 Operating Plan subsequent Operating Plans, previously approved by the City, are incorporated herein by reference, and shall remain in full force and effect except as specifically or necessarily modified hereby.

**C. Purposes.** As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2022 include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts.

**D. Ownership of Property or Major Assets.** The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

**E. Contracts and Agreements.** It is anticipated that the District may enter into agreements as required to facilitate the funding, construction, ownership, operation and maintenance of public improvements. The District, together with the Velocity Metropolitan District Nos. 1-9, is currently party to an Amended and Restated Intergovernmental Agreement Concerning District Improvements and Operations dated December 10, 2020. The District may also enter into agreements with the City and other districts encompassing adjacent developments in order to cooperate on infrastructure projects.

**2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS**

**A. Organization.** The District was organized pursuant to Ordinance No. 2016-43 adopted by the City of Aurora City Council with an effective date of October 29, 2016 and recorded with the office of the Adams County Clerk and Recorder on December 2, 2016 at Reception Number 2016000104551.

**B. Governance.** The District is governed by an elected board of directors consisting of five electors who are all voting members.

**C. District Board.** The District’s Board members and their terms of office are:

Mark A. Adams	(May 2022)
Kristen Adams	(May 2023)
Yuriy Gorlov	(May 2023)
Seth C. Rollert	(May 2023)
Melissa M. Shea	(May 2022)

Director contact information is provided in **EXHIBIT A**.

**D. Term Limits.** Term limits were eliminated at the District’s November 2016 election.

**E. Advisory Board.** The District’s Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have been appointed.

**3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

A map of the District’s boundaries is attached as **EXHIBIT C**. In 2022 and subsequent years, the District may receive requests for inclusion of additional property into the boundaries of the District. However, no requests for boundary adjustments are anticipated at this time.

**4. PUBLIC IMPROVEMENTS**

The District is primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvements or services outside the boundaries of the District as part of the Porteos project. The District shall have the authority to provide these improvements and services, and the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install, own, operate,

and maintain, include those public improvements the costs of which may, in accordance with the Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation.

## **5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE**

The District will provide for ownership, operation, and maintenance of public improvements itself or by contract with other units of government or the private sector.

## **6. FINANCIAL PLAN AND BUDGET**

**A. 2022 Budget and Additional Financial Information.** The District's proposed 2022 Budget, adopted 2021 Budget, and financial statements for the year ended December 31, 2020, are attached in **EXHIBIT B**. The District's proposed 2021 Budget was revised after it was submitted to the City with the District's 2021 Operating Plan pursuant to the Act to account for and reflect updated assessed valuations, changes in developer funding, changes to transfer amounts from the Velocity Metropolitan Districts based on updated assessed valuations, and adjustments to operating costs to account for additional accounting legal and accounting expenses.

**B. Authorized Indebtedness.** In November 2016, the District held an election for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. As provided in prior years' Operating Plans, the District's initial maximum debt authorization was \$50,000,000. In 2020, pursuant to the District's 2021 Operating Plan as approved by the City on November 16, 2020, the District determined it to be in the best interests of the District to increase the maximum authorized indebtedness from the initial maximum debt authorization of \$50,000,000 to \$100,000,000 to provide the District with the financial flexibility to efficiently finance the development and construction of the projected public improvements considering the pace of development and phasing within the District and to best serve the economic interests of the District and its current and future property owners. Accordingly, the maximum debt authorization of the District is \$100,000,000.

**C. Property Tax and Mill Levy Caps.** The District's taxing ability is constrained to mill levy limitations of up to 50 mills for debt service, general operations and administrative expenses due to the on-going operations and maintenance activities to be undertaken by the District within its boundaries. In 2020, for collection in 2021, the District levied a tax of 5.00 mills for general operating expenses on each dollar of the total valuation of assessment of all taxable property in the District. As indicated in the proposed 2022 Budget, it is anticipated at the District will impose a levy of 5.00 mills for general operating expenses for collection in 2022.

**D. District Revenues.** District revenues derive from developer funding, property taxes, transfers from the Velocity Metropolitan Districts pursuant to the Intergovernmental

Agreement described in Section 1.E. above, and a privately imposed public improvement fee.

**E. Existing Debt Obligations.** The District has no current debt.

**F. Future Debt Obligations.** The District does not currently anticipate the issuance of any debt in 2022.

**G. Other Financial Obligations.** The District has entered into agreements including reimbursement and facilities funding and acquisition agreements, as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.

**H. Non-Default Provisions.** Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.

**I. No City Obligation.** The debt of the District will not constitute a debt or obligation of the City. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District.

## **7. 2021 AND 2022 SERVICES, ACTIVITIES, PROJECTS AND CHANGES**

**A. Services and Activities.** In 2021 and continuing in 2022, the District operated and will continue its operations in accordance with its adopted budget.

**B. Projects and Public Improvements.** The District may undertake projects or public improvements as development needs require.

## **8. DISSOLUTION**

The District is anticipated to have ongoing ownership, operations and maintenance obligations that will necessitate perpetual existence. If the District no longer has such obligations, the District will seek to dissolve pursuant to C.R.S. § 31-25-1225.

## **9. CONCLUSION**

It is submitted that this 2022 Operating Plan and Budget for the District meets the requirements of the Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of the Act. Inquiries and questions may be directed to the District's legal counsel and accountant. Contact information is provided in **EXHIBIT A**.

**EXHIBIT A**  
**Director and District Contact Information**

**BOARD OF DIRECTORS:**

Mark A. Adams  
5859 S. Galena Street  
Greenwood Village, CO 80111  
[markaadams@mac.com](mailto:markaadams@mac.com)

Kristen Adams  
5859 S. Galena Street  
Greenwood Village, CO 80111  
[kristen@roganadams.com](mailto:kristen@roganadams.com)

Yuriy Gorlov  
19512 East Lasalle Place  
Aurora, CO 80013  
[gorlov@auroraedc.com](mailto:gorlov@auroraedc.com)

Seth C. Rollert  
17757 East Crestridge Place  
Centennial, CO 80015  
[sethrollert@rollertavery.com](mailto:sethrollert@rollertavery.com)

Melissa M. Shea  
1530 E. Nichols Drive  
Centennial, CO 80122  
[beinspired.mms@hotmail.com](mailto:beinspired.mms@hotmail.com)

**DISTRICT CONTACTS:**

**Legal Counsel:**

Alan D. Pogue  
Icenogle Seaver Pogue, P.C.  
4725 S. Monaco St, Suite 360  
Denver, CO 80237  
303-292-9100  
[apogue@isp-law.com](mailto:apogue@isp-law.com)

**Accountant:**

Diane Wheeler  
Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, CO 80112  
303-689-0833  
[diane@simmonswheeler.com](mailto:diane@simmonswheeler.com)

**EXHIBIT B**

**2022 BID Budget & Additional Financial Information**

**Porteos Business Improvement District**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>06/31/2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ 55,191	\$ 21,089	\$ 150,900	\$ 150,900	\$ 280,565
Revenues:					
Property taxes	212	52,380	49,843	52,380	100,453
Specific ownership taxes	16	4,190	8	30	8,036
Developer advances	116,091	-	37,626	37,626	-
Transfer from Velocity	-	70,915	25,474	70,915	43,372
Public Improvement Fees	<u>124,528</u>	<u>70,000</u>	<u>113,892</u>	<u>130,000</u>	<u>70,000</u>
Total revenues	<u>240,847</u>	<u>197,485</u>	<u>226,843</u>	<u>290,951</u>	<u>221,861</u>
Total funds available	<u>296,038</u>	<u>218,574</u>	<u>377,743</u>	<u>441,851</u>	<u>502,426</u>
Expenditures:					
Accounting / audit	18,555	30,000	6,227	20,000	30,000
Engineering	13,290	10,000	-	10,000	10,000
Insurance/SDA dues	20,487	30,500	4,598	30,500	30,500
Legal	41,764	75,000	10,166	40,000	75,000
Management	-	1,500	-	-	1,500
Director's Fees	14,400	6,000	5,000	15,000	20,000
Miscellaneous	-	2,000	-	-	2,000
Utilities	8,351	20,000	5,288	15,000	30,000
Landscape Maintenance	28,288	30,000	11,579	30,000	40,000
Treasurer's fees	3	786	748	786	1,507
Repay developer advances	-	-	-	-	175,000
Contingency	-	6,614	-	-	74,454
Emergency reserve (3%)	<u>-</u>	<u>6,174</u>	<u>-</u>	<u>-</u>	<u>12,465</u>
Total expenditures	<u>145,138</u>	<u>218,574</u>	<u>43,606</u>	<u>161,286</u>	<u>502,426</u>
Ending fund balance	<u>\$ 150,900</u>	<u>\$ -</u>	<u>\$ 334,137</u>	<u>\$ 280,565</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 10,476,030</u>			<u>\$ 20,090,570</u>
Mill Levy		<u>5.000</u>			<u>5.000</u>



**PORTEOS BUSINESS IMPROVEMENT DISTRICT  
2021  
BUDGET MESSAGE**

Attached please find a copy of the adopted 2021 budget for the Porteos Business Improvement District.

The Porteos Business Improvement District has adopted a budget for one fund, a General Fund to provide for general operating expenditures.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the District in 2021 will be, property taxes, public improvement fees and transfer from Velocity Metropolitan District. The District intends to impose a 5.000 mill levy on all property within the District for 2021.

**Porteos Business Improvement District  
Adopted Budget  
General Fund  
For the Year ended December 31, 2021**

	Actual <u>2019</u>	Final Budget <u>2020</u>	Actual <u>07/31/20</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ 671	\$ 16,808	\$ 16,808	\$ 21,089
Revenues:					
Property taxes	87	212	212	212	52,380
Specific ownership taxes	8	17	9	17	4,190
Developer advances	71,670	152,244	35,490	35,490	-
Transfer from Velocity	93,363	10,285	-	41,290	70,915
Public Improvement Fees	-	-	39,721	70,000	70,000
<b>Total revenues</b>	<u>165,128</u>	<u>162,758</u>	<u>75,432</u>	<u>147,009</u>	<u>197,485</u>
<b>Total funds available</b>	<u>165,128</u>	<u>163,429</u>	<u>92,240</u>	<u>163,817</u>	<u>218,574</u>
Expenditures:					
Accounting / audit	10,682	10,000	5,227	10,000	30,000
Engineering	-	10,000	11,725	11,725	10,000
Insurance/SDA dues	16,441	20,000	20,487	20,500	30,500
Legal	72,617	40,000	24,655	50,000	75,000
Management	-	1,500	-	1,500	1,500
Director's Fees	9,450	6,000	5,200	6,000	6,000
Miscellaneous	738	2,000	-	1,000	2,000
Utilities	7,778	20,000	3,055	12,000	20,000
Landscape Maintenance	30,613	30,000	13,157	30,000	30,000
Treasurer's fees	1	3	3	3	786
Contingency	-	19,606	-	-	6,614
Emergency reserve (3%)	-	4,185	-	-	6,174
<b>Total expenditures</b>	<u>148,320</u>	<u>163,294</u>	<u>83,509</u>	<u>142,728</u>	<u>218,574</u>
Ending fund balance	<u>\$ 16,808</u>	<u>\$ 135</u>	<u>\$ 8,731</u>	<u>\$ 21,089</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 42,490</u>			<u>\$ 10,476,030</u>
Mill Levy		<u>5.000</u>			<u>5.000</u>

Porteos Business Improvement District  
Financial Statements

December 31, 2020

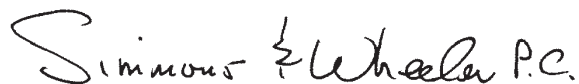
ACCOUNTANT’S COMPILATION REPORT

Board of Directors  
Porteos Business Improvement District

Management is responsible for the accompanying financial statements of each major fund of Porteos Business Improvement District, as of and for the period ended December 31, 2020, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user’s conclusions about the District’s financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Porteos Business Improvement District because we performed certain accounting services that impaired our independence.



February 17, 2021  
Englewood, Colorado

Porteos Business Improvement District  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2020

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash in checking	\$ 150,203	\$ -	\$ 150,203
Taxes Receivable	1	-	1
Prepaid Expenses	2,037	-	2,037
Receivable PIFs	15,488	-	15,488
Accounts receivable - developer	-	-	-
	<u>167,729</u>	<u>-</u>	<u>167,729</u>
<b>Other assets</b>			
Amount to be provided for retirement of debt	-	305,959	305,959
	<u>-</u>	<u>305,959</u>	<u>305,959</u>
	<u>\$ 167,729</u>	<u>\$ 305,959</u>	<u>\$ 473,688</u>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 16,830	\$ -	\$ 16,830
Deferred taxes	-	-	-
	<u>16,830</u>	<u>-</u>	<u>16,830</u>
Developer Advance - Principal	-	282,290	282,290
Developer Advance - Interest	-	23,669	23,669
	<u>16,830</u>	<u>305,959</u>	<u>322,789</u>
<b>Fund Equity</b>			
Fund balance (deficit)	150,899	-	150,899
	<u>150,899</u>	<u>-</u>	<u>150,899</u>
	<u>\$ 167,729</u>	<u>\$ 305,959</u>	<u>\$ 473,688</u>

Porteos Business Improvement District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the Twelve Months Ended December 31, 2020  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 212	\$ 212	\$ -
Specific ownership taxes	17	16	(1)
Developer advance	152,244	116,091	(36,153)
Transfer from Velocity	10,285	-	(10,285)
Public Improvement Fees	-	124,527	124,527
Interest income	-	-	-
	<u>162,758</u>	<u>240,846</u>	<u>78,088</u>
<b>Expenditures</b>			
Accounting	10,000	9,768	232
Audit	-	8,787	(8,787)
Engineering	10,000	13,290	(3,290)
Insurance	20,000	20,487	(487)
Legal	40,000	41,764	(1,764)
District Management	1,500	-	1,500
Director's Fees	6,000	14,400	(8,400)
Miscellaneous	2,000	-	2,000
Utilities	20,000	8,351	11,649
Landscape Maintenance	30,000	28,288	1,712
Treasurer's Fees	3	3	-
Contingency	19,606	-	19,606
Emergency Reserve	4,185	-	4,185
	<u>163,294</u>	<u>145,138</u>	<u>18,156</u>
Excess (deficiency) of revenues over expenditures	(536)	95,708	96,244
Fund balance - beginning	<u>671</u>	<u>55,191</u>	<u>54,520</u>
Fund balance - ending	<u>\$ 135</u>	<u>\$ 150,899</u>	<u>\$ 150,764</u>

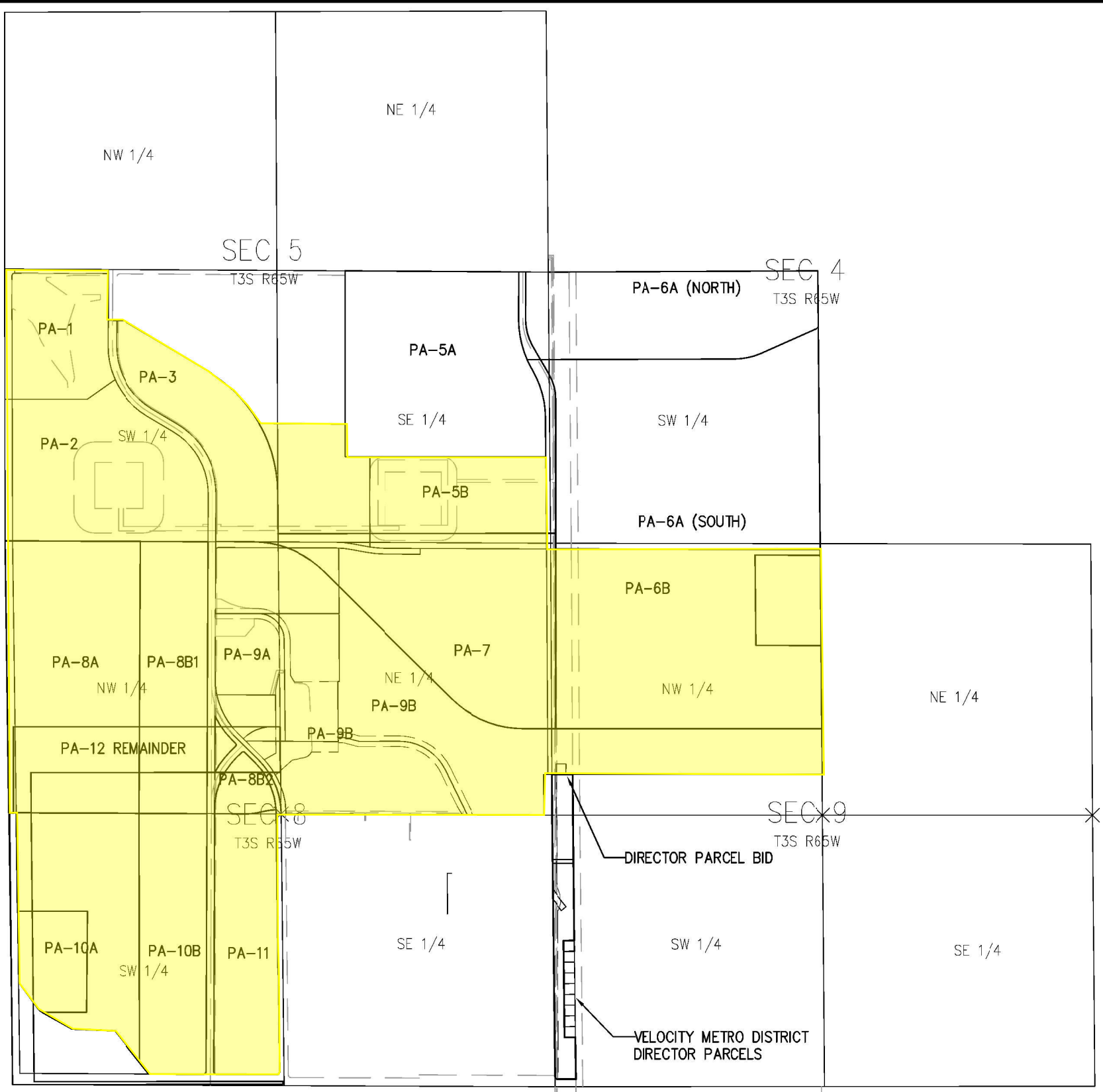
**EXHIBIT C**

**District Map**

THIS MAP IS A PRELIMINARY DESIGN AND SHOULD NOT BE USED FOR CONSTRUCTION. THE INFORMATION IS PROVIDED AS IS. MERRICK AND COMPANY, INC. MAKES NO WARRANTY, EXPRESS OR IMPLIED, FOR THE ACCURACY, COMPLETENESS, OR RELIABILITY OF ANY INFORMATION. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.

File: location\O:\DEN\Projects\8434-01-Velocity Metro District\District Boundaries\Velocity Metro District and BID Map.dwg Plot Date: 9/4/2019 2:58 PM. Last Saved By: CALURRAY

 BID



N.T.S.



BID MAP	DATE: 09/04/19
	SHEET: 1 OF 1



RESOLUTION NO. R2021-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE PORTEOS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2016-43 organizing the Porteos Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Porteos Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

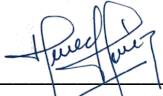
\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Parkside at City Centre Business Improvement District
<b>Item Initiator:</b> Jennifer Orozco, Development Project Manager – Planning and Development Services
<b>Staff Source/Legal Source:</b> Jennifer Orozco, Dev Project Mgr – PDS / Hanosky Hernandez, Assistant City Attorney
<b>Outside Speaker:</b>
<b>Council Goal:</b> 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PARKSIDE AT CITY CENTRE BUSINESS IMPROVEMENT DISTRICT

Jennifer Orozco, Dev Project Mgr – PDS / Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

**Policy Committee Date:** N/A

---

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Parkside at City Centre Business Improvement District (BID) in 2017 (Ord. No. 2017-18). The BID is located at the northeast corner of E. Alameda Avenue and S. Sable Boulevard. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Parkside at City Centre Business Improvement District 2022 operating plan and budget. All public improvements are anticipated to be completed in 2021, funded by \$13,990,000 from the 2019 debt issuance. Therefore, the 2022 operating plan anticipates no new activity for the Capital Projects Fund. In 2022 the General and Debt Service Funds anticipate \$729,510 in new revenue mainly from sales tax, property tax, developer advances, a privately imposed Public Improvement Fee (PIF), and a transfer from the Parkside Metropolitan District. The Debt Service Fund also anticipates a \$1,885,796 beginning fund balance, carried over from prior years. Together, the General and Debt Service Funds anticipate \$1,042,631 in expenditures in 2022, mainly for management and bond interest expenses.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. (Sec. 31-25-1211, C.R.S.) (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Parkside at City Centre Business Improvement District. Funding is projected at \$729,510 primarily from sales tax,

property tax, developer advances, a privately imposed Public Improvement Fee (PIF), and a transfer from the Parkside at City Centre Metropolitan District.

**2022 OPERATING PLAN AND BUDGET**

**PARKSIDE AT CITY  
CENTRE BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Arapahoe County, Colorado

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EXHIBIT A - Director Contact Information

EXHIBIT B - BID Budget 2022

    General Fund

    Capital Projects Fund

    Debt Service Fund

EXHIBIT C – District Boundary Map

**2022**  
**OPERATING PLAN FOR THE**  
**PARKSIDE AT CITY CENTRE BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE AND SCOPE OF THIS DISTRICT**

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Parkside at City Centre Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District will operate under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

The District’s original 2017 Operating Plan and subsequent Operating Plans, previously approved by the City, are incorporated herein by reference and shall remain in full force and effect except as specifically or necessarily modified hereby.

**C. Purposes.** As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2022 include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts.

**D. Ownership of Property or Major Assets.** The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

**E. Contracts and Agreements.** It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is currently a party to the Public Finance and Reimbursement Agreement with the Aurora Urban Renewal Authority, Parkside Aurora, LLC, and Parkside at City Centre Metropolitan District, dated March 4, 2019. The District entered into an Intergovernmental District Facilities Construction and Service Agreement with the Parkside at City Centre Metropolitan District on August 4, 2020, whereby the District is responsible for constructing,



operating, and maintaining certain public improvements benefitting both Districts and the Metropolitan District contributes to the costs related to such construction, operation, and maintenance. The District may also enter into agreements with the City and other districts encompassing adjacent developments in order to cooperate on infrastructure projects.

## **2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS**

- A. Organization. The Parkside at City Centre Business Improvement District was organized by the City of Aurora, Colorado by Ordinance No. 2017-38 on October 28, 2017.
- B. Governance. The District is governed by an elected Board of Directors.
- C. Current Board. The current Board members are:
  - 1) Donald J. Marcotte
  - 2) Chase LaFrano
  - 3) Tim Fredregill
  - 4) Jason Marcotte
  - 5) Darren Hinton

Director and other pertinent contact information is provided in Exhibit A.

