



## AGENDA

### MANAGEMENT AND FINANCE POLICY COMMITTEE

September 27, 2022

1:00 pm

WebEx Meeting

This meeting will be live-streamed on the city's YouTube channel. Watch at  
[YouTube.com/TheAuroraChannel](https://www.youtube.com/TheAuroraChannel)

Public Participant Dialing Instructions  
Dial Access Number: 1-408-418-9388  
Enter Participant Code: 2498 923 4832

Council Member Gardner, Chair  
Council Member Murillo, Vice Chair  
Council Member Zvonek  
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**

August 23, 2022 Draft Minutes

3. **Consent Items**

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**3.a. August 2022 Sales Tax Chart** 18  
Presenter: Bill Levine, Sr. Management Analyst (5 minutes)

**4. General Business**

**4.a. Occupational Privilege Tax Repeal** 22  
Presenter: Council Member Jurinsky (15 minutes)

**4.b. Ward Realignment Recommendation Deadline** 27  
Presenter: Council Member Marcano (15 minutes)

**4.c. Update on E-Discovery in Courts** 32  
Julie Heckman, Deputy City Attorney (10 minutes)

**4.d. Fitzsimons Business Improvement District – New Board Member Appointment** 34  
Presenter: Chad Argentar, Sr. Project Manager (5 minute)

**4.e. 2023 Ward Redistricting Review** 39  
Presenter: Kadee Rodriguez, City Clerk (5 minutes)

**4.f. Annual Review of Investment Policy** 63  
Presenter: Teresa Sedmak, City Treasurer (5 minutes)

**4.g. Proposed Modifications to Moral Obligations Policy and Review of Existing Moral Obligations** 75  
Presenter: Teresa Sedmak, City Treasurer (10 minutes)

**4.h. Summary Results - Sale and Closing of City of Aurora 2022 COPs (Road Improvements Projects)** 84  
Presenter: Teresa Sedmak, City Treasurer (5 minutes)

**5. 2023 BID OPERATING PLANS AND BUDGETS**

Presenter: Jennifer Orozco, Project Manager

Chad Argentar, Sr. Project Manager

Carol Toth, Manager of Accounting (10 minutes)

5.a.	Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Parkside at City Centre Business Improvement District	87
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5.i.	Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Citadel on Colfax Business Improvement District	319
5.j.	Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Porteos Business Improvement District	340

**6. 2023 GID Operating Plan and Budgets**

Andrew Jamison, Debt and Treasury Supervisor (5 minutes)

6.a.	General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget	363
6.b.	General Improvement District 2-2009 (Pier Point 7) 2023 operating budget	368
6.c.	General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget	372
6.d.	General Improvement District 1-2016 (Cobblewood) 2023 operating budget	376
6.e.	General Improvement District 1-2008 (Peoria Park) 2023 operating budget	380
6.f.	General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget	385

**7. Miscellaneous Matters for Consideration**

Next meeting tentatively scheduled for October 25 at 1:00pm WebEx Meeting

**8. Adjournment**

*Total projected meeting time: 90 minutes*



**MF POLICY COMMITTEE MEETING**

August 23, 2022

Members Present: Council Member Gardner – Chair, Council Member Murillo, Council Member Zvonek

Others present: Mayor Pro Tem Bergan, R. Venegas, T. Velasquez, G. Hays, N. Wishmeyer, K. Rodriguez, B. Levine, M. Bryant, H. Hanosky, D. Lathers, R. Allen, R. Lantz, P. Koonce, G. Koumantakis, T. Sedmak, S. Newman, T. Vaughn, J. Bajorek, J. Culotti, J. Rustad, N. Wishmeyer, S. Shanks, K. Rodriguez, B. Bell, F. Aranda, C. Atkinson, K. Stuart, J. Schneebeck, S. Vanburen, M. Crawford, M. Wassenberger, J. Ehmann, K. Stafford, C. Zapata, W. Sommer, D. Krzyzanowski, M. Stamp, E. Watson, A. Rdonett, M. Parnes, R. Goggins, J. Edwards, P. Koonce, and D. Sisneros

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**INTRODUCTIONS AND MINUTES**

July 26, 2022 minutes were approved.

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**JULY 2022 SALES TAX CHART**

Summary of Issue and Discussion

Bill Levine presented the July 2022 Sales Tax Chart. The sales tax in July grew by 5.4% compared to 2021 which continues the trend that the economy is slowing down. This is the smallest amount of growth seen in 2022. A large sale was received from an IT company in July 2021. Should this one-time payment not be taken into account, July 2022’s growth would have been 8.4%. The city is \$20 million in sales tax over the projected budget.

Committee Discussion:

CM Gardner: All right. Appreciate that. Are there any questions from the committee?

CM Murillo: None for me.

CM Zvonek: No questions.

CM Gardner: All right. Thanks, Bill, for the update. Appreciate it.

CM Murillo: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

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**NON-PROFIT REVIEW SCOPE OF WORK**Summary of Issue and Discussion

Nancy Wishmeyer presented the non-profit review proposed scope of work for the audit. The procedures were compiled by staff and reviewed by the external auditors who confirmed that they will be able to perform them. The procedures must be specific to ensure that auditors will make objective calls whether the nonprofits met the requirements. Once the procedures are finalized, a price quote will be requested before moving forward with the review.

Committee Discussion:

CM Gardner: So why don't we start with Council Member Murillo. Any thoughts, feedback, comments or anything on the proposed scope that was included in our packet?

CM Murillo: Yes. I guess on a high level it looks right and just to be very clear. The scope looks like it's mostly focusing on an audit as it relates to federal grant dollars or is it more robust? I saw a specific sort of carve-out there so could you clarify that a little bit?

N. Wishmeyer: Yes, so the carve-out was really, we're excluding all of the dollars that are coming to the city that are either federal or federal pass through. And the issue with the federal money would be that since those moneys are already under the single audit, they do that single audit and they would basically be conflicted and reviewing their own work. So, we're excluding all federal dollars. So, it would be everything other than federal and it would be any kind of money. It would be other grants, other donations, it could be general fund money, or other types of city money that would be reviewed

CM Murillo: Okay. Sorry I missed the operative word being removed. In that, first that makes a lot of sense. So, as part of the audit, are we going to also audit let's say which departments are being funded by. We're going to keep track and obviously we'll have the part of the budget there, but I just want to be sure as they pass through, we are clear on when people ask us about city spending and where the dollars go.

N. Wishmeyer: We would definitely have the transaction detail that would show the various departments that are basically taking that money and then spending it in whatever way with the nonprofits.

CM Murillo: Okay, and are we letting folks know that we're going through this process? I'm thinking of the smaller organizations that might need some time to prepare for an audit for that

can be a very time-consuming process so I just want to make sure that folks have enough time to prepare to give us the information that we need from them.

N. Wishmeyer: I don't think we'll know until they are started which nonprofits would be selected. But I would imagine that some sort of a memo or a letter from the city would go out to let them know that they are expected to comply and provide information back.

CM Murillo: Thank you. That's it for me, Council Member Gardner.

CM Gardner: Okay. Council Member Zvonek any questions or feedback?

CM Zvonek: Just one question. I know that and it came up when we were talking about your files that sometimes we get requests from newer nonprofits that might not have been around for all that long. And so, I know there's a requirement for an annual 990, lot of nonprofits will do that every 18 months as opposed to 12. Are there things that we can request if it's one of the newer nonprofits that might not have filed the 990, that we can request for them with that same information. Because I don't want it to get into a position and I believe Council Member Murillo mentioned this last time. Is that some of the smaller newer ones, I don't want to exclude them in the future from being eligible for grants or be a part of this audit process simply because they haven't yet filed the 990.

N. Wishmeyer: I believe we would be able to make some calls as city government and the committee regarding that. What it's doing is just going through that list and saying in a way "yay or nay, did they have it or did they not?" And then we will take that information, city management and the committee and determine what does this mean and where do we want to take this from here?

CM Zvonek: Okay. Thank you. That's all I had.

CM Gardner: All right. Marcy, is there anything you wanted to add?

M. Ardan: No.

CM Gardner: Okay. So, with that, are both Council Members okay with moving this forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. This will move forward. Thanks, Nancy. And thanks, Marcy, for your work on this. Appreciate it.

N. Wishmeyer: Sure.

Outcome

The Committee supported the review and its procedures as outlined.

Follow-up Action

Staff will move forward with the review.

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**EMPLOYEE RETIREMENT PLAN OPTIONS**

Summary of Issue and Discussion

Nancy Wishmeyer presented the employee retirement plan options. The cost estimate provided by Milliman for the actuary study to explore possible options for employee retirement plans is between \$22,000 to \$27,000. This is operating under the assumption that only new employees will be provided the option between GERP or a DC plan. The study would look at various scenarios assuming a percentage of employees would choose DC over GERP. Staff will bring the results forward to the M&F Committee for review.

Committee Discussion:

CM Gardner: All right, Council Member Zvonek, any comments?

CM Zvonek: Yes. I support the idea of doing the study. I believe that having that flexibility of choice between a DC or a DB plan is beneficial. I do assume having worked on this issue with PERA, that there's always some concern that the more people to opt-out, there's fewer people paying in. And I believe especially if there's an unfunded liability, which there is but small. I know there's a transition cost. So, that's a part of that analysis, understanding what it would take to make sure that we fulfill the obligation to those who we've already committed to, but still allow that transition to happen. So, I think long term, that transition is an important one to be able to make.

CM Gardner: Council Member Murillo, any feedback?

CM Murillo: No. I still support this moving forward. I want to know more about the cost to be able to offer both options to our employees.

CM Gardner: Okay. Well, it sounds like will move forward. Nancy, appreciate your work so far on this and keep us posted.

N. Wishmeyer: Okay. Will do. Thank you.

Outcome: The Committee supported moving the study forward.

Follow-up Action: Staff will move the study forward.

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**PROPOSED 2023 CHANGES TO SERVICE FEES**Summary of Issue and Discussion

Greg Hays presented the proposed 2023 changes to service fees. As part of the annual budget process, departments review service fees to determine any necessary adjustments or eliminations. The process continues with the use of fee indexing. The 2023 fees are indexed using a 3.2 percent inflation factor, derived from the Employment Cost Index for State and Local Government Compensation. The city worked with Willdan as a consultant to have a detailed look at cost of fees. Most of the fees were already close to Willdan's recommendations. City departments chose whether to follow the recommendations or not, which a lot of them did.

The changes in service fees that came out of the Red Tape Reduction Committee are part of this version of service fees. This includes the amusement device vendor fees. In addition to this, Aurora now has a fine-free library.

In sum, most of the fees were indexed. There were 15 bullets noting fees that were less than the index and 8 bullets that were greater. More fees were eliminated than added.

Committee Discussion:

CM Gardner: I appreciate that, Greg. I want to thank you for pointing out the libraries. I know Council previously looked at that, but just exciting to see it in writing. Two questions, one is on the great lawn use fee. Can you tell me what that's for? Are there First Amendment issues around allowing or making people pay a fee to basically use the public space?

G. Hays: What department is that?

CM Zvonek: Parks and Rec.

G. Hays: Do I have somebody from Parks and Rec?

T. Tully: Hi. Tom Tully with PROS business services. That is a fee that we've always charged, we just never memorialized it. So that's what this is.

CM Gardner: Okay.

CM Gardner: Do we charge the city for global fests, for example? Or is that the type of event that we would charge this for?

T. Tully: Not necessarily global fest because that's a city event. But if it was a non-city event, yes, we would charge.

CM Gardner: And then my other question is on greens fees for golf courses. Is that purely based upon an index or do we take into account competition from other courses and that sort of thing?

T. Tully: Yes. We've surveyed the Denver courses in particular and our prices are competitive with theirs and we do have increased cost. So, we indexed with them a little bit and then try to cover our costs.

CM Gardner: It stood out to me because, the 18-hole rate for Saddle Rock is pushing almost 100 bucks for one round. So it's getting pricey, but I guess golf is expensive. Council Member Murillo, any questions, or comments?

CM Murillo: No questions. But I did similarly prior conversations, the fees for pit bulls and restricted breeds, I saw that that was removed as well. I know that impound fees as well. Just some observations, but no questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: So many lines of fees. Overall, Greg, because you've been doing this for a long time, and I trust your judgment on a lot of this. When you look at the fee increases that we're looking at in some of these -- and I'm sensitive to them because as Council Member Gardner, you talked about golf and I know that golf is a luxury sport, I get that. But there are fees that real people are paying or complying with here that are going to impact their life. So, as you look at the increases that we are making, are they in line with what we've seen historically. What is the net increase of all of these fees? This is one of the things, again, that's unique to Colorado is the way we use fees as a way to avoid TABOR. And I'm not suggesting that these are all of that, but it's just, it's a reality. And so, I just, I'm curious, like, what is the net increase of fees here?

G. Hays: I know anecdotally over time, the increase that we saw, the 3.2% increase with the employment cost index for state and local government compensation is probably, a little bit low. Because if you think about it, it's government compensation, it's people costs. That's what most of our fees cover is the service that whatever person is providing. I would guess that a lot of places are going to go up and we're probably going to maybe see that next year in terms of an increase. But I would say that for the most part, this is right in the ballpark of what we've seen every year. Everything's in that 2 to 3% range. I would say that the impact fees were higher, but the story is all out there. The impact fees are based on construction cost indexes, and those construction cost indexes over the last 12 months were higher than the 12 months previous. So, I would say that that's right. In terms of a net increase, I would say that we've increased the general fund probably 3%. At least in the general fund, all of the revenue that comes from this is about \$6 million. And that we probably got about a 3% factor built into growth for that. Now, I will say, like the Golf Fund lives off of these fees. So, they need that increase. If you read that, their fertilizer, everything that they've got is going up because everything is going up. So, I was not surprised at all by these numbers. And I thought they made a lot of sense. Nor was I

surprised by the ones who didn't want to index their fees. Municipal courts, keeping municipal court fees similar to other area places is normal for the city.

CM Zvonek: Okay. And you said this will be part of a future conversation around the budget too, right?

G. Hays: Well, what's going on is, this is more just informative telling you how the fees are working on. And at the end of this, I'm going to ask if I can go and do the same song and dance to full Council, and it'll be in the Saturday workshop packet. I'll try to get different jokes for that time with that group, if you're okay with me coming forward then.

CM Gardner: I Appreciate it. So, I guess, Greg, then the ask is just to forward this to full council?

G. Hays: Correct.

CM Gardner: Okay. Are both committee members okay with that?

CM Zvonek: Yes.

CM Murillo: Yes

#### Outcome

The Committee recommended the item move forward to be presented in the Budget Workshop.

#### Follow-up Action

Staff will move the item forward to the Budget Workshop.

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### **GERP UPDATE**

#### Summary of Issue and Discussion

Steve Shanks presented an update. The General Employees' Retirement Plan (GERP) was established in 1967 for the exclusive benefit of participating City employees and their beneficiaries. It covers general employees excluding APD, AFR, and elected officials. It's designed to provide a steady monthly income in retirement. Based on the actuarial valuation done on January 1, 2022, the plan assets increased by \$76 million. Prior to 2012, there was an equal contribution of 5.5% each for employee and city. Since 2017, the employee and city both put in 7%, which is 2.1% more than the plan would need based on Plan assets as of December 31, 2021 and the current actuarial assumptions. This is due to a higher-than-expected investment gain in 2021 which offset the increased cost of living due to inflation and salary increases. It is expected to be fully funded next year including a 7% return on investments.

The unfunded actuarial decreased by over 71%. A big piece of this was due to the investment performance which would have gotten the city 100% funded if not for an increase in employee

salaries and the cost of living. Due to this, the city remains 98% funded. The gross of fees return for 2021 was 20.03%, and the net of fees return was 19.9% compared to the 17.14% target. The median for public funds was 12.69%. According to Callan, the outside consultant, all periods presented, including the last one, three, five, seven, ten, fifteen and twenty-five years were above the 7% estimated return used in assumptions with actuaries. Compared to other Colorado plans, Aurora is the best in the one year and second best in the three and five-year numbers.

At the end of the first quarter, the latest 12-month return for Aurora is down to 10.86%. By the end of May, the 12-month return was down to 2.87% and the year-to-date return was -6.2%. The normal assumptions would be 3.25% for salary increase and 2.5% for COLA. The salary increase starting in October 2022 is going to be 5% and cost-of-living increase is capped at 5%. If Aurora has a bad year, a loss of 6% and then returns to assumptions the following year, the funded ratio will fall to 94% the lowest as of January 1, 2025. It would be back to 100% by January 1, 2037.

Committee Discussion:

CM Gardner: All right. Appreciate that, Steve. Council Member Zvonek, any questions?

CM Zvonek: Yes, a couple. You said there's a 5% cap on COLA. Is there a floor?

S. Shank: We go along with the same as Social Security uses for the increase. This is for Tier 1 participants. Cost of living is discretionary for Tier 2 participants, which is anybody hired 2012 and after. But those hired before 2012, there's an automatic COLA based on the CPI – CPI-W. There is a floor. There is a floor now. There wasn't a floor at one point, we went negative one year and that wasn't popular. So, zero is a floor at this point and five is the cap.

CM Zvonek: Okay. And one other question. Are GERP members outside of Social Security? I assume they are.

S. Shank: No, they pay in with the city.

CM Zvonek: So, we pay both. So, it's unlike PERA where you're just one. We do both.

S. Shank: Correct.

CM Gardner: Council Member Murillo, any questions?

CM Murillo: No questions at this time.

CM Gardner: All right. Thank you, Steve. Appreciate the presentation.

S. Shank: All right. Thank you.



Outcome

Information only.

Follow-up Action

No follow-up needed.

**2023 CITY BENEFITS PROGRAM**Summary of Issue and Discussion

Ryan Lantz presented the 2023 City Benefits Program. Benefits are categorized into core benefits, which include medical, dental, vision, and FSA; employer-paid benefits, and voluntary benefits. Partners and providers include Kaiser for Medical, Delta Dental, and VSP for vision. Medical insurance is the largest cost driver. In 2023, a 6.5% cost increase is anticipated nationally. Kaiser usually applies a 3.4% annual increase as a baseline for all clients. The city's loss ratio is 80.4%. This determines the amount that the city pays for Kaiser to administer and pay claims. Through negotiations, the final renewal rate was brought down to 1.4% from 1.5%, which is lower than the Kaiser and national trend increase. This includes a \$150,000 fund to supplement the city's wellness program. Colorado plans now include infertility coverage which has been included in renewal rates.

The 1.4% unblended rate is spread out over five different plans. The plans with higher utilization and higher coverage and costs are seeing an increase. Triple option, HMO, and DHMO increased by more than 1.3%. The HDHP and DHMO750 are essentially at a 0% increase. The total increase of 1.4% equates to \$560,000. Cost-share, which is the amount that the employer and employee pay, is changing. For DHMO200, there will be a 0.5% increase for employees only and employee and spouse plans. There will be a 0.5% decrease for Family. The DHMO will have the employee pay 12% while the city pays the remaining amount. There is a similar 0.5% increase for three tiers of the Triple Option and a 0.4% decrease for Family. There will be no changes to HSA, DHMO750, and HMO plans. The IRS is increasing the deductible for the high-deductible health plan (HDHP) from \$1,400 to \$1,500 for the individual health savings account and from \$2,800 to \$3,000 for family. Due to this, the city will increase the Health Savings Account (HSA) that it pays for. This HAS can also turn into a retirement savings account besides medical upon retirement. Aurora has low out-of-pocket max amounts compared to others. Three out of five plans are above 90% in actuarial value. Based on data, the impact of the new benefits on the employees is negligible.

For dental, Delta Dental guaranteed rates through the end of 2023. 97% of all claims are within the Delta Dental Network which shows great utilization. The maximum benefit provided is \$1,500 and only 3.8% of members have exceeded this. Despite no potential increase in the maximum benefit, the base plan benefits will be increased at no cost to the employees. Preventive and diagnostic services will now be covered 100% from 90%. Major services

coverage will increase to 50% from 25%. For vision, rate guarantees are through 2025. There will be no changes to cost and coverage and will still remain 100% employee paid. For short-term disability, staff members are fully insured. However, there is a 27% decrease in renewal rates. Due to this, premium savings are estimated to be \$370,000. This will be used to potentially outsource the leave of absence administration. There is a recommendation to go advice-to-pay, meaning self-funded, for short-term disability. There are no significant cost increases with other lines of coverage.

Staff went to bid out the employee assistance program and went through an RFP. Based on the analysis, the decision was to not change vendors. There will be two new benefits. The Introduce Mental Health Resource Program, which is similar to the City of Aurora Addiction Rehabilitation Services (CAARS) Program will provide employees with in and outpatient treatment, job protection, and a continuation of wages. It will remain 100% confidential with no direct cost impact. A referral and approval from Kaiser would be needed. The other benefit will be the Free Recreation Center Membership for Employees and Families. It provides free membership and would require opting in and annual renewal.

The staff works with the Benefit Committee monthly for the renewal process. Final presentations were made to Executive Management and the Benefits Committee in July. This was also presented to the PACE Committee. After the presentation to the M&F Committee, there will be passive open enrollment, with the exception of FSA and HAS, from October 1 through 16.

Committee Discussion:

CM Gardner: Ryan, one question. You might have touched on it, but I didn't catch it if you did. When is the last time we shopped for a different health insurance provider or what does that process look like?

R. Lantz: Yes, we did that in 2020 for the 2021 plan year and we got some competitive bids out there. It was decided to stick with Kaiser and that was, we consulted both the unions, we had the Benefit Committee, we had a lot of people involved and it was pretty unanimous that we were staying with Kaiser. And then best practices to do that, for government you would want to do it every about four or five years. So, we're probably up for it in another couple of years.

CM Gardner: Thank you. All right. Council Member Zvonek, any questions?

CM Zvonek: None for me.

CM Gardner: Council Member Murillo?

CM Murillo: Yes, real quick. In that evaluation process, how does mental health which has been a big topic of late so for really a long time in the public awareness. How do conversations around mental health benefits get incorporated into that evaluation process?