- D. Term Limits. A ballot question was included to eliminate term limits for the November 7, 2017 special election. The question passed.
- E. Advisory Board. The Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

## **3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

A map of the District's boundaries following the exclusion of certain property anticipated to be completed by the end of 2021 is attached as **EXHIBIT C**. The District may have inclusion or exclusion requests in the coming year. The District will obtain the City's approval of any inclusion or exclusion of property in the event such action is necessary.

## 4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvements or services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install or cause to be constructed and installed include those public improvements the costs of which may, in accordance with the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation.

## 5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE

The District shall provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

## 6. FINANCIAL PLAN AND BUDGET

1. 2022 Budget. The proposed 2022 Budget for the District is attached as **EXHIBIT B**. The adopted 2021 Budget differed from the 2021 Budget attached to the 2021 Operating Plan to revise the anticipated amount of property tax revenue the District would receive from the Parkside at City Centre Metropolitan District and to adjust the amount of developer advances the District anticipated it would receive.
2. Authorized Indebtedness. The District held an election on November 7, 2017, for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be \$50,000,000.
3. Property Tax and Debt Service Mill Levy Cap. The District taxing ability shall be constrained to a mill levy limitation of up to 50 mills for debt service, provided, however, that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after

January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

4. **District Revenues.** The District anticipates receiving property tax revenue, public improvement fee revenue, sales tax revenue, developer advances, and property tax revenue from the Parkside at City Centre Metropolitan District in accordance with the Intergovernmental District Facilities Construction and Service Agreement the District and Parkside at City Centre Metropolitan District entered into on August 4, 2020. The District is the beneficiary of revenues derived from a privately imposed public improvement fee, which are used to support public improvement construction and existing bonds. See proposed 2022 Budget attached as **EXHIBIT B**.
5. **Existing Debt Obligations.** On April 9, 2019, the District issued its \$13,990,000 Special Revenue and Tax Supported Senior Bonds Series 2019 A (“2019 Bonds”) for the purpose of constructing capital improvements with a public purpose necessary for development. The City Council approved this issuance by Resolution No. R2019-06, as required by the 2019 Operating Plan. Following the issuance of the 2019 Bonds, the District has \$36,010,000 in remaining debt authorization. The District did not make any principal payments on the 2019 Bonds in 2020 or 2021.
6. **Future Debt Obligations.** The District does not anticipate issuing debt in 2022.
7. **Other Financial Obligations.** The District may enter into agreements including reimbursement or similar agreements and leases, as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.
8. **Non-Default Provisions.** Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.
9. The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District

## **7. 2022 ACTIVITIES, PROJECTS AND CHANGES**

### **(a) Activities**

The District provided operation and maintenance services in 2021, including, but not limited to, parking and street maintenance and operations, including snow removal, landscaping, stormwater, marketing, and common area maintenance. The District anticipates it will continue to provide such operation and maintenance services in 2022.

(b) Projects and Public Improvements

The District anticipates completing construction of the public improvements to serve the project by the end of 2021.

(c) Summary of 2022 Activities and Changes from Prior Year.

The District is anticipated to complete construction of the public improvements intended to serve the property within and without the District's boundaries by the end of 2021. The District's activities will largely consist of district administration, payment of its existing bonds, and providing the operation and maintenance services listed above.

**Boundary changes:** The District may have boundary changes in 2022.

**Changes to board or governance structure:** No changes are anticipated in 2022.

**Mill levy changes:** In 2021, the District imposed 50 mills for debt service, 13 mills for operations and maintenance, and 1 mill for ARI mill levy. In 2022, the District anticipates imposing 50 mills for debt service, 13 mills for operations and maintenance, and 1 mill for ARI mill levy.

**New, refinanced or fully discharged debt:** The District does not anticipate issuing debt for 2022.

**Elections:** Regular election on May 3, 2022.

**Major changes in development activity or valuation:** The District anticipates completing construction of the public improvements by the end of 2021.

**Ability to meet current financial obligations:** See 2022 Budget attached as **EXHIBIT B**.

## 8. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. If the District no longer has such obligations the District will seek to dissolve pursuant to C.R.S. § 31-25-1225.

## 9. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

**EXHIBIT A**  
**Director and Other Contact Information**

**BOARD OF DIRECTORS:**

Donald J. Marcotte 303.893.9500  
1999 Broadway, Suite 770 dmarcotte@northstarcp.com  
Denver, Colorado 80202

Jason Marcotte 303.893.9500  
1999 Broadway, Suite 770 jason@summitcvg.com  
Denver, Colorado 80202

Tim Fredregill 303.216.0420  
12655 W. 54<sup>th</sup> Drive tfredregill@milenderwhite.com  
Arvada, Colorado 80002

Chase LaFrano 303.216.0420  
1150 Galapago Street, #701 clafrano@milenderwhite.com  
Denver, Colorado 80204

Darren Hinton 303.216.0420  
5390 Lakeshore Drive dhinton@milenderwhite.com  
Bow Mar, Colorado 80123

**DISTRICT CONTACT:**

Russell W. Dykstra  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, Colorado 80203  
303-839-3845  
rdykstra@spencerfane.com

**INSURANCE AND DIRECTORS' BONDS:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Centennial, Colorado 80112  
303-368-5757

**ACCOUNTANT:**

Diane Wheeler

Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, Colorado 80112  
303-689-0833  
diane@simmonswheeler.com

**AUDITOR:**

Wipfli LLP  
14143 Denver W Parkway #450  
Lakewood, CO 80401  
303-988-1900

**EXHIBIT B**

**2022 BID Budget  
General Fund  
Capital Projects Fund  
Debt Service Fund**

**Parkside at City Centre Business Improvement District**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimated <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Revenues:</b>					
Property taxes	1,375	19,175	18,013	19,175	32,184
Specific ownership taxes	97	1,534	656	1,534	2,575
PIF revenue	-	8,679	-	8,679	28,036
2020 Tax abatement	-	-	-	-	(9,000)
Transfer from Parkside Metro District	7,699	16,592	15,298	17,001	31,696
Interest income	18	-	9	25	25
Developer advances	<u>60,059</u>	<u>65,305</u>	<u>27,397</u>	<u>77,722</u>	<u>63,709</u>
<b>Total revenues</b>	<u>69,248</u>	<u>111,285</u>	<u>61,373</u>	<u>124,136</u>	<u>149,225</u>
<b>Total funds available</b>	<u>69,248</u>	<u>111,285</u>	<u>61,373</u>	<u>124,136</u>	<u>149,225</u>
<b>Expenditures:</b>					
Accounting/audit	29,597	15,000	11,883	20,000	20,000
Election	-	-	-	-	-
Insurance/ SDA Dues	546	1,500	20,876	20,876	1,500
Legal	39,059	20,000	9,838	20,000	20,000
Trash	-	911	-	911	-
Utilities	-	750	-	750	2,400
Engineering	-	-	-	-	-
Water	-	-	-	-	9,300
Maintenance	-	11,800	-	11,800	13,200
Lot sweeping	-	6,200	-	6,200	3,800
Janitorial/Porter	-	15,000	-	15,000	19,200
Landscaping	-	14,000	-	14,000	13,320
Snow removal	-	7,000	-	7,000	15,000
Miscellaneous	25	2,000	56	100	2,400
Security	-	3,595	-	3,595	6,450
Management	-	-	-	-	12,000
Contingency	-	10,000	-	-	6,000
Treasurer's Fees	21	288	270	288	483
Emergency Reserve	<u>-</u>	<u>3,241</u>	<u>-</u>	<u>3,616</u>	<u>4,172</u>
<b>Total expenditures</b>	<u>69,248</u>	<u>111,285</u>	<u>42,923</u>	<u>124,136</u>	<u>149,225</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,450</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 1,475,033</u>			<u>\$ 2,475,698</u>
Mill Levy		<u>13.000</u>			<u>13.000</u>



**Parkside at City Centre Business Improvement District**  
**Proposed Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimated <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ 2,907,597	\$ -	\$ -	\$ -	\$ -
Revenues:					
Interest income	7,201	-	-	-	-
Developer advances	207,678	257,173	529,436	529,436	-
Bond Proceeds	-	-	-	-	-
Total revenues	<u>214,879</u>	<u>257,173</u>	<u>529,436</u>	<u>529,436</u>	<u>-</u>
Total funds available	<u>3,122,476</u>	<u>257,173</u>	<u>529,436</u>	<u>529,436</u>	<u>-</u>
Expenditures:					
Issuance costs	-	-	-	-	-
Capital expenditures	3,122,476	257,173	529,436	529,436	-
Transfer to Debt Service	-	-	-	-	-
Total expenditures	<u>3,122,476</u>	<u>257,173</u>	<u>529,436</u>	<u>529,436</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parkside at City Centre Business Improvement District**  
**Proposed Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimated <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ 3,469,019	\$ 2,622,803	\$ 2,617,512	\$ 2,617,512	\$ 1,885,796
Revenues:					
PIF Revenue	-	78,113	-	78,113	252,326
Sales tax revenue	-	-	-	-	191,347
Property taxes	13,755	73,752	69,279	73,752	123,785
Specific ownership taxes	975	5,900	2,523	5,900	9,903
Property taxes - ARI	275	1,475	1,386	1,475	2,476
Specific ownership taxes - ARI	19	118	50	118	198
Interest Income	11,844	35,000	126	500	250
Total revenues	<u>26,868</u>	<u>194,358</u>	<u>73,364</u>	<u>159,858</u>	<u>580,285</u>
Total funds available	<u>3,495,887</u>	<u>2,817,161</u>	<u>2,690,876</u>	<u>2,777,370</u>	<u>2,466,081</u>
Expenditures:					
Bond interest expense	874,375	874,375	437,188	874,375	874,375
Treasurer's fees	206	1,106	1,039	1,106	1,857
ARI Treasurer fees	4	22	21	22	37
Authority fee	-	11,000	11,000	11,000	11,000
Trustee / paying agent fees	3,500	10,000	3,500	3,500	3,500
ARI Mill levy	290	1,571	1,415	1,571	2,637
Total expenditures	<u>878,375</u>	<u>898,074</u>	<u>454,163</u>	<u>891,574</u>	<u>893,406</u>
Ending fund balance	<u>\$ 2,617,512</u>	<u>\$ 1,919,087</u>	<u>\$ 2,236,713</u>	<u>\$ 1,885,796</u>	<u>\$ 1,572,675</u>
Assessed valuation		<u>\$ 1,475,033</u>			<u>\$ 2,475,698</u>
Mill Levy		<u>50.000</u>			<u>50.000</u>
ARI Mill Levy		<u>1.000</u>			<u>1.000</u>
Total Mill Levy		<u>64.000</u>			<u>64.000</u>

**EXHIBIT C**

**District Boundary Map**

**Parkside at City Centre Business Improvement District:**

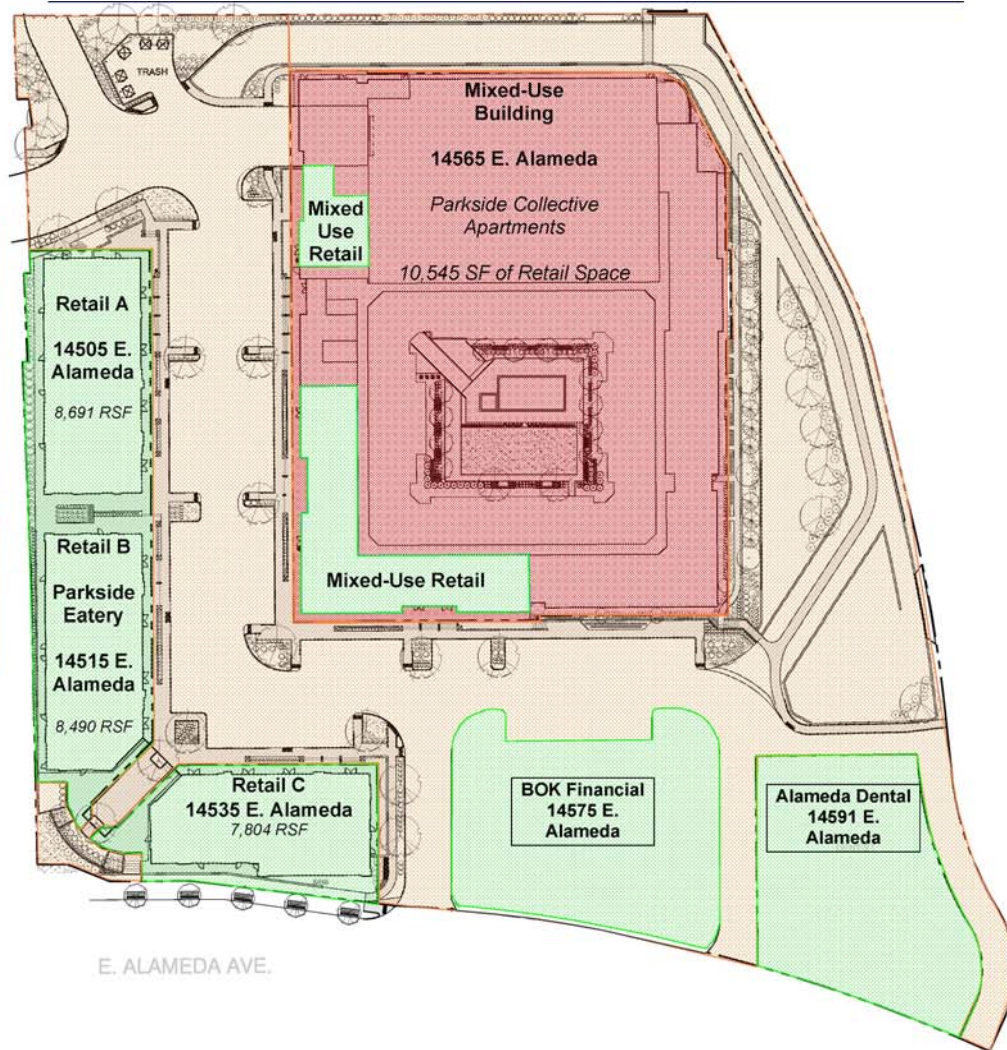
24,985 SF of Stand-Alone Retail Buildings:  
Parkside Retail A: 14505 E. Alameda  
Parkside Retail B: 14515 E. Alameda  
Parkside Retail C: 14535 E. Alameda

Ground Floor Retail Portion of Parkside Collective  
Mixed-Use Building:  
14565 E. Alameda

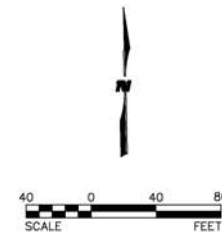
BOK Financial Building: 14575 E. Alameda  
Alameda Dental Building 14591 E. Alameda

**Parkside at City Centre Metro District:**

Mixed-Use Building, Excluding the 10,545 SF of Ground  
Floor Retail Portion of the Mixed-Use Building:  
14565 E. Alameda



E. ALAMEDA AVE.



RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE PARKSIDE AT CITY CENTRE BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-38 organizing the Parkside at City Centre Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Parkside at City Centre Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

---

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read 'Hanosky Hernandez', written over a horizontal line.

RLA

---

HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Citadel on Colfax Business Improvement District

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

**Policy Committee Date:** N/A

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**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Citadel on Colfax Business Improvement District (BID) in 2017 (Ord. No. 2017-35). The BID is located generally at the southeast corner of E Colfax Avenue and N Sable Boulevard. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Citadel on Colfax Business Improvement District 2022 operating plan and budget. The operating plan anticipates mainly remaining bond proceeds from the 2020 debt issuance, property taxes and a transfer from Colfax Sable Metropolitan District for its \$1,810,121 revenue and expected expenditures (General, Capital Projects and Debt Service Funds). The Citadel on Colfax BID will continue to construct and install public improvements to serve the development in 2022 including street improvements, landscaping, traffic signalization and site furnishings.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

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**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

---

**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Citadel on Colfax Business Improvement District. Funding is projected at \$1,810,121 primarily from remaining bond proceeds, property taxes and a transfer from the Colfax Sable Metropolitan District.



**2022 OPERATING PLAN AND BUDGET**

**CITADEL ON  
COLFAX BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Arapahoe County, Colorado

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EXHIBIT A - Director Contact Information

EXHIBIT B - BID Budget 2022

    General Fund

    Debt Service Fund

    Capital Projects Fund

EXHIBIT C – District Legal Description

**2022**  
**OPERATING PLAN FOR THE**  
**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE AND SCOPE OF THIS DISTRICT**

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Citadel on Colfax Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District will operate under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

The District’s original 2017 Operating Plan and subsequent Operating Plans, previously approved by the City, are incorporated herein by reference, and shall remain in full force and effect except as specifically or necessarily modified hereby.

**C. Purposes.** As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2022 include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts.

**D. Ownership of Property or Major Assets.** The District will own public improvements as constructed if such improvements are not otherwise dedicated to other public entities for operation and maintenance.

**E. Contracts and Agreements.** It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is currently party to an Intergovernmental Agreement with the City of Aurora dated August 21, 2017 and is currently party to an Intergovernmental District Facilities Construction and Service Agreement with the Colfax Sable Metropolitan District. The District may also enter into agreements with other districts encompassing adjacent developments in order to cooperate on infrastructure projects.

## **2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS**

- A. Organization. The Citadel on Colfax Business Improvement District was organized by the City of Aurora, Colorado by Ordinance No. 2017-35 on October 28, 2017.
- B. Governance. The District is governed by an elected Board of Directors.
- C. Current Board. The persons who currently serve on the Board of Directors are:
  - 1) Donald J. Marcotte
  - 2) Jazzmine Clifton
  - 3) Vacant
  - 4) Vacant
  - 5) Vacant

Director and other pertinent contact information is provided in **EXHIBIT A**.

- D. Term Limits. The District's election on November 7, 2017, included a ballot question to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The question passed.
- E. Advisory Board. The Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

## **3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The legal description of the District's current boundaries is attached as **EXHIBIT C**. In 2022 and subsequent years, the District anticipates inclusion requests for additional property as boundaries are established and additional property owners participate in the District.

## **4. PUBLIC IMPROVEMENTS**

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances to provide improvements or services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law.

The public improvements that the District anticipates it will construct, install or cause to be constructed and installed, include those public improvements the costs of which may, in accordance with the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation.

## **5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE**

The District shall provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

## **6. FINANCIAL PLAN AND BUDGET**

1. 2022 Budget. The proposed 2022 Budget for the District is attached as **EXHIBIT B**. The adopted 2021 Budget differs from the 2021 Budget attached to the 2021 Operating Plan to account for the final assessed valuation of the property within the District, to include a transfer of property tax revenue from the Colfax Sable Metropolitan District, to adjust the amount of developer advances the District anticipated it would receive, to adjust the expenditure amounts the District anticipated incurring, and to adjust the amounts related to the bonds issued in 2020.
2. Authorized Indebtedness. The District held an election on November 7, 2017 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as are necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be \$50,000,000.
3. Property Tax and Debt Service Mill Levy Cap. The District taxing ability shall be constrained to a mill levy limitation of up to 50 mills for debt service, provided, however, that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.
4. District Revenues. The District anticipates receiving revenues derived from property taxes and tax revenue from the Colfax Sable Metropolitan District in accordance with the Intergovernmental District Facilities Construction and Service

Agreement and the Capital Pledge Agreement the District and Colfax Sable Metropolitan District entered into as part of the District's bond issuance in 2020. The District also anticipates utilizing public improvement fees to support public improvement construction.

5. Existing Debt Obligations. The District issued its \$11,600,000 Special Revenue and Tax Supported Senior Bonds Series 2020A and \$930,000 Special Revenue and Tax Supported Subordinate Bonds Series 2020B on November 25, 2020.
6. Future Debt Obligations. The District does not anticipate issuing debt in 2022.
7. Other Financial Obligations. The District may enter into agreements including reimbursement or similar agreements and leases; as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.
8. Non-Default Provisions. Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.
9. The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District

## **7. 2022 ACTIVITIES, PROJECTS AND CHANGES**

### **(a) Activities**

The District will continue with development activity in 2022.

### **(b) Projects and Public Improvements**

The District anticipates undertaking projects related to public improvements in the upcoming year.

### **(c) Summary of 2022 Activities and Changes from Prior Year**

In 2021, the District did not complete construction of any public improvements. In 2022, the District will focus on constructing and installing the public improvements to serve the project in 2022, including street improvements, landscaping, traffic signalization, and site furnishings.

**Boundary changes:** Boundary changes may occur in 2022.

**Changes to board or governance structure:** Appointments may be made to the Board of Directors to fill the vacancies, however, no individuals have been identified to fill the current vacancies.

**Mill levy changes:** The District imposed 10 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2021. The District anticipates imposing 10 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2022.  
**New, refinanced or fully discharged debt:** The District does not anticipate issuing debt in 2022.

**Elections:** Regular election to occur on May 3, 2022.

**Major changes in development activity or valuation:** Development activity is anticipated to continue for the upcoming year.

**Ability to meet current financial obligations:** See 2022 Budget attached as **EXHIBIT B**.

## **8. DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. If the District no longer has such obligations the District will seek to dissolve pursuant to C.R.S. § 31-25-1225.