R. Lantz: It's on our forefront just outside of benefits, just supporting our employees. It's all in our forefront. So, everything that we do from an HR standpoint, we consider that piece of it. So, we evaluate that across all lines of HR, but with the benefit piece of it's one of our first topics we have with our medical providers just to see what benefits are offering and every year we take a look at it. It was one of the reasons why we looked at our ERP process to see if there were better and enhanced ways to support that. But that's another reason why we are offering this new mental health program for our employees.

CM Murillo: Okay. Thank you.

CM Gardner: Any additional questions? If not, do we need to take action to move it forward?

R. Lantz: This is information only.

CM Gardner: Okay. All right. Appreciate it, Ryan.

R. Lantz: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

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**CAREER SERVICE COMMISSION OVERVIEW AND UPDATE**

Summary of Issue and Discussion

Phazaria Koonce presented the Career Service Commission Overview and update. The Career Service Commission is comprised of five commissioners that serve a 6-year term. The Commission will hear, and review appeals from career service employees that have been laid off or have been issued discipline through suspensions, demotions, fines, or terminations. The appeal must be submitted in writing and must outline why the order should or should not be reversed or modified. Hearings may be closed or opened to the public. Sexual harassment hearings must be closed hearings. The Assistant City Attorney will serve as counsel, and the employee has the option to represent themselves or secure outside counsel. There have been no hearings for the Commission since 2021.

Committee Discussion:

CM Gardner: Are there any questions from either of the Council Members? No questions. Thank you very much for the presentation.

P. Koonce: Welcome. Thank you.

Outcome: Information only.

Follow-up Action: No follow-up action.

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## **2023 WARD REDISTRICTING REVIEW**

### Summary of Issue and Discussion

Kadee Rodriguez and Daniel Krzyzanowski presented the 2023 Ward Redistricting Review. Wards are reviewed and altered periodically to ensure they are compact, contiguous, and contain approximately the same number of residents. According to the City Code and Charter:

1. There must be six wards that contain approximately the same number of residents
2. When a common boundary between wards lies in a public street or right of way, the boundary is placed on the center line of the street.
3. Ward boundaries are reviewed prior to election years ending in 3 and 9 using United States census data and community surveys. They may be reviewed or altered at any time due to population shift or changes to county precinct boundaries.
4. Changes to ward boundaries must be made through ordinance, adopted by Council after receiving the Election Commission's recommendation.

Staff conducted public comment meetings in each ward. The public input survey on Engage Aurora closed August 3<sup>rd</sup>. The interactive maps are still available on Engage Aurora.

The population estimate was calculated using the April 1, 2020 Census Bureau's Redistricting Count and the certificates of occupancy issued by the City from April 1, 2020 to March 31, 2022. The total population estimate for Aurora is 402,961. The target population per ward is 67,160 (1/6 of the total population). Wards II and VI have the largest populations with Ward V being significantly smaller.

Different mapping scenarios were created to achieve balance by moving voting precincts. The Election Commission voted during their August 17<sup>th</sup> meeting to put forward Scenario 5.

- Scenario 1 - Wards II and VI are slightly smaller than the target population while other wards are closer to the target. Wards II and VI were undersized to compensate for the faster growth.
- Scenario 2 - Has a more even balance between wards and fewer voting precincts were moved compared to Scenario 1.
- Scenario 3 - The Election Commission did not see merit in Scenario 3.
- Scenario 4 - Various precincts were moved from ward to ward. Wards II and VI were undersized with the anticipation that the faster-growing areas will soon grow into the target population.

- Scenario 5 - Various precincts were moved from ward to ward. Wards II and VI are closer to 4% smaller than the target population.

Committee Discussion:

CM Zvonek: Council Member Gardner, can I ask a question on that last scenario?

CM Gardner: Please go ahead.

CM Zvonek: So, I just noticed and it's on the second line, it says Ward VI to VI on Precinct 317.

D. Krzyzanowski: I'm sorry, that'd be a typo. Trying to find which ward or precinct that is, but we can certainly correct that.

CM Zvonek: It's probably Ward II to something, because it said VI to V, VI to V, VI to V, VI to VI, and II to I.

D. Krzyzanowski: Precinct 317 is down south of Hampden and east of Tower. So that would be moving from Ward VI to Ward V. We'll correct that typo.

CM Gardner: All right. Thank you, Kadee and Daniel, for that presentation. Council Member Murillo, any questions or feedback?

CM Murillo: Thanks, Council Member Gardner. I do have a question. So, my question is, what would be a triggering event or a population threshold that would allow us to revisit. Because I empathize with the wanting to potentially build in some opportunity for growth in some of the areas. But if we're revisiting every three years, I'm wondering how many units. I'm sure there's a lot of units that could potentially come online depending on what part of the city you're in. But that doesn't necessarily mean that that would happen. Are there a certain number of building permits or a number of units that are in the development pipeline that would trigger a review. Is there anything like that that we use?

K. Rodriguez: So, I can let Daniel follow up with some additional detail, but there's no criteria that states what would trigger us to look at these numbers again, outside of the three and nine election years. So that isn't specified in the city code, I believe that is something that would be up to the discretion of the Election Commission and City Council if the numbers start getting out of hand and the wards aren't contiguous anymore. I'll let Daniel chime in about if he wants to add any additional detail to that.

D. Krzyzanowski: Sure. I would just say, Aurora has seen really extraordinary growth, especially in Wards II and VI, but certainly all over the city. Whether that growth continues at that rate over the next two, three, or four years is difficult to anticipate with a lot of specificity. I think we continue to see a lot of developments being approved and building permits being issued for the

eastern parts of the city. But as we've known from previous economic cycles, that can change sometimes quickly. And so, it's really a challenge in thinking too far out ahead in terms of population growth. I think if you're talking about maybe one or two years, we can feel fairly confident that growth will continue, beyond that is a little bit more murky. One of the questions we put to the public through the public meetings, and certainly to this Committee and to City Council, is how much of future growth do we want to anticipate in balancing these wards. Do we want them to be fairly well balanced upon adoption? Or, do we want to anticipate quite a bit of change, in which case we're looking more at will they be balanced two, three, four years from now? Where the communities and the decision makers stand on that question, I think, is really one of the more challenging questions and has had some discussion and will probably have continued discussion.

CM Murillo: Okay. Yes. I hear that and I understand the different approaches. I just wonder because there's a lot of areas in which you could see a quick housing increase. I think of the Ward I area, I know not in this version or this time around, it being one of the higher populated wards. But I always think of the impacts that zoning could potentially have in the future. We up zone the district early on into my term and if I recall correctly, it took Denver about ten-ish years from their up zone to see a boom and that happened rather quickly. So, I think I hear you and I'm clear it's not like an easy answer per se. But I wonder if for the next conversation there some additional thought around that might be. I appreciate the explanation thus far.

CM Gardner: Council Member Zvonek?

CM Zvonek: One question maybe for Kadee and then a comment. This comment, Council Member Murillo, this might help, but I understand we have fluctuating growth. The nice thing about Aurora's re-warding process is that we do it every five years. The state and federal redistricting happens every ten years. So, you see some wildly disproportionate state legislative and congressional districts because of the point you just made where you have rapid, unexpected spikes one way or the other. But thankfully, we do this every five years, and I think it keeps us a little bit more in line. Kadee, question for you is, there is a precinct in one of the scenarios where it talks about separating a precinct, a portion of it, is that possible? From an election standpoint in tracking, separating, and bifurcating a precinct?

K. Rodriguez: So that actually would be fixing a problem. That precinct is in two wards right now. Some of the other council members will probably remember in 2019 the split precinct caused some errors with the county sending out ballots. That proposed scenario would put all of that precinct (Precinct 302) into one ward.

CM Zvonek: Making it whole. Got it. That makes more sense than going the other way. Thank you.

CM Gardner: Any other comments or questions from the committee? If not, it looks like Mayor Pro Tem Bergan is on the phone. I don't know if you joined to comment on this item. If so, would you like to say anything?

MPT Bergan: Thank you. Council Member Gardner. No, I was just listening. I think the Election Commission has done a good job, and I'm sure you guys will look at these scenarios and also make a good decision. Good job, everybody.

CM Gardner: So, I hate to defer one more month, but my initial reaction since we just really got these maps today, other than Scenarios 1 and 2, is to take a month to digest them and let other council members digest them as well and then have a final vote or decision at our September M&F meeting. Are there any thoughts on that or does anybody have any issues with that?

CM Zvonek: I don't.

CM Murillo: No. I support holding off for another month.

CM Gardner: All right. Well, let's go ahead and do that. Kadee, I believe you sent the email to all of Council this morning with all the different map versions, and let's just have an agenda item on September. I don't think we need a full presentation like you guys gave today. I think each of us can give our thoughts, pick a scenario, and vote on it. So, let's plan on that for September, if that's all right.

K. Rodriguez: Yes, that works. The large maps are in the Sage Room for Mayor and Council to look at. So that it's a little bit easier than looking online or looking at a PDF. They'll stay up there throughout the whole process, until November.

CM Gardner: Great. Thank you, Kadee and Daniel again for all your work on this. I know it's been a lot of time and energy over the course of the summer, so I appreciate it. And then also thank you to the Election Commission for their work on it. I know it's important for the city, so thank you all. Thank you to everyone involved.

Outcome: The committee voted to postpone the decision on the Ward Redistricting Scenario to the September Committee meeting.

Follow-up Action: Staff will place the Ward Redistricting item on the September meeting.

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## **DEFINE CATALYTIC CONVERTERS AS SECONDHAND PROPERTY**

### Summary of Issue and Discussion

CM Gardner and Trevor Vaughn presented this item. The ordinance clarifies the definition of catalytic converters as secondhand property and will require buyers to report under the second-hand dealer code. This will deter catalytic converter theft and easy disposals or transactions. This is similar to an ordinance from Denver. Anything under \$30 is not considered secondhand property. An individual that's selling more than one catalytic converter at a time must present a legitimate business license or demonstrate why they have multiple catalytic converters. The major scrap buyer in Aurora was contacted regarding this and the CEO had no major concerns. They stopped buying from walk-ins and only buy from business operations. This ordinance came about from Senate Bill 22-009 which requires record keeping. This proposed ordinance will ensure that reports will be encoded into LeadsOnline, to which the police have access. VINs etched in the catalytic converter will be reported and connected with a specific crime. This ordinance also clarifies that gift cards are secondhand properties because they have identifiable marks.

It is recommended to change the language from “more than \$30” to “a value of \$30 or more” to align with the other part of the existing secondhand dealer ordinance.

Committee Discussion:

CM Gardner: All right. I appreciate that, Trevor. Council Member Murillo, questions, or comments?

CM Murillo: I don't have any questions or comments at this point.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I'm good.

CM Gardner: All right. And are both of you okay moving this item forward?

CM Murillo: Yes.

CM Zvonek: Yes.

Outcome: The Committee recommended the item move forward to Study Session.

Follow-up Action: Staff will move forward the item to Study Session.

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## MISCELLANEOUS MATTERS FOR CONSIDERATION

Summary of Issue and Discussion

The next meeting is tentatively scheduled for Tuesday, September 27, 2022 at 1:00 PM (WebEx)



THESE MINUTES WERE APPROVED AS SUBMITTED

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Date



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> August 2022 Sales Tax Chart
<b>Item Initiator:</b> Bill Levine
<b>Staff Source/Legal Source:</b> Greg Hays, Hanosky Hernandez, Sr. Assistant City Attorney
<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 2022 Sales tax Chart

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

Attached is the August sales tax performance chart. August of 2022 was 10.5 percent higher than August of 2021.

---

### 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:

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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          |

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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 2022 was 10.5 percent higher than August of 2021.

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**QUESTIONS FOR COUNCIL**

Information Only

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**LEGAL COMMENTS**

The city charter requires that the city manager shall keep the council advised of the financial condition and future needs of the city and make such recommendations to the council for adoption as the city manager may deem necessary or expedient. This item is informational only. (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

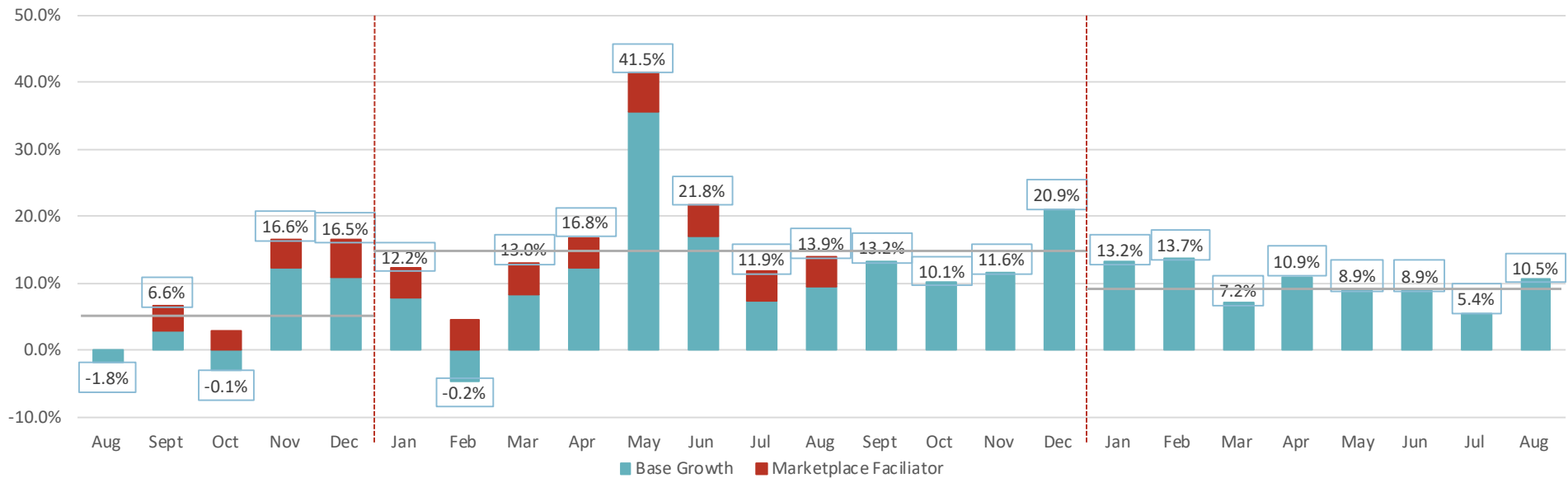
**If Significant or Nominal, explain:** N/A

# August 2022 Sales Tax Performance



## Percent Change from Prior Year By Month

August YTD Variance to  
Projection: \$361,500 (0.2%)  
2021: \$15.8M (9.7%)



**2020**  
5.3%

**2021**  
14.9%

**2022**  
9.7%

# August 2022 Sales Tax Performance



2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	29,967,263	18,575,070	16,874,776	24,183,272	20,685,751	20,799,546	25,583,515	21,680,999				
Increase (\$)	3,496,907	2,239,154	1,130,484	2,379,878	1,691,503	1,694,206	1,299,493	2,061,774				
Increase (%)	13.2%	13.7%	7.2%	10.9%	8.9%	8.9%	5.4%	10.5%				
YoY Inflation	7.5%	7.9%	8.5%	8.3%	8.6%	9.1%	8.5%	8.3%				

2021												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	26,470,356	16,335,916	15,744,292	21,803,394	18,994,248	19,105,339	24,284,022	19,619,225	20,002,933	22,520,104	19,665,387	21,948,396
Increase (\$)	2,879,135	(39,049)	1,812,207	3,130,042	5,569,566	3,415,214	2,584,338	2,389,143	2,338,188	2,062,637	2,043,950	4,527,809
Increase (%)	12.2%	-0.2%	13.0%	16.8%	41.5%	21.8%	11.9%	13.9%	13.2%	10.1%	11.6%	26.0%
YoY Inflation	1.4%	1.7%	2.6%	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%

2020												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	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
Increase (\$)	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
Increase (%)	11.0%	13.9%	1.7%	1.4%	-12.6%	0.1%	10.9%	-1.8%	6.6%	-0.1%	16.6%	16.5%
YoY Inflation	2.5%	2.3%	1.5%	0.3%	0.1%	0.6%	1.0%	1.3%	1.4%	1.2%	1.2%	1.4%



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Occupational Privilege Tax Repeal
<b>Item Initiator:</b> Jeffrey Edwards, Manager of Tax
<b>Staff Source/Legal Source:</b> Jeffrey Edwards, Manager of Tax / Hanosky Hernandez, Sr. Assistant City Attorney
<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:** 10/17/2022

**Regular Meeting:** 10/24/2022

### 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

Sponsor: Danielle Jurinsky, Council Member

Staff: Jeffrey Edwards, Manager of Tax / Hanosky Hernandez, Sr. Assistant City Attorney

Estimated time: 20 mins

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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.)**

N/A

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

This item would repeal the employee and employer occupational privilege taxes (OPT) effective January 1, 2023. OPT is imposed on the privilege of employees working in the City of Aurora. It is \$4 per employee; \$2 withheld from the employee and a \$2 match by the employer. There is an exclusion for employees performing most of their hours or services in another city which levies an OPT and employees earning less than \$250 per month. There is an exemption for the employer portion for government and charitable organizations. Repealing this tax is estimated to reduce the City's annual tax revenues by approximately \$5,901,874.

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**QUESTIONS FOR COUNCIL**

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

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**LEGAL COMMENTS**

Pursuant to the city's home rule authority granted to the City of Aurora under Article XX Section 6 (g) of the Colorado Constitution, the City has the power of taxation for local municipal purposes. This ordinance repeals the occupational privilege tax in the city, as such, it is not imposing a new tax and therefore is compliant with Article X Section 20 of the Colorado Constitution (TABOR). As currently drafted, if council decides to re-enact the occupational privilege tax in the future, and TABOR remains in effect, it will be a new tax that will require voter approval. City Council could suspend the tax for a period of time without triggering TABOR. The impact of this repeal on the city's outstanding debts is unknown. City Council shall act only by ordinance, resolution or motion. All legislative enactments must be in the form of an ordinance; all actions, except as herein provided, may be in the form of Resolutions or motions. Section 5-1 Aurora City Charter. (Hernandez)

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**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:** There is an estimated reduction of City tax revenues by \$5.9M annually.

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**PRIVATE FISCAL IMPACT**

- Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** In Aurora, employees and employers will no longer pay and report occupational privilege taxes.



ORDINANCE NO. 2022-\_\_\_\_\_

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, REPEALING ARTICLE V “EMPLOYER OCCUPATIONAL PRIVILEGE TAX” AND ARTICLE VI “EMPLOYEE OCCUPATIONAL PRIVILEGE TAX” OF CHAPTER 130 OF THE CITY CODE OF THE CITY OF AURORA, AND OTHER RELATED MATTERS

WHEREAS, the City of Aurora, Colorado, (the “City”), is a home rule municipality, organized and existing under and by virtue of Article XX, Section 6 of the Colorado Constitution; and

WHEREAS, under Article XX, Section 6 of the Colorado Constitution, the City has authority over local taxation matters, therefore the City enacted Ordinance 86-95 authorizing the imposition of an occupational privilege tax on employers and employees within the city; and

WHEREAS, the City Council (the “Council”) has the power to make and publish from time to time ordinances as it shall deem necessary and proper to provide for the safety; preserve the health; promote the prosperity; and improve the morals, order, comfort and convenience of the city, and the Council has found and determined that repealing the occupational privilege tax for employers and employees fulfills this purpose.

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

Section 1. Article V of Chapter 130 of the City Code of the City of Aurora Colorado, and titled “Employer Occupational Privilege Tax”, is hereby repealed.

Section 2. Article VI of Chapter 130 of the City Code of the City of Aurora Colorado, and titled “Employee Occupational Privilege Tax”, is hereby repealed.

Section 3. Notwithstanding any provision of the Charter or the City Code of the City of Aurora, Colorado, to the contrary, this ordinance shall become effective on January 1, 2023.

Section 4. Severability. The provisions of this Ordinance are hereby declared to be severable. If any section, paragraph, clause, or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 5. Repealer. All orders, resolutions, or ordinances in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

Section 6. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 gk  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Ward Realignment Recommendation Deadline
<b>Item Initiator:</b> Tammy Hoyle, Executive Specialist - Finance
<b>Staff Source/Legal Source:</b> Council Member Juan Marcano /Dave Lathers, Sr. Assistant City Attorney
<b>Outside Speaker:</b> N/A
<b>Council Goal:</b> 2012: 4.3--Be responsive to citizen's concerns and questions to create a shared sense of community

### COUNCIL MEETING DATES:

**Study Session:** 10/3/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

An ordinance of the City Council, of the City of Aurora, Colorado amending Section 54-5 of the Aurora City Code to direct the Election Commission to complete its statutorily mandated review of ward boundaries within the city and to transmit their written recommendations to City Council no later than the 15th day of October in the calendar year preceding the year in which any recommended ward boundary realignments shall take effect.

Staff Source: Council Member Juan Marcano

Outside Speaker: N/A

Estimated Presentation Time: 5 minutes/ Estimated Discussion Time: 25 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:

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The matter has not been previously presented to any Policy Committee. This is the first presentation of this ordinance. So there are no accompanying minutes from any other Policy Committee nor any recommendations.

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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.)*

N/A This is the first presentation of this proposed ordinance. The matter of the Election Commission's recommendations as to realignment of ward boundaries was presented to the Management and Finance Committee as Agenda Item 4. b. on the July 26, 2022 Meeting and also on the August 23<sup>rd</sup>, 2022 Meeting of the Management and Finance Committee as Agenda Item 4.g. During the former meeting there was some tangential discussion of when the Election Commission's recommendations would be finalized and transmitted to City Council when City Clerk Kadee Rodriguez outlined the planned calendar for the Election Commission completing its review and presenting its recommendations. That discussion highlighted the lack of specific direction to the Election Commission as to when their review ought to be completed and their recommendations transmitted to City Council, and subsequently through Council be made known to residents and to potential candidates for elected office so that each may have sufficient time to make election plans.

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

The proposed amendments to the existing Code would provide a timeline for performance of a function upon which there was no previous written guidance. Additionally the amended language would provide that guidance even in the event that election cycles be changed in the City Charter from occurring in odd-numbered years to even-numbered years.

---

**QUESTIONS FOR COUNCIL**

Does Council wish to support amending the City Code to provide the Election Commission with a deadline upon which their evaluation of ward boundaries shall be completed and transmitted to City Council and to accommodate any potential amendments to the City Charter as to the years in which elections shall be held?

---

**LEGAL COMMENTS**

The council shall have all legislative powers of the city and all other powers of a home rule city not specifically limited by the Constitution of the State of Colorado and not specifically limited or conferred upon others by this Charter. It shall have the power to enact and provide for the enforcement of all ordinances necessary to protect life, health and property ...; [and] to preserve and enforce good government, general welfare, order and security of the city and the inhabitants thereof. (Section 3-9 of Article III of the City Charter) (Lathers)

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**PUBLIC FINANCIAL IMPACT**

YES       NO

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**PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

ORDINANCE NO. 2022- \_\_\_\_

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING SECTION 54-5 OF THE CITY CODE OF THE CITY OF AURORA, COLORADO, BY ADOPTING ADDITIONAL CLARIFYING LANGUAGE TO SUBSECTIONS (b) AND (c) TO DIRECT THE AURORA ELECTION COMMISSION TO COMPLETE ITS REVIEW OF WARD BOUNDARIES AND SUBSEQUENT RECOMMENDATIONS FOR REALIGNMENT OF WARD BUNDARIES, IF ANY, AND TO TRANSMIT THE SAME TO CITY COUNCIL NO LATER THAN THE FIFTEENTH (15TH) DAY OF OCTOBER IN THE YEAR PRECEDING THE YEAR IN WHICH THE REALIGNMENT SHALL TAKE EFFECT, CURRENTLY IN CALENDAR YEARS ENDING IN "3" AND "9"

WHEREAS, Section 2-3 of Article II of the Aurora City Charter authorizes the Election Commission to make recommendations to City Council on realignment of ward boundaries; and

WHEREAS, Section 3-4 of Article III of the Aurora City Charter authorizes changes to ward boundaries by ordinance of City Council after receiving recommendations as to such changes from the Election Commission at least 180 days prior to any regular municipal election to keep the wards contiguous, compact, and of approximately equal number of residents; and

WHEREAS, both the electorate and candidates running for office have a need to be apprised of the ward boundaries well in advance of an election so that they can have sufficient time to consider the implications of realigned ward boundaries prior to an election;

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

Section 1. Section 54-5 of the City Code of the City of Aurora, Colorado, is hereby amended to read as follows:

Sec. 54-5. Wards

(a) The city is divided into six wards, numbered consecutively as I, II, III, IV, V and VI. The boundaries of each ward shall be depicted and set forth on the official ward map of the City, a copy of which is on file in the office of the city clerk and incorporated by reference into this chapter. In determining the boundaries established for each ward, whenever a common boundary between wards lies in any public street or right-of-way, the boundary of such wards shall be deemed to go to the centerline of the street.

(b) Ward boundaries within the city shall be reviewed ~~for election years ending in "3" and "9"~~ **on the year immediately prior to the second and fifth regular election each**

**decade** using the United States Census Data and Community Surveys which update the census data, and, if necessary, the boundaries shall be revised or altered in order to ensure that wards are contiguous, compact, and have approximately the same number of residents.

**Recommendations for ward realignment required of the Election Commission shall be made and transmitted to City Council no later than the fifteenth (15<sup>th</sup>) day of October in the year preceding the year in which the realignment shall take place**

(c) In the event of significant changes to the population-in years **between the years in which there are scheduled mandatory reviews of ward boundaries** ~~ending in numbers other than "3" and "9"~~ the election commission may review the ward boundaries and make recommendations to city council **with said recommendations to be transmitted to City Council no later than the fifteenth (15<sup>th</sup>) day of October in the year preceding the year in which the realignment shall take place.**

(d) In addition to the revisions made to the ward boundaries pursuant to subsection (b) of this section, ward boundaries may be revised or altered as necessary to bring them into conformance with county precinct boundaries.

(e) Notwithstanding any City Code provision(s) to the contrary, an otherwise qualified individual who fails to meet the one-year registered elector and residency status applicable to ward council member elections, shall nevertheless be eligible to run for the office of ward council member when the change in ward boundaries occurs solely as a result of the City Code semi-decennial required ward boundary adjustment.

Section 2. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

Section 3. All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

INTRODUCED, READ AND ORDERED PUBLISHED this day of \_\_\_\_\_, 2022.

PASSED AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

*David Lathers JK*  
\_\_\_\_\_  
DAVE LATHERS, Senior Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Update on E-Discovery in Courts
<b>Item Initiator:</b> Tammy Hoyle. Executive Specialist
<b>Staff Source/Legal Source:</b> Julie Heckman, Deputy City Attorney/Dan Brotzman. City Attorney
<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

Julie Heckman, Deputy City Attorney/Dan Brotzman, City Attorney

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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:** 9/27/2022



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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          |

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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.)

N/A

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

Backup item will be provided by Julie Heckman.

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**QUESTIONS FOR COUNCIL**

Information only

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**LEGAL COMMENTS**

N/A

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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



**Public Safety, Courts and Civil Service Committee**

**November 9, 2021**

**Members Present**

Dave Gruber, Chair  
Marsha Berzins, Vice Chair

**Others Present**

D. Carrel, J. Schneebeck, D. Parker, J. Batchelor, M. Hildebrand, S. Day, A. Garcia, E. Wittman, J. Bergeron, M. Wasserburger, M. Chapman, T. Tobiassen, A. Robnett, M. Nelson, M. Platt, I. Evans, J. Heckman, M. Cain, P. Schulte, R. Weber, S. Newman, T. Buneta, C. Juul, S. Stowell, B. Good, F. Jesih, M. Ridder, C. Amparan, J. Moon, M. Hays, S. Wright, L. Dalton, R. Lantz, D. Wilson, K. Peterson, J. Twombly, W. Lippman, V. Wilson, K. Claspell, M. Smith, J. Bajorek, R. Venegas, C. Cerinich, C. Hills

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**1. Call to Order**

Meeting called to order at 1pm.

**2. Approval of Minutes**

October 14, 2021 minutes approved.

**3. Consent Items**

None

**4. General Business**

**4.a October 2021 Crime and Police Attrition Data**

Deputy Chief Darin Parker provided the October crime update to the committee. The trend is the same as previous months. District 2 has seen an increase compared to the other two districts. The increase is likely being driven up by the number of homicides that have occurred in District 2. Property crimes have also seen an increase in motor vehicle thefts. One of the most impacted areas for motor vehicle thefts is the area by the airport within in District 2. Specific to burglaries and larcenies; burglaries have been a problem in the Northeast area with all the new construction. The high cost of lumber is likely driving this increase. Staffing issues prevent the ability to put together proactive operations to target some of the identified issues. Thanks to the generosity from Council and City Management, APD does have funding to try to pay overtime but they are not seeing the willingness from officers to work as much overtime as they have seen in the past. D. Parker believes this is because many officers are worn out from working their regular duty shifts in addition to all the overtime being worked and they need their

CM Gruber: The controlling factor in that is manpower. If we have more manpower, we could do it faster. But if we have more manpower looking over a force that's already 70-80% manned, we're going to create this bureaucratic machine on top. That could make us forget that the idea is to get a cop out on patrol so they can go catch bad guys as opposed to the internal processes. I don't have an answer for you. I would recommend, though, when you talk to council in the future, that you bring up that point – the idea of speed versus thoroughness versus manpower. If you get more money you might be able to do it faster. But, some of these cases are just so large that even with more manpower you're not going to get an answer faster. This is going to be an incredible challenge and I wish you the best with it.

CM Berzins: How are you going to find an unbiased person to be this monitor? This city is so divided. Some people think the Smith Report was the be-all-end-all but I'm just the opposite. I think his report was a failure. So, I don't know how you can find somebody. They're looking to put somebody on the Civil Service Commission that's suing the city and the police department. So, how are you going to find somebody to do this – Now, manning the office will be easier but to find an unbiased person – someone that's not a defund the police or – How are you going to get this filled?

J. Twombly: We will be looking for someone who is very objective. We'll be looking for any sort of past experiences that show bias. But, you're right, we need to be very careful in the selection process. We don't want someone who is pro-police and we don't want someone who is out to get the police – or the fire department for that matter.

CM Berzins: Right, because that person is not going to be able to please everyone. You mentioned the word, objective – That's going to be tough but good luck with doing that.

J. Twombly: I think we've done really well with Michelle Crawford, our police auditor. She has a relationship with the police department and she's able to go in and look at their policies and practices and compare those with best practices. She's able to do this without making them feel criticized or getting defensive because it's very much a collaborative effort. I think we'll be looking for somebody that can work that way – who can maintain credibility within the department and the community.

Outcome

Information Only

Follow-up Action

None.

**4.e Technology Analysis for E-Discovery**

Chief Information Officer Scott Newman presented this item to the committee. This is a follow-up to the discussion that took place during the October Public Safety Committee in which Interim Court Administrator Mike Ridder requested two FTE to facilitate managing E-Discovery requests and build out their own application for the Municipal Court to use rather than pursue vendors for procurement and analysis of a make or buy option. The CIO should be involved in all parts of this process

and the committee would like to hear the opinion of CIO Newman. S. Newman explained that the Courts have their own IT department and City IT staff have not historically been involved with the products that Court IT deploys for Court operations. City IT does not have purview or insight into the applications they use today or the business processes they are being used for. There are times where they do collaborate related to infrastructure such as network equipment or other devices used. They have been in discussions to bring them into the fold for cyber security, but those discussions are ongoing and there is still more visibility that would be needed. Regarding the build or buy approach – philosophically speaking, City IT would always try the buy approach first because of aspects of sustainability of any in-house application. S. Newman can't weigh in on the Court IT request because he doesn't have the insight into where they are with the lifecycle of the overall development process.

CM Gruber: That's very concerning. I really think that that needs to be looked at. Frankly it needs to be looked at by Management and Finance Committee, which oversees IT for the entire city. That'll be a challenge for the next council. Mike, how would you like to proceed?

M. Ridder: I've talked with Scott and everybody here and, like I say, for the last 25 years, we've been developing IT. I can show you what we have for the E-Discovery that we've been working on and anticipating in the first quarter. I'm surprised that Scott really isn't familiar with Court IT. We've been around for many years, we've done our job and we think we've done it very well. We always work with City IT and sometimes are ahead of the game on a lot of the aspects here for the city with IT needs.

Court Administration Programmer, Kyle Peterson, shared a presentation with the committee outlining the E-Discovery process and the plans for automated implementation. He explained that if they were to switch to a vendor system all the data already collected would have to be collected by hand and they would likely have to expand their system to allow for all the different data sources currently used. They currently follow Open Web Application Security Project (OWASP) guidelines for developing secure applications and environments in addition to working with City IT. Each application will be secured in isolation and they are utilizing the newest stable release of all software. Applications have full logging and are uploaded to the city's logarithm. If there's an attack against the city, it can detect things and send automated alerts.

M. Ridder: Tim responded on some of our concerns and I think he's behind us on this. I don't think they have logging analyzed on the City, but I think that's something Tim is looking at. He's pretty impressed with what we have set up. Can you confirm that, Scott?

S. Newman: Tim and I did speak about it and the containerization that you guys are using is definitely beneficial. There are additional tool sets that we would like to explore utilizing with your systems and to be blunt, this is the first time that we saw this level of detail so there's additional questions that we would have as well.

CM Gruber: I've worked with RedHat, I've worked with all these guys. What are you using as your database?

K. Peterson: Most of internal stuff is still in Formex. We've all talked about just going to Microsoft SQL. It's kind of a mix.

CM Gruber: Do you have the software requirements documents? Do you have the security requirements documents? Here are my concerns – You're dealing with criminal justice information so the federal standards on criminal justice information systems, you've got other sensitive data such as HIPPA – There's about eight different federal security standards that I didn't hear you mention. Can you guarantee that this information is secure in accordance with federal standards?

K. Peterson: We've dealt a lot with PCI and HIPPA. Some of the compliance stuff we're getting by with not having to do a lot because we don't store credit card information. As far as HIPPA stuff, a lot of that will be in the police reports and that's gone over by legal. There's definitely a lot of guidelines that we're having to follow and there's definitely other teams involved in all this.

CM Gruber: I'm still not comfortable with that way - Again, my experience has been dealing with silos within different organizations where each organization does things their own way. Each organization is the best there is in the world. And then when we're attacked, when I have been attacked in military and other organizations, everybody is surprised. And I'm just not comfortable with this at all. We have a structure within the city under a CIO. As far as a system supporting lawsuits that can range into the hundreds of millions of dollars and that scares the heck out of me. I would like to have that go to the Management and Finance Committee in the future. We've got this bigger issue that needs to be resolved, but we have an immediate problem that is at the top of the stack, and we have to deal with, and I wanted to get to that next, but I just wanted to talk about the bigger issue. That bigger issue is that software governance is a citywide responsibility and we have a CIO and CISO they should be involved in software governance.

#### Outcome

Committee recommends Staff present software requests to M&F Committee and that the City CIO and CISO review standards and are involved in future Court IT governance. Council recommends the city outsource two contracted employees for a one-year term and review need for extending or hiring full-time.

#### Follow-up Action

Staff should proceed with outcome recommendations and move forward to Council to request funding for the contracted FTEs.

#### **4.f Hazard Mitigation Plan Update**

Battalion Chief, Matt Chapman, presented this item to the Committee. A brief presentation was provided in the backup. This plan has to be in place as FEMA requires it for any of the city departments to apply for, or be eligible for, any of the mitigation funding that is out there. FEMA has emphasized putting money into mitigation efforts and projects. This plan is an update and is required every 5 years by FEMA.

CM Gruber: I went through that and the concern that I had is in Chapter 6 specifically having to deal with an after-action process. We've talked about this before. The document is phenomenal. It reminds me of some of the DOD documents that I used to work with. I thought it was very thorough. The concern on the after-action review, you have to have a process where you analyze that



**Public Safety, Courts and Civil Service Committee**

**October 14, 2021**

**Members Present**

Dave Gruber, Chair  
Marsha Berzins, Vice Chair  
Curtis Gardner, Member

**Others Present**

D. Carrel, A. Dickens, W. Nicholson, J. Haien, J. Schneebeck, A. Robnett, M. Platt, A. Garcia, D. Parker, J. Bergeron, M. Nelson, M. Hays, M. Hildebrand, R. Weber, F. Gray, M. Longshore, S. Day, J. Batchelor, M. Wasserburger, M. Chapman, M. Ridder, T. Buneta, J. Heckman, M. Cain, T. Brown, S. Stowell, D. Wilson, J. Twombly, C. Juul, Y. Kennedy, J. Moon, R. Jackson, S. Wright, C. Hills, R. Lantz, M. Smith, R. Pena, C. Amparan, B. Wesner, P. Schulte, Z. DeBoyes, V. Wilson, I. Evans, J. Bajorek, D. Stafford

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**1. Call to Order**

Meeting called to order at 11am.

**2. Approval of Minutes**

September 16, 2021 minutes approved.

**3. Consent Items**

**3.a Aurora Fire Rescue International Fire Code 2021 Adoption**

Deputy Fire Chief Caine Hills gave a brief overview of this item. The process of adoption started with the Business Advisory Board in January 2020. The Building Department is critical in collaboration because they adopt the International Building Code (IBC) simultaneously with the adoption of the International Fire Code (IFC) being proposed. Both codes mirror and complement each other. Tax and Licensing has added a provision in the new code related to food trucks. Latent vapors utilization must have commercial codes in them and AFR has established a process of identifying those food trucks when they request a license. A new version of the code is to come out every three years. The last code was adopted in 2015 because 2018 was skipped. In addition to multiple amendments, four chapters were added to this version; Energy Systems, Higher Education Laboratories, Process and Extraction Facilities, and Storage of Distilled Spirits and Wines.

Outcome

Approved to move forward to Study Session.

Follow-up Action

and is ultimately approved by the chief. The request is generally made chief to chief or sheriff. An example of how the requests work is related to the request from Denver. When they were placed under restrictions by a Denver judge as far as what their tactics could be and what weapons could be used, from that point on APD was unable to assist from that point on crowd control operations because the restrictions didn't allow for the equipment, training, or tactics used for operation.

CM Berzins: That was very helpful. I did not realize that once the judge did that in Denver, then that turned you away. That's good to know.

CM Gardner: I'm glad to hear that we're not compromising our tools or tactics or training or anything to help other agencies. So, if it doesn't meet kind of our minimum standards, then it's not going to work for us. So that I'm glad to hear that.

CM Gruber: I'm equally supportive of that decision. If we train our people one way if they're in a situation where the training does not match what the situation requires, essentially, then our people would be untrained and that's never a good situation. So, I think that was a good decision as well.

Outcome

Information Only

Follow-up Action

None.

**5. Miscellaneous Matters for Consideration**

M. Ridder: I'd like to make a request. We're doing E-Discovery and we're under some guidelines that the PD Commission would like to have implemented real quick. I'd like to make an additional request for two FTE's for the Court IT Division. We're a staff of four people, and we have two programmer analysts on board that we would like to devote one totally to the project. We have to have an online bonding project completed by December 31st this year to comply with the Senate bill for this year. The two FTE positions would help us push these projects forward and accommodate the timelines that we are pushed with.

CM Gruber: Council has done the funding review. Pretty much now all development or all software is working through software as a service. Do you make or do you buy the software applications used by the court system?

M. Ridder: No, we develop all our software. We tailor make all our software we believe doing business here at the court we want to do the business, the way the city wants to do the business, and not try and run into a situation with a vendor. We take into account that usually most software packages you're at the mercy of them going into their upgrade and usually that's where you have to have a business analyst that is tasked with having to do those upgrades and at the mercy of what a vendor wants you to do on an upgrade and that usually affects numerous systems when you do that. The beauty of us is that we integrate into multiple systems and we have the talent to do that. Where we get tied along is when we get into the house bills that has just been, the last couple of years, just been unbelievable how many house bills has come across. There is no timing on them and there is no planning on them. So, we basically are at the mercy of whatever is being passed that we have to comply with. I don't know how software packages and the cost of those would even be affordable for the city at the present time. That's been our practice for the last 20-25 years

is developing. I think we've done quite a good job of keeping up with everything that needs to be done.

D. Wilson: This came about as a result of our meeting with my commission and Judge Day, Julie Heckman and Mike Ridder as a result of the assessment. The number one thing we talked about was how we could get electronic discovery implemented. It's been a project that started well before I was appointed. The conclusion was that if Mike can get this done by Spring, which is the project that we've been trying to get figured out for about six years. But, it's going to take some relief in his officer because it's going to take some staff to get this completed. We know it's late in the process, but all of us over here support this request because he will embed a person in Julie's wing of the City Attorney's office to get it done. It will save so much time and money if we can get that done.

CM Gardner: I'm certainly supportive of the concept of moving to electronic discovery. My concern is developing our own versus buying third-party. From a support standpoint, you lose the people who are around development and you don't have that institutional knowledge then also adding two FTEs. Are there not third-party software available?

M. Ridder: We looked at Xerox Solution a couple years back. And even with Xerox there was a couple year wait for them to even do a programming for the municipal court level. It had a million dollar cost at that time and no guarantee. We weren't too happy with the way their product was and what they would support. We have really embedded a lot of time in this, and we also have most of the stuff ready to go right now.

D. Wilson: I was involved in the building out of the state. If my office alone, the state public defender's office alone, had to give up \$1.2 million to get it done and that was just my share. It was an extremely expensive process and Mike's office is, in essence, three to four months away.

CM Gardner: Scott Newman probably isn't on this call. I'd be curious, from his perspective and what he does for the city, what his thoughts would be on building this out ourselves versus something off the shelf. I don't know where we're at in this process and I hate to throw up a roadblock. I'd be curious to hear from his perspective what his thoughts were because I think he's pretty in tune to a lot of the cyber security and that type of thing.

S. Day: You have really good points. There's been other courts that have gone with third-party vendors for their process. In speaking with those other courts, there was a lot of challenge as it related to those 3rd party vendors. In talking with the presiding judges, one issue that came up is that some of the third-party vendors, when they agreed to join your particular court, they then become the owner of their own data. As you know, we're getting into an era with criminal justice reform and the State is really interested and involved with the collection of data it relates to the law enforcement concerns. That's finding its way into the courts as well. Negotiating and dealing with the issues of who owns the data is a huge issue. For us to do it ourselves to keep it kind of in house, we don't have to deal with all those other issues. There may be advantages to what you're referring to as to support of that system ongoing. We've had our own court administrative system for my entire time here, it's been in house and we've administered that system for 30 plus years. I think we could do so with the E-discovery as well.

CM Gruber: My experience is that home-build applications become very costly in the long-term given the expertise needed to maintain them. I know that there are other applications where E-Discovery is built into it. I've also heard complaints over the last few years about the paper copies necessary to execute court proceedings and the inherent risk of sharing



links to data that may be stored on a server without a secure front end. I would like to see at our November meeting is a make-or-buy analysis. I would like to have the Chief Information Officer for the City do that analysis. Based on the outcome, we either fund the FTEs or we take that money to buy a system off the shelf and work with other municipalities to ensure that system is meeting what the legislature put into statute.

**6. Confirm Next Meeting**

Next meeting moved from November 18 to November 9, 2021 at 1pm via WebEx due to the upcoming election and committee members no longer involved in council thereby not having a quorum.

**7. Adjournment**

Meeting adjourned at 12:35pm

APPROVED: \_\_\_\_\_

Dave Gruber, Chair



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Fitzsimons Business Improvement District – New Board Member Appointment
<b>Item Initiator:</b> Chad Argentar
<b>Staff Source/Legal Source:</b> Chad Argentar, Senior Project Manager / Hanosky Hernandez, Sr. Assistant City Attorney
<b>Outside Speaker:</b> None
<b>Council Goal:</b> 2012: 5.1--Support an environment conducive to business development and expansion

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPOINTING A NEW MEMBER TO THE BOARD OF DIRECTORS OF THE FITZSIMONS BUSINESS IMPROVEMENT DISTRICT

Chad Argentar, Senior Project Manager / Hanosky Hernandez, Sr. Assistant City Attorney

Estimated Presentation Time: 1 minute

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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:

**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          |

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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.)*

By City Ordinance No. 2011-31, the Aurora City Council established the Fitzsimons Business Improvement District (the "BID") and appointed the District's initial Board of Directors (the "Board"). The BID area is centered along Ursula Street between Montview Boulevard and East 23<sup>rd</sup> Avenue and extends further east and west between 22<sup>nd</sup> Avenue and Montview Boulevard. The BID primarily supports its businesses by managing and enforcing parking, signage and streetscaping.