## **9. CONCLUSION**

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

**EXHIBIT A**  
**Director and Other Contact Information**

**BOARD OF DIRECTORS:**

Donald J. Marcotte  
1999 Broadway, Suite 770  
Denver, Colorado 80202

303.893.9500  
dmarcotte@strategicstoragepartners.com

Jazzmine Clifton  
16921 E. Wyoming Drive  
Aurora, CO 80017

720.249.2249  
jclifton@strategicstoragepartners.com

Vacant

Vacant

**DISTRICT CONTACT:**

Russell W. Dykstra  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, Colorado 80203  
303-839-3845  
rdykstra@spencerfane.com

**INSURANCE AND DIRECTORS' BONDS:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Centennial, Colorado 80112  
303-368-5757

**ACCOUNTANT:**

Diane Wheeler  
Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, Colorado 80112  
303-689-0833  
diane@simmonswheeler.com

**AUDITOR:**

Annie Fitzsimmons  
Hiratsuka & Associates  
4251 Kipling Street, Suite 410  
Wheat Ridge, CO 80033  
970-778-2518  
annief@cpa-hs.com



**EXHIBIT B**  
**2022 BID Budget**

**Citadel on Colfax BID**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ 29,962	\$ 29,962	\$ 23,209
<b>Revenues:</b>					
Property taxes	29,894	5,268	1,092	2,000	17,243
Specific ownership taxes	2,119	421	418	800	1,379
Property taxes ARI	-	527	108	2,000	1,724
Specific ownership taxes ARI	-	42	13	80	138
Transfer From Colfax Sable MD	-	34,477	34,477	34,477	161
Developer advances	1,662	9,265	-	-	-
<b>Total revenues</b>	<u>33,675</u>	<u>50,000</u>	<u>36,108</u>	<u>39,357</u>	<u>20,645</u>
<b>Total funds available</b>	<u>33,675</u>	<u>50,000</u>	<u>66,070</u>	<u>69,319</u>	<u>43,854</u>
<b>Expenditures:</b>					
Accounting/audit	2,567	8,000	9,604	15,000	12,000
Election	-	-	-	-	-
Insurance/ SDA Dues	276	2,500	290	3,500	2,500
Legal	372	25,000	14,492	25,000	25,000
Engineering	-	-	-	-	-
Miscellaneous	25	1,000	-	500	950
Management	-	1,000	-	-	-
Contingency	-	10,708	-	-	7
Aurora Regional Mill levy	-	561	429	2,080	1,836
Treasurer's Fees	473	79	16	30	259
Treasurer's Fees - ARI	-	8	2	-	26
Emergency Reserve	-	1,144	-	-	1,276
<b>Total expenditures</b>	<u>3,713</u>	<u>50,000</u>	<u>24,833</u>	<u>46,110</u>	<u>43,854</u>
Ending fund balance	<u>\$ 29,962</u>	<u>\$ -</u>	<u>\$ 41,237</u>	<u>\$ 23,209</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 526,788</u>			<u>\$ 1,724,263</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>
ARI Mill levy		<u>1.000</u>			<u>1.000</u>

**Citadel on Colfax BID**  
**Proposed Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ 1,168,374	\$ 1,168,374	\$ 1,138,874
Revenues:					
Developer advances	8,042,967	-	-	-	-
Bond Proceeds	12,530,000	-	-	-	-
Interest	99	-	391	500	500
Total revenues	<u>20,573,066</u>	<u>-</u>	<u>391</u>	<u>500</u>	<u>500</u>
Total funds available	<u>20,573,066</u>	<u>-</u>	<u>1,168,765</u>	<u>1,168,874</u>	<u>1,139,374</u>
Expenditures:					
Issuance costs	608,400	-	-	-	-
Capital expenditures	8,042,967	-	28,120	30,000	1,139,374
Repay developer advances	8,042,967	-	-	-	-
Transfer to Debt Service	2,710,358	-	-	-	-
Total expenditures	<u>19,404,692</u>	<u>-</u>	<u>28,120</u>	<u>30,000</u>	<u>1,139,374</u>
Ending fund balance	<u>\$ 1,168,374</u>	<u>\$ -</u>	<u>\$ 1,140,645</u>	<u>\$ 1,138,874</u>	<u>\$ -</u>

**Citadel on Colfax BID**  
**Proposed Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>6/30/2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ 2,705,358	\$ 2,710,593	\$ 2,710,593	\$ 2,105,467
<b>Revenues:</b>					
Transfer from Colfax Sable	-	77,975	16,949	23,200	66,198
Property taxes	-	26,339	5,418	5,500	86,213
Specific ownership taxes	-	2,107	669	1,200	6,897
Transfer from Capital Projects	2,710,358	-	-	-	-
Interest Income	235	-	911	1,000	-
<b>Total revenues</b>	<u>2,710,593</u>	<u>106,421</u>	<u>23,947</u>	<u>30,900</u>	<u>159,308</u>
<b>Total funds available</b>	<u>2,710,593</u>	<u>2,811,779</u>	<u>2,734,540</u>	<u>2,741,493</u>	<u>2,264,775</u>
<b>Expenditures:</b>					
Bond interest expense	-	675,000	320,643	630,943	620,600
Treasurer's fees	-	395	83	83	1,293
Trustee / paying agent fees	-	5,000	-	5,000	5,000
<b>Total expenditures</b>	<u>-</u>	<u>680,395</u>	<u>320,726</u>	<u>636,026</u>	<u>626,893</u>
<b>Ending fund balance</b>	<u>\$ 2,710,593</u>	<u>\$ 2,131,384</u>	<u>\$ 2,413,814</u>	<u>\$ 2,105,467</u>	<u>\$ 1,637,882</u>
<b>Assessed valuation</b>		<u>\$ 526,788</u>			<u>\$ 1,724,263</u>
<b>Mill Levy</b>		<u>50.000</u>			<u>50.000</u>
<b>Total Mill Levy</b>		<u>61.000</u>			<u>61.000</u>

## **EXHIBIT C**

### **District Legal Description and Map**

LOT 1, BLOCK 1, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 1, BLOCK 2, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 3, BLOCK 2, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 1, BLOCK 7, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOT 2, BLOCK 7, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

LOTS 1 – 4, BLOCK 8, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

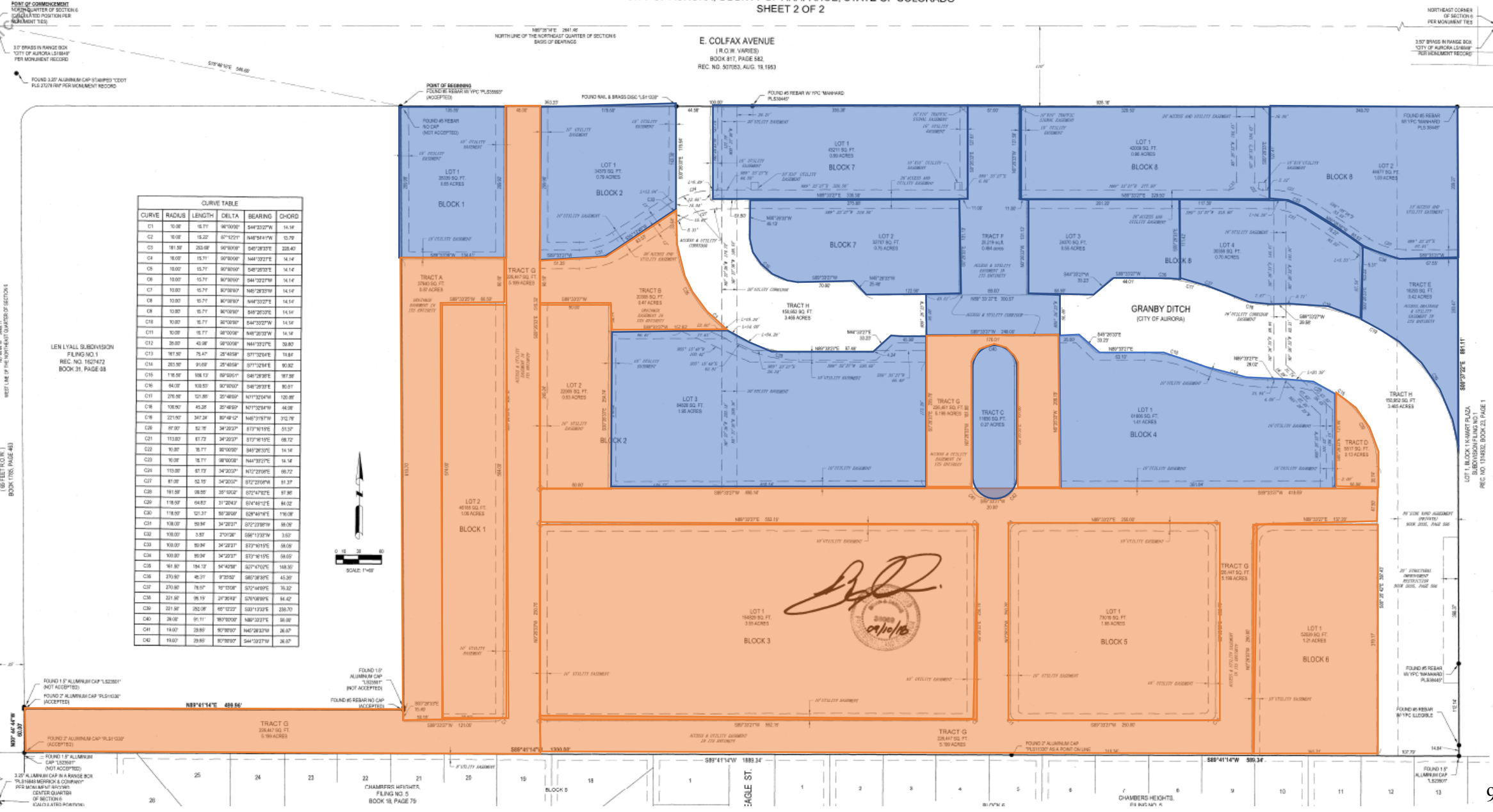
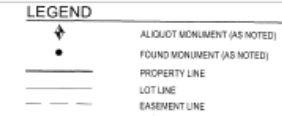
LOT 1, BLOCK 4, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

TRACTS C, E, F, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

**Business Improvement District**  
**Metropolitan District**

# CITADEL ON COLFAX SUBDIVISION FILING NO. 1

A RESUBDIVISION OF TRACT A, MONTEREY POINT SUBDIVISION FILING NO. 1 AND LOT 1, BLOCK 1, MONTEREY POINTE SUBDIVISION FILING NO. 2 AND LOT 1, BLOCK 1, MONTEREY POINTE SUBDIVISION FILING NO. 3  
 SITUATED IN THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 4 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN  
 CITY OF AURORA, COUNTY OF ARAPAHOE, STATE OF COLORADO  
 SHEET 2 OF 2



**CURVE TABLE**

CURVE	RADIUS	LENGTH	DELTA	BEARING	CHORD
C1	10.00	15.71	90°00'00"	S44°23'27"W	14.14
C2	10.00	15.02	87°42'11"	N48°54'11"W	15.79
C3	10.00	203.68	90°00'00"	S40°28'32"E	233.47
C4	10.00	15.71	90°00'00"	N44°32'27"E	14.14
C5	10.00	15.71	90°00'00"	S40°28'32"E	14.14
C6	10.00	15.71	90°00'00"	S44°32'27"W	14.14
C7	10.00	15.71	90°00'00"	N40°28'32"E	14.14
C8	10.00	15.71	90°00'00"	N44°32'27"E	14.14
C9	10.00	15.71	90°00'00"	S40°28'32"E	14.14
C10	10.00	15.71	90°00'00"	N44°32'27"W	14.14
C11	10.00	15.71	90°00'00"	N40°28'32"E	14.14
C12	30.00	43.98	90°00'00"	N44°32'27"E	30.00
C13	107.50	75.47	27°49'59"	S77°32'54"E	118.81
C14	203.50	91.69	27°49'59"	S77°32'54"E	300.82
C15	100.50	108.13	90°00'00"	S40°28'32"E	107.50
C16	84.00	100.03	90°00'00"	S40°28'32"E	90.51
C17	270.50	121.80	25°48'59"	N77°32'54"E	120.89
C18	100.50	45.20	25°48'59"	N77°32'54"E	44.98
C19	221.50	247.24	80°48'42"	N48°51'31"W	372.78
C20	87.00	52.70	34°29'23"	S73°10'19"E	51.32
C21	113.00	61.72	34°29'23"	S73°10'19"E	68.72
C22	30.00	16.71	90°00'00"	S40°28'32"E	14.14
C23	30.00	16.71	90°00'00"	N44°32'27"E	14.14
C24	170.00	61.72	34°29'23"	N73°29'06"E	68.72
C25	87.00	52.10	34°29'23"	S73°29'06"E	51.37
C26	181.00	98.00	35°10'02"	S75°47'02"E	97.86
C27	178.00	94.82	31°20'49"	S74°49'12"E	84.02
C28	178.00	121.31	55°20'09"	S28°40'14"E	176.08
C29	100.00	90.84	34°29'23"	S73°29'06"E	90.00
C30	100.00	3.57	270°00'	S88°12'32"W	3.60
C31	100.00	90.84	34°29'23"	S73°29'06"E	90.00
C32	100.00	90.84	34°29'23"	S73°29'06"E	90.00
C33	94.80	104.12	54°42'08"	S27°47'02"E	108.30
C34	270.00	40.37	37°05'00"	S67°36'30"E	43.30
C35	270.00	76.97	37°05'00"	S27°46'09"E	70.32
C36	221.00	98.19	27°36'42"	S70°08'09"E	84.42
C37	221.00	262.00	88°10'22"	S61°12'24"E	280.70
C38	20.00	61.11	90°00'00"	N88°32'27"E	60.00
C39	14.00	19.80	90°00'00"	N40°28'32"E	20.00
C40	14.00	19.80	90°00'00"	S44°32'27"W	20.00

LEN LYALL SUBDIVISION  
 FILING NO. 1  
 REC. NO. 1627472  
 BOOK 31, PAGE 98



*[Signature]*  
 2020  
 01/10

RESOLUTION NO. R2021-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-35 organizing the Citadel on Colfax Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Citadel on Colfax Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney





# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District No. 1

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 1

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

**Policy Committee Date:** N/A

---

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Painted Prairie Business Improvement District No. 1 (BID) in 2017 (Ord. No. 2017-36). The BID is located in the southeast corner of E 64<sup>th</sup> Avenue and N Himalaya Road. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Painted Prairie Business Improvement District No. 1 2022 operating plan and budget. The operating plan anticipates mainly developer advances for its \$30,003 revenue and expected expenditures. The Painted Prairie No. 1 BID does not anticipate any major public improvements for 2022.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. (Sec. 31-25-1211, C.R.S.) (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Painted Prairie Business Improvement District No. 1. Funding is projected at \$30,003 primarily from developer advances.

# **PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER ONE**

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## **2022 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted: September 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 2000  
Denver, CO 80122

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## **EXHIBIT LIST**

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget and Financial Statements
- EXHIBIT C** District Contact Information

## **I. PURPOSE AND SCOPE OF DISTRICT**

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Painted Prairie Business Improvement District Number One (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30 of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the Business Improvement District Act, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of bonds to be issued by the District; and (5) such other information as the City may require.

**C. Purposes.** As may be further articulated in succeeding year’s operating plans, the ongoing and contemplated purposes of the District include the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all the services and public improvements allowed under Colorado law for business improvement districts.

## **II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS**

**A. Current Board of Directors.** The composition of the District’s current board of directors (“**Board of Directors**”) is:

1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

**B. Term Limits.** Ballot Question W of the November 7, 2017 election eliminated term limits.

**C. Director Compensation.** The Board of Directors shall receive compensation up to \$100 per meeting attended for their services as directors.

### **III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The current District boundaries are 0.250 acres as depicted in **Exhibit A**. The District anticipates boundary adjustments to occur in 2021. Therefore, the Board will be requesting the City Council approve boundary adjustments in 2021. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

### **IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS**

The District will primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the “**Public Improvements**”). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

#### **A. Current Year (2021) Services, Activities, Projects and Public Improvements.**

As the development within the District is still in the planning stages, the District only undertook administrative functions during 2021.

#### **B. Future Year (2022) Services, Activities, Projects and Public Improvements.**

During 2022, the District intends to undertake the planning of Public Improvements necessary for the development of property within the District.

### **V. SOURCES OF REVENUE**

**A. Current Year (2021) Sources of Revenue.** The primary source of revenue for the District in 2021 was developer advances. The District imposed a 10.000 mill levy on all property within the District for collection in 2021, all of which was dedicated to the General Fund.

**B. Future Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

## **VI. PROPERTY TAX AND MILL LEVY**

**A. Mill Levy Caps.** The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

**B. Current Year (2021) Mill Levy.** The District imposed a 10.000 mill levy on all property within the District for collection in 2021, all of which was dedicated to the General Fund.

**C. Future Year (2022) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund.

## **VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS**

**A. Maximum Debt Authorization.** The District held an organizational election on November 7, 2017 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

**B. Current Year (2021) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2022) Debt Outstanding.** The District does not anticipate issuing debt in 2022.

## **VIII. BUDGET AND FINANCIAL STATEMENTS**

**A. 2022 Budget.** The proposed 2022 Budget for the District is attached as **Exhibit B**.

**C. 2021 Budget.** The District’s 2021 Budget is attached as **Exhibit B**.

**B. 2020 Financial Statements.** The District’s December 31, 2020 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2020.



## **IX. DISTRICT CONTACT INFORMATION**

**A. Contact Information.** Contact information for the District's accountant and District's representative where follow-up inquiries and questions should be directed is set forth on **Exhibit C**.

## **X. DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

## **XI. CONCLUSION**

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional information required by the City. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

**EXHIBIT A**  
**DISTRICT LEGAL DESCRIPTION AND MAP**

**LEGAL DESCRIPTION – PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 1**

A PARCEL BEING A PART OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 11, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 11, BEING MONUMENTED AS SHOWN ON THE ATTACHED EXHIBIT, TO BEAR NORTH 00°13'50" WEST, A DISTANCE OF 2658.63 FEET WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 18°41'27" WEST, A DISTANCE OF 227.38 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, WESTERLY OF THE EAST LINE OF SAID SOUTHEAST QUARTER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE SOUTH 89°46'10" WEST, A DISTANCE OF 105.00 FEET;

THENCE NORTH 00°13'50" WEST, A DISTANCE OF 105.00 FEET;


THENCE NORTH 89°46'10" EAST, A DISTANCE OF 105.00 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, WESTERLY OF THE EAST LINE OF SAID SOUTHEAST QUARTER;

THENCE SOUTH 00°13'50" EAST PARALLEL WITH SAID EAST LINE, A DISTANCE OF 105.00 FEET TO THE POINT OF BEGINNING,

SAID PARCEL CONTAINING A CALCULATED AREA OF 11,025 SQUARE FEET OR 0.253 ACRE, MORE OR LESS.

THE LINEAL UNIT USED IN THE PREPARATION OF THESE DESCRIPTIONS IS THE U.S. SURVEY FOOT AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

I, WILLIAM F. HESSELBACH JR., A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

  
WILLIAM F. HESSELBACH JR., P.L.S. 25359  
FOR AND ON BEHALF OF  
CVL CONSULTANTS OF COLORADO, INC.  
10333 E. DRY CREEK ROAD, SUITE 240  
ENGLEWOOD, CO 80112



# ILLUSTRATION FOR EXHIBIT

SE 1/4  
SEC 11

E 1/4 COR. SEC. 11  
REBAR & 3-1/2" ALUM. CAP  
"LS 38003 2007"

E. LINE, SE 1/4, SEC. 11  
N00°13'50"W 2658.63'  
(BASIS OF BEARINGS)

BUSINESS IMPROVEMENT  
DISTRICT #1  
11,025 S.F.  
0.253 AC.

N89°46'10"E  
105.00'

N00°13'50"W  
105.00'

72.00'  
S00°13'50"E  
105.00'

S89°46'10"W  
105.00'

POINT OF  
BEGINNING

N18°41'27"W  
227.38' (TIE)

S LINE, SE 1/4, SEC. 11  
N89°43'32"E 2653.23'

S 1/4 COR. SEC. 11  
REBAR & 3-1/4" ALUM. CAP  
"LS 17666 2002"

POINT OF COMMENCEMENT  
SE COR. SEC. 11  
REBAR & 3-1/4" BRASS CAP  
"LS 16398 1986"



OWNER:  
WF PRAIRIE LLC  
5600 GREENWOOD PLAZA BLVD., STE 220  
GREENWOOD VILLAGE, CO 80111

200 100 0 200 400

SCALE: 1" = 200'

THE ABOVE DESCRIBED PARCEL CONTAINS 11,025 SQUARE FEET OR (0.253 ACRE) MORE OR LESS.  
This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 1		A PARCEL OF LAND SITUATED WITHIN THE SOUTHEAST QUARTER OF SECTION 11, T3S, R66W, 6TH P.M., CITY OF AURORA, ADAMS COUNTY, COLORADO.	
DRAWN BY: MJP	SCALE: 1" = 200'	R.O.W. FILE NUMBER	
CHECKED BY: WFM	DATE: 4/25/2017	JOB NUMBER: 30175604	

**EXHIBIT B**  
**BUDGETS AND FINANCIAL STATEMENTS**

**Painted Prairie Business Improvement District #1**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>06/30/21</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	4	-	-	229
Specific ownership taxes	-	-	-	-	18
Developer advances	<u>17,429</u>	<u>29,996</u>	<u>8,312</u>	<u>20,000</u>	<u>29,756</u>
Total revenues	<u>17,429</u>	<u>30,000</u>	<u>8,312</u>	<u>20,000</u>	<u>30,003</u>
Total funds available	<u>17,429</u>	<u>30,000</u>	<u>8,312</u>	<u>20,000</u>	<u>30,003</u>
Expenditures:					
Accounting / audit	3,197	5,000	1,719	5,000	5,000
Engineering	-	5,000	-	-	5,000
Insurance/SDA dues	4,312	2,500	4,192	4,200	2,500
Legal	9,720	15,000	2,401	10,000	15,000
Miscellaneous	200	1,000	-	800	1,000
Treasurer fees	-	-	-	-	3
Contingency	-	645	-	-	645
Emergency reserve (3%)	-	855	-	-	855
Total expenditures	<u>17,429</u>	<u>30,000</u>	<u>8,312</u>	<u>20,000</u>	<u>30,003</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 420</u>			<u>\$ 22,870</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>

## EXHIBIT C

### DISTRICT CONTACT INFORMATION

#### **District Representative Contact:**

Clint C. Waldron, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: cwaldron@wbapc.com

Megan J. Murphy, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: mmurphy@wbapc.com

#### **District Accountant:**

Diane Wheeler  
304 Inverness Way South  
Suite 490  
Englewood, CO 80112  
Work: 303-689-0833  
Email: diane@simmonswheeler.com

#### **District Auditor:**

Not applicable

RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER ONE

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-36 organizing the Painted Prairie Business Improvement District Number One (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District Number One are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

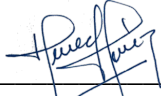


ATTEST:

---

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read 'Hanosky Hernandez', written over a horizontal line.

RLA

---

HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District No. 2

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 2

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

---

### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration  
Reason for waiver is described in the Item Details field.

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

---

**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Painted Prairie Business Improvement District No. 2 (BID) in 2017 (Ord. No. 2017-37). The BID is located generally south of E 64<sup>th</sup> Avenue and west of N Picadilly Road. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

---

**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Painted Prairie Business Improvement District No. 2 2022 operating plan and budget. The operating plan anticipates developer advances for its \$25,000 revenue and expected expenditures. The Painted Prairie No. 2 BID does not anticipate any major public improvements for 2022.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

---

**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

---

**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Painted Prairie Business Improvement District No. 2. Funding is projected at \$25,000 from developer advances.

# **PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER TWO**

---

## **2022 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted: September 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 2000  
Denver, CO 80122

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## **EXHIBIT LIST**

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget and Financial Statements
- EXHIBIT C** District Contact Information

## I. PURPOSE AND SCOPE OF DISTRICT

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Painted Prairie Business Improvement District Number Two (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30 of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the Business Improvement District Act, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of bonds to be issued by the District; and (5) such other information as the City may require.