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

The BID is governed by a 5-member Board of Directors and currently has three (3) vacancies. The two existing board members are recommending that Scot Procop, owner of Ursula Brewery, be appointed to the board (BID letter attached). Ursula Brewery is located along Ursula Street within the BID's boundary and is therefore qualified to have a designated elector serve on the Board.

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**QUESTIONS FOR COUNCIL**

Does the City Council approve the Fitzsimons BID Board Member appointment and wish to forward to the formal City Council meeting for approval via a Resolution?

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**LEGAL COMMENTS**

Section 4 of Ordinance No. 2011-31 organizing the Fitzsimons Business Improvement District provides that within 30 days following the date on which a vacancy on the Board of Directors occurs, a successor shall be appointed by resolution of the City Council. (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:**

NICOLE PEYKOV  
DIRECT DIAL: (303) 839-3715  
npeykov@spencerfane.com

September 19, 2022

**VIA E-MAIL**

Chad Argentar  
Senior Development Project Manager  
Office of Development Assistance | City of Aurora  
15151 E. Alameda Parkway  
Aurora, CO 80012  
cargenta@auroragov.org

**Re: Fitzsimons Business Improvement District– Board of Director Vacancy**

Dear Mr. Argentar:

This office represents the Fitzsimons Business Improvement District (the “BID”), located in the City of Aurora, Colorado. The BID was formed pursuant to Ordinance No. 2011-31 and currently has three vacancies on the Board of Directors. Pursuant to Section 31-25-1209, C.R.S., of the Business Improvement Act, and Ordinance No. 2011-31, the Aurora City Council has the power to fill vacancies on the BID’s Board of Directors. As such, the District would like to request the Aurora City Council appoint Scott Procop to serve on the BID’s Board of Directors. Scott Procop is the designated elector of Ursula Brewery, a company that leases property within the boundaries of the BID, and is therefore a duly qualified elector of the BID. Please contact our office if you have any questions or concerns. Thank you.

Sincerely,

*/s/ Nicole Peykov*  
Nicole Peykov

RESOLUTION NO. R2022-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPOINTING A MEMBER OF THE BOARD OF DIRECTORS  
OF THE FITZSIMONS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2011-31 (the “Organizing Ordinance”) organizing the Fitzsimons Business Improvement District (the “District”); and

WHEREAS, there is currently a vacancy on the Board of Directors of the District (the “Board”); and

WHEREAS, Section 4 of the Organizing Ordinance provides that within thirty (30) days following the date on which a vacancy on the Board occurs, a successor shall be appointed by resolution of the Council; and

WHEREAS, the District has recommended that Mr. Scott Procop fill the existing vacancy; and

WHEREAS, Mr. Scott Procop is an elector of the District, as defined by Section 31-25-1203(4)(a), C.R.S., and is therefore qualified for membership on the Board.

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

Section 1. Mr. Scott Procop is hereby appointed to fill the existing vacancy on the Board of Directors of the Fitzsimons Business Improvement District.

Section 2. The City Clerk is hereby directed to cause an executed copy of this Resolution to be provided to the District.

Section 3. Within thirty (30) days of the effective date of this Resolution, Mr. Scott Procop shall appear before an officer authorized to administer oaths and take an oath to faithfully perform the duties of his office as required by law and to support the United States Constitution, the Colorado Constitution, and all laws made pursuant thereto.


RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

City of Aurora

# 2023 WARD BOUNDARY CHANGES

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Kadee Rodriguez, City Clerk  
Cecilia Zapata, Deputy City Clerk  
Dave Lathers, Senior Assistant City Attorney  
Julie Patterson, Senior Communications Strategist

Daniel Krzyzanowski, Planning Supervisor  
Andrea Barnes, Planner II  
Marisa Noble, Planner  
William Keever, GIS Manager

# General Information

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## Overview

- Wards are reviewed prior to regular municipal elections held in years ending with '3' and '9'. – *Section 54-5 City Code*
- New ward boundaries must be completed no later than 180 days prior to the next regular municipal election. – *Article III, Section 3-4 City Charter*
- Review is done by Election Commission which makes recommendation to City Council. – *Article II, Section 2-3 City Charter*
- Ward boundary changes are adopted by ordinance.
- City staff creates new ward maps.
- Changes are sent to county clerks and the residents affected.

## Criteria

### Wards

1. Divided into six wards containing approximately the same number of people.
2. There should be between a 5% to 10% deviation between the least and most populous wards.
3. Sitting council members are not moved outside their ward.
4. Impact as few residents as possible.

### Boundaries

1. Use natural or man-made boundaries, such as ditches and streets.
2. Maintain whole county precincts where possible. The only exception would be where a county precinct contains both a municipal and non-municipal portion.
3. Whenever a common boundary between wards lies in any public street or right-of-way, the boundary goes to the centerline of the street.



# 2023 Redistricting

## Calendar

<b>March 22, 2022</b>	<b>M&amp;F Committee Meeting</b> - Informal presentation
<b>March 31, 2022</b>	Population estimate
<b>April 6, 2022</b>	<b>Election Commission Meeting</b> – Review updated information
<b>April 26, 2022</b>	<b>M&amp;F Committee Meeting</b> – Updated presentation
<b>May 11 &amp; 17, 2022</b>	<b>Election Commission Meeting</b> – Meet with Ward Council Members
<b>June 22, 2022</b>	<b>Election Commission Meeting</b>
<b>June 28, 2022</b>	<b>M&amp;F Committee Meeting</b> – Update on process
<b>June – August</b>	<b>Public Comment Meetings</b>
<b>July 6, 2022</b>	<b>Election Commission Meeting</b>
<b>July 20, 2022</b>	<b>Election Commission Meeting</b>
<b>August 10, 2022</b>	<b>Election Commission Meeting</b>
<b>August 17, 2022</b>	<b>Election Commission</b> – Approves a plan to recommend to Council
<b>August 23, 2022</b>	<b>M&amp;F Committee Meeting</b> – Initial review of approved plan
<b>September 27, 2022</b>	<b>M&amp;F Committee Meeting</b> - Final review of approved plan (if needed)
<b>October 17, 2022</b>	<b>Study Session</b> - New ward boundaries are presented to Council’s
<b>October 24, 2022</b>	<b>Council Meeting</b> - First reading
<b>November 14, 2022</b>	<b>Council Meeting</b> – Final reading
<b>November 2022</b>	Counties are notified of the adopted changes to the ward boundaries
<b>May 11, 2023</b>	Deadline for new ward boundaries to be completed
<b>November 7, 2023</b>	Regular Municipal Election

## Public Comment

### Public Comment Meetings

<b>June 1, 2022</b>	Moorhead Recreation Center (Ward I) – Patio View Room
<b>June 15, 2022</b>	Beck Recreation Center (Ward II) – Ponderosa Room
<b>June 29, 2022</b>	Central Library (Ward III) – Large Community Room
<b>July 13, 2022</b>	Colorado Early Colleges (Ward IV)
<b>July 27, 2022</b>	Central Recreation Center (Ward V)
<b>August 3, 2022</b>	Tallyn’s Reach Library (Ward VI) – TR Community Room

### Engage Aurora

**When:** June 1 through Aug. 3

**Where:** EngageAurora.org/Redistricting from

- Information on the process and public meetings
- Details about proposed changes and interactive maps
- Public input survey

### Public Outreach

- NAACP
- Golf courses and libraries
- Boards and Commissions
- Office of Diversity, Equity and Inclusion’s network
- Housing and Community Services’ network
- Aurora Action Coalition for Community Services
- CARES Network
- Aurora legislative delegation (state and federal)
- Arapahoe and Adams county commissioners
- Aurora Mental Health
- Mile High Behavioral Health/Comitis/Day Resource Center
- Asian Pacific Development Center
- Aurora Pride organizers
- Churches: Queen of Peace Church, St. Pius X Church, Colorado Community Church
- Colorado Black Chamber of Commerce
- Local AARP
- Aurora Cultural Arts District

## Current Population Estimate

**Total Population:** 402,961

**Target Ward Population:** 67,160

	Census Population	CO'ed Units	Estimated New Population	Total Ward Estimate	+/-	%
<b>Ward I</b>	61,520	1,205	3,410	<b>64,930</b>	-2,230	-3.3%
<b>Ward II</b>	65,192	2,268	6,418	<b>71,627</b>	4,467	6.7%
<b>Ward III</b>	64,026	721	2,040	<b>66,066</b>	-1,094	-1.6%
<b>Ward IV</b>	65,553	81	229	<b>65,782</b>	-1,378	-2.1%
<b>Ward V</b>	59,457	58	164	<b>59,621</b>	-7,539	-11.2%
<b>Ward VI</b>	70,571	1,546	4,375	<b>74,933</b>	7,773	11.6%
<b>Total</b>	386,319	5,879	16,638	<b>402,961</b>		

### Calculating the Ward Population

- **Census Population** - Census Bureau's Redistricting Count for Colorado, as of April 1, 2020.
- **CO'ed Units** - All of the certificates of occupancy the city issued from April 1, 2020 to March 31, 2022.
- **Estimated New Population** - Determined by using the Census Bureau's average household size estimate (2.82) multiplied by the CO'ed units
- **Total Ward Estimate** – Determined by adding the April 1, 2020 Census Bureau's count and the estimated population increase from the CO'ed units.

### Deviation from Target Population

- **Target Ward Population** - 1/6 of the Total Population.
- **+/- and %** - Deviation from the Target Ward Population.

## City Code Section 54-5

- a) The city is divided into six wards, numbered consecutively as I, II, III, IV, V and VI. The boundaries of each ward shall be depicted and set forth on the official ward map of the City, a copy of which is on file in the office of the city clerk and incorporated by reference into this chapter. In determining the boundaries established for each ward, whenever a common boundary between wards lies in any public street or right-of-way, the boundary of such wards shall be deemed to go to the centerline of the street.
- b) Ward boundaries within the city shall be reviewed for election years ending in "3" and "9" using the United States Census Data and Community Surveys which update the census data, and, if necessary, the boundaries shall be revised or altered in order to ensure that wards are contiguous, compact, and have approximately the same number of residents.
- c) In the event of significant changes to the population in years ending in numbers other than "3" and "9", the election commission may review the ward boundaries and make recommendations to city council.
- d) In addition to the revisions made to the ward boundaries pursuant to subsection (b) of this section, ward boundaries may be revised or altered as necessary to bring them into conformance with county precinct boundaries.
- e) Notwithstanding any City Code provision(s) to the contrary, an otherwise qualified individual who fails to meet the one-year registered elector and residency status applicable to ward council member elections, shall nevertheless be eligible to run for the office of ward council member when the change in ward boundaries occurs solely as a result of the City Code semi-decennial required ward boundary adjustment.



[CLICK HERE: Interactive Maps](#)

# 2023 WARD REDISTRICTING SCENARIOS

WARD & PRECINT POPULATION ESTIMATES

CITY OF AURORA  
AUGUST 2022

# Current

## Ward Population

	Population	+/-	%
Ward I	64,930	-2,230	-3.30%
Ward II	71,627	4,467	6.70%
Ward III	66,066	-1,094	-1.60%
Ward IV	65,782	-1,378	-2.10%
Ward V	59,621	-7,539	-11.20%
Ward VI	74,933	7,773	11.60%

Target Ward Population: 67,160

Total Population: 402,961

## Calculating the Ward Population

- **Census Population** - Census Bureau's Redistricting Count for Colorado, as of April 1, 2020.
- **CO'ed Units** - All of the certificates of occupancy the city issued from April 1, 2020 to March 31, 2022.
- **Estimated New Population** - Determined by using the Census Bureau's average household size estimate (2.82) multiplied by the CO'ed units
- **Total Ward Estimate** – Determined by adding the April 1, 2020 Census Bureau's count and the estimated population increase from the CO'ed units.

## Deviation from Target Population

- **Target Ward Population** - 1/6 of the Total Population.
- **+/- and %** - Deviation from the Target Ward Population.

# Scenario 1

## Ward Population

	Population	+/-	%
Ward I	68,777	1,617	2.4%
Ward II	65,668	-1,492	-2.2%
Ward III	68,633	1,473	2.2%
Ward IV	66,391	-769	-1.1%
Ward V	67,471	311	0.5%
Ward VI	66,021	-1,139	-1.7%

Target Ward Population: 67,160

Total Population: 402,961

## Precinct Population

Ward	Population	Precinct
Ward II to Ward I	3,847	236
Ward II to Ward III	783	560
Ward II to Ward III	1,784	558
Ward II to Ward IV	2,723	472
Ward IV to Ward V	2,114	258
Ward VI to Ward II	3,177	342
Ward VI to Ward V	2,189	309
Ward VI to Ward V	1,878	266
Ward VI to Ward V	1,668	265

# Scenario 2

## Ward Population

	Population	+/-	%
Ward I	68,777	1,617	2.4%
Ward II	67,781	621	0.9%
Ward III	66,066	-1,094	-1.6%
Ward IV	65,782	-1,378	-2.1%
Ward V	67,263	103	0.2%
Ward VI	67,291	131	0.2%

Target Ward Population: 67,160

Total Population: 402,961

## Precinct Population

Ward	Population	Precinct
Ward II to Ward I	3,847	236
Ward VI to Ward VI	1,654	317
Ward VI to Ward V	1,668	267
Ward VI to Ward V	1,243	316
Ward VI to Ward V	1,654	319



# Scenario 4

## Ward Population

	Population	+/-	%
<b>Ward I</b>	68,777	1,617	2.4%
<b>Ward II</b>	64,903	-2,257	-3.4%
<b>Ward III</b>	68,633	1,473	2.2%
<b>Ward IV</b>	66,391	-769	-1.1%
<b>Ward V</b>	69,624	2,464	3.7%
<b>Ward VI</b>	64,633	-2,527	-3.8%

Target Ward Population: 67,160

Total Population: 402,961

## Precinct Population

Wards	Population	Precinct
<b>Ward II to Ward I</b>	3,847	236
<b>Ward II to Ward III</b>	1,784	558
<b>Ward II to Ward III</b>	783	560
<b>Ward II to Ward IV</b>	2,723	472
<b>Ward II to Ward V</b>	~1,000	portion of 302
<b>Ward IV to Ward V</b>	2,114	258
<b>Ward V to Ward II</b>	2,412	315
<b>Ward VI to Ward V</b>	1,668	265
<b>Ward VI to Ward V</b>	2,187	309
<b>Ward VI to Ward V</b>	1,878	266
<b>Ward VI to Ward V</b>	1,668	267
<b>Ward VI to Ward V</b>	1,243	316
<b>Ward VI to Ward V</b>	1,654	317

# Scenario 5

## Ward Population

	Population	+/-	%
Ward I	68,777	1,617	2.4%
Ward II	64,903	-2,257	-3.4%
Ward III	68,633	1,473	2.2%
Ward IV	68,505	1,345	2.0%
Ward V	67,509	349	.5%
Ward VI	64,633	-2,527	-3.8%

Target Ward Population: 67,160

Total Population: 402,961

## Precinct Population

	Population	Precinct
Ward II to Ward I	3,847	236
Ward II to Ward III	1,784	558
Ward II to Ward III	783	560
Ward II to Ward IV	2,723	472
Ward II to Ward V	~1,000	portion of 302
Ward V to Ward II	2,412	315
Ward VI to Ward V	1,668	267
Ward VI to Ward V	1,878	266
Ward VI to Ward V	1,668	265
Ward VI to Ward V	2,189	309
Ward VI to Ward V	1,243	316
Ward VI to Ward V	1,654	317

\*Election Commission approved Scenario 5 to move forward for Council's consideration

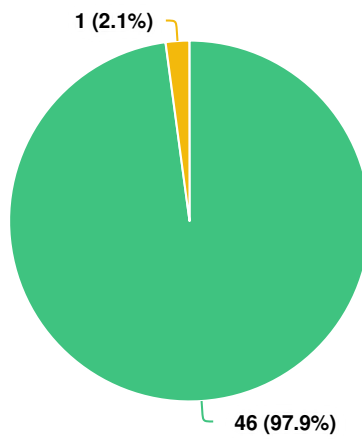
# 2023 Council Ward Redistricting

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## SURVEY RESPONSE REPORT

PROJECT NAME:  
2023 City Council Ward Redistricting

## Are you an Aurora resident?

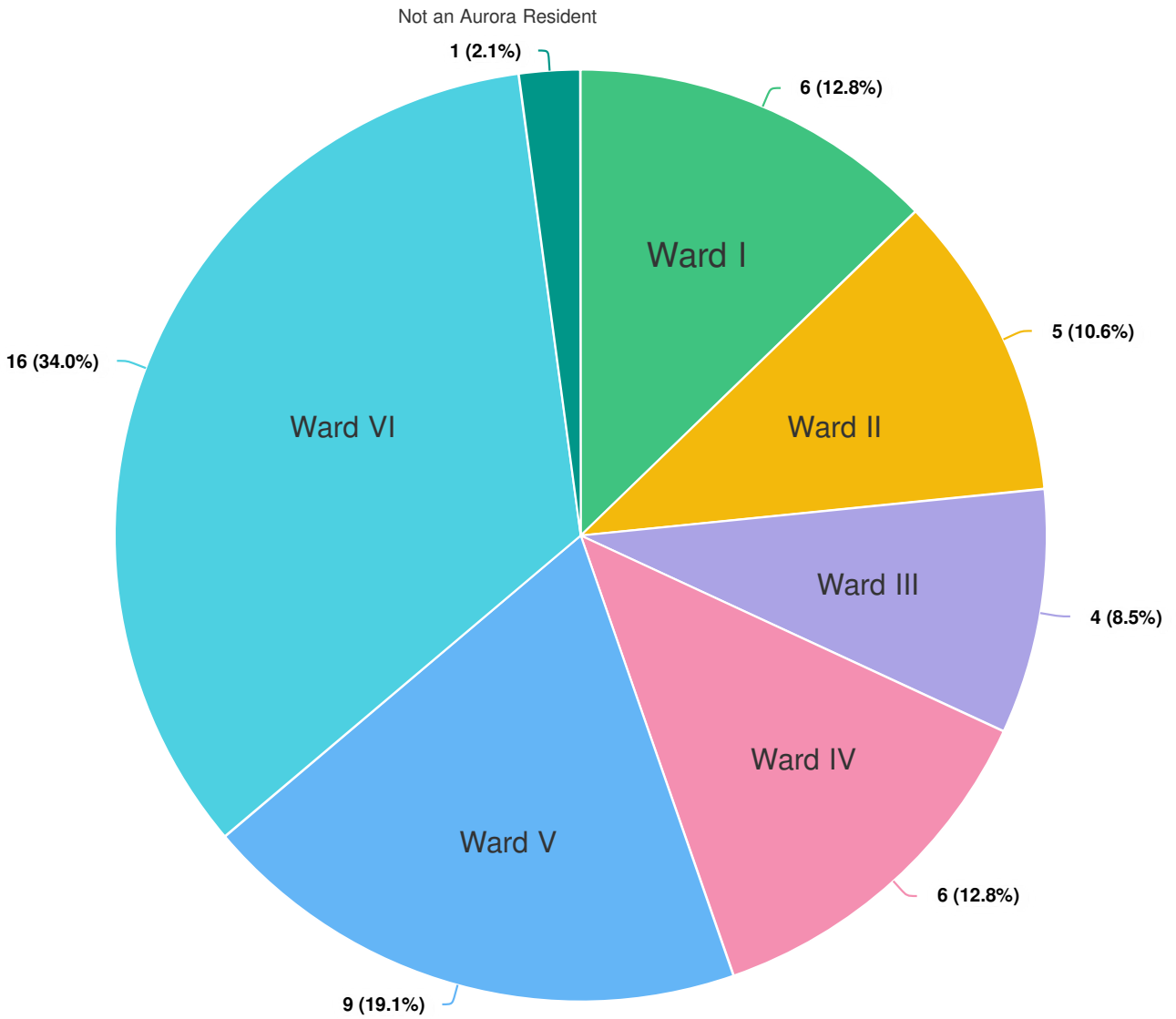


### Question options

- Yes
- No

*Mandatory Question (47 response(s))*  
*Question type: Radio Button Question*

### If you are an Aurora resident, in what council ward do you live?



Mandatory Question (47 response(s))  
Question type: Radio Button Question

## Do you have any suggestions or concerns related to Redistricting Scenario 1?

Anonymous

6/01/2022 09:35 AM

Rather than pushing ward III south to the powerline trail, it should be expanded east from the Northern side of current ward III. My area is the one that would be moved to ward III from ward II. The people in my area have very dissimilar challenges to the main aurora corridor in ward III. My needs will be disregarded in favor of issues along Colfax and the Anshutz hospital.

Anonymous

6/02/2022 08:37 AM

This is the preferred map.

Anonymous

6/06/2022 08:27 PM

No.

Anonymous

6/09/2022 08:06 PM

Scenario 1 makes most sense for consolidating Ward VI

Anonymous

6/10/2022 03:09 PM

Doesn't look like a big change. Would need to know how many residents are impacted to provide meaningful concerns or suggestions. Ward 2 still looks to be too big especially with all the development in the north near DIA. Is it in the works to split that ward?

Anonymous

6/10/2022 03:33 PM

None

Anonymous

6/11/2022 11:17 AM

Ward 2 is way too big for one Council member.

Anonymous

6/13/2022 05:09 PM

None

Anonymous

6/13/2022 08:02 PM

Prefer these changes over Scenario 2.

Anonymous

No concerns

6/13/2022 09:11 PM

Anonymous

6/14/2022 08:38 AM

It's not even connected to Ward 6

Anonymous

6/14/2022 11:42 AM

Why are we expanding Ward II even more?

Anonymous

6/14/2022 05:41 PM

no preference, would like to know more about what this effects

Anonymous

6/15/2022 09:28 PM

This makes the most sense for ward V & VI boundaries. Especially for proximity for meetings.

Anonymous

6/16/2022 08:28 AM

I can't tell current from proposed. Needs major street names, I can't see my community.

Anonymous

6/16/2022 11:42 AM

No strong feelings about this scenario

Bob80044

6/17/2022 01:14 PM

This map looks the most concise.

Anonymous

6/25/2022 12:58 PM

does it really matter??? this is GOP gerrymandering; the 2020 Census was totally biased to SE Aurora; there are inconsistencies in the census count, undercounted populations and overcounted populations, people should not have been counted

Anonymous

6/25/2022 09:22 PM

Make sure that Neighborhoods are not in 2 different wards

Anonymous

7/05/2022 10:27 AM

gerrymandering!!! the current at-large members DO NOT represent Aurora!!! they only represent Ward 6 (and maybe parts of Ward 5); no adequate representation; no other entity (town, city, county) does gerrymandering 2/10 year cycle-charter needs to be changed; voters were denied their voices in the gerrymandering of 2018; this process in no way represents fair democracy

Arnie Schultz

7/08/2022 02:25 AM

I wish the precinct numbers involved in the proposed changes would be shown. In general I am opposed to the changes proposed in Scenario 1 as compared to Scenario 2 for Ward IV. However, I prefer

Scenario 1 for Wards 2, 5, and 6 as it is better aligned with the current demographics of those Wards than is Scenerio 2.. In both Scenarios. I would prefer to see the growth in Ward I come from the northwest corner of Ward III rather than proposd because that would be more representative of the population of Ward I than is proposed. I would hsave liked to have seen more Scenarios, perhaps 4 or 5.

Anonymous

7/12/2022 07:08 PM

I am concerned about the area that would become part of ward 1, most of those properties are rental properties and not single family properties.

Anonymous

7/12/2022 07:46 PM

Ward II should probably be broken up more with the expected population growth due to development in the area

Anonymous

7/13/2022 01:02 AM

Hopefully IV doesn't get any smaller than it is, we lost alot when Centennial left.

Anonymous

7/17/2022 10:01 AM

I think Redistricting Scenario 1 has some flaws. The standard deviation between ward populations is higher than that of Scenario 2. Scenario 1 splits the Summer Valley Development into two wards at Quincy. It makes more sense to leave the whole development (on both the north and south sides of Quincy) within Ward VI.

Anonymous

7/19/2022 12:52 PM

I prefer Scenario 2 change. I do not want to be in a district with Alison Coombs. She is a socialist and against our police department. Her policies are part of the reason our crime rate is soaring.

Anonymous

7/21/2022 05:17 AM

The sectuon between Buckley and Tower just sough of the Base looks like ward 3 is taking 3 homes from a neighborhood that belong to ward 4. Please not matter what happens in the remapping do not split up homes from the same Neighborhood into different wards. This does not provide good representation for a single Neighborhood. When a Neighborhood is split between wards neithe section can get concerns addressed because of the division of repretation. No indicidual Neighborhood should be politically divided. Can the entire neighborhood of Pheasant Run be moved to Ward 6 as our council member who currently represents Pheasant Run does not respond to our citizens. She spends more time in Ward 4 than in her own ward. Maybe move ward 5 more west and have the neighborhoods west of 225.



Anonymous

7/21/2022 07:49 AM

Does this solidify Republican political control of the city?

Anonymous

7/21/2022 03:34 PM

No comment

Anonymous

7/22/2022 08:34 AM

Why is it necessary to redistrict?

Anonymous

7/22/2022 07:08 PM

No concerns, I would remain in Ward IV in Scenario Map1.

Anonymous

7/24/2022 07:06 AM

It makes more sense to me that our section of Ward VI be moved to Ward V. There is not only a distance "disconnect" between our area and the rest of Ward VI, but our area is more in line with the income level of Ward V. Also, the meetings are held at such a distance that going to them is not convenient at all, whereas Ward V meetings are more central.

Anonymous

7/24/2022 09:43 AM

I vote for Scenario 1 redistricting plan.

Anonymous

7/25/2022 03:31 PM

None

Anonymous

7/25/2022 09:19 PM

No

Anonymous

7/26/2022 10:31 AM

no issue

Anonymous

7/27/2022 10:04 AM

My ward would not change with this scenario. Because of this, this would be my preference. I am also most concerned with the development in Ward VI and I feel that this effects me more greatly than the issues that may be facing persons in Ward V (aging retail areas and redevelopment).

Anonymous

7/27/2022 01:34 PM

I'd rather not move wards if that means having a different zip code. What would that mean? It looks like Scenario 1 we'd stay in the same ward.

Anonymous  
7/27/2022 02:11 PM

No

Anonymous  
7/28/2022 08:18 AM

Ward II should not have anything south of Yale. This would focus the interests of Ward II in the future. Ward II has a lot of potential to expand into the future whereas areas south of Yale are more established and possess vastly different needs from neighborhoods in the northernmost section of Ward II.

Anonymous  
7/28/2022 08:31 AM

None

Anonymous  
7/30/2022 10:16 AM

I'm sure you are all corrupt. I don't any money to bribe yall with so I'm sure I don't count, and yall will do what ever you want any way.

Anonymous  
7/30/2022 02:19 PM

I don't see a difference from the current Ward map

Anonymous  
7/31/2022 12:59 PM

-

Anonymous  
7/31/2022 08:34 PM

Seems to be the less confusing scenario.

Anonymous  
8/03/2022 06:22 PM

Annex ward VI. Let us stop paying for the rest of Aurora but getting all the ugly power lines, water towers, and no new services.

Anonymous  
8/03/2022 06:45 PM

I would rather have E Quincy Highlands due to school district and neighborhood combined.

**Mandatory Question** (47 response(s))

**Question type:** Essay Question

## Do you have any suggestions or concerns related to Redistricting Scenario 2?

Anonymous

6/01/2022 09:35 AM

I have no concerns here.

Anonymous

6/02/2022 08:37 AM

I'm less interested in this map as it does not account for future growth.

Anonymous

6/06/2022 08:27 PM

No.

Anonymous

6/09/2022 08:06 PM

Scenario 2 increases geographical separation of sections of Ward VI

Anonymous

6/10/2022 03:09 PM

Doesn't look like a big change. Would need to know how many residents are impacted to provide meaningful concerns or suggestions. Ward 2 still looks to be too big especially with all the development in the north near DIA. Is it in the works to split that ward?

Anonymous

6/10/2022 03:33 PM

None

Anonymous

6/11/2022 11:17 AM

Ward 2 is still way too big.

Anonymous

6/13/2022 05:09 PM

None

Anonymous

6/13/2022 08:02 PM

Prefer Scenario 1 changes.

Anonymous

6/13/2022 09:11 PM

No concerns

Anonymous

6/14/2022 08:38 AM

Doesn't seem like it should be part of Ward 6

Anonymous

6/14/2022 11:42 AM

Why are we expanding Ward II even more?

Anonymous

6/14/2022 05:41 PM

no preference, would like to know more about what this effects

Anonymous

6/15/2022 09:28 PM

This looks like gerrymandering. The ward V and VI boundaries are nonsense.

Anonymous

6/16/2022 08:28 AM

Same comment as above. I can't recognize my community. Bad maps, need major streets

Anonymous

6/16/2022 11:42 AM

No strong feelings about this scenario

Bob80044

6/17/2022 01:14 PM

This map seems like it would also work fine but scenario one looks more concise.

Anonymous

6/25/2022 12:58 PM

does it really matter??? this is GOP gerrymandering; the 2020 Census was totally biased to SE Aurora; there are inconsistencies in the census count, undercounted populations and overcounted populations, people should not have been counted

Anonymous

6/25/2022 09:22 PM

Make sure Neighborhoods are not divided into 2 or more ward districts especially those that do not have HOAs

Anonymous

7/05/2022 10:27 AM

gerrymandering!!! the current at-large members DO NOT represent Aurora!!! they only represent Ward 6 (and maybe parts of Ward 5); no adequate representation; no other entity (town, city, county) does gerrymandering 2/10 year cycle-charter needs to be changed; voters were denied their voices in the gerrymandering of 2018; this process in no way represents fair democracy

Arnie Schultz

7/08/2022 02:25 AM

I wish the precinct numbers involved in the proposed changes would be shown. In general I am in favor to the changes proposed in Scenario 2 as compared to Scenario 1. Scenario 2 leaves Ward IV unchanged, which I like. In both Scenarios. I would prefer to see the growth in Ward I come from the northwest corner of Ward III rather than proposed because that would be more representative of the population of Ward I than is proposed. I would have liked to have seen more Scenarios, perhaps 4 or 5.

Anonymous

7/12/2022 07:08 PM

Looks the same as scenario 1, same concerns

Anonymous

See above

7/12/2022 07:46 PM

Anonymous

7/13/2022 01:02 AM

Not always good for the voters, I wish we all understood and take time to learn about redistricting.

Anonymous

7/17/2022 10:01 AM

Redistricting Scenario 2 makes much more sense than Scenario 1. It leaves all of Summer Valley within Ward VI and has a more equal population spread across wards.

Anonymous

7/19/2022 12:52 PM

I prefer this Scenario. Francoise is a fantastic Council Member.

Anonymous

7/21/2022 05:17 AM

Pleasr by all means do not break up Neighborhoods into 2 or more wards. Focus on unity and equality of single Neighborhoods.

Anonymous

7/21/2022 07:49 AM

Does this better solidify Republican political control of the city?

Anonymous

7/21/2022 03:34 PM

No comments

Anonymous

7/22/2022 08:34 AM

Why is it necessary to redistrict?

Anonymous

7/22/2022 07:08 PM

No concerns, I would remain in Ward IV in Scenario Map 2.

Anonymous

7/24/2022 07:06 AM

I see no change. See my above comments as to why I believe our section of Ward VI be moved to Ward V.

Anonymous

7/24/2022 09:43 AM

No comment

Anonymous

7/25/2022 03:31 PM

None

Anonymous

7/25/2022 09:19 PM

No

Anonymous

no issue

7/26/2022 10:31 AM

Anonymous

7/27/2022 10:04 AM

My ward would change with this scenario. This scenario does not have as natural geographic boundaries (does not follow a block grid).

Anonymous

7/27/2022 01:34 PM

I have concerns if we have a new zip code.

Anonymous

7/27/2022 02:11 PM

No

Anonymous

7/28/2022 08:18 AM

Ward II should not have anything south of Yale. This would focus the interests of Ward II in the future. The westernmost parts of Ward VI can easily be absorbed into V (specifically the part north of Quincy) to avoid isolating the neighborhood politically, which seems particularly important given the newer neighborhoods the rest of Ward VI represents.

Anonymous

7/28/2022 08:31 AM

None

Anonymous

7/30/2022 10:16 AM

I'm sure you are all corrupt. I don't any money to bribe yall with so I'm sure I don't count, and yall will do what ever you want any way.

Anonymous

7/30/2022 02:19 PM

Still don't see the changes.

Anonymous

7/31/2022 12:59 PM

-

Anonymous

7/31/2022 08:34 PM

Too many chunks are separated from the rest of the district / ward. Somewhat confusing.

Anonymous

8/03/2022 06:22 PM

This scenario is better than scenario 1.

Anonymous

8/03/2022 06:45 PM

This scenario is better but can we move the neighborhood south of Hampden more east and those neighborhoods north to Ward V or II?



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Annual Review of Investment Policy and Minor Modifications Thereto
<b>Item Initiator:</b> Teresa Sedmak, City Treasurer
<b>Staff Source/Legal Source:</b> Teresa Sedmak, City Treasurer/Hanosky Hernandez, Sr. Assistant City Attorney
<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

Teresa Sedmak, City Treasurer / Hanosky Hernandez, Senior Assistant City Attorney

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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

**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          |

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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.)**

Section XVII of the City's Investment Policy (the Policy) specifies that the Management and Finance Committee shall review this Policy at least every other year. The Policy was last reviewed and modified in June of 2021.

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

City staff, in conjunction with its investment advisor recently reviewed the City's Investment Policy. This review was intended to assure that the Policy was current and relevant.

The Policy outlines the controls and restrictions which the City adheres to in managing its investment portfolio and which, taken together, are intended to achieve the objectives outlined in the Policy. These objectives are, in order of priority, safety, liquidity, and yield.

While this year's review did not result in substantive modifications, changes are being suggested to:

- Define the Nationally Recognized Statistical Rating Organizations (NRSROs), which analyze the credit of issuers of financial obligations as: Moody's Investors Service, Standard and Poor's and Fitch Ratings.
- Reformat the section related to General Obligation Bonds and Revenue Bonds to make it more readable.

These revisions were presented to the Investment Advisory Committee at its meeting of August 4, 2022. Due to the non-substantive nature of the changes, City legal counsel has advised that it is not necessary to present the changes at study session or at a regular meeting of the City Council.

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**QUESTIONS FOR COUNCIL**

Information only.

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**LEGAL COMMENTS**

The investment of the city's public funds shall be governed by the provisions of Section 24-75-601.1, C.R.S., except insofar as the same may be superseded by an ordinance pursuant to the city's home rule authority under Section 6 of Article XX of the Colorado Constitution. City Code Sec. 2-595(b) contains the city's regulations regarding the investment of public funds. This item is a technical review of the investment policy and it does not require any council action. (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

# INVESTMENT POLICY

## City of Aurora Colorado

The City of Aurora is a Colorado home rule municipality operating under its City Charter. The City functions under the direction of a City Manager who is appointed by City Council. Existing Colorado State Statutes and the City's charter provide Aurora with legal authority to promulgate and implement local standards for cash and investment management operations.

### I. PURPOSE

The purpose of this Investment Policy (the Policy) is to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the City of Aurora, Colorado (the City). This Policy also defines the role and duties of the City's Investment Advisory Committee. This Policy assumes that the City uses an external investment advisor. If the City does not have an investment advisor, the City's Finance Director will notify the Management & Finance Committee and recommend a course of action.

This Policy was adopted by City Council on June 28, 2021 and last reviewed by the Management and Finance Committee on September 27, 2022. It supersedes all previous investment policies of the City.

### II. SCOPE

This Policy governs all investment activities of the City with the exception of retirement and deferred compensation funds.

### III. BOND PROCEEDS

Unspent bond proceeds shall be invested in accordance with applicable state and local laws, the terms of the bond indenture, requirements of rating agencies and bond insurers, and this Policy. Every effort will be made to meet Internal Revenue Service (IRS) "safe harbor" requirements for competitive transactions. The City recognizes that the investment of bond proceeds may, from time to time, be subject to the provisions of Section 148 of the Internal Revenue Code governing arbitrage and all rules and regulations adopted pursuant thereto. Due to the legal complexities of arbitrage law and the necessary immunization of yield levels to correspond to anticipated cash flow schedules, the reinvestment of such debt issuance may, upon the advice of Bond Counsel or financial advisors, deviate from the maturity limitation provisions of this Policy with the approval of City Council.

### IV. AUTHORITY, PROCEDURES and CONTROLS

Section 11-10 of the City Charter and Section 2-206 of the City Code provide that the Finance Director shall have custody of public funds and investment securities. The Finance Director may delegate responsibility for investment of funds governed by this Policy. The current list of employees authorized by the Finance Director to execute investment transactions shall be maintained on file in the finance department. The Finance Director or designee shall maintain internal procedures for investing which provide appropriate investment and accounting controls which are judged adequate by the Finance Director and Controller. The investment activities and controls shall be audited by the city's Internal Auditor not less than every three years.

### V. INTENT

**A. Governing Law:** This Policy is subject to all applicable provisions of state law governing the investment of public funds, as amended by Section 2-595 of the City Code.

**B. Investment Risk:** The City recognizes that: (i) all investments bear risk of various kinds, (ii) a tradeoff exists between risk and return, (iii) a security's market value fluctuates with changes in interest rates and perceived credit-worthiness, and (iv) its investment portfolio always has an unrealized gain or loss which can be substantial.

**C. Pooling of funds:** City funds available for investment shall be pooled into a single account whenever feasible so that investing may be performed as efficiently as possible.

**VI. OBJECTIVES** - The objectives of the City's investment program, in order of their priority, shall be:

**A. Safety:** Preservation of principal is the primary objective of City investment activities and is the single most important factor in making investment decisions. The two most significant risks are:

1. *Credit Risk* is the risk of loss due to failure of the security issuer or backer, or market dislocations. Credit risk shall be limited by restricting the types of securities which may be purchased, their credit ratings, and through diversification to reduce exposure to any one security type or issuer.
2. *Interest Rate Risk* is the risk that the market value of securities in the portfolio will fall due to rising market interest rates. The City will mitigate this risk by holding most investments to their maturity date, by limiting the types and maturities of permitted securities and, when feasible, by selecting maturities of investments to coincide with large cash outflows.

**B. Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating cash needs. This shall be accomplished by maintaining short-term investments and liquidity accounts to meet anticipated cash flow needs. Investments shall be managed to avoid the sale of securities to meet foreseeable cash disbursements.

**C. Financial Management Goals:** The timing and form of investment purchases and sales shall be managed in a manner consistent with the City's financial management goals.

**D. Yield:** After the objectives of safety, liquidity and financial management goals are met, the investment portfolio shall be managed with the objective of attaining a market rate of return throughout interest rate cycles.

## **VII. STANDARDS OF CARE**

**A. Prudence:** The City has a fiduciary responsibility to protect the assets of the City and to invest funds appropriately. The standard of care to be used by City officials shall be the "prudent person standard" as specified by CRS 15-1-304, which reads as follows:

"Standard for investments: In acquiring, investing, reinvesting, exchanging, retaining, selling, and managing property for the benefit of others, fiduciaries shall be required to have in mind the responsibilities which are attached to such offices and the size, nature, and needs of the estates entrusted to their care and shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of capital. Within the limitations of the foregoing standard, fiduciaries are authorized to acquire and retain every kind of property, real, personal, and mixed, and every kind of investment, specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, stocks, preferred or common, securities of any open-end or closed-end management type investment company or investment trust, and participations in common trust funds, which men of prudence, discretion, and intelligence would acquire or retain for the account of another."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is without risk and that its investment activities are a matter of public record. Accordingly, the City recognizes that losses will occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City. Therefore, investments may be sold prior to their maturity date if it is determined that it is in the best interest of the City to do so. Sales prior to maturity may also be made for financial management purposes. Sales shall not be made to speculate upon future market trends.

The Finance Director, and other authorized persons acting in accordance with established procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the Management & Finance Committee with an outline of the action taken.

**B. Ethics and Conflicts of Interest:** City staff authorized to execute investment transactions shall refrain from personal business activity that conflicts with, or creates the appearance of conflicting with, the proper execution and management of the City's portfolio, or that could impair their ability to make impartial decisions. They shall disclose any material interests in or involvement with financial institutions with which the City conducts investment business. Such staff shall not undertake personal investment transactions with the same individuals with whom investment transactions are made on behalf of the City and shall subordinate personal transactions to those of the City. Such staff shall be familiar with and comply with Administrative Policy Memorandum 3-22 or its successor - "Conflict of Interest, Appearance of Impropriety, and Gifts.

#### **VIII. SELECTION OF BROKER/DEALERS**

The Finance Director or designee shall develop and maintain a list of banks and securities dealers approved for securities transactions initiated by the City, and it shall be the policy of the City to purchase securities only from those authorized firms. Broker/dealers will be selected on the basis of their expertise in public investing and their ability to provide service to the City's account. To be eligible, a firm must meet at least one of the following criteria:

1. Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a Primary Dealer within its holding company structure,
2. Report voluntarily to the Federal Reserve Bank of New York,
3. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

The City may engage the services of investment advisory firms to assist in the management of the Portfolio. Such investment advisors may utilize their own list of approved broker/dealers; however, the list shall comply with the criteria listed above and shall be provided to the City on an annual basis or upon request.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria for commercial paper in the Suitable and Authorized Investments section of this Policy.

#### **IX. SAFEKEEPING and TRANSACTION SETTLEMENT**

The Finance Director or designee shall approve one or more financial institutions to provide securities safekeeping services for the City. All investment securities purchased by the City will be held in third-party safekeeping by the City's safekeeping agent. The City's safekeeping agent will be required to furnish the City a list of holdings on at least a monthly basis. The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. Ownership of all securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking, and commercial practices.

#### **X. COMPETITIVE TRANSACTIONS**

Securities purchases and sales will be executed after obtaining at least two competitive bids or offerings whenever feasible. If the City is offered a security for which competitive offerings cannot be obtained, quotations for comparable securities will be documented.

#### **XI. SUITABLE AND AUTHORIZED INVESTMENTS**

It is the intent of the City that the following list of authorized securities be strictly interpreted. Any deviation from this list must be pre-approved by City Council. Maturity limits shall apply as of settlement date and shall be those specified in State statute except as modified herein and authorized by ordinance. Diversification requirements shall apply as of settlement date to the total portfolio excluding bond proceeds and shall be based upon market values. Credit criteria shall apply as of trade date. Credit ratings shall apply first to the security being purchased and second, if the security itself is unrated, to the issuer, provided the security contains no provisions subordinating it from being a senior debt obligation of the issuer. Investments downgraded below minimum ratings shall be reported to the Management & Finance Committee with an outline of the action taken.

Except as specifically defined in this Policy, all investments of the City shall be made in accordance with the following state and local laws: C.R.S. 11-10.5-101 et seq, Public Deposit Protection Act; C.R.S. 11-47-101 et seq, Savings and Loan Association Public Deposit Protection Act; C.R.S. 24-75-601 et seq, Funds - Legal Investments; C.R.S. 24-75-701 et seq, Investment Funds - Local government Pooling; C.R.S. Section 31-25-301 et seq, Finance-Municipal Treasurer; and Section 2-595 of the City Code, as the same are from time to time amended.