**C. Purposes.** As may be further articulated in succeeding year’s operating plans, the ongoing and contemplated purposes of the District include the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all the services and public improvements allowed under Colorado law for business improvement districts.

## II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS

**A. Current Board of Directors.** The composition of the District’s current board of directors (“**Board of Directors**”) is:

1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

**B. Term Limits.** Ballot Question W of the November 7, 2017 election eliminated term limits.

**C. Director Compensation.** The Board of Directors shall receive compensation up to \$100 per meeting attended for their services as directors.

### **III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The current District boundaries are 0.250 acres as depicted in **Exhibit A**. The District anticipates boundary adjustments to occur in 2021. Therefore, the Board will be requesting the City Council approve boundary adjustments in 2021. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

### **IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS**

The District will primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the “**Public Improvements**”). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

#### **A. Current Year (2021) Services, Activities, Projects and Public Improvements.**

As the development within the District is still in the planning stages, the District only undertook administrative functions during 2021.

#### **B. Future Year (2022) Services, Activities, Projects and Public Improvements.**

During 2022, the District intends to undertake the planning of Public Improvements necessary for the development of property within the District.

### **V. SOURCES OF REVENUE**

**A. Current Year (2021) Sources of Revenue.** The primary source of revenue for the District in 2021 was developer advances. The District imposed a 10.000 mill levy on all property within the District for collection in 2021, all of which was dedicated to the General Fund.



**B. Future Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

## **VI. PROPERTY TAX AND MILL LEVY**

**A. Mill Levy Caps.** The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

**B. Current Year (2021) Mill Levy.** The District imposed a 10.000 mill levy on all property within the District for collection in 2021, all of which was dedicated to the General Fund.

**C. Future Year (2022) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund.

## **VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS**

**A. Maximum Debt Authorization.** The District held an organizational election on November 7, 2017 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

**B. Current Year (2021) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2022) Debt Outstanding.** The District does not anticipate issuing debt in 2022.

## **VIII. BUDGET AND FINANCIAL STATEMENTS**

**A. 2022 Budget.** The proposed 2022 Budget for the District is attached as **Exhibit B**.

**B. 2021 Budget.** The District’s 2021 Budget is attached as **Exhibit B**.

**B. 2020 Financial Statements.** The District’s December 31, 2020 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2020.

## **IX. DISTRICT CONTACT INFORMATION**

**A. Contact Information.** Contact information for the District's accountant and District's representative where follow-up inquiries and questions should be directed is set forth on **Exhibit C**.

## **X. DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

## **XI. CONCLUSION**

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional information required by the City. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

**EXHIBIT A**  
**DISTRICT LEGAL DESCRIPTION AND MAP**

**LEGAL DESCRIPTION – PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 2**

**A PARCEL BEING A PART OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 11, AND CONSIDERING THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 11, BEING MONUMENTED AS SHOWN ON THE ATTACHED EXHIBIT, TO BEAR NORTH 89°55'04" EAST, A DISTANCE OF 2645.51 FEET WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;**

**THENCE SOUTH 84°23'46" EAST, A DISTANCE OF 726.68 FEET TO A POINT BEING 72.00 FEET, BY PERPENDICULAR MEASUREMENT, SOUTHERLY OF THE NORTH LINE OF SAID NORTHWEST QUARTER, SAID POINT BEING THE POINT OF BEGINNING;**

**THENCE NORTH 89°55'04" EAST PARALLEL WITH SAID NORTH LINE, A DISTANCE OF 105.00 FEET;**

**THENCE SOUTH 00°04'56" EAST, A DISTANCE OF 105.00 FEET;**

**THENCE SOUTH 89°55'04" WEST, A DISTANCE OF 111.32 FEET TO A POINT OF NON-TANGENT CURVATURE;**

**THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 527.00 FEET, A CENTRAL ANGLE OF 08°48'40", AN ARC LENGTH OF 60.74 FEET, THE CHORD OF WHICH BEARS NORTH 04°23'20" EAST, 80.66 FEET;**

**THENCE NORTH 00°00'00" EAST, A DISTANCE OF 24.69 FEET TO THE POINT OF BEGINNING,**

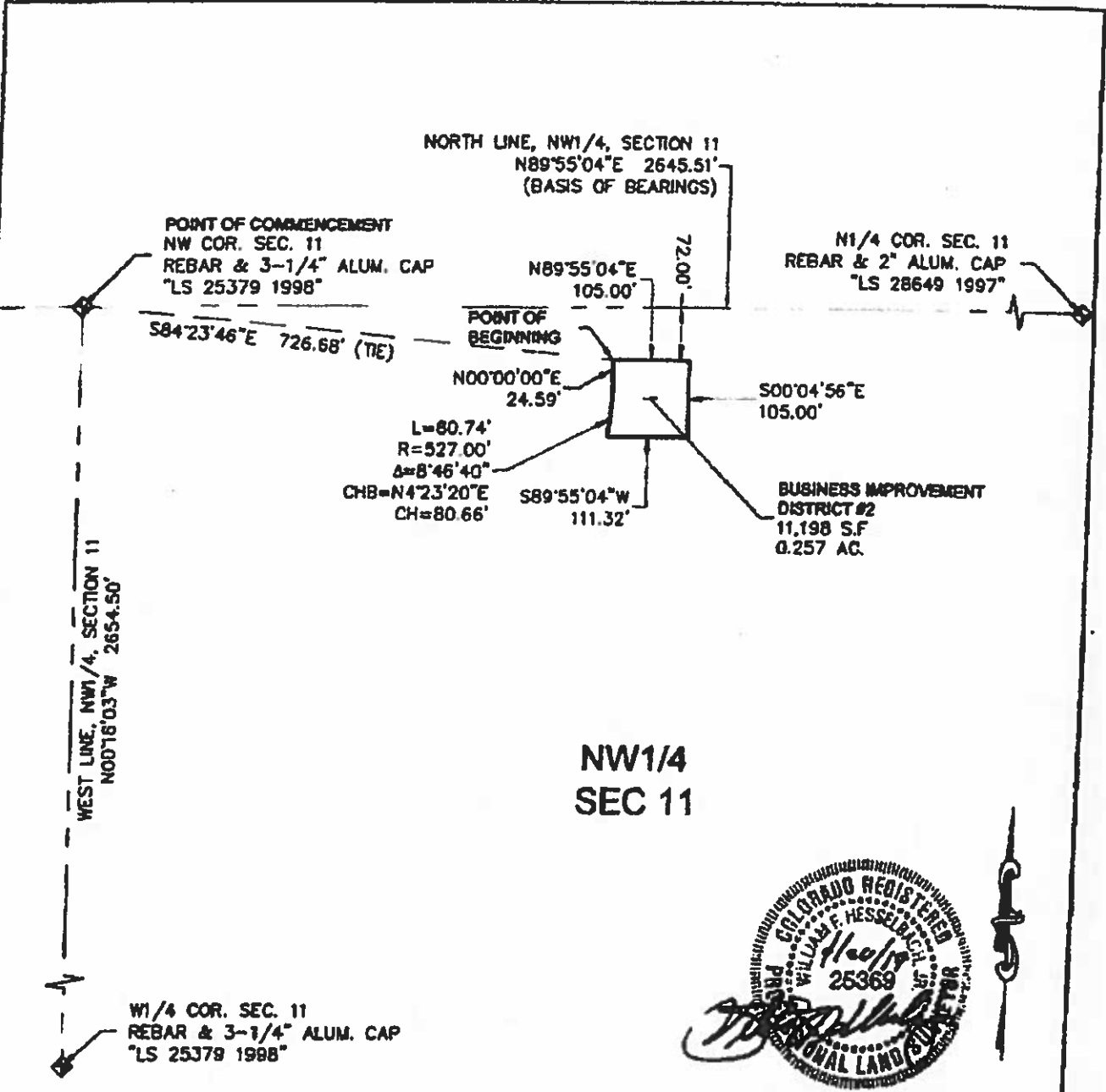
**SAID PARCEL CONTAINING A CALCULATED AREA OF 11,198 SQUARE FEET OR 0.257 ACRE, MORE OR LESS.**

**THE LINEAL UNIT USED IN THE PREPARATION OF THESE DESCRIPTIONS IS THE U.S. SURVEY FOOT AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.**

**I, WILLIAM F. HESSELBACH JR., A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.**

**WILLIAM F. HESSELBACH JR., P.L.S. 25369  
FOR AND ON BEHALF OF  
CVL CONSULTANTS OF COLORADO, INC.  
10333 E. DRY CREEK ROAD, SUITE 240  
ENGLEWOOD, CO 80112**





NW1/4  
SEC 11



SCALE: 1" = 200'

OWNER:  
WF PRAIRIE LLC  
5600 GREENWOOD PLAZA BLD., STE 220  
GREENWOOD VILLAGE, CO 80111

THE ABOVE DESCRIBED PARCEL CONTAINS 11,198 SQUARE FEET OR (0.257 ACRE) MORE OR LESS.  
This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NO. 2		A PARCEL OF LAND SITUATED WITHIN THE NORTHWEST QUARTER OF SECTION 11, T3S, R66W, 6TH P.M., CITY OF AURORA, ADAMS COUNTY, COLORADO.	
DRAWN BY: MLP	SCALE: 1" = 200'	R.O.M. FILE NUMBER	
CHECKED BY: WFH	DATE: 4/25/2017	JOB NUMBER: 30175604	

**EXHIBIT B**  
**BUDGETS AND FINANCIAL STATEMENTS**

**Painted Prairie Business Improvement District #2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>06/30/21</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer advances	<u>2,010</u>	<u>25,000</u>	<u>2,010</u>	<u>2,010</u>	<u>25,000</u>
Total revenues	<u>2,010</u>	<u>25,000</u>	<u>2,010</u>	<u>2,010</u>	<u>25,000</u>
Total funds available	<u>2,010</u>	<u>25,000</u>	<u>2,010</u>	<u>2,010</u>	<u>25,000</u>
Expenditures:					
Accounting / audit	-	2,500	-	-	2,500
Engineering	-	2,500	-	-	2,500
Insurance/SDA dues	2,010	2,500	2,010	2,010	2,500
Legal	-	10,000	-	-	10,000
Management	-	1,500	-	-	1,500
Miscellaneous	-	2,000	-	-	2,000
Contingency	-	3,370	-	-	3,370
Emergency reserve (3%)	-	630	-	-	630
Total expenditures	<u>2,010</u>	<u>25,000</u>	<u>2,010</u>	<u>2,010</u>	<u>25,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 10</u>			<u>\$ 10</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>

## EXHIBIT C

### DIRECTOR AND OTHER CONTACT INFORMATION

#### **District Representative Contact:**

Clint C. Waldron, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: [cwaldron@wbapc.com](mailto:cwaldron@wbapc.com)

Megan J. Murphy, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: [mmurphy@wbapc.com](mailto:mmurphy@wbapc.com)

#### **District Accountant:**

Diane Wheeler  
304 Inverness Way South  
Suite 490  
Englewood, CO 80112  
Work: 303-689-0833  
Email: [diane@simmonswheeler.com](mailto:diane@simmonswheeler.com)

#### **District Auditor:**

Not applicable



RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER TWO

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2017-37 organizing the Painted Prairie Business Improvement District Number Two (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Painted Prairie Business Improvement District Number Two are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

---

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read 'Hanosky Hernandez', written over a horizontal line.

RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Tower Business Improvement District

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE TOWER BUSINESS IMPROVEMENT DISTRICT

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

---

### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Approve Item and Move Forward to Study Session  | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only   |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

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**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Tower Business Improvement District (BID) in 2019 (Ord. No. 2019-71). The BID is located generally at the southeast corner of 38<sup>th</sup> Avenue and Picadilly Road. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

---

**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Tower Business Improvement District 2022 operating plan and budget. The operating plan anticipates developer advances for its \$75,000 revenue and expected expenditures. The Tower BID will undertake projects as development needs require in 2022.

---

**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

---

**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Tower Business Improvement District. Funding is projected at \$75,000 from developer advances.

**2022 OPERATING PLAN AND BUDGET**

# **TOWER BUSINESS IMPROVEMENT DISTRICT**

City of Aurora, Adams County, Colorado

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**EXHIBITS**

- EXHIBIT A – Director Contact Information
- EXHIBIT B – BID Budget 2022
- EXHIBIT C – District Boundary Legal Description
- EXHIBIT D – District Boundary Map

**2022**  
**OPERATING PLAN FOR THE**  
**TOWER BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE AND SCOPE OF THIS DISTRICT**

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Tower Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District operates under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended (“Business Improvement District Act”), this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

**C. Purposes.** As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2022 include principally the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of sources of power that will serve the development within the District, including without limitation natural gas, electricity and solar installations, but the District shall also be empowered to provide the services and public improvements allowed under Colorado law for business improvement districts. **The provision of these services will be coordinated with the Tower Metropolitan District (“Tower”) which the boundaries of the District overlap in part. The District’s activities will neither interfere with nor duplicate those undertaken by Tower.**

**D. Ownership of Property or Major Assets.** The District will own public improvements, easements and land as required if they are not otherwise dedicated to the City or other public entities or public utilities for operation and maintenance.

**E. Contracts and Agreements.** It is anticipated that the District will enter into various agreements as required to facilitate the funding, construction, operation and maintenance of public improvements. The District is not currently a party to any significant active contracts or agreements. The District may enter into agreements with the City and the Tower Metropolitan District to accommodate the provision of improvements and services.

## **2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS**

**A. Organization.** The Tower Business Improvement District was organized by the City of Aurora pursuant to Ordinance No. 2019-71 on October 21, 2019.

**B. Governance.** Pursuant to Section 31-25-1209(1)(b), C.R.S., the City of Aurora appointed the board of directors for the District, which shall have up to five members. Each member shall be an elector of the District.

**C. Current Board.** The District is managed by a Board of Directors consisting of five electors all of whom shall be voting members. The current Board members are:

1. Randall C. Hertel
2. Timothy J. D'Angelo
3. Michael M. Wafer
4. Jack "Skip" Bailey, Jr.
5. Michael V. Kapoor

Director and other pertinent contact information are provided in **EXHIBIT A**.

**D. Term Limits.** The District's election on November 5, 2019 included a ballot question to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The question passed.

**E. Advisory Board.** The Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

## **3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The District includes approximately 539 acres within its boundaries as described in **EXHIBIT C** and depicted in **EXHIBIT D**. In 2022 and subsequent years, the District may receive inclusion requests for additional property as boundaries are established and additional property owners participate in the District.

## **4. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein. The District



shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial improvements and services shall be as limited by state law and as limited by this Operating Plan. The District will only provide improvements and services within the boundaries of the District and directly adjacent property to the extent required to facilitate the construction and operation of the District improvements. The District will not provide improvements or services that duplicate any improvements or services provided by Tower though the two entities will have the authority to cooperate in the extension of facilities and improvements beneficial to both, or where efficiencies in the development process may be gained.

Subject to the foregoing limitation concerning cooperation with Tower, the public improvements that the District anticipates it will construct, install or cause to be constructed and installed, include those public improvements the costs of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation safety protection devices, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation (the “Public Improvements”).

**A. Operations and Maintenance Limitation.** Included within the District’s boundaries is 538 acres owned by MCCII that is also included within Tower’s boundaries. The proposed development will contain significant industrial and warehouse and distribution facilities. Associated with all of the new development is the need for the financing of power sources and facilities that will serve the development, including without limitation natural gas, electricity and solar installations.

Tower does not have the statutory authority to pay for such improvements. The District does, and its creation is intended to fund those improvements in addition to the services and public improvements allowed under Colorado law for business improvement districts, generally. The provision of these improvements and services will be coordinated with Tower which the boundaries of the District overlap in part. The District’s activities will neither interfere with nor duplicate those undertaken by Tower though the two entities will have the authority to cooperate in the extension of facilities and improvements beneficial to both, or where efficiencies in the development process may be gained.

The appropriate limitations contained in the City’s metro district model service plan have been incorporated in the proposed Operating Plan that operates in many of the same ways to guide the District’s activities. However the fifty mill cap included in this Operating Plan is inclusive of operations and administration costs in addition to debt service. The initial maximum debt authorization is \$10,000,000.

**B. Construction Standards Limitation.** The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain

the City’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

**C. Privately Placed Debt Limitation.** Prior to the issuance of any privately placed debt for capital related costs, the District shall obtain the certification of an External Financial Advisor regarding the fairness and feasibility of the interest rate and the structure of the debt substantially as follows:

We are [I am] an external financial advisor. [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

**D. Fee Limitation.** The District may impose and collect fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from taxable property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any taxable property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any fee imposed upon or collected from taxable property for the purpose of funding operation and maintenance costs of the District. For purposes of this section, “End User” shall mean any owner, or tenant of any owner, of any taxable improvement within the District who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy (as defined below).

**E. Bankruptcy Limitation.** All of the limitations contained in this Operating Plan have been established under the authority of the City to approve an Operating Plan with conditions pursuant to Section 31-25-1211, C.R.S. It is expressly intended that such limitations:

- (a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Operating Plan; and
- (b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any debt, issued with a pledge or which results in a pledge, shall not be an authorized issuance of debt unless the City has approved the operating plan and budget for the District.

## 5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE

The District shall provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

## 6. FINANCIAL PLAN AND BUDGET

**A. 2022 Budget.** The proposed 2022 Budget for the District is attached as **EXHIBIT B.**

**B. Authorized Indebtedness.** The District held an election on November 5, 2019 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Art. X., Sec. 20 of the Colorado Constitution, and the Operating Plan. The initial maximum debt authorization for the District shall be \$10,000,000.00.

**C. Property Tax and Mill Levy Caps.** The District's taxing ability shall be constrained to mill levy limitations of up to 50 mills for debt service, general operations and administrative expenses due to the on-going operations and maintenance to be undertaken by the District within its boundaries.

**D. District Revenues.** The District continues to anticipate developer funding for initial revenue sources and thereafter revenues derived from property taxes. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee and any other lawful revenue source.

**E. Existing Debt Obligations.** The District does not have any existing debt obligations.

**F. Future Debt Obligations.** The District does not anticipate issuing debt in 2022.

**G. Other Financial Obligations.** The District may enter into agreements including reimbursement or similar agreements and leases; as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.

**H. Non-Default Provisions.** Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.

**I. No City Obligations.** The debt of the District will not constitute a debt or obligation of the City of Aurora in any manner. The faith and credit of the City of Aurora will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by the District.

## 7. 2022 ACTIVITIES, PROJECTS AND CHANGES

### (a) Activities, Projects, and Public Improvements

The District will be undertaking projects or Public Improvements as development needs require in 2022.

### (b) Summary of 2022 Activities and Changes from Prior Year

As in 2021, the District will undertake projects and activities in 2022 as development needs require.

**Boundary changes:** Boundary changes may occur in 2022.

**Changes to board or governance structure:** No changes to board or governance structure are anticipated in 2022.

**Mill levy changes:** The District did not impose a mill levy in 2021 and does not anticipate imposing a mill levy in 2022.

**New, refinanced or fully discharged debt:** The District does not anticipate issuing debt in 2022.

**Elections:** None anticipated.

**Major changes in development activity or valuation:** No major changes in development activity or valuation are anticipated in 2022.

**Ability to meet current financial obligations:** See 2022 Budget attached as **EXHIBIT B**.

## 8. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate perpetual existence. However, the District may be dissolved under the conditions of Section 31-25-1225, C.R.S.

## 9. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

**EXHIBIT A**  
**Director and Other Contact Information**

**BOARD OF DIRECTORS:**

Randall C. Hertel  
Timothy J. D'Angelo  
Michael M. Wafer  
Jack "Skip" Bailey, Jr.  
Michael V. Kapoor

**DISTRICT CONTACT:**

Matt Dalton  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800  
[mdalton@spencerfane.com](mailto:mdalton@spencerfane.com)

**DISTRICT ACCOUNTANT:**

Paul Niedermuller  
CliftonLarsonAllen LLP  
8390 E. Crescent Parkway Suite 300  
Greenwood Village, CO 80111  
303-779-5710  
[Paul.niedermuller@claconnect.com](mailto:Paul.niedermuller@claconnect.com)

**AUDITOR: Not applicable**

**EXHIBIT B**  
**District Budget 2022**

**GENERAL FUND**

	<u>Proposed</u> <u>2020</u>	<u>Actual</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>	<u>Actual</u> <u>2021</u>	<u>Proposed</u> <u>2022</u>
Beginning Fund Balance	-	-	-	-	-
<b>REVENUES</b>					
Property Taxes	-		-	-	-
Specific Ownership Taxes	-		-	-	-
Public Improvement Fees	-		-	-	-
Developer Advance	75,000		75,000		75,000
Net Investment Income	-		-		-
Intergovernmental Revenue	-		-		-
Total Revenues	75,000		75,000		75,000
<b>EXPENDITURES</b>					
Accounting	10,000		10,000		10,000
Audit	-		-		-
Contingency	-		-		-
District Management	-		-		-
Dues and Membership	1,000		1,000		1,000
Insurance	4,000		4,000		4,000
Legal	50,000		50,000		50,000
Miscellaneous	5,000		5,000		5,000
Total Expenditures	70,000		70,000		70,000
ENDING FUND BALANCE	5,000		5,000		5,000
Emergency Reserve	5,000		5,000		5,000
Total Reserve	5,000		5,000		5,000

**CAPITAL PROJECTS FUND**

	<u>Proposed</u> <u>2020</u>	<u>Actual</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>	<u>Actual</u> <u>2021</u>	<u>Proposed</u> <u>2022</u>
Beginning Fund Balance	-		-		-
REVENUES					
Property Taxes	-		-		-
Public Improvement Fees	-		-		-
Developer Advance	\$3,204,000	\$0.00	-	-	-
Net Investment Income	-		-		-
Intergovernmental Revenue	-		-		-
Bond Issuance	-		-		-
Total Revenues	\$3,204,000	\$0.00	-	-	-
EXPENDITURES					
Electric Utility Extensions (East 38 <sup>th</sup> Ave)	\$576,000	\$0.00	-	-	-
Gas Utility Extensions (East 38 <sup>th</sup> Ave)	\$864,000	\$0.00	-	-	-
Electric Utility Extensions (Picadilly Rd)	\$1,364,000	\$0.00	-	-	-
Total Expenditures	\$2,804,000	\$0.00	-	-	-
ENDING FUND BALANCE	\$400,000	\$0.00	-	-	-

**DEBT SERVICE FUND**

	<u>Proposed 2021</u>	<u>Actual 2021</u>	<u>Proposed 2022</u>
Beginning Fund Balance	-		-
REVENUES			-
Bond Issue	-		
Public Improvement Fees	-		-
Developer Advance	-		-
Net Investment Income	-		-
Intergovernmental Revenue	-		-
Total Revenues	-		-
EXPENDITURES			
Costs of Issuance	-		-
Capitalized Interest Fund	-		
Debt Service Reserve	-		-
Miscellaneous	-		-
Contingency	-		-
Total Expenditures	-		-
ENDING FUND BALANCE	0		0



**EXHIBIT C**  
**The Property Legal Description**

A PARCEL OF LAND IN SECTION 25, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 25 AND CONSIDERING THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 25 TO BEAR NORTH 89°33'37" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO: THENCE NORTH 89°33'37" EAST ALONG SAID NORTH LINE A DISTANCE OF 30 FEET TO THE EAST RIGHT-OF-WAY LINE OF PICADILLY ROAD AND THE POINT OF BEGINNING.

THENCE NORTH 89°33'37" EAST CONTINUING ALONG SAID NORTH LINE A DISTANCE OF 2611.78 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 25;

THENCE NORTH 89°32'32" EAST ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 25 A DISTANCE OF 1321.75 FEET;  
THENCE SOUTH 00°13'08" EAST A DISTANCE OF 1324.11 FEET;  
THENCE NORTH 89°32'39" EAST A DISTANCE OF 931.29 FEET TO THE WESTERLY RIGHT-OF-WAY OF HIGHWAY E-470 AS DESCRIBED IN BOOK 5414 AT PAGE 645 OF THE RECORDS OF THE ADAMS COUNTY CLERK AND RECORDER;  
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTH 03°48'50" EAST A DISTANCE OF 427.14 FEET;
- 2) SOUTH 00°00'02" WEST A DISTANCE OF 3372.10 FEET;
- 3) SOUTH 83°34'42" WEST A DISTANCE OF 1006.75 FEET;
- 4) SOUTH 00°29'32" EAST A DISTANCE OF 40.00 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF EAST 26TH AVENUE;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

- 1) SOUTH 89°30'28" WEST A DISTANCE OF 1267.94 FEET;
  - 2) SOUTH 89°31'54" WEST A DISTANCE OF 745.69 FEET;
- THENCE NORTH 00°10'59" WEST A DISTANCE OF 361.50 FEET;  
THENCE SOUTH 89°31'54" WEST A DISTANCE OF 1867.71 FEET TO SAID EAST RIGHT-OF-WAY LINE;

THENCE NORTH 00°11'05" WEST ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 2258.23 FEET TO THE SOUTH LINE OF SAID NORTHWEST QUARTER OF SECTION 15;

THENCE NORTH 00°10'52" WEST CONTINUING ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 462.51 FEET;  
THENCE NORTH 89°34'28" EAST A DISTANCE OF 300.36 FEET;  
THENCE NORTH 00°11'05" WEST A DISTANCE OF 862.50 FEET;  
THENCE SOUTH 89°32'44" WEST A DISTANCE OF 300.31 FEET TO SAID EAST RIGHT-OF-WAY LINE;

THENCE NORTH 00°10'52" WEST ALONG EAST RIGHT-OF-WAY LINE A DISTANCE OF 1324.68 FEET TO THE POINT OF BEGINNING;

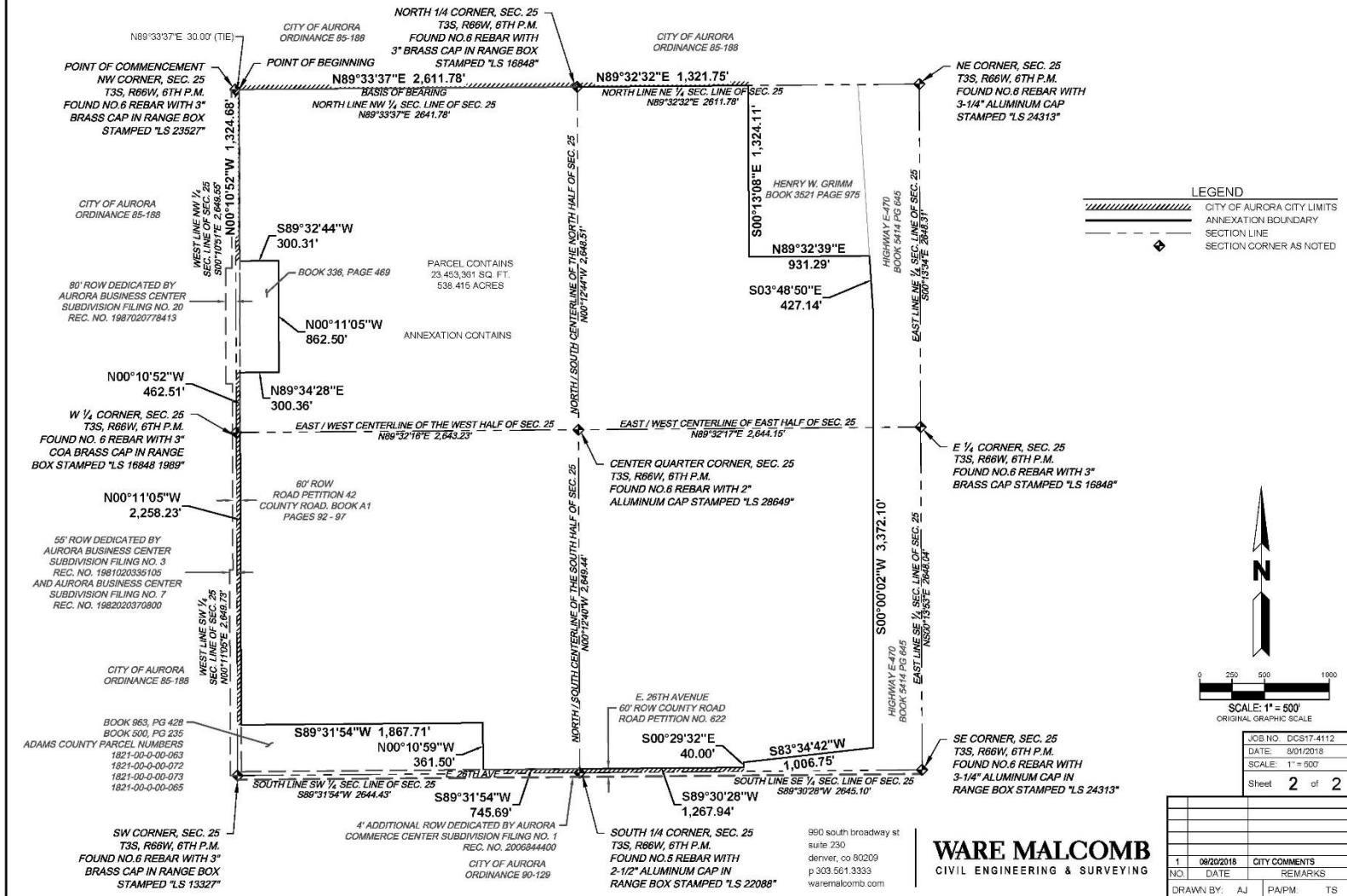
SAID PARCEL CONTAINS AN AREA OF 23,453,361 SQUARE FEET, OR 538.415 ACRES, MORE OR LESS.

**EXHIBIT D**  
**The Property Map**



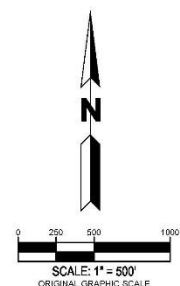
# ANNEXATION MAP

A PORTION OF SECTION 25, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO



**LEGEND**

	CITY OF AURORA CITY LIMITS
	ANNEXATION BOUNDARY
	SECTION LINE
	SECTION CORNER AS NOTED



JOB NO.	DCS17-4112	
DATE	8/01/2018	
SCALE	1" = 500'	
Sheet	2 of 2	
1	08/20/2018	CITY COMMENTS
NO.	DATE	REMARKS
DRAWN BY:	AJ	PAPM: TS

**WARE MALCOMB**  
CIVIL ENGINEERING & SURVEYING

950 south broadway st  
suite 230  
denver, co 80209  
p 303.561.3333  
waremalcomb.com

CITY OF AURORA  
ORDINANCE 90-129

SW CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH 3"  
BRASS CAP IN RANGE BOX  
STAMPED 'LS 13327'

SE CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH  
3-1/4" ALUMINUM CAP IN  
RANGE BOX STAMPED 'LS 24313'

SOUTH 1/4 CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.5 REBAR WITH  
2-1/2" ALUMINUM CAP IN  
RANGE BOX STAMPED 'LS 22088'

CENTER QUARTER CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH 2"  
ALUMINUM CAP STAMPED 'LS 28649'

E 1/4 CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH 3"  
BRASS CAP STAMPED 'LS 16848'

W 1/4 CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO. 6 REBAR WITH 3"  
COIA BRASS CAP IN RANGE  
BOX STAMPED 'LS 18848 1989'

PARCEL CONTAINS  
23,453,361 SQ. FT.  
539.415 ACRES

ANNEXATION CONTAINS

80' ROW DEDICATED BY  
AURORA BUSINESS CENTER  
SUBDIVISION FILING NO. 20  
REC. NO. 1987020778413

55' ROW DEDICATED BY  
AURORA BUSINESS CENTER  
SUBDIVISION FILING NO. 3  
REC. NO. 1981020335105  
AND AURORA BUSINESS CENTER  
SUBDIVISION FILING NO. 7  
REC. NO. 1982020370800

BOOK 863, PG 428  
BOOK 500, PG 235  
ADAMS COUNTY PARCEL NUMBERS  
1821-00-0-00-063  
1821-00-0-00-072  
1821-00-0-00-073  
1821-00-0-00-065

4' ADDITIONAL ROW DEDICATED BY AURORA  
COMMERCE CENTER SUBDIVISION FILING NO. 1  
REC. NO. 2006844400

CITY OF AURORA  
ORDINANCE 85-188

CITY OF AURORA  
ORDINANCE 85-188

POINT OF COMMENCEMENT  
NW CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH 3"  
BRASS CAP IN RANGE BOX  
STAMPED 'LS 23527'

NE CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH  
3-1/4" ALUMINUM CAP  
STAMPED 'LS 24313'

NORTH 1/4 CORNER, SEC. 25  
T3S, R66W, 6TH P.M.  
FOUND NO.6 REBAR WITH  
3" BRASS CAP IN RANGE BOX  
STAMPED 'LS 16848'

S89°32'44"W  
300.31'

N00°11'05"W  
862.50'

N00°10'52"W  
462.51'

N00°11'05"W  
2,258.23'

S89°31'54"W 1,867.71'

N00°10'59"W  
361.50'

S89°31'54"W  
745.69'

S00°29'32"E  
40.00'

S83°34'42"W  
1,006.75'

S89°30'28"W  
1,267.94'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°00'02"W 3,372.10'

N89°32'32"E 1,321.75'

N89°32'32"E 2611.78'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

S00°13'08"E 1,324.11'

N89°32'39"E  
931.29'

S03°48'50"E  
427.14'

RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE TOWER BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2019-71 organizing the Tower Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Tower Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

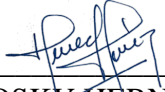
\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Havana Business Improvement District

**Item Initiator:** Chad Argentar, Senior Development Project Manager

**Staff Source/Legal Source:** Chad Argentar – Senior Development Project Manager /Hans Hernandez – Assistant City Attorney

**Outside Speaker:** Chance Horiuchi, Executive Director – Havana BID

**Council Goal:** 2012: 5.4--Improve the health of the city's small business community

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Havana Business Improvement District

Chad Argentar – Senior Development Project Manager /Hans Hernandez – Assistant City Attorney

Chance Horiuchi – Executive Director – Havana BID

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Approve Item and Move Forward to Study Session  | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only   |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

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### PREVIOUS ACTIONS OR REVIEWS:



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**Policy Committee Name:** N/A

**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

The Havana Business Improvement District was approved for organization by City Council in 2007. It comprises of approximately 209 properties along a 4.5 mile stretch of the Havana Street corridor from 6<sup>th</sup> Avenue to Dartmouth Avenue.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

On September 16, 2021 the Havana BID Board approved a draft budget based on preliminary property valuations from the county and will update their Operating Plan prior to City Council approval. In the interim and for this policy committee meeting, the BID has provided a summary of the key aspects of the 2022 budget and operation plan they plan to incorporate into their final plan.

The 2022 operating plan and budget anticipates revenues of \$623,765 from property taxes, its portion of urban renewal tax increment from the Buckingham Urban Renewal Area, and specific ownership taxes. Combined with carry over funds from 2021, the total 2022 budget is anticipated to be \$1,210,025. No additional revenues are projected to be generated from sponsorships in 2022. Primary changes over the 2021 budget includes an estimated increase in special events (and associated advertising costs) to \$125K in 2022 and smaller increases in staff and accounting costs. The Havana BID does not anticipate any major public improvements other than its continued communication, marketing, a few district markers, and branding efforts to capitalize on its strengths and economic development activities to promote the prosperity of the Havana Corridor. Additional details of projected plans and expenditures are in the included 2022 Budget Message from the BID.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. (Sec. 31-25-1211, C.R.S.) (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

YES       NO

**If yes, explain:**

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**PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2002 operating plan and budget for the Havana Business Improvement District with \$1.210 million in expenditures from approximately \$624K in new revenues and \$586K in board reserves.

## 2022 BUDGET MESSAGE

### 2022 PRELIM. BUDGET

#### 8.25.2021 Certification of Valuation by Arapahoe County Assessor

#### HAVANA BUSINESS IMPROVEMENT DISTRICT

##### DISTRICT SERVICES:

The Havana Business Improvement District (the District) d.b.a. On Havana Street, is a special global business district (Colorado Revised Statutes 31-25-1203) in Aurora/Arapahoe County Colorado created in 2007 by business and neighborhood leaders and Aurora city staff working together to build a stronger and better community. The District actively engages, manages and promotes On Havana Street as a global business corridor and a premier destination for shopping, dining, living, working and visiting. The District works in alliance with business and community partnerships to develop and implement programs that will strengthen the physical and economic vitality of On Havana Street and empower our 209 District properties, 20+ shopping centers and 2,100 diverse business stakeholders.

The District provides programming and benefits to business and commercial property owners located in the District boundaries for 4.3-miles from 6<sup>th</sup> Avenue to Dartmouth Avenue in Aurora, Colorado, Arapahoe County. Programming includes economic development activities such as keeping an available properties list for the District, working with the city on redevelopment projects and urban renewal opportunities within the District, regular stakeholder communication, hosting monthly meetings to keep everyone informed, and being the liaison between the District, its businesses, the City of Aurora and other public and private partnerships. Programming also includes business advocacy, district identity/corridor image improvements, the biennial public art program, marketing, advertising, and branding efforts for the corridor. The District organizes and hosts monthly events and promotions to stimulate a sense of community and involvement, publishes a monthly e-newsletter, markets/advertises the District and supports monthly promotions through social media, digital/print ads, TV and hotel key card marketing. The District is a diverse and premier destination through day-to-day maintenance and operations, annual local and tourism marketing and advertising, merchant outreach, signature events and other initiatives.

In addition to the promotion of the District and its businesses in the corridor the District provides advocacy, communication, connections to opportunities, resources, and relief funding during the Covid-19 recovery. In 2022, we will continue to host a hybrid of in-person and virtual events. We will continue to collaborate with diverse industries in the District, non-profits, and the many community partners. Our focus will be on stimulating the economy and supporting our businesses in every way possible through the Covid-19 pandemic. Our programming will switch from promoting large community gathering events to advocacy and workforce development/training workshops, and outreach efforts to help understand the changing regulations and mandates. We will continue lobbying for resources and support services for our business community and connecting our stakeholders to city, state, federal, public health, and community leaders that can impact change during the uncertain times of Covid-19.

##### BASIS OF ACCOUNTING:

The basis of accounting utilized in the preparation of the 2022 budget for the District is a **cash basis** method. The District's 2022 budget includes projected revenues and expenditures for its general operating fund. The District has no debt service fund, capital projects fund, or any other fund.

##### IMPORTANT FEATURES OF THE BUDGET:

The 2022 budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitations. Emergency reserves have been provided in 2022 (3% of the District's fiscal year spending per TABOR).

**\*2022 Preliminary Budget:** This preliminary budget was created using the preliminary 2022's AV received on August 25, 2021. The final 2022's AV assessments will not be received until late November 2021 from Arapahoe County. Due to Covid-19 challenges and receiving the Certification of Assess Valuations in the beginning of September 2021, the City of Aurora allowed for an extension to present the preliminary 2022 budget to the City of Aurora's Management and Finance.

\*Approximately \$583,477 in 2022 is to be raised through a 4.5 mill levy based upon the assessed value of real commercial property which includes the "current year's net total taxable assessed valuation" from page 2, line 4 of the [Certification of Valuation document from Arapahoe County dated August 25, 2021](#) AV's (\$111,355,880 x.0045) = \$501,101, plus the preliminary 2022 URA property tax increment from page 2, line 3 of the [Certification of Valuation document from Arapahoe County dated August 25, 2021](#) ("total TIF area increment" - URA Property Tax Increment (\$18,305,712 x .0045) = \$82,376 as well as an estimated \$40,088 in specific ownership tax.

Please see the attached \*preliminary 2022 budget on page 14.

After this report was submitted to the City of Aurora for the Manage & Finance Committee, City Council Study Session and regular City Council Meeting the District will receive the Final AV's for 2022 in late November 2021. The final AV's for 2022 will be received and added to this document to submit to Arapahoe County and the State of Colorado by 12/15/2021.

#### **GENERAL OPERATING EXPENDITURES:**

1. **Marketing Budget Expenditures - \$157,000:** Paid out of the District's General Fund, the Marketing budget includes both business attraction and support accounting **code 65040** and consumer marketing accounting **code 65050**. Consumer marketing includes all TV, digital and print marketing for the Havana Motor Mile, our monthly events, and promotions, and as well as the Havana Motor Mile Tool Incentive Workforce program (see more below).

In 2021, the board reserved our funds and decreased the pre-pandemic budget of 2020 at \$180,000 to \$124,000 to prepare for the possible deficit in revenues for future years due to the Covid-19 pandemic. We expected our AV's, Accessed Valuations, for the District to decline from 2021 and on due to the pandemic and closures of businesses. However, our AV's for the District increased despite the pandemic challenges of the corridor. Therefore in 2022, the District felt that it was important to continue the marketing and return the event's budget back to the 2019 pre-pandemic budget at \$157,000. This is \$56,000 more than the 2020 budget and \$33,000 more than 2019 pre-pandemic budget in hopes to do more marketing of the corridor during recovery efforts and host in-person/hybrid events that attract shoppers and investments to the District.

**Havana Motor Mile Workforce Program - \$20,000:** In addition, The District wanted to continue the automotive technician tool incentive workforce program and increased this allocation \$1,000 from \$19,000 to \$20,000 to account for the increased costs in shipping the tools and tool chests. We budgeted for \$20,000 for the tool incentive workforce program and will continue to allocate \$137,000 to the Havana Motor Mile marketing budget.

The tool incentive workforce program is vital to the Havana Motor Mile. Our District's automotive workforce values this program and especially needs this support during the Covid-19 recovery. We want to stimulate the economy and create jobs in our corridor for our 20+ auto dealerships and 100+ auto service and parts businesses in the District. The auto industry is in constant need for automotive technician jobs. Due to the success of the workforce program, the District will set aside \$20,000 out of the General Fund for scholarships to attract qualified auto technicians to come to work in the dealerships and repair shops on the Havana Motor Mile. The Havana Motor Mile is challenged with finding quality workforce and this program's success has helped our auto industry stakeholders immensely.

**Background on the Tool Workforce Program:** The service managers in the Havana Motor Mile worked with the instructors at Pickens Technical College to place qualified auto technicians who successfully completed the Pickens's auto technician program. The \$20,000 will allow the District to sponsor the students to be hired/placed in Havana Motor Mile shops or dealerships. One of the requirements to work in the auto industry is that auto technicians need to provide their own set of tools on the job. Most students cannot afford to purchase their own set of tools right out of school. The number of students sponsored by our program depends on the cost of the tool cabinets and tools every year. Typically, through a collaborative partnership with Pickens Technical College, Gary's Automotive Repair, and Snap-On Tools; the District's receives each set of tools and the tool cabinet for each student from Snap-On at cost – about \$3,000+ each. The cost of the tool package changes yearly due to the increased costs of tools every year and shipping.

With the successful completion of 2 years of employment on the Havana Motor Mile, the student is awarded the ownership of the tool package. If the student leaves the job placement before the completion of the 2 years of employment on the Havana Motor Mile, then the tools go back to Pickens Tech to be awarded to a future student who accepts a job on the Havana Motor Mile. There is a severe shortage of qualified auto technicians in the metro area, and we are hoping that this tool incentive program will continue to attract and retain qualified technicians to work in our dealerships and shops. 2021 was the 3<sup>rd</sup> year that the program delivered the ownership keys to each student that completed the 2-year employment and commitment to the Havana Motor Mile. **Due to the huge success of this tool incentive program, we have budgeted \$20,000 in the 2022 budget for at least six students to be awarded the tool incentive packages and job placements at Havana Motor Mile businesses.**

The Havana Motor Mile marketing budget was increased to \$137,000 vs \$105,000 in 2021. We understand that even though we need to reserve funds for future recovery efforts of Covid-19 challenges, the marketing of the corridor's Havana Motor Mile is vital to our branding and support of the automotive industry stakeholders. The \$137,000 is contracted through Fox Media and Marketing who has assisted the District in purchasing and negotiating contracts for media productions, creative content and commercials to promote the corridor. We create commercials for 9NEWS platforms and host digital campaigns throughout the year promoting our Havana Motor Mile, retail, and restaurants. The Havana Motor Mile and its stakeholders are huge part of The District's identity and success. We want to continue to market our Havana Motor Mile and On Havana Street stakeholders as the destination for all your auto needs and more.

2. **Special Events Budget Expenditures - \$125,000:** Paid out of the District's General Fund, the special events budget includes all print ads, event related printing and flyers, entertainment expenses, prizes associated with event drawings, porta potties, trash removal, temporary events staffing, and other event expenses like signage, stages, barricades, cones, etc. The special events heading includes accounting codes **47430, 47440, 47450, 47460, 47470, 47490 and 47400. The \$125,000 accounts for \$75,000 for events and \$50,000 for marketing of the events and the District.**

The District board and executive director reviewed the 2022 events budget and decided to add additional events to support the on-going Havana Street Corridor Multi-Modal Study, Covid-19 recovery efforts, and promote more business development and outreach with stakeholders through networking events and other relationship building opportunities with community leaders and partners. On Havana Street wants to support our stakeholders by helping them foster and strengthen their relationships with one another and local government. In 2022, the District replaced large gathering signature events with updated virtual/hybrid events due to the uncertainty of gathering sizes in 2022.

Through community events and networking, the District wants to connect key stakeholders, residents, employees, and local organizations together for cross-promotional opportunities. We will host more opportunities to help distribute resources and programming. We have worked hard to strengthen our

community partnerships and communication to ensure On Havana Street and its stakeholders are represented in decisions that could impact the business environment.