As authorized by state statute or ordinance and as limited by this policy, the following types of securities and transactions are eligible for use by the City:

- A. United States Treasury Obligations:** Treasury bills, Treasury notes, Treasury bonds, and Treasury STRIPS (Separate Trading of Registered Interest and Principal Securities) with maturities not exceeding seven years.
- B. Federal Agency and Instrumentality Securities:** Excluding mortgage pass-through securities, any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: the federal farm credit bank, the federal land bank, a federal home loan bank, the federal home loan mortgage corporation, the federal national mortgage association, the export-import bank, the Tennessee Valley Authority, the government national mortgage association, the world bank, or an entity or organization that is not listed in this paragraph but that is created by, or the creation of which is authorized by, legislation enacted by the United States Congress and that is subject to control by the federal government that is at least as extensive as that which governs an entity or organization listed in this paragraph. Subordinated debt shall not be purchased. Federal Agency and Instrumentality securities shall not exceed 75% of the City's total portfolio with no more than 25% in any one issuer and are limited to a maximum maturity of seven years.
- C. Domestic Corporate Debt and Foreign Corporate Bonds:**  
The following guidelines apply to investments in domestic corporate bonds, foreign corporate bonds, commercial paper and bankers acceptances:

- Securities must be dollar denominated.
- Securities shall be subject to a valid registration statement on file with the SEC or issued under section 3(a)(2) or 3(a)(3) of the Securities Act of 1933.
- The aggregate investment shall not exceed 50% of the portfolio.
- No more than 3% may be invested in any one issuer.
- Securities must be rated by at least two Nationally Recognized Statistical Rating Organizations (NRSRO). **NRSROs are limited to Moody's Investors Service, Standard & Poor's and Fitch Ratings.** Securities rated below the minimum required rating, at the time of purchase, are not permitted.
- Subordinated debt shall not be purchased.

**Domestic corporate bonds** issued by a corporation or bank organized and operating within the United States.

- Securities rated at least A- or the equivalent may be purchased for a maximum maturity of 3 years.

**Foreign corporate bonds** issued in Canadian and Australian markets only, as approved by Council resolution.

- No more than 10% each may be invested in obligations of Canada or Australia, for a maximum combined exposure to foreign corporate bonds of 20%.
- Securities rated at least A- or the equivalent may be purchased for a maximum maturity of 3 years.

**Commercial Paper** issued by domestic corporations and rated at least A-1 or the equivalent with an original maturity of 270 days or less.

**Eligible Bankers Acceptances** issued by FDIC insured state or national banks and rated at least A-1 or the equivalent with an original maturity of 180 days or less.

**D. Repurchase Agreements** with a termination date of 180 days or less collateralized by U.S. Treasury obligations, Federal Instrumentality or Federal Agency securities with a final maturity not exceeding ten years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the Master Repurchase Agreement as modified by the City's Master Repurchase Agreement Annex. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held by the purchaser, a third-party custodian, or the purchaser's trustee or safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily. Repurchase Agreements shall be entered into only with dealers that have executed a Master Repurchase Agreement with the City and have a rating of at least BBB- or the equivalent.

**E. Reverse Repurchase Agreements** may be used in amounts up to 10% of the portfolio and maturities up to 30 days for cash management purposes. Reverse repurchase agreements for longer terms or greater amounts must be approved by resolution of City Council and shall not be used to leverage the City's investment portfolio. Reverse repurchase agreements approved by resolution of City Council to provide interim funding of capital acquisitions shall not exceed \$100 million or 18 months maturity. The City considers repurchase agreements as sales and purchases of securities rather than as collateralized loans; however, securities underlying repurchase agreements are referred to as 'collateral' for the purpose of this Policy. Reverse repurchase agreements shall be entered into only with dealers that have executed a Master Repurchase Agreement with the City and have a rating of at least BBB- or the equivalent.

**F. General Obligation Bonds and Revenue Bonds** of any state of the United States, the District of Columbia, or any political subdivision, institution, department, agency, instrumentality or authority of such a governmental entity with a maximum maturity not to exceed 5 years.

- If the debt is an obligation of this state or any political subdivision of this state it must be rated at least A- or the equivalent.
- If the security is an obligation of any of other state or political subdivision of any other state it must be rated at least AA- or the equivalent, and up to 10% may be held in issues rated at least A- or the equivalent with maturities not to exceed two years.

Securities must be rated by at least two NRSROs. NRSROs are limited to Moody's Investors Service, Standard & Poor's and Fitch Ratings. Securities rated below the minimum required rating, at the time of purchase, are not permitted. The aggregate investment in municipal bonds may not exceed 30% of the City's total portfolio with no more than 3% held in the obligations of any one general obligation issuer or of any one revenue bond project.

**G. Securities of Governmental Service or Facility Providers Serving the City of Aurora or the Aurora Urban Renewal Authority:** Securities of governmental entities, including without limitation special districts organized under Article 1, Title 32, C.R.S., which entities provide facilities or services for public projects undertaken by the City or the Aurora Urban Renewal Authority, provided that:

- The aggregate amount of such investments does not exceed 5% of the City's investment portfolio.
- Exposure to any one issuer shall not exceed 5% of the City's investment portfolio.
- The combination of General Obligation and Revenue Bonds (item F) and Securities of Governmental Service or Facility Providers Serving the City of Aurora or the Aurora Urban Renewal Authority (item G) shall not exceed 30% of the investment portfolio.
- The City Manager, in consultation with City Council, certifies that the improvements or services provided by such entity benefit a public project undertaken by the City or the Aurora Urban Renewal Authority by providing street access, utility or communication service, offsite

infrastructure or other necessary amenities not being provided by the City.

**H. Securities of the City of Aurora and the following:**

- Securities of a taxing unit of the City
- Securities of a special improvement district of the City
- Certificates of participation or other securities evidencing rights in payments to be made by the City under a lease, lease-purchase agreement, or similar arrangement
- Securities of the Aurora Urban Renewal Authority

Notwithstanding anything in this Policy to the contrary, securities may be purchased pursuant to this paragraph only upon recommendation by the Finance Director, a finding by the City Manager and a resolution adopted by City Council that such purchase is:

1. financially appropriate, including liquidity considerations
2. consistent with the financial management goals of the City, including, but not limited to, managing variable rate risk; and
3. not made for the purpose of discharging such securities. Written notice of such recommendation and finding and the reasons therefore shall be provided to the City Council forthwith.

**I. Certificates of Deposit with a maturity not exceeding five years from the date of purchase. CDs shall not exceed 25% of the portfolio. Deposits in each bank shall be limited to the lesser of one percent of the bank's assets or ten percent of its equity capital. To qualify as a depository, financial institutions must pass a credit review developed by the Finance Department, be listed as eligible depositories by the State Banking Commissioner and must collateralize these certificates of deposit in accordance with:**

- i. C.R.S. Section 11-10.5-101, et. seq., The "Public Deposit Protection Act of 1975"
- ii. C.R.S. Section 11-47-101, et. seq., The "Savings and Loan Association Public Deposit Protection Act"

**J. Local Government Investment Pools authorized under C.R.S. 24-75-702 that: 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value of \$1.00 per share; 3) limit assets of the pool to those authorized by state statute; 4) **have a rating of AAA or the equivalent by Moody's Investors Service, Standard & Poor's or Fitch Ratings.** The City may invest up to 10% of its portfolio in each such pool and combined exposure to local government investment pools and money market mutual funds shall not exceed 50% of the portfolio.**

**K. Money Market Mutual Funds registered under the Investment Company Act of 1940 that: 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value of \$1.00 per share; 3) limit assets of the fund to those authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) **have a rating of AAA or the equivalent by Moody's Investors Service, Standard & Poor's or Fitch Ratings.** The City may invest up to 10% of its portfolio in each such fund and combined exposure to money market mutual funds and local government investment pools shall not exceed 50% of the portfolio.**

**XII. INTER-FUND LOANS**

The City may enter into an inter-fund loan arrangement in accordance with the interfund loan policies and with prior approval of City Council. In such event, the City shall document all terms of the inter-fund loan, including maturity, par value, interest rate, and coupon payment dates. The interest rate shall be determined within the context of current market conditions.

### **XIII. INVESTMENT LIMITATIONS**

#### **A. Diversification**

The City will seek to maintain an investment portfolio which is diversified by maturity, type of security, corporate industry and, except for US government obligations, by issuer. The following maximum percentages of the portfolio devoted to each security type and to each obligor summarize, but do not modify, the investment restrictions which appear above. Diversification guidelines for the portfolio are as follows:

<b><u>Instruments:</u></b>	<b><u>Maximum % of Portfolio</u></b>	<b><u>Maximum % Per Issuer</u></b>
U.S. Treasury Obligations	100%	None
Federal Agency and Instrumentality Securities	75%	25%
Foreign Corporate Bonds	20%	3%
Domestic Corporate Bonds, Foreign Corporate Bonds, Commercial Paper and Bankers Acceptances	50%	3%
Repurchase Agreements	None	None
Reverse Repurchase Agreements	None	None
General and Revenue Obligations	30%	3%
Securities of Governmental Service or Facility Providers Serving the City of Aurora or the Aurora Urban Renewal Authority	5%	5%
General and Revenue Obligations and Securities of Governmental Service or Facility Providers Serving the City of Aurora or the Aurora Urban Renewal Authority in the aggregate	30%	3%/5%
Securities of the City of Aurora	None	None
Time Certificates of Deposit	25%	None
Local Government Investment Pools	50% (with MMMFs)	10%
Money Market Mutual Funds	50% (with LGIPs)	10%

#### **B. Maturity**

Unless matched to a specific cash flow requirement or approved by City Council, the City will not invest in securities maturing more than seven years from the date of trade settlement. The weighted average final maturity of the portfolio, exclusive of flex repos maturing in more than one year and investments funded by specifically identified sources having a term greater than five years, shall not exceed three years.

#### **C. Liquidity**

To the extent possible, investments shall be matched with anticipated cash flows and known future liabilities.

### **XIV. PERFORMANCE BENCHMARKS**

The portfolio shall seek to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints and cash flow requirements. The Finance Department shall develop and maintain appropriate portfolio performance benchmarks, which may include the 1-3 Year



Treasury Index for total return performance comparisons.

#### **XV. INVESTMENT ADVISORY COMMITTEE**

The City shall maintain an Investment Advisory Committee that consists of the Finance Director, City Treasurer, a member of the City's Internal Audit staff, a City Manager appointee, and volunteers not employed by the City who are or have been investment professionals. This Committee shall meet at least quarterly to review and advise on investment portfolio composition, strategies, performance, and the current and future investment environment. The committee may also assist in the selection and performance review of investment advisors or managers used by the City.

Committee volunteers shall be appointed for staggered three-year terms and may be reappointed. The Finance Director or designee shall solicit Committee nominees and may accept unsolicited nominees as well. The Finance Director shall recommend nominees to the Management and Finance Committee, which shall make the final selection.

#### **XVI. INVESTMENT ADVISORS AND MANAGERS**

The Finance Director may use investment advisors or managers who may be delegated non-discretionary authority to advise on or manage all or any portion of the investment portfolio. Investment advisors shall serve at the pleasure of the Finance Director. If the Finance Director decides not to use an investment advisor or manager, the Management and Finance Committee must be informed in a timely manner. Corporate and foreign securities and municipal obligations may be purchased only when an external advisor is engaged to provide credit advice on such debt.

#### **XVII. REPORTING**

The Finance Director or designee shall submit an investment report to the City Council and City Manager at least quarterly. This report shall include a list of all City investments, summary information including total face and book values of investments, weighted average maturity and yield, the benchmark's yield, realized and unrealized gain or loss, the percentage of the total face value invested in each security type compared to limits established herein, and a summary discussion of recent market conditions and investment strategy.

#### **XVIII. POLICY UPDATES**

The Management and Finance Committee of Council shall review this Policy at least every other year.

#### **XIX. INSURANCE COVERAGE OR BONDING OF STAFF**

The City shall obtain bonding or scheduled insurance coverage for staff having authority to draw upon City bank accounts, initiate wire transfers of funds, or execute investment transactions.

**APPENDIX I**  
**DEFINITIONS OF INVESTMENTS**

**United States Treasury Obligations** - Interest-bearing, stripped, or discount debt securities issued by the U.S. government. They are direct obligations of the U.S. government with the highest degree of liquidity and are considered free from credit risk. Stripped principal or interest securities have no interest payments, so their only payment is return of face value at maturity.

**Government Agency Obligations** - Interest-bearing, stripped, or discount debt securities issued by agencies of the U.S. government. Most are direct obligations of the U.S. government and carry its “full faith and credit guarantee”. These include GNMA, TVA, and SBA.

**Government Instrumentality Obligations** - Interest-bearing, stripped, or discount debt securities issued by agencies of the U.S. government which are not direct obligations of the U.S. government and do not carry its full faith and credit guarantee. However, the federal government has previously demonstrated it will support its agencies in times of stress. These include FHLB, FFCB, FNMA, FHLMC, and FAMCA.

**Certificates of Deposit** - Interest bearing deposits in financial institutions. Maturities range from seven days to several years. The interest rate is established at issuance and is usually paid semi-annually. Compounding terms differ at each bank.

**Corporate Securities** - debt securities issued by private corporations which obligate a corporate issuer to repay the face amount of the bond plus interest.

**Commercial Paper** - Unsecured promissory notes issued for a specific amount to mature in 270 days or less. It is issued by corporations, financial institutions and other issuers, usually sold at a discount and can be purchased directly or through dealers.

**Bankers Acceptances** - Short-term discount instruments used to finance the import, export or domestic shipment of goods or the storage of readily marketable staples. They are issued by U.S. and foreign banks and sold at a discount. They are secured by the issuing bank, the company shipping the goods, and the goods themselves.

**Repurchase Agreements** (Repos) - A transaction between a securities dealer and an investor in which a dealer sells the security to an investor with an agreement to buy the security back from the investor at a price that will result in a predetermined yield to the investor. The investor is providing the dealer short-term funds, while the dealer is providing the investor with securities as collateral. Repurchase agreements are done overnight, for a specified number of days, or as a continuing open contract.

**Reverse Repurchase Agreements** (mirror image of repos) - An investor holding securities in its portfolio sells them to a dealer with an agreement to buy them back at a specific time and price. Reverse repurchase agreements are done overnight, for a specified number of days, or as a continuing open contract. In a cash emergency, this transaction would provide the City with cash for the duration of the transaction and would eliminate the need to sell securities in possibly unfavorable market conditions.

**Municipal General Obligations** - Securities issued by state and local governments or their agencies which carry the full faith credit, and taxing power of the issuing entity securing the payment of principal and interest. These securities are backed by the issuer’s resources and its ability to levy taxes.

**NRSRO** Nationally Recognized Statistical Rating Organization or credit rating agencies

**Money Market Mutual Funds** - Professionally managed portfolios of short-term money-market securities with daily liquidity which are subject to the SEC’s rule 2a-7.

**Local Government Investment Pools** - Professionally managed funds designed to meet municipal regulations. They hold short-term money-market securities with daily liquidity.

**Primary Dealer** – A securities dealer authorized to trade directly with the Federal Reserve Bank of New York.



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Proposed Modifications to Moral Obligations Policy and Review of Existing Moral Obligations
<b>Item Initiator:</b> Teresa Sedmak, City Treasurer
<b>Staff Source/Legal Source:</b> Teresa Sedmak, City Treasurer/Hanosky Hernandez, Sr. Assistant City Attorney
<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:** 10/3/2022

**Regular Meeting:** 10/10/2022

### 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

A Resolution of the City Council of the City of Aurora, Colorado, Adopting a Policy on the Use of Moral Obligation Support by the City

Staff source: Teresa Sedmak, City Treasurer/Hanosky Hernandez, Sr. Assistant City Attorney

Estimated Presentation/discussion time: 10 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

**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 City adopted a policy on Moral Obligations (referred to in this commentary as "MO" or, collectively, "MOs") in 2011. It has not been modified since that time.

A MO is a non-binding commitment to provide financial support to a project. The projects which the City grants MO support are intended and expected to be self-supporting. According to the Policy, projects which are unable to show they are viable and self-supporting should not be supported by a MO. MOs are typically used for projects that are considered important to achieving City goals and which would not otherwise occur or which would be much more costly to finance absent the MO. The Policy states that there should be a shared balance of risk and reward among the parties in the transaction.

---

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

Last year, CM Gruber requested that we review the existing Policy in order to strengthen it. In that vein, staff and bond counsel reviewed the policy and recommend a number of changes. A blacklined draft of the revised policy is attached to this item. While many of the proposed modifications are stylistic and do not modify existing requirements related to moral obligations, some strengthen the constraints related to the City's MO support.

To summarize the proposed modifications, excluding formatting and editing:

- The proposed policy changes the words Moral Obligation "Pledge" to Moral Obligation "Support" as the word "pledge" implies a binding financial obligation and a pledge of collateral, neither of which is given when a moral obligation is adopted.
- The proposed policy contains a definition and summary of a moral obligation;
- The policy expressly includes the assumption that no substantive changes will be made to the related financing subsequent to M&F's rereferral of the proposal to the full council, unless changes are expressly approved in the authorizing documents related to the MO; and
- The proposed policy includes strengthened language and additional evaluation criteria for MO financings such as:
  - The timing and frequency required of a MO
  - The likelihood of repayment over a reasonable period of time.

Current MO commitments:

Over the years, the City has issued a limited number of MOs. The City previously entered into MOs related to the Public Market Project (south of the Aurora Town Center), a project of the Aurora Housing Authority supporting affordable housing, and the Gaylord Project. These MOs are no longer in existence.

Presently, the City is party to two MOs; one related to the Hyatt Regency conference center and parking garage, and the second providing support to the FRA Biosciences III facility located on the Fitzsimmons Campus.

One of the requirements in the City's Policy is that the MOs be reviewed annually. This item is intended to satisfy that requirement.

#### Hyatt Hotel and Conference Center:

2014 Loan: In 2014, NBH Bank provided \$27.75 million loan to finance the construction of the Hyatt conference center and parking garage. The loan was structured as a variable-rate loan with interest-only payments through 2018 and principal and interest payments commencing in 2019. The maturity date of the loan is December 1, 2024. As has been discussed with City Council, staff is in the process of refinancing this loan to a fixed-rate loan maturing on December 1, 2039 to coincide with the expiration of the tax-increment funding.

The variable interest rate on the 2014 loan is based on a spread to LIBOR and is reset in December of each year. The current interest rate on the loan is 1.95%. TIF revenues (property, lodgers, and sales taxes) along with net operational revenues on the conference center and parking garage (together, the Pledged Revenues) are pledged to service the debt.

The MO support on the Hyatt project takes the form of a debt service reserve fund initially funded in the amount of \$2.1 million, which is available for debt service payments on the project, should the Pledged Revenues be insufficient to satisfy the debt service payments on the loan. The City has a moral obligation to replenish the reserve in the event it is depleted.

The Hyatt opened in 2016 and initially experienced modest but promising growth in occupancy and event bookings. Unfortunately, the COVID pandemic was devastating to the hospitality industry in general, severely impacting revenues. While the Pledged Revenues have recovered from their lows, they have not improved to the point where they satisfy debt service on the loan.

Because staff believes it to be in the City's best interest to avoid draws against the debt service reserve or exercise its moral obligation, AURA has allocated funds from the larger URA to provide working capital advances to the project to support operations and debt service.

2022 Loan: The refinancing of the 2014 loan is in process and expected to close on October 6, 2022. Upon closing, the proceeds from the 2022 loan will be utilized to pay off the 2014 loan.

Because Pledged Revenues have yet to fully satisfy debt service, NBH (the Bank) is requiring a continuation of MO support on the loan. It is anticipated that the interest rate on the loan will be locked in on September 27<sup>th</sup> at a rate equal to the current rate on the 10-year U.S. Treasury rate plus a spread of 25 basis points (.25%). Using today's 10-year U.S. Treasury rate of 3.41%, the rate on the new loan would be 3.66%.

While Pledged Revenues continue to be insufficient to fully fund debt service, AURA anticipates the continuation of financial support on the project, but believes that Pledged Revenues will eventually fully support the obligation.

#### Biosciences III Building:

The City has also provided a MO to support the Biosciences III project, a \$39 million state-of-the-art facility constructed by the Fitzsimmons Redevelopment Authority (FRA). The FRA funded a debt service reserve fund of \$2.5 million, to be used, if necessary, to satisfy debt service.

The City's MO supports the debt service reserve such that, should the reserve be depleted, the City has the obligation to replenish it to its required level. The MO on the Bioscience project expires at the earliest of: (1) the repayment of the loan; (2) declaration of default; or (3) December 31, 2024.

Construction of the Biosciences III facility was completed in early 2020 and the building it is partially leased. However, as is the case with the Hyatt, COVID impacted the FRA's ability to lease the entirety of the building, which has placed downward pressure on its collected rents.

Of the 115,000 square feet contained in the facility, 30,000 square feet (approximately 26% of the building's total square footage) remains unoccupied. Because lab space is at a premium in Colorado, the FRA is currently investing additional funds in tenant improvements to attract tenants who desire to lease completed lab space. One potential major tenant has been identified, but it is holding off on a decision until the first quarter of 2023 due to the current economic uncertainty. FRA is moving forward now with design on a spec lab and have continued prospects in the pipeline for the building.

The FRA has adequate liquidity and is confident in its ability to satisfy its obligations in the near term. Accordingly, staff does not foresee a draw on its MO, but will continue to monitor the situation closely.

---

### **QUESTIONS FOR COUNCIL**

Do members of the Management and Finance Committee Support the forwarding of the revised Moral Obligations Policy to City Council for approval?

---

### **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. The Finance Director has made a recommendation to council to adopt the revisions of the moral obligation policy presented at this meeting. The moral obligation policy shall be added as an addendum to the city's debt policy. City council may approve the moral obligation policy through a resolution. (*See*, Aurora City Charter Art. 7-4 (f)). (Hernandez).

---

### **PUBLIC FINANCIAL IMPACT**

YES       NO

**If yes, explain:**

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### **PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:**

# City of Aurora

## Policies with Regard to Moral Obligation Support for Financial Obligations

### Moral Obligation Defined

A “moral obligation” is *a non-binding statement by the City Council of its present intent to make a payment or replenish a reserve in the future in connection with an obligation issued by the City, a related entity such as AURA or, in rare instances, by a non-affiliate, upon the occurrence or nonoccurrence of specified events.*

While not legally enforceable and subject in any event to appropriation, a moral obligation expresses support for a financed project and, based upon the City’s own reputation and creditworthiness, can make certain kinds of obligations more marketable. Although the non-appropriation language in a moral obligation may resemble that found in lease-purchase financings, a moral obligation could theoretically be given to support virtually any type of financing transaction.