**The Special Events budget will increase from \$61,000 in 2021 to \$125,000 in 2022.** In 2022, we will spend \$50,000 on event and promotions with over 15+ local and diverse publications and \$75,000 on events. We will be exploring other avenues for marketing exposure and increase our presence in publications that reflect more of the diversity of the District's stakeholders and community. We will also host more virtual events and other promotions online to attract shoppers safely to the area. We plan to host gatherings in early 2022 with limited capacity limits and large gatherings in late 2022 as they are permitted by the state and health department. Many of our past signature events in the District drew audiences from 50 to 10,000 attendees. Unfortunately, with the uncertainty of Covid-19, the board and executive director decided it would be best to host virtual/hybrid smaller events until public health mandates allow large gatherings safely without the concern of a Covid-19 outbreak.

**NEW allocations for 2022 Events:** The District will continue to support stakeholder hosted events and promotions and existing events in the corridor. We are hoping the events come back in 2022 and budgeted for many smaller gathering events with limited capacity limits with more networking for stakeholders. The District budgeted to host holiday themed events, a marketing event campaign with community partners like Buckley Space Force, two concerts in late 2022, and many giveaways to promote the businesses and "things to do" in the corridor.

Due to the uncertainty of the Covid-19 recovery the District also budgeted \$4,000 for other community events that stakeholders valued in 2021. Some the recovery events the District budgeted for include: business recovery and outreach events, workshops, public meeting discussions, and business round tables with elected officials, city and county management and leadership. This budget will also allow the District to support other community events in the corridor like a festival at The Stampede or Minimum Wage Discussion and Forum with business leaders and stakeholders. The District also budgeted \$5,000 for any Covid-19 Recovery related events to support the stakeholders. For example, the District can help to host community and workforce vaccine clinics, testing centers, booster vaccine clinics, food drives, grant forums/workshops, outreach and round tables on the Covid-19 pandemic recovery programming. The District also felt it was important to budget \$5,000 to support workforce related events to support our stakeholders with hiring efforts, job fairs and more workforce training programming. This budget may also allow for the District to partner with local workforce centers to host a job fair for companies hiring On Havana Street. Lastly, we added a budget for \$1,000 for On Havana Street giveaways, prizes, and promotions for the BID businesses at community events or BID business hosted events. In 2022, we expect to support over 15 new business grand openings and redevelopments in the corridor. For example: If a new stakeholder opens in the District, then the District could host a small gift card giveaway or share promotions at their grand openings and ribbon cuttings. During the Covid-19 recovery the District hosted giveaways to promote new openings or promotions online and on social media. We received lots of engagement and would like to continue these marketing efforts in 2022.

**"We Made It to 2022" Stakeholder Networking:** In 2022, we budgeted \$2,500 a "Happy New Year!" Networking event to celebrate 2022 with our stakeholders in hopes gathering in groups will be permitted in the beginning of 2022. The District added this event because we wanted to celebrate our many stakeholders that made it through the roller coaster of 2020-2021. The District board also added this celebration because stakeholders shared that they wanted more opportunities to connect and network with other stakeholders. The District's board felt it would be a great start to the new year to host a networking event at an On Havana Street restaurant. If there are limited party sizes for restaurants in early 2022, then the District plans to host multiple smaller networking groups at an On Havana Street restaurant with Board members.

**Rock it Sock it Event with APD & MHBH – Marketing & Fundraiser Support:** In January-February 2022, the District will continue to support our community partners Aurora Police Department On Havana Street PAR officers and Mile High Behavioral Health/ARDC/Comitis Crisis Center and help to host donation collection boxes

at stakeholder locations in the corridor for the Rock it Sock it fundraiser and sock drive. The District supports the stakeholders participating in the sock drive, helps to promote and market the sock drive, and volunteers at the hygiene kit assembly event.

- **February GIVEAWAY - \$600:** In February 2022, the District will continue to host a Date Night On Havana Street Giveaway. In 2021, we had about 300 entries to the online giveaway and increased our newsletter subscriptions and social media traffic was up 217.39%.
  - Facebook up 53.66% driving 43.15% of social media traffic
  - Instagram Stories up 4,800%, driving 33.56% of social media traffic
  - Instagram up 1,300%, driving 19.18% of social media traffic

Due to 2021's success, the District felt it would be valuable to continue in 2022. This event will be in collaboration with our marketing and social media campaigns with local partners. We will do online and social media promotions showcasing date night spots and highlights in the corridor. The Board allocated \$600 to cover the expense of the giveaway and social media promotions of the giveaway. The giveaway package will include \$500 in gift cards to a dinner at an On Havana Street restaurant, spa, manicure/pedicure nail spa, barber shop, small business retail shops, a dessert business, and a local florist. The other \$100 will be spent on the gift basket and social media boosts for the giveaway. We will also highlight great places to shop for Valentine's gifts in the corridor. We plan to feature On Havana Street favorites like Colpar HobbyTown USA, Lucy's Flowers & Designs, Fascinations, Heirloom Antiques, the 100+ diverse restaurants, Massage Envy, and the Havana Spa & Sauna. We will also advertise this giveaway with ongoing Valentine's Day promotions, discounts, and marketing the promotions our stakeholders.

**Celebrate Small Businesses On Havana Street Month - \$2,000:** In March 2022, we budgeted \$2,000 to continue to host the Celebrate Small Businesses On Havana Street. This month-long promotion allows the District to post blogs, newsletters, social media, and ads highlighting small businesses in the District. With the \$2,000 we budgeted \$500 for a \$500 Support Small Business Giveaway online. We will purchase gift cards from small businesses in the corridor and highlight their services or products in the giveaway's marketing. We did host this giveaway in March 2020 & 2021 during the Covid-19 pandemic state-wide Stay at Home Order and during restaurant seating limitations. The campaign saw a significant increase of 41% in traffic to our website and over 200 actively participated in the giveaway. For 2022, in addition to the giveaway we budgeted \$300 to host a small gathering of less than 30 businesses at Snowl or other boba shops for the "Boba & Business Networking" event. At this event we will have resources and local partners that support small business development and growth. We were not able to host the event in 2020 & 2021, but in 2019 we had a great response from our small businesses and many requested small group networking to build better relations with their fellow stakeholders in the area. Due to Covid-19 statewide restrictions in March 2021, we were not able to host our blogger and influencer dinner with our board. However, in 2022 we budgeted \$1,000 to allow for the District to host a dinner with media, local influencers and bloggers to promote and network with our small businesses in our corridor. Many of the media publications, bloggers and influencers create content, write articles, blogs and provide high quality photography and video to our small businesses at an affordable cost and often for FREE. After engaging with local influencers, we found an increase in traffic to our social media, website, newsletter, and press. Also, the board has asked to be a part of the small business celebrations and wanted to host a small gathering with the 9 board members and about 10 media or influencers. They felt it would be a great opportunity for board bonding and community networking while supporting our small businesses On Havana Street.

**Eat On Havana Street - \$7,000:** In May 2022, we budgeted \$7,000 for the "Eat On Havana Street" event. We will host giveaways online/social media and collaborate with partners to promote our 100+ restaurants, 20+ international markets with over 30 international cuisines in the corridor. We increased the Eat On Havana Street budget from \$5,000 in 2021 to \$7,000 to allow for a \$500 giveaway and plan to host multiple dining events with local food bloggers and influencers to support the restaurant promotions for dine-in, takeout, delivery or pick up incentives during the week of the event. We will be partnering with the Colorado Restaurant Association, Colorado Korean Restaurant Association, the City of Aurora's Aurora TV, the re-branded Yum Guide, Colorado

YELP, Denver Eater, Dining Out Colorado, Westword, local Chambers, Visit Aurora, local food bloggers, local hotels in the metro area, retirement communities, residential complexes and neighborhoods and the community colleges in the Eastern Metro Area.

**June 2022 Stakeholder Networking Events \$2,500:** The District added budgets for BID stakeholder networking for golf foursomes (\$2,000) and a board and stakeholder networking lunch (\$500). The Common Ground Golf Course in the corridor is working to redevelop and relocate the Colorado Golf Association from Greenwood Village to Aurora On Havana Street. The BID stakeholders expressed that they would enjoy networking at the nearby golf course with fellow board members and BID stakeholders. The District added the budget for the golf networking in hopes to host local leadership, city council, board members and BID stakeholders for a round of golf and/or “Breakfast Before Hours” or “Coffee with a Cop” at the course. The June 2022 lunch networking is something the District wanted to add in the mix of networking opportunities. In 2021, the District hosted monthly small lunches with board members and many loved the opportunity to network more with their fellow business stakeholders in the corridor. We learned that our diverse stakeholders prefer small group networking events.

**National Ice Cream Day Giveaway - \$600:** On Havana Street celebrates National Ice Cream Day annually and hosts a \$500 Frozen Treats Giveaway on our social media platforms to highlight the many frozen treats businesses in our corridor. We also budgeted \$100 to host social media boosts and promotions with the giveaway. We will attract families into the District and have them explore the many options for ice cream, frozen yogurt, and frozen custard shops on their own. This giveaway replaces the many summer events we would typically host for the National Ice Cream Day. In the past we hosted an ice cream social at one of the concerts, a Yappy Hour with GoodTimes Pawbenders at Petco, and the Progressive Frozen Treats event where about 1,000 families would visit 7-8 frozen treats shops in the corridor in 4 hours. Due to Covid-19 uncertainty in the summer of 2022, the District decided it was best to continue the event in a giveaway format. The District hosted this giveaway in 2020 and 2021 and had an outstanding increase in website and social media traffic. We had over 300 entries and increased our newsletter signups to 4,400 emails in 2021.

**June to July 2022 Summer Eat On Havana Street Giveaway - \$600:** Due to Covid-19 the District hosted this \$500 giveaway during the summer months to drive traffic to the website and social media platforms. The \$600 allocated to this giveaway will purchase \$500 of an assortment of gift cards from local BID businesses and \$100 for a social media boost. The board felt it was a good strategy to continue this promotion in 2022 and promote the local shops, restaurants, and summer happenings.

**Optional Event Pending Stakeholder Participation: July to September 2022 – the District budgeted \$1,500 to support a Fitness or Wellness event On Havana Street.** Some stakeholders suggested that the BID could support stakeholders that host a series of summer fitness events. Some of the suggested events included: group fitness classes in the shopping centers, yoga and meditation at Babi Yarr Memorial or nearby corridor parks, Barre Fitness at Infiniti of Denver, group biking, golfing, dance lessons at stakeholder businesses, etc.

**Havana Motor Mile Summer Promotion Event - \$5,000:** In August 2022, the District budgeted \$5,000 for a Havana Motor Mile themed event that would support and promote our automotive stakeholders. The event details are not determined yet. However, the board would like to host a giveaway and host a social media campaign. There was discussion on hosting a giveaway to highlight our auto dealers, services, and parts businesses in the corridor. The \$1,000 giveaway would ask participants to like and follow all 20+ auto dealers and comment on the post, “Where would they spend the \$1,000 On Havana Street?” Many of the auto dealers expressed wanting more presence and engagement on social media. This giveaway could allow for more followers and likes on Havana Motor Mile business pages. In addition to promoting Havana Motor Mile businesses, we plan to collaborate with the auto stakeholders on their summer events and auto sale promotions. We plan to use the monies in this budget to support the existing events in the Havana Motor Mile



during the summer months. This budget can also be used to work with our media partners to do commercials highlighting our Havana Motor Mile businesses.

In 2021, the District supported the dealerships summer sales and new 2022 car showcases and previews. Many of the dealerships and shops scaled back their summer events and limited capacity limits due to Covid-19 restrictions. We hope in 2022, summer auto sales and promotions of the 2023 new models will be back and that the District will be able to support our stakeholders with this allocated budget.

The Havana Motor Mile themed budgeted event will replace the Cruzin' Havana Classic Car Show and Poker Run event for 2022. Unfortunately, due to Covid-19 challenges, public health orders, permitting, property owner permissions, vulnerable volunteers, and the logistics of hosting large gathering events; the District's board did not approve the budget for Cruzin' Havana in 2022.

**August 2022 Stakeholder Networking Events - \$2,500:** The District added budgets for BID stakeholder networking for golf foursomes (\$2,000) and a board and stakeholder networking lunch (\$500) like the June 2022 networking. In 2021, the District hosted small lunch meetings with board members and other community partners and many loved the opportunity to network in the corridor.

**Late 2022 Concerts at The Stampede - \$11,000:** In 2022, we will not host any community concerts in the rose garden during the summer months of June, July, & August, but budgeted for two concerts at \$5,500 each at the Stampede in late September & October. The \$5,500 is budgeted to cover the costs of the venue, equipment rentals, AV equipment, band/entertainment costs, giveaways during intermission, PPE, Covid-19 safety related signage, online registrations costs and other event related expenses. In 2020 & 2021 we experienced challenges with contracts and rescheduled dates due to the uncertainty of the Covid-19 pandemic and local, state, and federal mandates or restrictions. Typically, prior to Covid-19, we hosted four concerts a year in the corridor. However, due to limitations for large gathering indoors, masking requirements and proof of vaccination challenges the board decided to only budget for two concerts in 2022 in hopes that the pandemic restrictions for concerts will be completely lifted in late 2022.

**Grocery Cart Races - \$500:** For September 2022, the District budgeted \$500 to support the virtual or in-person Comitis Grocery Cart Race. Safeway on Havana was not able to host the in-store race in 2020 or 2021 due to the pandemic restrictions and staffing challenges but hopes to host the in-person race in 2022. The \$500 was budgeted to still purchase the coveted grocery cart trophies and other expenses for the event if the event is permitted to occur.

**October 2022 BID Stakeholder Networking - \$1,000:** The District budgeted \$1,000 to host a networking event with a Halloween theme. The District would like to support a BID restaurant, host a Halloween Costume Contest with a \$100 gift card prize and provide light appetizers for the stakeholders to network with other community leaders.

**Halloween/Trick or Treat On Havana Street 2022 - \$10,000:** The Trick or Treat On Havana Street, Costume Contests, Trunk or Treat and professional photos in the garden, Petco Costume Contests, and many other Halloween events in the District are one of our most popular and well attended events. These events attracted more than 1,000 families from the metro area and supported many businesses in the corridor. In pre-pandemic years, we purchased pallets of candy from the Havana Costco for the 30+ shops at the Gardens on Havana. However, due to Covid-19, budget cuts, property owner permission, business participation challenges and the large number of participants in the many Halloween events the District did not budget \$5,000, but \$1,000 for 2021. In 2021, the District will spend \$1,000 to support Rocket Fizz's Halloween Costume Contest with gift card prizes and 50+ mystery candy goody bags. In 2022, the District wanted to budget \$10,000 to bring back the pre-pandemic Trick or Treat event On Havana Street. The District hopes that the District can safely host a trick or treat at shops, a costume contest in-person, a professional photographer and promotions for Halloween 2022.

Leading up to the holiday month the District will promote the businesses selling the holiday's décor, candy and locations to purchase costumes.

**Annual Stakeholders Meeting - \$3,000:** The Annual Stakeholders Meeting at the Stampede in the past had an attendance of about 60-80 businesses. In 2021, we budgeted \$2,500 to host lunch for 60-80 people, venue costs, AV/projector rental screen costs, costs of marketing, printing, flyers, postage and mailing the invitations to each stakeholder and lease in the District. This event may be in-person or virtual in November 2021 and the board increased the budget \$500 to accommodate for unexpected increased costs of hosting virtually or in-person with Covid-19 conditions. In 2022, the District increased the budget to \$3,000 to accommodate for an in-person meeting with additional costs for the venue and event rentals for an attendance of 100.

**Holiday Shopping Promotions with Buckley Space Force - \$8,000:** In 2021, we budgeted for \$4,500 to host the Black Friday Weekend Holiday Caroling and Secret Santa Gift Card Giveaway event. In the past we hired the Aurora Singers for \$500 to sing songs from shop to shop during the Black Friday shopping weekend. The Aurora Singers, community holiday carolers, board members and volunteers would walk store to store in the Gardens on Havana singing holiday songs and giving out free thank you gift cards to shoppers. However, due to Covid-19 variant concerns of the shopping center and ownership of the property, challenges with approval from tenants, and scheduling challenges with the Aurora Singers, the District decided to be safe it would be best to host a holiday promotion campaign with Buckley Space Force instead in 2021.

The District will be hosting a holiday shopping social media promotion on the Buckley Space Force's social media platforms and highlighting On Havana Street for the 12 Days of Reindeer Games On Havana Street. For each of the 12 days Buckley will highlight On Havana Street shopping centers, restaurants, retail businesses, and the Havana Motor Mile. In 2021, the District will be hosting about \$3,000 in gift card giveaways and prizes each of the 12 days and \$1,000 towards the costs of the Air Force videographer that will create short clips highlighting businesses to post on social media. In 2022, the District Budgeted \$8,000 to cover the costs of the \$4000 towards the 12 Days On Havana Street gift card giveaways and prizes, \$2,000 towards videography costs, commercials, and graphics to promote each day and \$2000 towards other holiday events and partnerships with the base. Some of the other holiday promotions may include a Breakfast with Santa event and a Honey Baked Ham Company gift card giveaway promotion. In 2022, we wanted to strengthen our partnership and relationship with the Defense Council/Military/Veterans/Buckley Space Force. We understand that Buckley Space Force has a workforce of over 15,000, contributes over \$1 Billion to our economy in Colorado and that Team Buckley shops On Havana Street regularly.

We want to continue our great relationship with Buckley Space Force and understand that their future growth will truly be a positive impact on the growth of On Havana Street's success. The base's workforce has many primary incomes that are shoppers in our District. In 2020 and 2021, the board did re-allocate monies to sponsor events and promotions with the hospitals and Buckley Space Force, however due to Covid-19 we were not allowed to host or execute the proposed events. For example, the board allocated monies to support the community concerts and giveaways at the Buckley's Panther Den. However, due to Covid-19 the base was on locked down and restrictions were in place for visitors, which made hosting a public event limiting and challenging.

**Support Other Community Events for Stakeholders in 2022:** In addition to the scheduled events in 2022, we plan to add a few other NEW events to the line up to attract and support a new audience of shoppers to the District. The board would like to add events and collaborate with community partners to support our major workforce engines located near the District. We would like to collaborate more with the 30,000+ workers at the Anschutz Medical Campus, which includes the VA Eastern Colorado Health Care System, UCHHealth University of Colorado Hospital (UCH), Children's Hospital of Colorado and the 184-acre Fitzsimons Life Science District.

Due to Covid-19 the District felt it was best to not allocate 2022 funds in the budget and wait until 2022 to allocate monies when opportunities arise. If there is an opportunity to host a new community event in 2022, then the board would vote and re-allocate board reserves to support a new event addition in 2022. The event's details would be determined by the board of directors and the board Event & Marketing Committee.

**The 2022 events budget is \$75,000 with \$74,000 allocated to about 22+ events and about 10+ giveaways. We reserved \$1,000 in the events budget to accommodate for any additional event costs that may arise with the uncertainty of how Covid-19 will impact 2022's event's schedule.** The District decided that we not need high reserves in this budget because historically we budgeted for \$5,000 every year in HOLD for RESERVES & often had over \$5,000 in extra monies that end up cushioning the last event of the year event – Holiday Shopping Promotions. If additional funds or event opportunities arise then the board can conduct a board vote during the year for more funds from reserves for the events and marketing budget if necessary.

**Media/Print/Marketing of Events & On Havana Street - \$50,000: The marketing budget for 2022 is \$50,000.** Due to the changes in the events schedule and expecting price increases with the 15+ publications and media companies we increased our budget for print, digital ads, advertising, and marketing for 2022. **We increased this budget from \$36,000 in 2021 to \$50,000. The \$50,000 event ads budget is included in the overall \$125,000 events budget.** We increased the ads budget to market the events to accommodate for the costs increases in the current and future ads we plan to purchase with 15+ contracts and the \$1,560 for the event equipment storage locker. We budgeted for \$2,300 with the Glendale Cherry Creek Chronicle, \$3,000 for Visit Aurora's Visitors Guide, \$1,000 for the Aurora Chamber Directory ad and website digital ads, \$4,000 to include purchasing ads on Buckley Space Force's Orbiter Magazine, computer labs and television monitors, and \$10,500 to continue the local hotel key card ads that include three runs a year at three local hotels. The District budgeted \$2,500 for Asian Avenue Magazine, \$2,000 with foodie and restaurant related publications and platforms like Yelp Colorado, Door Dash, Grub Hub, Uber Eats and more, \$2,500 for Hispanic Media opportunities like Estrella Media TV Denver, \$2,500 for the African Community Media/Newspapers/Newsletters, \$3,000 for three Korean media publications (Weekly Focus, Colorado Times, & Oz Magazine), \$2,500 with Living Well in Lowry, \$2,500 for social media ads, promotions and boosts, and \$5,000 for 5280 to feature On Havana Street businesses and special edition ads. The District also budgeted \$5,140 to explore purchasing OTHER ads throughout the year, reserved that amount to allow for room to accommodate contract negotiations with the current publications and price increases and hold the funds for additional expenses.

We continued to host the \$1,000 ads in The Chamber's directory and website to include banner ads and digital pop-ups on their website that receives over one million visits annually. We continued the 2021 budgeted amount of \$4,000 with Buckley Space Force because of a major discounted 2020 contract and that the Air Force did not charge us in 2021 for our ads and promotions since in 2020 Buckley was not able to print and distribute their Orbiter Magazine with our ads due to Covid-19. We also expect an increase in marketing ads now that Buckley Garrison AFB's is the host unit, Buckley Garrison, which falls under the direction of the United States Space Force. Buckley Garrison AFB/Buckley Space Force truly represents a joint, Total Force and coalition base. This includes 3,100 active-duty members from every service, 4,000 National Guard personnel and Reservists, four commonwealth international partners, 2,400 civilians, 2,500 contractors, 36,000 retirees and approximately 40,000 veterans and dependents. The base contributes an estimated \$1 billion annually to the local economy.

In 2021, the District decided to cut the \$10,000 contract with the Aurora Sentinel/Aurora Media Group and diversify the publications we advertise with. The District reallocated the \$10,000 to explore contracting with publications in the Korean, African, and Hispanic communities. Due to the incredible response from our diverse stakeholders, we decided it was best to continue to highlight On Havana Street with the diverse publications in 2022.

Regarding the Lowry community publication, we negotiated a contract with Living Well in Lowry for \$2,500 in 2022 to include a 1/4 page ad for the year (12 months, Jan-Dec) + a free 1/4 page ad in December and a cover

story for you in 2022. We also have the option of a 1/2 page ad for six months (every other month) + a free ¼ page ad in December and a cover story in 2022. The Living Well in Lowry (LWIL), is Lowry's longest-running print newsletter, serving the community around the corner from On Havana Street since 2002. The publication is still hand-delivered at the beginning of each month to over 3,000 homes in the Lowry neighborhood - reaching those from Lowry East Park to Boulevard One, Alameda to 11th Avenue.

In 2021, the District budgeted \$2,000 for Asian Avenue Magazine. We negotiated the \$2,000 for 4 months of quarter size ads (normally \$400 per ads), 4 editorial features (promoting businesses/restaurants a part of On Havana Street), 12 social media posts, 1 per month - promoting businesses/restaurants, 6 months of a web banner ad on Asian Avenue website. In addition, Asian Avenue Magazine often hosts events in our corridor throughout the year that attract new audiences to shop, eat and explore our diverse businesses. We increased this budget to \$2,500 in 2022 to accommodate for the increases in ad pricing in 2022.

3. **Program Management Budget Expenditures - \$16,500:** Paid out of the District's General Fund, the program management budget includes overhead including meeting room rental fees, cell phone, business meeting expenses by the executive director and board directors, copies of backup for board meetings, internet/wifi/mifi, as well as office supplies. Expenses from the District's Business Watch Program and professional fees are also included. This budget category also included renewal of the trademarks. Accounting codes included in the program management budget are **61090, 61080 and 61040**. This budget for 2022 was increased to \$16,500 from \$15,000 in 2021 to accommodate for the additional expenses to this budget in 2021 for overhead expenses, office supplies and miscellaneous program management expenses. We added additional expenditures like our virtual meeting platform costs with Go to Meeting, the BID cell phone and wifi costs, memberships to Canva for graphic designs, and memberships to Microsoft Office 360. We have never used the \$10,000 for emergency snow removal budget, but felt it was still necessary to continue to reserve in 2022.
4. **District Identity Budget Expenditures - \$70,000:** In 2022, the District allocated \$70,000 with \$40,000 for Art 2C program and \$30,000 for three additional district marker improvements. Paid out of the District's General Fund, the District Identity budget includes ratepayer communication expenses, district banners, district identity markers, district marker improvements/stipends paid to property owners, and expenses for our Art 2C on Havana public art program. The District Identity budget includes **accounting codes 65070, 67060, 67090 and 67050**.

In 2021, the District allocated \$70,000 to the District Identity's budget for \$15,000 for Art 2C and \$55,000 for district markers or other branding opportunities. In 2021, the District updated and replaced district markers that needed replacement at 17 locations in the corridor and approved the install of two new district markers at Birchtree Shopping Center at Havana & Jewel (installed in August 2021) and two district panels at Sam's No 3 at Parker and Havana (to be installed in November 2021).

The Art 2C budget was decreased from \$39,000 in 2020 to \$15,000 in 2021 to allow for any unexpected expenses and unexpected insurance claims to the existing 13 sculptures on the corridor. The District did not host a gala or spent any funds on artist stipends in 2021. The District felt that it was necessary to allocate \$15,000 to cover any unexpected expenses for the public art program. In 2021, the District unexpectedly had to remove a sculpture and place the sculpture in storage with our art contractor. The property sold midway through the program contract and the sculpture had to be removed prior to the redevelopment of the property. Unfortunately, due to Covid-19 the District was not able to add a concrete pad to re-install the sculpture at another location. The artist stipend was paid in full for the two-year contract and the sculpture will be returned to the artist prior to the September 2022 de-install date. The Art 2C program now has 12 stakeholder locations with concrete art pads and only 12 sculptures in the program for 2020-2022. The District felt that in 2022 that we would do a call for art for only 12 locations and that the 13<sup>th</sup> location in the future would be Argenta.

**2022 Art 2C Public Art Program - \$40,000:** In 2022, the District budgeted \$40,000 to cover the costs of de-installing the 12 2020-2022 sculptures and installing of the 12 2022-2024 new sculptures at the 12 locations, 12 artist stipends of \$2,500 each artist for two years (\$30,000), and \$10,000 to cover the cost of the Art 2C gala's invitations, event rentals, venue, catering, AV, flowers/décor, awards ceremony artist prizes for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup>, hotels for the visiting artists, and any other gala event related expenses.

**District Markers & On Havana Street Panels - \$30,000:** In 2022, we have budgeted \$30,000 to add additional district markers at existing monuments. Each opportunity for a district marker is up to \$10,000 per location, therefore the District budgeted for at least 3 district marker improvements in 2022. The District also wants to explore the City of Aurora's 2019 proposal to canvas wrap and brand the existing electric boxes along the corridor. If the City allows for the install of canvas wraps on the electrical boxes then the District plans to reallocate reserves to support the improvement in the corridor.

5. **Audit & Accounting Budget Expenditures - \$18,000:** Paid out of the District's General Fund, this budget includes all monthly accounting fees and the annual government audit. This budget is **accounting code 61030**. The District decided to increase our \$14,000 budget in 2021 to \$18,000 in 2022 due to the board's request to update our current account codes, update the format of financials/ledger and track signature event budgets with codes per event, continue the bill.com payment system, account for the cost increase of a new BID auditor and accountant in 2022. Unfortunately, our accountant will be leaving at the end of September 2021 and the BID will need a new auditor in 2022 since our current accounting firm in 2021 used to be our auditor accounting firm in 2020. The District is currently receiving BIDs for new special district auditors to audit our 2021 financials for early 2022. The District also plans to continue with the current accountant company through 2021 even though the assigned accountant through the company is leaving. In 2022, the District will explore a new accountant if necessary, but plan to remain with the current accounting company.
6. **Website/Branding Budget Expenditures - \$30,000:** Paid out of the District's General Fund, this budget includes all of the website hosting, maintenance, mobile website, SEO on all pages and the business directory listings for all of the District's businesses, new pages, press releases, social media including our Facebook Page, Twitter Account and Instagram account. This budget also includes monthly marketing/branding/website development with Webolutions to uphold our brand, help with event planning and marketing strategy. The board decided to budget the same \$30,000 in 2021 for 2022. \$25,000 of the \$30,000 budget will be designated to the Webolutions contract to manage and create campaigns and \$5,000 will be spent on social media ad purchases, event boosts and other digital marketing online for the corridor and BID businesses.
7. **Insurance Budget Expenditures - \$7,500:** Paid out of the District's General Fund, this includes Colorado Special District Association Membership, Special District Pool Insurance including general liability coverage for all District events and activities, public officials' liability, excess liability, comprehensive crime and fraud coverage, cyber liability, fiduciary liability, property coverage on our district markers and condo newspaper racks. This budget also includes retention of T. Charles Wilson Insurance as our agent working the Special District Pool. This budget includes **accounting code 61050** and the budget for 2022 remain at \$7,500. The District reviewed the \$7,500 budget and felt that the budget would be sufficient for 2022 even with expected premium increases.
8. **Legal Budget Expenditures - \$7,500:** Paid out of the District's General Fund, this budget includes legal consult by Spencer Fane, LLP, a Colorado Special District Attorney Firm. This budget includes **accounting code 61035** and the budget for 2022 will increase to \$7,500 from \$5,000 to account for more legal consult due to new board member appointments, trademark renewals, transitions with new accountants and auditors expected in 2022, and Covid-19 related correspondence.

**Salary & Staff Consulting Budget - \$98,250:** Paid out of the General Fund, this budget covers payroll, an increased staff salary of \$80,000 and a consultant/1099 budget of \$18,250 to be used as needed by the Executive Director and Board. The District Board voted to increase the Executive Director's salary and add a

consulting staff budget to be used as needed in 2022. The board decided that in 2021, the Executive Director salary would get a raise from the 2021 Budget Year salary of \$70,000 to \$80,000 and a \$5,000 bonus in 2021 for supporting the District through the two pandemic years. All other dependent payroll costs (Worker's Compensation, Retirement Savings Match, ADP, and Payroll Taxes) shall adjust automatically to the new salary amount.

9. **Medical Insurance & PTO - \$7,000:** The district no longer has a group medical plan with one employee and does not provide a medical insurance benefit for the executive director or staff. It was not legal for the District to offer Group Health Insurance for a group of 1 employee, and the District was advised by the health insurance broker to pursue an ICHRA benefit program through Wage Works and Health Equity for the executive director's compensation. In 2021, the District contributed \$5,000 to the ICHRA for the Executive Director. The Individual Coverage HRA was announced in 2019 and is a company-funded, tax-advantaged health benefit used to reimburse employees for personal health care expenses. Unlike other HRAs, the ICHRA is available to businesses of any size, which allows for the District to qualify with one full time equivalent on staff. Due to Covid-19, the District was advised that health insurance premiums in 2021 will significantly increase. The board approved allocating \$6,000 towards an ICHRA account and \$1,000 towards the administration fees for the ICHRA to support medical insurance with Kaiser Permanente and plans for vision and dental. The ICHRA can also include covering all eligible medical expenses. The board likes that the District is supporting a BID stakeholder like Kaiser Permanente in the corridor. In 2020, The District Board also voted to increase the staff's Paid Time Off (PTO) from 10 days to 15 days in 2021. This PTO is still honored for the Executive Director for 2022.
10. **Retirement Savings options - \$2,400:** Paid out of the District's General Fund. The board will provide an optional 3% retirement savings match for employees. \$2,400 is allocated for the Executive Director's retirement savings match in 2022 and estimated \$2400 is 3% of the 2022's salary.
11. **ADP Fees - \$1,700:** This budget includes accounting code 61035 and the budget for 2022 will remain the same \$1,700 budgeted in 2020 and 2021. In 2021, we budgeted for \$1,700 due to the rising costs of ADP and estimated the ADP fee cost for less than 5 FTE's is about the same as the 2FTE or 1FTE that we have been budgeting for.
12. **Staff Professional Development/Training - \$1,500:** The board continued to allocate \$1,500 in 2022 for staff professional development and training. The board budgeted \$1,500 to allow for the executive director to attend special district conferences, training, workshops, and networking in 2022.
13. **Staff Mileage - \$3,200:** Paid out of the District's General Fund. This is the standard federal mileage allowance for businesses for employees, estimated to be \$3,200 in 2022, based upon past years' expenses and less driving due to Covid-19 restrictions. This budget was decreased from \$6,400 in 2021.
14. **Stakeholder & Community Relations - \$5,000:** The board wanted to increase this budget to allow for more stakeholder relations and hosting opportunities for the board and Executive Director. In 2021, due to the pandemic and hosting of the Governor and business round tables the board wanted to budget more to cover the costs of the tours and hosting for stakeholders. For example this budget would support stakeholder engagement opportunities like if future state legislators visit and tour the businesses, then the District can host the accommodations for the lunch. This budget can also support opportunities with hosting the Aurora Police Academy tour with 35 recruits at various businesses or networking and community relations events like, "Coffee with a Cop" at LaMar's Donuts. This budget is also to be used as a petty cash fund and/or expenses for the board and executive director to spend as required to support day-to-day BID business.
15. **Board Development/Strategic Planning - \$10,000:** This is paid out of the District's General Fund. The board has budgeted for \$10,000 in 2022 to account for any board training, development, networking opportunities and the District's strategic planning.

16. **Board Reserves - \$618,489:** This is the estimated and preliminary 2022 budgeted amount. \$618,489 was set aside for the board reserves. This is the unallocated money in the bank account that can be reallocated by the board throughout the year as the need arises. The board reserves will be significantly more in 2022 to reserve funds for future deficits to the Assessed Value collections from our 4.5 mil levy and reserve funds for future years due to Covid-19 challenges. The board also reserved more funds for the transition of the public art program going from annually to every two-years and the many anticipated improvement projects to be explored in 2022. This budget item will increase or decrease based on the final 2022 AV's that are shared with the District after the October 2021 submission of the budget to the City of Aurora. Typically, after the final AV's are shared with the District, any additional funds not allocated or budgeted for are added to the board reserves. For example, in past years if the BID's preliminary AV's were \$550,000 and the final AV's were \$600,000 then the District would re-allocate the additional \$50,000 of unexpected funds to the board reserves. By adding additional funds to the board reserves allows for the District to not have to re-approve any other budget line items at a public meeting.
17. **Reserves Fund (3% Reserved Required through TABOR) - \$17,229:** The emergency fund for fiscal year 2022 will be equal to 3% of the District's fiscal year spending.

**DEBT SERVICES FUND/EXPENDITURES: None. N/A.** The District currently does not anticipate seeking the approval of the District's electors for the authorization and issuance of additional debt.

**ANTICIPATED PROJECTS:** The board budgeted for the cost of construction of a few District Markets in 2022 and a possible addition of a concrete art pad for the Art 2C public art program as the projects are approved by the City of Aurora. The board plans to continue the Havana Motor Mile Auto Technician Tool Incentive program in May of 2022, as described above. The District wants to support the continuation of the Havana Multi Modal Study proposed improvements as the opportunities arise. The study shared opportunities for more District branding at certain intersections. The District also anticipates exploring a contract with the City of Aurora's traffic to add public art canvas wraps to the electric boxes along the corridor. The City proposed this opportunity in 2019 prior to Covid-19 budget restrictions and in 2022 the District would like to explore implementing these additional improvements with the board reserves. **See the Preliminary 2022 Operational Plan for additional details.**

2022 PRELIMINARY GENERAL FUND OF THE HAVANA BUSINESS IMPROVEMENT DISTRICT												
	Original	Actual	Original	Estimated	Actual	Estimated W/2020 CERT AV AS OF 11.27.2019	*PRELIM 2021 CERT AV AS OF 10.8.2020	FINAL 2021 CERT AV AS OF 11.25.2020	12/2020 NOTES: BOTW: \$201,948 & 1st Bank: \$299,671 as of 12/2/2020 = TOTAL \$501,619	As of 8/2021 w/ 8.25.2021 Estimated Prelim. AV: \$129,661,592, Financials by Simmons & Wheeler	Estimated 2021	*PRELIM 2022 approved by BID BOD w/ 8.25.2021 Estimated Prelim. AV: \$129,661,592
2022 PRELIM. BUDGET	2019 Budget	End of 2019	2020 Budget	End of 2020	End of 2020	EST. *PRELIM 2021 W/2020'S AV'S: \$113,901,131	*PRELIM 2021 CERT AV: \$115,423,393	FINAL 2021 CERT AV: \$114,648,028	AS OF 1/2021	AS OF 8/2021	Estimated 2021	*PRELIM 2022
Est. BEGINNING FUND BALANCE	232,778	214,360	347,159	266,979	266,979	453,426	453,426	453,427	453,427	441,364	441,364	586,260
Property Taxes (4.5 mills): PRELIM 2022 AV's: (\$111,355,880 x .0045) = \$501,101 2021 FINAL AV's (97,715,270 x .0045) = \$439,718.72, PRELIM 2021 AV's (\$98,476,867 x .0045) = \$443,146, 2020 AV's (\$97,663,367 x .0045) = \$439,485	402,201	395,908	439,485	433,161	433,161	439,485	443,146	439,719	439,719	438,099	439,719	501,101
URA Property Tax Increment: PRELIM 2022 AV's: (\$18,305,712 x .0045) = \$82,376 2021 FINAL AV's (\$16,932,758 x .0045) = \$76,197.41, PRELIM 2021 AV's \$16,946,526 x .0045) = \$76,269, 2020 AV's (\$16,237,764 x .0045) = \$73,069	69,258	82,757	73,069	84,877	84,877	73,069	76,259	76,197	76,197	89,706	89,706	82,376
Specific Ownership Taxes: Est. (Total Prop. Tax \$111,355,880 (4.5 mills) x 8%)	28,000	36,942	37,000	36,322	36,322	37,000	37,000	37,000	37,000	23,674	37,000	40,088
Interest	50	278	60	-	-	60	60	60	60	201	300	200
Sponsorships and other revenues	8,000	10,523	10,000	-	-	-	-	-	-	20,621	21,000	-
<b>TOTAL REVENUES</b>	<b>507,509</b>	<b>526,408</b>	<b>559,614</b>	<b>554,360</b>	<b>554,360</b>	<b>549,614</b>	<b>556,465</b>	<b>552,976</b>	<b>552,976</b>	<b>572,301</b>	<b>587,725</b>	<b>623,765</b>
<b>TOTAL REVENUE AND FUND BALANCE</b>	<b>740,287</b>	<b>740,768</b>	<b>906,773</b>	<b>821,339</b>	<b>821,339</b>	<b>1,003,040</b>	<b>1,009,891</b>	<b>1,006,403</b>	<b>1,006,403</b>	<b>1,013,665</b>	<b>1,029,089</b>	<b>1,210,025</b>
EXPENDITURES	Original 2019	End 2019	Original 2020	Est. End of 2020	End 2020	PRELIM 2021	*PRELIM 2021 CERT AV AS OF 10.8.2020 \$115,423,393	FINAL 2021 CERT AV AS OF 11.25.2020: \$114,648,028	AS OF 1/2021	AS OF 8/2021	Estimated 2021	PRELIM. 2022
Marketing (inc tool incentive workforce prog. \$20,000 + HMM \$137,000)	157,000	158,071	180,000	130,000	143,648	124,000	124,000	124,000	124,000	58,523	124,000	157,000
Special Events (inc media print ads, marketing w/Buckley, local print, hotel key card, VA, GDCC, AAM, Lowry, other for \$50,000 + \$75,000 event budget)	100,000	68,204	115,000	44,000	49,852	61,000	61,000	61,000	61,000	31,175	61,000	125,000
Program Management (inc \$10,000 snow)	20,000	37,514	15,000	6,000	41,123	15,000	15,000	15,000	15,000	4,088	15,000	16,500
District Identity - \$30K for district markers & \$40,000 Art2C program	66,000	24,112	70,000	44,000	6,636	70,000	70,000	70,000	70,000	37,610	70,000	70,000
Audit & Accounting	9,000	7,700	12,000	8,722	9,197	14,000	14,000	14,000	14,000	9,231	16,000	18,000
Website/Branding + Social Media	30,000	29,410	30,000	27,000	28,458	30,000	30,000	30,000	30,000	21,787	30,000	30,000
Special District Insurance	10,000	5,475	10,000	4,200	4,446	7,500	7,500	7,500	7,500	7,625	7,625	7,500
Legal	5,000	1,970	5,000	3,200	4,321	5,000	5,000	5,000	5,000	3,137	7,000	7,500
Payroll Taxes (Est. 7.5% of Payroll)	12,000	5,772	5,500	6,036	4,541	6,000	6,000	6,000	6,000	3,902	6,000	6,000
ED Salary	108,287	112,709	93,350	74,936	74,617	70,000	70,000	70,000	70,000	50,570	70,000	80,000
Labor/1099/Consultant						18,250	18,250	18,250	18,250	-	-	18,250
3% retirement savings match	1,950	1,796	2,201	2,200	2,282	2,200	2,200	2,200	2,200	1,638	2,100	2,400
Worker's Comp .003% of Employees Salary	400	338	280	450	224	450	450	450	450	152	210	240
ICHR/Employee medical insurance/Wage Works/Health Equity Admin Fees	8,000	4,142	-	-	-	5,000	5,000	5,000	5,000	-	5,500	7,000
ADP Payroll Fees	1,200	1,616	1,700	1,670	1,689	1,700	1,700	1,700	1,700	1,270	1,700	1,700
Stakeholder & Community Relations	1,000	-	1,000	500	-	1,000	1,000	1,000	1,000	502	1,000	5,000
Staff Prof Development/Training	500	-	1,500	100	-	1,500	1,500	1,500	1,500	109	1,000	1,500
Board Development/Strat Planning	3,000	1,599	3,000	650	45	3,000	3,000	3,000	3,000	481	3,000	10,000
Mileage	6,400	7,419	6,400	3,000	2,399	6,400	6,400	6,400	6,400	16	2,200	3,200
Other - Tax Revenue - Treasurer's Fee (1.5% ON \$583,477 \$ W/ PRELIM 2022 AV's)	7,072	5,942	7,688	6,592	6,497	7,688	7,791	7,739	7,739	6,574	6,596	7,517
Reserves (3% Tabor on total expenditures w/o the treasurer's fee w/ 2022 PRELIM AV's)	14,144	-	15,377	15,377	-	15,377	15,582	15,477	15,477	-	12,898	17,229
<b>TOTAL EXPENDITURES:</b>	<b>560,953</b>	<b>473,789</b>	<b>574,996</b>	<b>378,633</b>	<b>379,975</b>	<b>465,065</b>	<b>465,373</b>	<b>465,216</b>	<b>465,216</b>	<b>238,390</b>	<b>442,829</b>	<b>591,536</b>
BID Reserves - plan to set up sep. bank acct. for reserves for 2022)												416,541
BOARD RESERVES (Bank Balance of BOTW account)	155,687	-	192,612	192,612	-	537,975	544,518	541,187	541,187	-		201,948
<b>TOTAL EXPENDITURES w/ Board Reserves</b>	<b>716,640</b>	<b>473,789</b>	<b>767,608</b>	<b>571,245</b>	<b>379,975</b>	<b>1,003,040</b>	<b>1,009,891</b>	<b>1,006,403</b>	<b>1,006,403</b>	<b>238,390</b>	<b>442,829</b>	<b>1,210,025</b>
ENDING FUND BALANCE	23,647	266,979	139,165	250,094	441,364	-	0	(0)	(0)	775,275	586,260	-
2022 BUDGET NOTES: This is a preliminary budget from the AV's presented on 8.25.2021												
2022 Prelim CERT OF AV INCREASED FROM \$114M to \$129M which is about \$15M IN ONE YEAR AFTER COVID-19, (\$129,661,592-\$114,648,028) = \$15,013,564												
												15,013,564



RESOLUTION NO. R2021-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE HAVANA BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2007-36 organizing the Havana Business Improvement District (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act: and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Havana Business Improvement District are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Windler Business Improvement District No. 1

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

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### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Approve Item and Move Forward to Study Session  | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only   |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

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**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

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**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Windler Business Improvement District No. 1 (BID) in 2021 (Ord. No. 2021-32). The BID is located generally west of Harvest Road, north of E 42<sup>nd</sup> Avenue, south of E 56<sup>th</sup> Avenue and east of E-470. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

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**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Windler Business Improvement District No. 1 2022 operating plan and budget. The operating plan anticipates developer advances for its \$50,000 revenue and expected expenditures. The Windler No. 1 BID does not anticipate any major public improvements for 2022.

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**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

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**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Windler Business Improvement District No. 1. Funding is projected at \$50,000 from developer advances.

**WINDLER  
BUSINESS IMPROVEMENT DISTRICT NO. 1**

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**2022 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted:

September 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 2000  
Denver, CO 80122

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## **EXHIBIT LIST**

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget and Financial Statements
- EXHIBIT C** District Contact Information

## I. PURPOSE AND SCOPE OF DISTRICT

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Windler Business Improvement District No. 1 (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30<sup>th</sup> of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the Business Improvement District Act, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of bonds to be issued by the District; and (5) such other information as the City may require.