### Details of a Moral Obligation

The City Council has provided moral obligations in the past by resolution. A moral obligation can include a direction to the budget officer to request the appropriation of funds from Council if the specified events occur. Moral obligation measures typically provide that if Council appropriates funds they are treated as a loan by the City to the issuer or fund receiving the money, and require the recipient to execute a promissory note for the amount advanced at a specific interest rate and terms. The direction to request funds would be binding on the budget officer, provided that only the Council in its absolute discretion would have the ability to appropriate the funds in response to such a request.

Although a moral obligation may sometimes be referred to informally as a “moral obligation pledge,” that terminology is not accurate because it implies the existence of a binding financial obligation and a pledge of collateral, neither of which is ever given by the City when a moral obligation is adopted.

### Public Policy Implications of Offering a Moral Obligation

A moral obligation is viewed by both potential creditors and rating agencies to be a type of financial commitment by the City which, if funds were not appropriated upon the specified contingency, would reflect poorly on the City’s reputation and creditworthiness and possibly its credit ratings. Therefore, as a practical matter a moral obligation should be treated as a commitment that would need to be honored by the City regardless of whether it is legally binding.

The ratings and marketability of all City bond and lease obligations could be affected by a future decision not to appropriate pursuant to a moral obligation. This would increase the cost of providing City services and facilities, so the public interest, i.e., the interest of all City taxpayers,

rate payers and residents, is affected by any significant use of the moral obligation. Also, the decision to appropriate funds pursuant to a moral obligation could, in itself, deplete funds meant for other City projects. Thus, every moral obligation presents a public policy issue for Council. It follows that, to be adopted, a moral obligation should be supported by evidence and findings as to its public purpose and benefit to the public at large.

### **Criteria for Moral Obligation Financing**

The City should perform due diligence on any proposed moral obligation to assure itself that it is 1) not going to have to make payments under its moral obligation, and 2) if it does it has a means to make the payments or otherwise honor the moral obligation.

- 1. The moral obligation should be used very infrequently and the cumulative outstanding amount of moral obligations should be limited.*

Because of the risks and the difficulty assessing the cumulative risk that moral obligations have to the City's financial strength and their potential impact on the City's financial standing, moral obligations should be used rarely and only after thorough analysis. Moral obligations should generally be used only to support extremely important and special public projects or special public infrastructure, whether for individual projects or for a class of projects that serves that purpose (e.g., a revolving fund). Moral obligations should be used for projects only if they are expected to be self-supporting or show substantial projected coverage based on conservative assumptions.

*The City should be willing to adjust its budget and/or use reserves should it become necessary to honor any of its moral obligations.*

The City may or may not have any control of the circumstances triggering a moral obligation. As a result it is not possible to predict when, if ever, the budget officer may be required to present Council with a request for appropriation of funds. To make such a request, the budget officer would need to recommend a source of funds for the moral obligation payment. To adopt a moral obligation in the first place, Council should be fully informed as to the sources likely to be used to fund a payment, i.e., Council should determine that it would be willing to reduce future services, use reserves, or otherwise provide funds to honor the moral obligation, should that become necessary, up to both the annual and full multi-year amount of the obligation.

- 2. Staff proposing to recommend a moral obligation to Council should prepare and submit to the Management and Finance Committee a complete and detailed description of the transaction proposed to be covered by the moral obligation and the procedures conducted to support the staff recommendation. It should be assumed that no substantive changes will be made subsequent to the time of the Management and Finance Committee's referral of the proposal to the full Council, except changes expressly approved by Council in the resolution or other measure containing the moral obligation.*

Due to the effect variations in the transaction structure may have on risk levels, project feasibility, anticipated public benefit, potential cost to the City and other matters considered in the procedures described below, it is essential that Council's ultimate approval be based upon



accurate assumptions and analysis. The submission of incomplete information or partially-structured transactions is strongly discouraged and would be cause for either the Management and Finance Committee to decline to refer the proposal to Council or for Council to withhold its approval. ***The structure and material terms of the financing proposed to receive the moral obligation shall not be altered once the staff recommendation has been submitted to the Management and Finance Committee for submission to Council.***

3. *A proposed moral obligation should be analyzed from several different viewpoints as identified below. Independent experts are likely to be needed for at least some of the analysis. Consideration should be given to assigning the cost of the analysis to the project or to the proposer of the project.*
  - The project should be self-supporting or show substantial projected coverage on conservative assumptions — This is a basic condition for a moral obligation. There should be an independent analysis that shows that the project would be self-supporting under any likely scenario. The analysis should show that a call on a moral obligation would only be needed in extremely adverse and remote situations.
  - A moral obligation should support a project considered important to the City's long-term goals and will not be used to solve a temporary problem — A moral obligation is generally attached to a long-term financial obligation of some kind and would not normally be appropriate to solve a temporary financing problem. There should be an independent analysis that shows a proposed project requires the moral obligation in order to be financed (or in any case financed at an interest rate or on terms critical to meeting City goals).
  - The moral obligation should have a very low risk of being called — The overall chances of a call on the moral obligation should be independently evaluated using several approaches.
    - The likelihood of a call should be identified based on a thorough analysis of the project, its proposed financing and operating structures and any other relevant facts and conditions.
    - All key factors should be independently and separately analyzed (sensitivity analysis). The goal of this analysis is to determine what level of failure would have to occur in each key factor in order for a moral obligation call to occur.
    - The types of events that could result in a maximum call should be identified, the likelihood of those scenarios analyzed, and the associated impact on the city should be analyzed.
    - Whether the moral obligation applies to a one-time event such as a single replenishment of a reserve or is intended to be available over multiple years and/or provide for multiple advances of City funds.
    - The likelihood that amounts advanced pursuant to the moral obligation will be repaid in a reasonable period of time.
  - There should be common risk and a balance of risk/reward among participants — The proposed project and overall financing should be analyzed in terms of the respective risk and the balance of risk and reward for all parties involved. This is particularly important in assessing whether or not the parties have similar concerns and the likelihood that they would work together toward ensuring that a moral obligation call does not occur.

- There should be no impact on bond ratings — There should be an evaluation of the impact of both the individual moral obligation and the cumulative impact of all outstanding moral obligations on the City's financial strength, bond ratings, financial flexibility, and potential impact on the budget.
- The benefits to providing a moral obligation should be greater than the costs, risk, and potential impact on the budget — To the extent possible there should be a quantitative analysis comparing the benefits to the adverse impact on the City and the associated risks.

*5. Outstanding moral obligations should be reviewed by staff and Council*

Because of the potential financial impact of moral obligations and because they may represent hidden financial obligations, outstanding moral obligations should be reviewed annually by staff. Rating agencies would generally recommend such a review. The review would assess whether there are any changes in the risk level and whether there is compliance with agreements and terms for the moral obligations. Underperforming projects in particular need to be closely monitored. The results of the annual review and any ongoing surveillance of projects should be presented to the Management and Finance Committee along with any staff recommendations for possible forwarding to the full Council.

**Effectiveness**

This policy applies to new moral obligations adopted, or proposed to be adopted, by Council on or after September 30, 2022, and shall not apply to (a) moral obligations authorized prior to such date or (b) to moral obligations authorized in connection with the refinancing of transactions which originally had moral obligation support.

RESOLUTION NO. R2022-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, ADOPTING A POLICY ON THE USE OF MORAL OBLIGATION PLEDGES BY THE CITY

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has the authority to establish policies regarding the financial activities of the City; and

WHEREAS, the Director of Finance has recommended that the Council adopt a policy on the use of moral obligation support by the City, which policy shall constitute an addendum to the City’s existing debt policy; and

WHEREAS, the City Council finds and determines that it is in the best interests of the City and its citizens to adopt a policy on the use of moral obligation support by the City.

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

Section 1. The document entitled “Policies with regard to Moral Obligation Support for Financial Obligations” is hereby adopted as an addendum to the City Debt Policy in substantially the form heretofore filed with the Office of the City Clerk and presented to the City Council at this meeting, with such technical additions, deletions, and variations as the City Attorney may deem necessary or appropriate and not inconsistent with this Resolution .

Section 2. The City Manager and the Director of Finance are hereby authorized to take whatever action is necessary to implement and carry out this policy.

Section 3. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.



RESOLVED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

   
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Summary Results - Sale and Closing of City of Aurora 2022 COPs (Road Improvements Projects)
<b>Item Initiator:</b> Teresa Sedmak, City Treasurer
<b>Staff Source/Legal Source:</b> N/A
<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

Item: Summary Results – Sale and Closing of City of Aurora 2022 COPs (Road Improvements Projects)

Staff source: Teresa Sedmak, City Treasurer

Estimated time: 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. |  |

---

### PREVIOUS ACTIONS OR REVIEWS:

**Policy Committee Name:** Management & Finance

**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 sale of the 2022 COPs (Road Improvements Projects) was authorized by City Council at its regular meeting of June 27, 2022 with second reading on July 11, 2022.

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

**Background:**

On August 24<sup>th</sup>, the City priced its Series 2022 Certificates of Participation (COPs) in order to finance various roadway improvements. The COPs received a rating of Aa1 from Moody's Investors Service, the highest rating afforded to an appropriation credit.

**Summary Results:**

The COPs were well received in the market. A total par amount of \$31.975 million was offered, generating \$102.765 million in orders, a 3.2x oversubscription. As a result of excess demand, the COPs maturing in 2023 - 2033 were repriced, with the interest rate lowered by between 1 and 3 basis points (a basis point is .01%). Bonds maturing in 2037 - 2039 were initially undersubscribed, and interest rates on those maturities were adjusted upward by 5 basis points to increase demand for those certificates.

The all-in interest cost (which includes underwriting costs and costs of issuance) on the issue is 3.685%. This results in an annual debt service of approximately \$2.5 million over a 20 year period.

The closing on the COPs occurred on September 7, 2022, at which time project funds of \$35 million were delivered to fund the road improvements.

The COPs were sold by RBC Capital Markets (senior manager) and Stifel (co-manager).

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**QUESTIONS FOR COUNCIL**

Information Only.

---

**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).

---

**PUBLIC FINANCIAL IMPACT**

- YES       NO

**If yes, explain:**

---

**PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:**



# 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 2023 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, Sr. 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:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

- Agenda long title: Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Parkside at City Centre Business Improvement District
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title: Jennifer Orozco, Dev Project Manager / Hanosky Hernandez, Sr. Assistant City Attorney
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time 5 / 5

---

### 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:

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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.)**

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.

---

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

The attached resolution will approve the Parkside at City Centre Business Improvement District 2023 operating plan and budget. All public improvements were completed by 2022, funded by \$13,990,000 from the 2019 debt issuance. Therefore, the 2023 operating plan anticipates no new activity for the Capital Projects Fund. In 2023 the General and Debt Service Funds anticipate \$715,307 in revenue mainly from 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 beginning fund balance of \$2,047,159, carried over from prior years. Together, the General and Debt Service Funds anticipate \$1,325,830 in expenditures in 2023, mainly for management expenses and bond interest. The Debt Service Fund anticipates paying \$220,000 in bond principal in 2023.

---

**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 2023 operating plan and budget for the



Parkside at City Centre Business Improvement District. Funding is projected at \$715,307 primarily from property tax, developer advances, a privately imposed Public Improvement Fee (PIF), and a transfer from the Parkside at City Centre Metropolitan District.

**2023 OPERATING PLAN AND BUDGET**

**PARKSIDE AT CITY  
CENTRE BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Arapahoe County, Colorado

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EXHIBIT A - District Contact Information

EXHIBIT B - BID Budget 2023

    General Fund

    Capital Projects Fund

    Debt Service Fund

EXHIBIT C - District Boundary Map

**2023**  
**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 2023 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) Chase LaFrano
- 2) Jason Marcotte
- 3) Tim Fredregill
- 4) Darren Hinton
- 5) Vacancy

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 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**

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **Exhibit B**. The adopted 2022 Budget differed from the 2022 Budget attached to the 2022 Operating Plan to account for the final assessed valuation of the property within the District, to adjust the amount of specific ownership tax revenues, to adjust the amount of property tax revenues transferred from Parkside at City Centre Metropolitan District as a result of the final assessed valuation of the property within the Parkside at City Centre Metropolitan District, to adjust the amount of developer advances, and to adjust the expenditures the District anticipated incurring.

**B. 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.

**C. Property Tax and Debt Service Mill Levy Cap.** The District's debt service taxing ability shall be constrained to a mill levy limitation of up to 50 mills. The debt service mill levy cap set forth in this paragraph may be subject to upward or downward adjustments addressing any abatement or statutory, legislative, or constitutional changes that adjust or impact the assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated occurring after, but not before, January 1, 2004. Such upward or downward adjustments are to be determined by the Board of Directors in good faith (such determination to be binding and final) so that to the extent possible, the actual revenue 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. The debt service mill levy cap shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users.

**D. 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 2023 Budget attached as **Exhibit B**.

**E. Existing Debt Obligations.** On April 9, 2019, the District issued its \$13,990,000 Special Revenue and Tax Supported Senior Bonds Series 2019A (“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 2022.

**F. Future Debt Obligations.** The District does not anticipate issuing debt in 2023.

**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 Debt or Obligation of the City.** 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. 2023 ACTIVITIES, PROJECTS AND CHANGES**

### **A. Services, Activities, Projects and Public Improvements**

i. Provided for in 2022: The District provided operation and maintenance services in 2022, including, but not limited to, parking and street maintenance and operations, including snow removal; landscaping; stormwater; marketing; security; and common area maintenance.

ii. Planned for in 2023: The District anticipates it will continue to provide such operation and maintenance services in 2023.

**B. Projects and Public Improvements.** The District completed construction of the public improvements for the project in 2022.

**C. Summary of 2023 Activities and Changes from Prior Year.** The District's activities will continue to largely consist of District administration, payment of its existing bonds, and providing the operation and maintenance services listed above.

**D. Boundary Changes.** Following the condominiumization of the mixed-use building in the project in 2022, the District excluded the residential portion of the building from its boundaries. The District does not anticipate boundary changes in 2023.

**E. Changes to Board or Governance Structure.** The Board may appoint an individual to fill the vacancy in late 2022 or early 2023 or wait for the vacant seat to be filled through the May 2, 2023 regular election.

**F. Mill Levy Changes.**

- ii. 2022 Mill Levies: The District imposed 13 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2022.
- iii. 2023 Mill Levies: The District anticipates imposing 13 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2023.

**G. Elections.** Regular election to occur on May 2, 2023.

**H. Major Changes in Development Activity or Valuation.** Construction of the public improvements for the project was completed in 2022.

**I. Ability to Meet Current Financial Obligations.** See 2023 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:**

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

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

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

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

Vacancy

**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**

**2023 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, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ 2,188	\$ 844	\$ -	\$ -	\$ -
Revenues:					
Property taxes	19,175	32,489	32,489	14,852	61,589
Specific ownership taxes	1,623	2,569	2,292	4,500	4,897
PIF revenue	6,035	28,036	5,556	12,000	28,036
Transfer from Parkside Metro District	17,024	32,238	36,312	36,312	32,238
Interest income	50	25	1,831	1,900	25
Developer advances	41,510	75,000	46,967	101,851	75,000
Total revenues	<u>85,417</u>	<u>170,357</u>	<u>125,447</u>	<u>171,415</u>	<u>201,785</u>
Total funds available	<u>87,605</u>	<u>171,201</u>	<u>125,447</u>	<u>171,415</u>	<u>201,785</u>
Expenditures:					
Accounting/audit	17,585	20,000	11,737	21,000	20,000
Election	-	5,000	-	-	5,000
Insurance/ SDA Dues	20,876	22,000	38,928	38,928	22,000
Legal	34,078	20,000	18,165	25,000	20,000
Trash	-	-	-	900	-
Utilities	-	11,700	1,381	2,500	11,700
Maintenance	14,748	13,200	14,318	15,000	13,200
Lot sweeping	-	3,800	-	2,500	3,800
Janitorial/Porter	-	19,200	-	1,000	19,200
Landscaping	-	13,320	-	-	13,320
Snow removal	-	15,000	25,210	35,000	15,000
Miscellaneous	30	2,400	67	100	2,400
Security	-	6,450	8,154	15,000	6,450
Management	-	12,000	7,000	14,000	12,000
Contingency	-	1,707	-	-	31,841
Treasurer's Fees	288	487	487	487	924
Emergency Reserve	-	4,937	-	-	4,950
Total expenditures	<u>87,605</u>	<u>171,201</u>	<u>125,447</u>	<u>171,415</u>	<u>201,785</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 2,499,155</u>			<u>\$ 4,737,588</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, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Interest income	-	-	-	-	-
Developer advances	1,228,865	-	-	-	-
Bond Proceeds	-	-	-	-	-
Total revenues	<u>1,228,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>1,228,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Issuance costs	-	-	-	-	-
Capital expenditures	1,228,865	-	-	-	-
Transfer to Debt Service	-	-	-	-	-
Total expenditures	<u>1,228,865</u>	<u>-</u>	<u>-</u>	<u>-</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, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ 2,617,512	\$ 1,876,746	\$ 1,860,700	\$ 1,860,700	\$ 2,047,159
Revenues:					
PIF Revenue	54,318	252,326	50,003	75,000	252,326
TIF Revenue	-	191,347	935,360	935,360	-
Property taxes	73,752	124,958	124,958	56,826	236,879
Specific ownership taxes	4,782	9,997	8,816	15,000	18,950
Property taxes - ARI	1,475	2,499	2,499	1,143	4,738
Specific ownership taxes - ARI	102	200	176	250	379
Interest Income	321	250	267	500	250
	<u>134,750</u>	<u>581,577</u>	<u>1,122,079</u>	<u>1,084,079</u>	<u>513,522</u>
Total revenues					
Total funds available	<u>2,752,262</u>	<u>2,458,323</u>	<u>2,982,779</u>	<u>2,944,779</u>	<u>2,560,681</u>
Expenditures:					
Bond interest expense	874,375	874,375	437,188	874,375	874,375
Bond principal	-	-	-	-	220,000
Treasurer's fees	1,108	1,874	1,874	852	3,553
ARI Treasurer fees	22	37	37	37	71
Authority fee	11,000	11,000	11,000	11,000	11,000
Trustee / paying agent fees	3,500	10,000	-	10,000	10,000
ARI Mill levy	1,557	2,662	2,638	1,356	5,046
	<u>891,562</u>	<u>899,948</u>	<u>452,737</u>	<u>897,620</u>	<u>1,124,045</u>
Total expenditures					
Ending fund balance	<u>\$ 1,860,700</u>	<u>\$ 1,558,375</u>	<u>\$ 2,530,042</u>	<u>\$ 2,047,159</u>	<u>\$ 1,436,636</u>
Assessed valuation		<u>\$ 2,499,155</u>			<u>\$ 4,737,588</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**

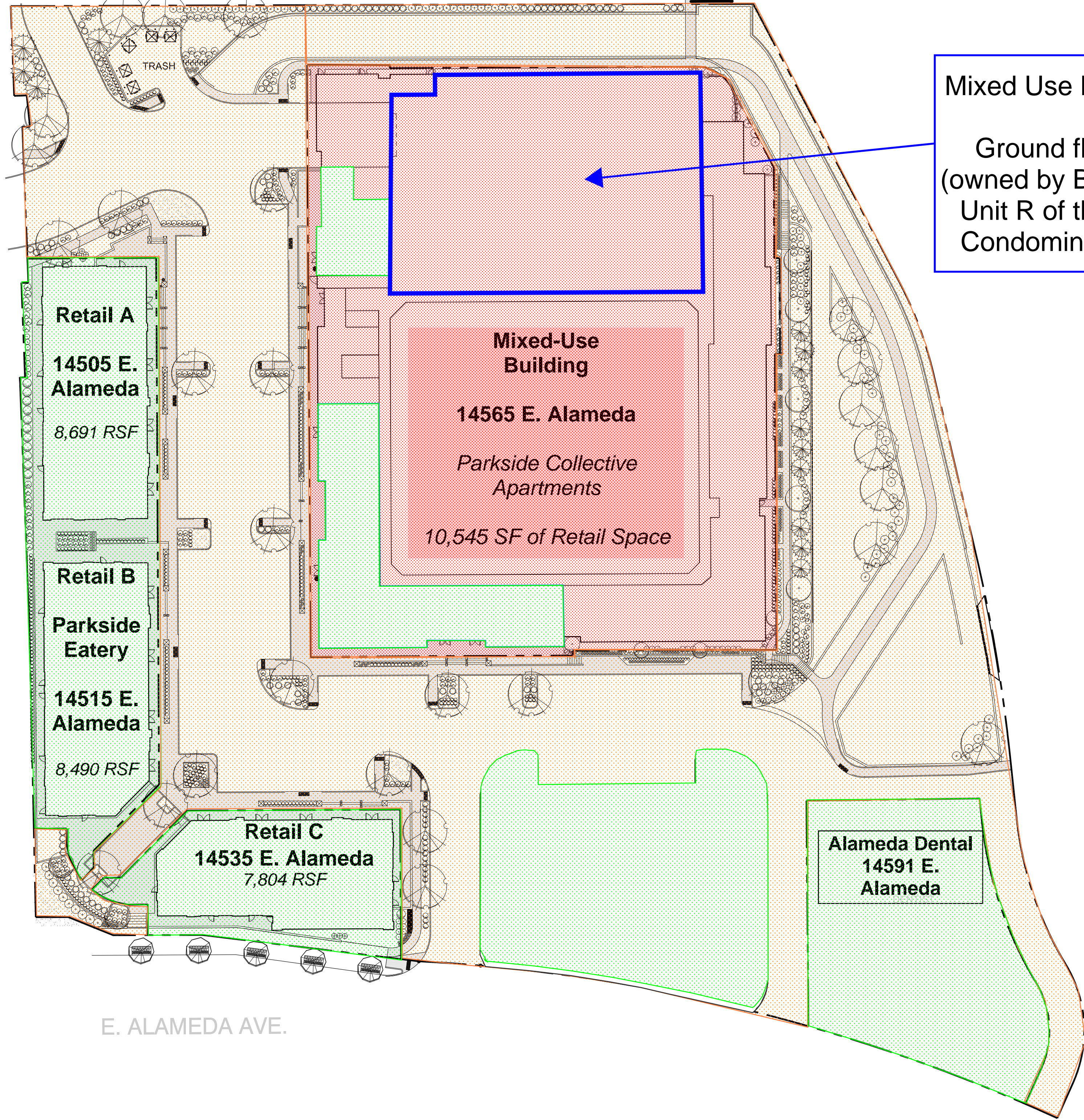
# Parkside @ City Center: District Inclusions