**C. Purposes.** As may be further articulated in succeeding year’s operating plans, the ongoing and contemplated purposes of the District include the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all the services and public improvements allowed under Colorado law for business improvement districts.

## II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS

**A. Current Board of Directors.** The composition of the District’s proposed board of directors (“**Board of Directors**”) is:

1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

**B. Term Limits.** A ballot question will be included in the District’s November 2, 2021 ballot to eliminate term limits.

**C. Director Compensation.** The Board of Directors shall receive compensation up to \$100 per meeting attended for their services as directors.



### **III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The District's proposed boundaries are approximately one (1) acre as depicted in **Exhibit A**. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

### **IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS**

The District will primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the "**Public Improvements**"). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

**A. Current Year (2021) Services, Activities, Projects and Public Improvements.** The District anticipates undertaking only administrative functions during 2021.

**B. Future Year (2022) Services, Activities, Projects and Public Improvements.** The District intends to undertake the planning of Public Improvements necessary for the development of property within the District during 2022.

### **V. SOURCES OF REVENUE**

**A. Current Year (2021) Sources of Revenue.** The District anticipates developer funding for its initial revenue source.

**B. Future Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on

all property within the District for collection in 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

## **VI. PROPERTY TAX AND MILL LEVY**

**A. Mill Levy Caps.** The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

**B. Current Year (2021) Mill Levy.** The District does not intend to impose a mill levy for 2021.

**C. Future Year (2022) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund.

## **VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS**

**A. Maximum Debt Authorization.** The District intends to hold an organizational election for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

**B. Current Year (2021) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2022) Debt Outstanding.** The District does not anticipate issuing debt in 2022.

## **VIII. BUDGETS AND FINANCIAL STATEMENTS**

**A. 2022 Budget.** The proposed 2022 Budget for the District is attached as **Exhibit B**. The District is anticipated to be organized pursuant to Ordinance 2021-032 proposed for adoption on second reading on September 13, 2021 with an effective date of October 13, 2021. After organization, the District intends to adopt a 2021 Budget and 2022 Budget. The District did not exist prior to October 13, 2021, therefore no 2020 or 2021 financial statements are available.

## **IX. DISTRICT CONTACT INFORMATION**

**A. Contact Information.** Contact information for the District's accountant and District's representative where follow-up inquires and questions should be directed is set forth on **Exhibit C**.

## **X. DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

## **XI. CONCLUSION**

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional information required by the City. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of C.R.S. §§ 32-25-1201, *et. seq.*

**EXHIBIT A**  
**DISTRICT LEGAL DESCRIPTION AND MAP**

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.  
----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO----

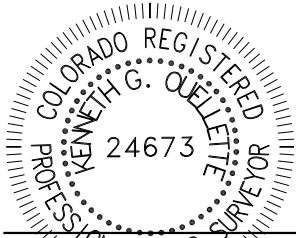
**PROPERTY DESCRIPTION**

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

**COMMENCING** AT SAID NORTH QUARTER CORNER OF SECTION 18;  
THENCE S70°13'55"W A DISTANCE OF 2697.02 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;  
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;  
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;  
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;  
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673  
DATE: MAY 16, 2021  
JOB NO. 65420899  
FOR AND ON BEHALF OF MERRICK & COMPANY



**MERRICK®**

5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1  
EXHIBIT A

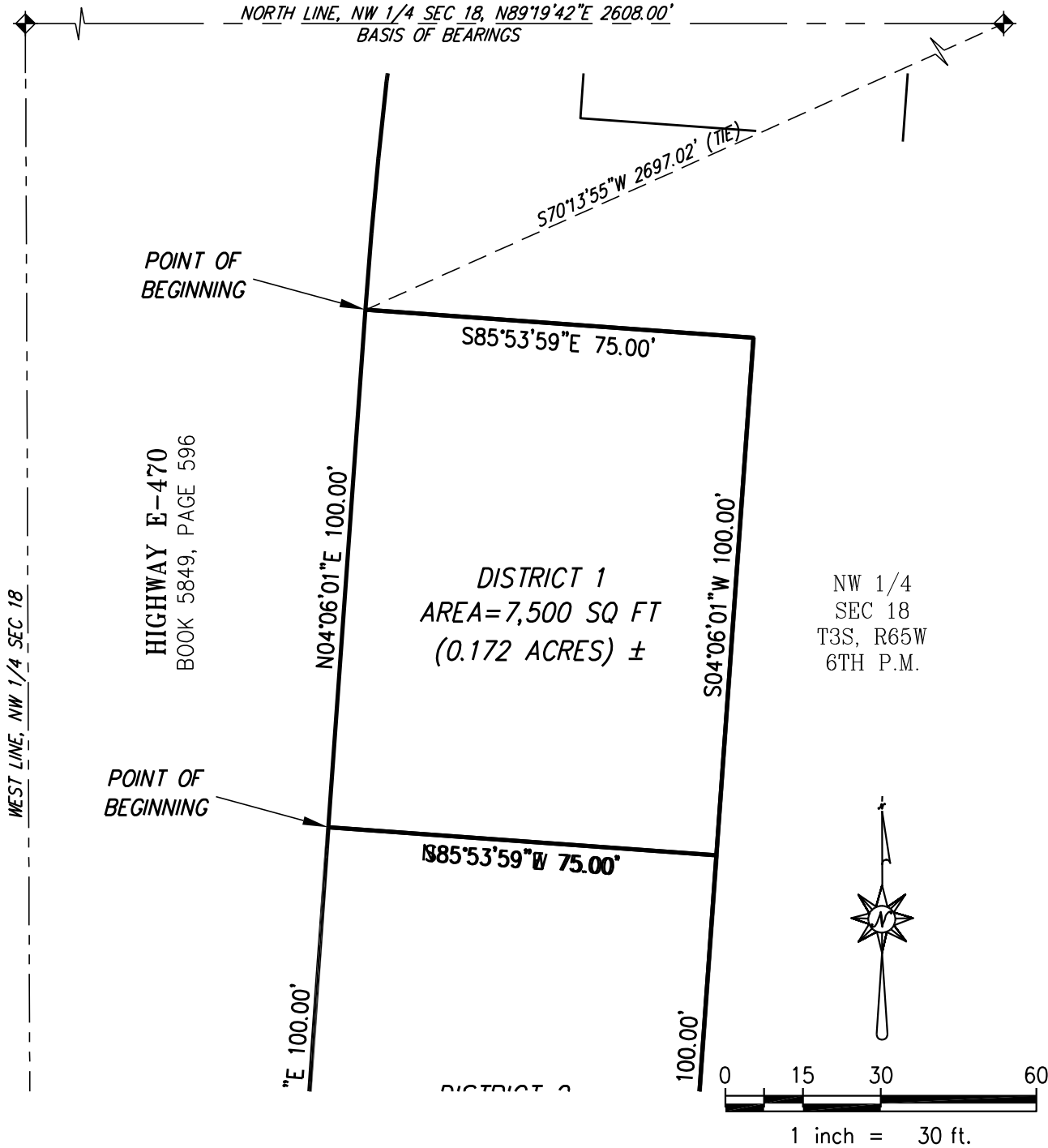
DATE: 5/6/21

SHEET: 1 OF 1

# ILLUSTRATION FOR A-2

NW COR SEC 18  
#6 REBAR WITH 3-1/4" ALUM. CAP  
STAMPED: PLS 24313

**POINT OF COMMENCEMENT**  
N 1/4 CORNER SEC 18  
#6 REBAR WITH 2-1/2" ALUM. CAP  
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.



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5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1  
EXHIBIT C-1

DATE: 5/6/21

SHEET: 1 OF 1

**EXHIBIT B**  
**BUDGETS AND FINANCIAL STATEMENTS**

**Windler Business Improvement District No. 1**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Inactive <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>06/30/21</u>	Estimated <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Developer advances	-	50,000	50,000	29,400	50,000
Total revenues	-	50,000	50,000	29,400	50,000
Total funds available	-	50,000	50,000	29,400	50,000
Expenditures:					
Accounting / audit	-	5,000	-	1,500	5,000
Directors fees	-	900	-	900	900
Insurance/SDA dues	-	2,500	-	2,500	2,500
Legal -	-	22,500	-	22,500	22,500
Management	-	3,500	-	-	3,500
Miscellaneous	-	2,000	-	2,000	2,000
Contingency	-	12,508	-	-	12,508
Emergency reserve (3%)	-	1,092	-	-	1,092
Treasurer fees	-	-	-	-	-
Total expenditures	-	50,000	-	29,400	50,000
Ending fund balance	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Assessed valuation	\$ -	\$ -			\$ -
Mill Levy	-	-			10.000



## EXHIBIT C

### DISTRICT CONTACT INFORMATION

#### **District Representative Contact:**

Clint C. Waldron, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: cwaldron@wbapc.com

Megan J. Murphy, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: mmurphy@wbapc.com

#### **District Accountant:**

Diane Wheeler  
304 Inverness Way South  
Suite 490  
Englewood, CO 80112  
Work: 303-689-0833  
Email: diane@simmonswheeler.com

#### **District Auditor:**

Not applicable

RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE WINDLER BUSINESS IMPROVEMENT DISTRICT NO.1

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2021-32 organizing the Windler Business Improvement District No.1 (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Windler Business Improvement District No.1 are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

---

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



RLA

---

HANOSKY HERNANDEZ,  
Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2022 Operating Plan and Budget for the Windler Business Improvement District No. 2

**Item Initiator:** Carol Toth, Manager of Accounting - Finance

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

**Outside Speaker:**

**Council Goal:** 2012: 6.0--Provide a well-managed and financially strong City

### COUNCIL MEETING DATES:

**Study Session:** 10/18/2021

**Regular Meeting:** 11/22/2021

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR THE WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2

Staff Source/Legal Source: Carol Toth, Manager of Accounting – Finance/Hans Hernandez Perez, Assistant City Attorney

Estimated Presentation/Discussion Time: 5 minutes

---

### ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Approve Item and Move Forward to Study Session  | <input type="checkbox"/> Approve Item as proposed at Study Session   |
| <input type="checkbox"/> Approve Item and Move Forward to Regular Meeting   | <input type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only   |  |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration<br>Reason for waiver is described in the Item Details field. |  |

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** N/A

---

**Policy Committee Date:** N/A

**Action Taken/Follow-up: (Check all that apply)**

- |   |   |
|---|---|
| <input type="checkbox"/> Recommends Approval              | <input type="checkbox"/> Does Not Recommend Approval    |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Recommendation Report Attached |
| <input type="checkbox"/> Minutes Attached                 | <input type="checkbox"/> Minutes Not Available          |

---

**HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)**

City Council approved the establishment of the Windler Business Improvement District No. 2 (BID) in 2021 (Ord. No. 2021-33). The BID is located generally west of Harvest Road, north of E 42<sup>nd</sup> Avenue, south of E 56<sup>th</sup> Avenue and east of E-470. State statute requires that the BID file its proposed annual budget for the upcoming year with the City Clerk for City Council review and approval.

---

**ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)**

The attached resolution will approve the Windler Business Improvement District No. 2 2022 operating plan and budget. The operating plan anticipates developer advances for its \$50,000 revenue and expected expenditures. The Windler No. 2 BID does not anticipate any major public improvements for 2022.

---

**QUESTIONS FOR COUNCIL**

Does the Committee support approval of the resolution and wish to forward this item to City Council Study Session as proposed?

---

**LEGAL COMMENTS**

No business improvement district shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the municipality within which it is located has approved an operating plan and budget for the district. *See* Sec. 31-25-1211, C.R.S. (Hernandez).

---

**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** N/A

---

**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2022 operating plan and budget for the Windler Business Improvement District No. 2. Funding is projected at \$50,000 from developer advances.

**WINDLER  
BUSINESS IMPROVEMENT DISTRICT NO. 2**

---

**2022 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted:

September 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122

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## **EXHIBIT LIST**

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget and Financial Statements
- EXHIBIT C** District Contact Information



## I. PURPOSE AND SCOPE OF DISTRICT

**A. Requirement for this Operating Plan.** The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Windler Business Improvement District No. 2 (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30<sup>th</sup> of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

**B. What Must Be Included in the Operating Plan?** Pursuant to the Business Improvement District Act, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of bonds to be issued by the District; and (5) such other information as the City may require.

**C. Purposes.** As may be further articulated in succeeding year’s operating plans, the ongoing and contemplated purposes of the District include the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all the services and public improvements allowed under Colorado law for business improvement districts.

## II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS

**A. Current Board of Directors.** The composition of the District’s proposed board of directors (“**Board of Directors**”) is:

1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

**B. Term Limits.** A ballot question will be included in the District’s November 2, 2021 ballot to eliminate term limits.

**C. Director Compensation.** The Board of Directors shall receive compensation up to \$100 per meeting attended for their services as directors.

### **III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The District’s proposed boundaries are approximately one (1) acre as depicted in **Exhibit A**. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

### **IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS**

The District will primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the “**Public Improvements**”). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

**A. Current Year (2021) Services, Activities, Projects and Public Improvements.** The District anticipates undertaking only administrative functions during 2021.

**B. Future Year (2022) Services, Activities, Projects and Public Improvements.** The District intends to undertake the planning of Public Improvements necessary for the development of property within the District during 2022.

### **V. SOURCES OF REVENUE**

**A. Current Year (2021) Sources of Revenue.** The District anticipates developer funding for its initial revenue source.

**B. Future Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on

all property within the District for collection in 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

## **VI. PROPERTY TAX AND MILL LEVY**

**A. Mill Levy Caps.** The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

**B. Current Year (2021) Mill Levy.** The District does not intend to impose a mill levy for 2021.

**C. Future Year (2022) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2022, all of which will be dedicated to the General Fund.

## **VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS**

**A. Maximum Debt Authorization.** The District intends to hold an organizational election for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

**B. Current Year (2021) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2022) Debt Outstanding.** The District does not anticipate issuing debt in 2022.

## **VIII. BUDGETS AND FINANCIAL STATEMENTS**

**A. 2022 Budget.** The proposed 2022 Budget for the District is attached as **Exhibit B**. The District is anticipated to be organized pursuant to Ordinance 2021-033 proposed for adoption on second reading on September 13, 2021 with an effective date of October 13, 2021. After organization the District intends to adopt a 2021 Budget and 2022 Budget. The District did not exist prior to October 13, 2021, therefore no 2020 or 2021 financial statements are available.

## **IX. DISTRICT CONTACT INFORMATION**

**A. Contact Information.** Contact information for the District’s accountant and District’s representative where follow-up inquires and questions should be directed is set forth on **Exhibit C**.

**X. DISSOLUTION**

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

**XI. CONCLUSION**

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional information required by the City. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of C.R.S. §§ 32-25-1201, *et. seq.*

**EXHIBIT A**  
**DISTRICT LEGAL DESCRIPTION AND MAP**

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.  
----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO----

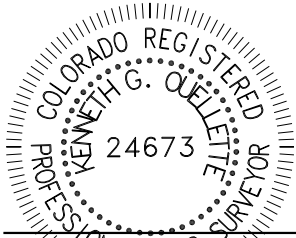
**PROPERTY DESCRIPTION**

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

**COMMENCING** AT SAID NORTH QUARTER CORNER OF SECTION 18;  
THENCE S68°19'07"W A DISTANCE OF 2739.01 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;  
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;  
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;  
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;  
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673  
DATE: MAY 16, 2021  
JOB NO. 65420899  
FOR AND ON BEHALF OF MERRICK & COMPANY



**MERRICK®**

5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2  
EXHIBIT A

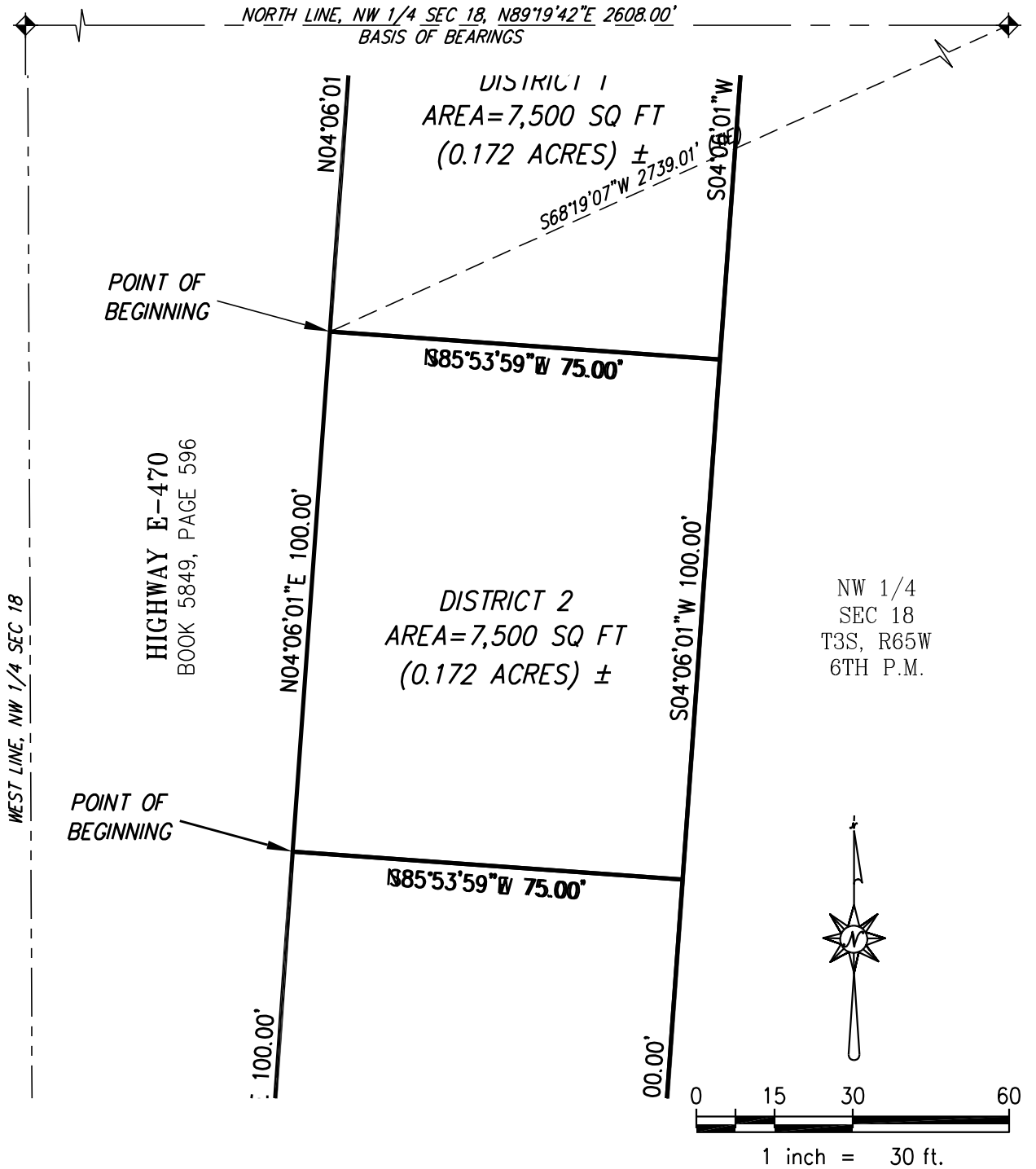
DATE: 5/6/21

SHEET: 1 OF 1

# ILLUSTRATION FOR A-3

NW COR SEC 18  
#6 REBAR WITH 3-1/4" ALUM. CAP  
STAMPED: PLS 24313

**POINT OF COMMENCEMENT**  
N 1/4 CORNER SEC 18  
#6 REBAR WITH 2-1/2" ALUM. CAP  
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.



**MERRICK®**  
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2  
EXHIBIT C-1

DATE: 5/6/21

SHEET: 1 OF 1

**EXHIBIT B**  
**BUDGETS AND FINANCIAL STATEMENTS**



**Windler Business Improvement District No. 2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Inactive <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>06/30/21</u>	Estimated <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Developer advances	-	50,000	50,000	29,400	50,000
Total revenues	-	50,000	50,000	29,400	50,000
Total funds available	-	50,000	50,000	29,400	50,000
Expenditures:					
Accounting / audit	-	5,000	-	1,500	5,000
Directors fees	-	900	-	900	900
Insurance/SDA dues	-	2,500	-	2,500	2,500
Legal -	-	22,500	-	22,500	22,500
Management	-	3,500	-	-	3,500
Miscellaneous	-	2,000	-	2,000	2,000
Contingency	-	12,508	-	-	12,508
Emergency reserve (3%)	-	1,092	-	-	1,092
Treasurer fees	-	-	-	-	-
Total expenditures	-	50,000	-	29,400	50,000
Ending fund balance	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Assessed valuation	\$ -	\$ -			\$ -
Mill Levy	-	-			10.000

## EXHIBIT C

### DISTRICT CONTACT INFORMATION

#### **District Representative Contact:**

Clint C. Waldron, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: cwaldron@wbapc.com

Megan J. Murphy, Esq.  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122  
Work: 303-858-1800  
Email: mmurphy@wbapc.com

#### **District Accountant:**

Diane Wheeler  
304 Inverness Way South  
Suite 490  
Englewood, CO 80112  
Work: 303-689-0833  
Email: diane@simmonswheeler.com

#### **District Auditor:**

Not applicable

RESOLUTION NO. R2021-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2022 OPERATING PLAN AND BUDGET FOR  
THE WINDLER BUSINESS IMPROVEMENT DISTRICT NO.2

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), is vested with jurisdiction to create one or more districts within City boundaries pursuant to the Business Improvement District Act, Part 12 of Article 25 of Title 31, C.R.S. (the “Act”); and

WHEREAS, pursuant to the Act, the Council has adopted Ordinance No. 2021-33 organizing the Windler Business Improvement District No.2 (the “District”) and appointing the District’s initial Board of Directors (the “Board”); and

WHEREAS, Section 31-25-1211, C.R.S., provides that no district created under the Act shall issue bonds, levy taxes, fees, or assessments, or provide improvements or services unless the City has approved an operating plan and budget for the district; and

WHEREAS, the Board has approved a 2022 District operating plan and budget (the “2022 Operating Plan and Budget”) for submittal to the City, which Operating Plan and Budget are in full compliance with the requirements of the Act; and

WHEREAS, the Council finds and determines that the approval of the 2022 Operating Plan and Budget in the form presented to the Council at this meeting is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The 2022 Operating Plan and Budget for the Windler Business Improvement District No.2 are hereby approved, including the declaration of public interest and necessity for improvements contained therein.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.


\_\_\_\_\_  
MIKE COFFMAN, Mayor

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 RLA

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HANOSKY HERNANDEZ,  
Assistant City Attorney