**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

Unit C of Parkside City Center Condominium  
 (i.e., 10,545 SF of Retail on the ground floor of the  
 Mixed-Use Building): 14565 E. Alameda

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

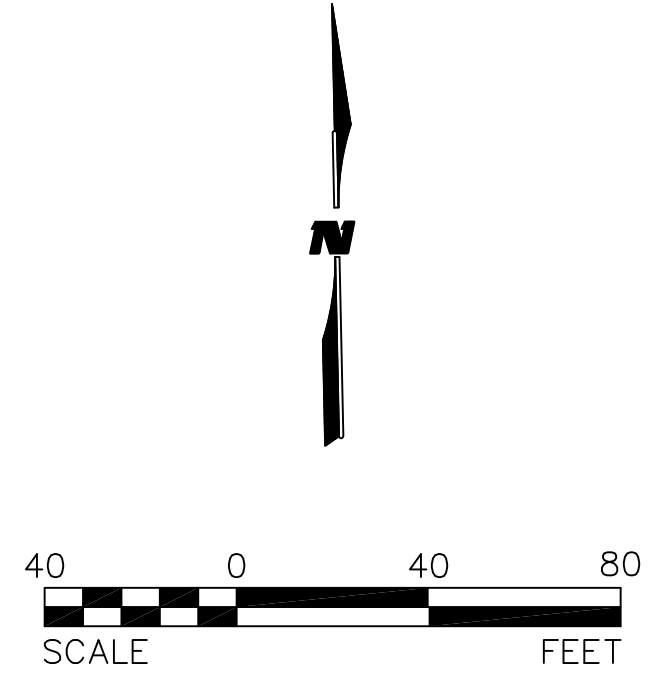
**Parkside at City Centre Metro District:**  
 Unit R of Parkside City Center Condominium  
 (i.e., the Residential Portion of the Mixed-Use Building,  
 including floors 2-5 of the parking garage)



**Mixed Use Building Parking Garage:**  
 Ground floor is part of "Tract A"  
 (owned by BID); floors 2-5 are part of  
 Unit R of the Parkside City Center  
 Condominium (private ownership)

BLE BLVD

E. ALAMEDA AVE.





RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. 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 2023 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 / Hanosky Hernandez – Sr. Assistant City Attorney

**Outside Speaker:** None

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Fitzsimons Business Improvement District

Chad Argentar – Senior Development Project Manager / Hanosky Hernandez – Sr. Assistant City Attorney

Estimated Presentation/Discussion Time: 2 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:

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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 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 2023 operating plan and budget anticipates \$13,420 in revenue from square foot charges of commercial buildings. The Fitzsimons BID does not anticipate any major public improvements for 2023 and its expenditures are primarily directed towards administrative and legal 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. 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 2023 operating plan and budget for the Fitzsimons Business Improvement District. The BID is projected to generate \$13,420 in revenue based on charges per square foot of commercial space (17,743 s.f.) from within the BID. Fees are based on costs of BID administration, services and improvements. For 2023, the per square foot charge is \$0.7564.

**2023 OPERATING PLAN AND BUDGET**

**FITZSIMONS  
BUSINESS  
IMPROVEMENT  
DISTRICT**

Spencer Fane LLP

**FITZSIMONS BUSINESS IMPROVEMENT  
DISTRICT  
2023 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 2023 budget for the BID is cash basis. The BID’s budget includes projected revenues and expenditures for its general operation fund.

**Budget:** Approximately \$13,420 will be raised in 2023 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 2023 will be \$0.7564/square foot.

**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 5-member Board of Directors, all of whom are voting members. The Board represents a diverse mix of commercial properties. The Board of Directors currently has three vacancies and requests the Aurora City Council appoint Scott Procop, an eligible elector within the BID, to fill one of the vacancies.

**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 2022 BID ACTIVITIES**

In 2022, the BID monitored parking activities.

## **III. FITZSIMONS BID 2023 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 2023. 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 2023 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 2023 budgeted expenditures will be approximately \$13,420, which includes parking enforcement, as shown in the budget, and budgeted revenue of \$13,420 to be raised through an estimated \$0.7564 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 five (5) 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: Nicole Peykov  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800  
npeykov@spencerfane.com

BID Accountant:

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

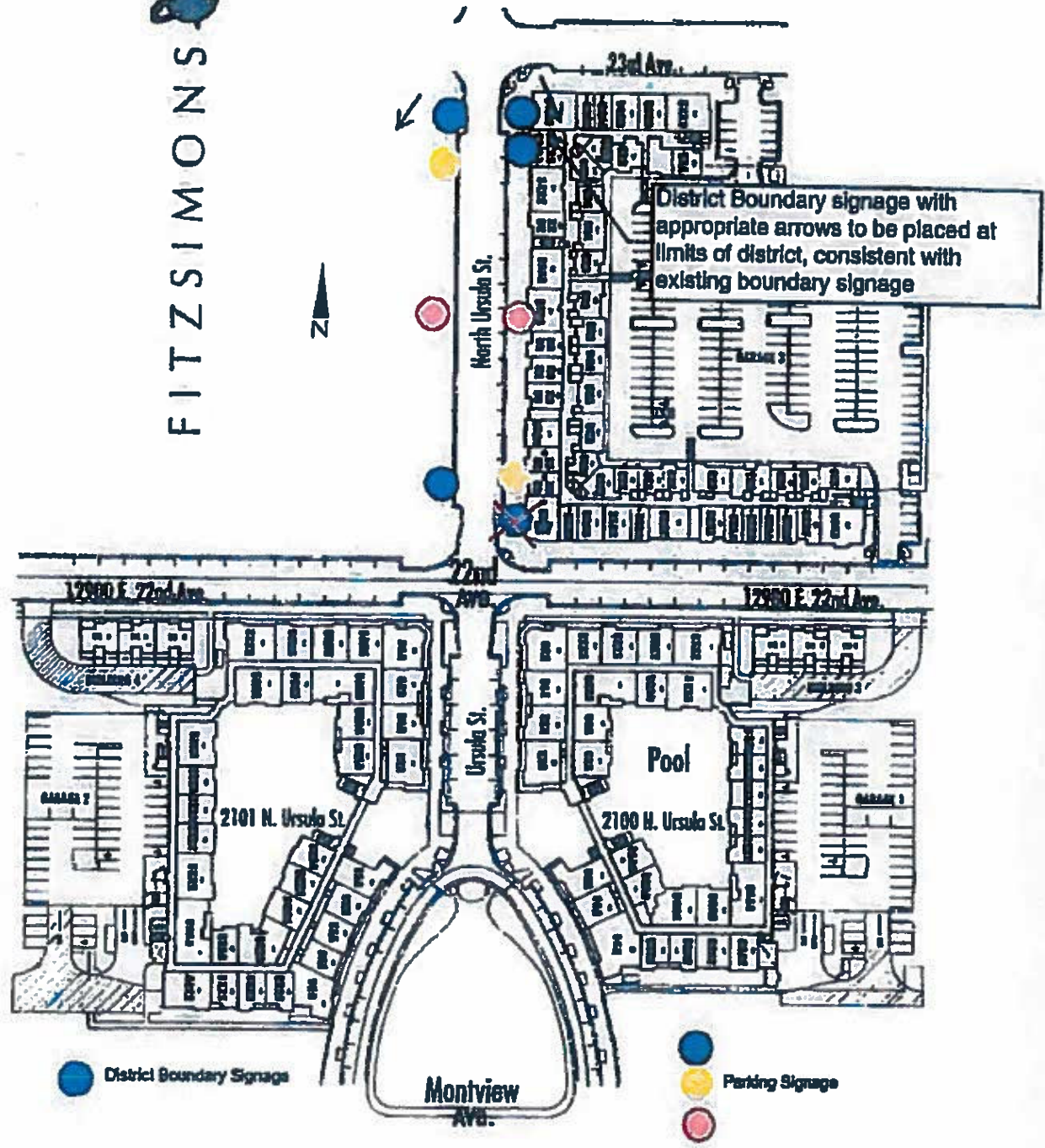
Auditor: Not Applicable

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



**EXHIBIT B**  
(PARKING SPACE MAP)

# FITZSIMONS



2100 n ursula st. • aurora • co 80045 • p: 303-363-0021 • f: 303-363-0023 • [www.21fitzsimons.com](http://www.21fitzsimons.com)  
 Features and amenities are subject to change



CLIENT: PAULS CORPORATION  
 FILE NAME: 18X12 PARKING  
 DRAWER: LOKEN

PROJECT NAME: 21 FITZSIMONS  
 ACCOUNT MANAGER: JEAN WHITE  
 DATE: 8/12/12 55

It is hereby acknowledged that the client has received and accepted the design and layout of any sign or sign system as indicated by the client and hereby agrees to pay for the same. The client's signature and date are required for the sign to be fabricated and installed. The client's signature and date are required for the sign to be fabricated and installed.

APPROVED: (YES)  APPROVED: (NO)



BACKFACE  
 ALUMINUM PLATE  
 WITH DWT GRAVICS

FINISH  
 SIGN FACE SOLID 10  
 BROWN/WHITE/BLACK





CLIENT: FALLS CORPORATION  
 FILE NAME: 10X12 PARKING  
 DEDICATOR: LORREN

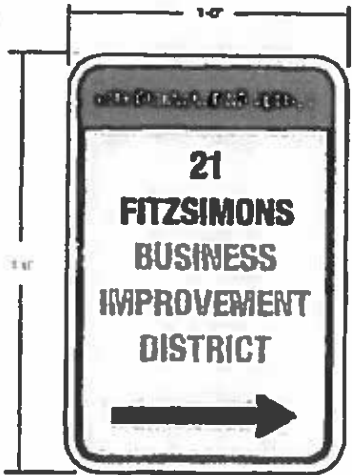
PROJECT NAME: 21 FITZSIMONS  
 ACCOUNT MANAGER: JEAN WHITE  
 DATE: 10/24/11

BY ORDERING THIS SIGN, YOU AGREE TO PROVIDE AN ADDRESS AND PHONE NUMBER FOR THE DELIVERY OF THE SIGN TO THE LOCATION OF THE SIGN AND TO BE RESPONSIBLE FOR THE SIGN'S MAINTENANCE AND REPAIRS. THE SIGN IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN APPROVAL OF FUSION SIGN COMPANY. THE SIGN IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN APPROVAL OF FUSION SIGN COMPANY.

APPROVAL SIGNATURE: \_\_\_\_\_



SCALE 1/4" = 1'



SCALE 3" = 1'

REPLACE PLASTER TRAFFIC WITH DRY GRAYES  
 REPAIRS SHOULD BE DONE IMMEDIATELY

FOR MOVING THE FILE AS A FILE IS NEEDED AS A FILE ONLY IS NOT INDICATED BY THE FILE NUMBER.

REVISIONS TO:  NO

**EXHIBIT C**  
(2023 Budget)

Fitzsimons Business Improvement District

2023 Budget

September 15, 2022

INCOME STATEMENT	2017 Budget	2017 Actuals	2018 Budget	2018 Actuals	2019 Budget	2019 Actuals	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2022 Estimated	2023 Budget
<b>REVENUE</b>													
BID Fee Revenue	8,039.42	7,339.76	9,766.00	6,184.92	9,766.00	7,280.96	10,161.50	3,925.88	9,859.00	1,857.00	5,859.00	15,133.40	13,420.00
Fund Advance													
Other								236.31				562.00	
Interest													
<b>Total Revenue</b>	<b>8,039.42</b>	<b>7,339.76</b>	<b>9,766.00</b>	<b>6,184.92</b>	<b>9,766.00</b>	<b>7,280.96</b>	<b>10,161.50</b>	<b>4,162.19</b>	<b>9,859.00</b>	<b>1,857.00</b>	<b>5,859.00</b>	<b>15,695.40</b>	<b>13,420.00</b>
<b>EXPENSES</b>													
Accounting	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	0.00	(1,000.00)	(2,000.00)	(2,000.00)
Administration									0.00	0.00	0.00	0.00	0.00
Advance Reimbursement									0.00	0.00	0.00	0.00	0.00
Audit	0.00	0.00	0.00		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank Service Charge	0.00	0.00	0.00		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dues & Memberships	0.00	(236.31)	(236.31)		(236.00)	(319.53)	(320.00)	(235.74)	(320.00)	0.00	(320.00)	(311.71)	(320.00)
Insurance	(1,525.00)	0.00	(1,337.00)	(1,337.31)	(1,337.00)	(1,337.31)	(1,337.00)	(1,339.00)	(1,339.00)	(1,341.00)	(1,339.00)	(1,341.00)	(1,400.00)
Legal	(4,012.00)	0.00	(2,900.00)	(3,727.66)	(2,900.00)	(4,131.25)	(3,200.00)	(2,229.87)	(3,000.00)	0.00	(3,000.00)	(7,032.36)	(3,000.00)
Marketing & Promotions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emergency Reserves (3% of expense)		0.00	(293.00)	0.00	(293.00)	0.00	(304.86)	0.00	(200.00)	0.00	(200.00)	0.00	(200.00)
Other Purchased Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Expenses</b>	<b>(7,537.00)</b>	<b>(2,236.31)</b>	<b>(6,766.31)</b>	<b>(7,064.97)</b>	<b>(6,766.00)</b>	<b>(7,788.09)</b>	<b>(7,161.86)</b>	<b>(5,804.61)</b>	<b>(6,859.00)</b>	<b>(1,341.00)</b>	<b>(5,859.00)</b>	<b>(10,685.07)</b>	<b>(6,920.00)</b>
<b>CAPITAL EXPENDITURES</b>													
Parking Enforcement	0.00	0.00	0.00	0.00	0.00	0.00	(3,000.00)	0.00	(3,000.00)	0.00	0.00	(3,000.00)	(6,500.00)
Landscaping	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Parking Striping	(500.00)	0.00	(3,000.00)	0.00	(3,000.00)	(3,095.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Signs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(307.02)	0.00
Sign Posts/Installation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Capital Spending</b>	<b>(500.00)</b>	<b>0.00</b>	<b>(3,000.00)</b>	<b>0.00</b>	<b>(3,000.00)</b>	<b>(3,095.00)</b>	<b>(3,000.00)</b>	<b>0.00</b>	<b>(3,000.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,307.02)</b>	<b>(6,500.00)</b>
<b>Total Expenditures</b>	<b>(8,037.00)</b>	<b>(2,236.31)</b>	<b>(9,766.31)</b>	<b>(7,064.97)</b>	<b>(9,766.00)</b>	<b>(10,883.09)</b>	<b>(10,161.86)</b>	<b>(5,804.61)</b>	<b>(9,859.00)</b>	<b>(1,341.00)</b>	<b>(5,859.00)</b>	<b>(13,992.09)</b>	<b>(13,420.00)</b>
<b>NET REVENUES</b>	<b>2.42</b>	<b>5,103.45</b>	<b>(0.31)</b>	<b>(880.05)</b>	<b>0.00</b>	<b>(3,602.13)</b>	<b>(0.36)</b>	<b>(1,642.42)</b>	<b>0.00</b>	<b>516.00</b>	<b>0.00</b>	<b>1,703.31</b>	<b>0.00</b>
Fund Balance - Beginning of Year	5,005.00	4,986.40	10,089.85	10,089.85	9,209.80	9,209.80	5,607.67	5,607.67	3,965.25	3,965.25	4,481.25	4,481.25	6,184.56
Fund Balance - End of Year	4,986.40	10,089.85	10,089.54	9,209.80	9,209.80	5,607.67	5,607.31	3,965.25	3,965.25	4,481.25	4,481.25	6,184.56	6,184.56

\* Signed new parking agreement in 2019 to enforce retail parking. Expense estimated at \$24,000 a year. A portion of the expense is being reimbursed through the BID.

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.

2023 Calculation of Charges		2022 Budgeted Expenses		\$13,420		\$0.7564					
								Retail	Charge		
Bldg. No.	Ste. No.	Address	Tenant Name	Bill To:	Billing Address:	S.F.	PSF	Charge	Prior Year Balance to be included on 2023 invoice	Total due	Notes
1	20	2100 North Ursula	Cedar Creek Pub	Cedar Creek Pub	2100 N Ursula St., #20, /	4,400	\$0.7564	3,327.96	\$0.00	\$3,327.96	*Has two more catch up payments to make. Assuming these are received, no balance will carry over to 2023.
1	30	2100 North Ursula	Lost Coffee	Lost Coffee	2100 N Ursula St., #30, /	1,170	\$0.7564	884.93	\$0.00	\$884.93	
1	2100-45	2100 North Ursula	Vacant	21 Fitz	4582 South Ulster St. Su	682	\$0.7564	515.83	\$0.00	\$515.83	
2	23	2101 North Ursula	Ursula Brewery	Ursula Brewery	2101 N Ursula St., #23, /	2,740	\$0.7564	2,072.41	\$0.00	\$2,072.41	*Has two more catch up payments to make. Assuming these are received, no balance will carry over to 2023.
2	25	2101 North Ursula	Ambli Mexico at Fitz	Ambli Mexico at Fitz	2101 N Ursula St., #25, /	2,830	\$0.7564	2,140.48	\$2,530.09	\$4,670.57	2021 & 2022 unpaid
3	35	2103 North Ursula	ProCare Pharmacy	ProCare Pharmacy (CVS	One CVS Drive, MC 1105	2,578	\$0.7564	1,949.88	\$3,760.17	\$5,710.05	2020/2021/2022 unpaid
3	45	2103 North Ursula	Vacant	21 Fitz	4582 South Ulster St. Su	1,683	\$0.7564	1,272.94	\$0.00	\$1,272.94	
3	55	2103 North Ursula	Vacant	21 Fitz	4582 South Ulster St. Su	1,660	\$0.7564	1,255.55	\$0.00	\$1,255.55	
Total						17,743		13,420		\$19,710.26	

**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)
- 2020 Parking enforcement was not reimbursed to 21 Fitz in 2020 due to lack of dues paid. Full expense hit 21 Fitz expenses.
- 2021 Only payment received for 2021 is 21 Fitz portion.
- 2021 **Did not have the funds to cover the accounting or parking enforcement reimbursement**
- 2022 **Cedar Creek & Ursula Brewery are on a payment plan to pay back 2018-2022 dues. Per plan, all prior year dues will be current by Dec 2022**



RESOLUTION NO. R2022-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.


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

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

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HANOSKY HERNANDEZ,  
Sr. 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 /Hanosky Hernandez – Sr. 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:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Havana Business Improvement District

Chad Argentar – Senior Development Project Manager /Hanosky Hernandez – Sr. Assistant City Attorney

Chance Horiuchi – Executive Director – Havana BID

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:

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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          |

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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 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.)**

The Havana BID Board is scheduled to meet on September 22, 2022 to review and approve a proposed budget and operating plan based on preliminary property valuations from the county. In the interim and for this policy committee meeting, the BID has provided a draft of the proposed plan and budget as well as a shorter summary of the key aspects of the 2023 budget and operation plan. Updated information about the plan and budget will be presented at the September 27th Policy Committee meeting, if necessary. The Board will prepare final edits for their Operating Plan and Budget prior to City Council approval.

The 2023 operating plan and budget anticipates revenues of \$665,508 in property taxes generated from the BID's 4.5 mill levy and its portion of urban renewal tax increment from the Buckingham Urban Renewal Area. Specific ownership taxes generate an additional \$34,872 in revenue. Combined with carry over funds from 2022 (\$738,786), the total 2023 budget is anticipated to be \$1,439,366. No additional revenues are projected to be generated from sponsorships in 2022.

The largest increase in expenditures in 2023 over the 2022 budget is in event expenses and marketing. End of year (2023) savings/contingency funds are estimated to be \$638,281. 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 2023 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 conditioned up inclusion of the completed Operating Plan and Budget?

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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 2023 operating plan and budget for the Havana Business Improvement District with over \$1.4 million in expenditures (inclusive of savings and contingency funds) from new revenues and board reserves.

**2023 BUDGET MESSAGE 2023 Preliminary Budget**  
**11.23.2021 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, stakeholder outreach and engagement, district identity/corridor image improvements, the biennial public art program, art murals, district marker signage improvements, 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. The Executive Director manages the day-to-day maintenance and operations, annual local and tourism marketing and advertising, stakeholder 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 access to funding opportunities. In 2023, 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. Our programming will bring back hosting large community gathering events and continue to host advocacy and workforce development/training workshops, and outreach programming. 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. We will explore NEW event and art activations for the corridor and expand upon safety and security initiatives for the stakeholders in 2023. The District is currently receiving proposals for these two 2023 projects to invest back into the corridor and its stakeholders.

**BASIS OF ACCOUNTING:**

The basis of accounting utilized in the preparation of the 2023 budget for the District is a **cash basis** method. The District's 2023 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 2023 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 2023 (3% of the District's fiscal year spending per TABOR). ***\*2023 Preliminary Budget: The District prepared a Preliminary Operational Plan and***

**Budget for 2023 with the preliminary assessed values from November 23, 2021, at \$129,661,592 and voted on 8/18/2022 at the public budget meeting.** \*The District received the preliminary assessed values dated on \*September 1, 2022 from Arapahoe County at \$129,154,664 after the 8/18/2022 preliminary 2023 budget public meeting.

\*Approximately \$665,508 in 2023 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 September 1, 2022](#) AV's (\$110,418,593 x.0045) = \$496,884, plus the preliminary 2022 URA property tax increment from page 2, line 3 of the [Certification of Valuation](#) (“total TIF area increment” - URA Property Tax Increment (\$18,736,071x .0045) = \$84,312 as well as an estimated \$34,872 in specific ownership tax. The estimated total revenues are \$700,580 and a 2022 fund balance of \$738,786 with a total of \$1,439,366.

After this report was submitted to the City of Aurora for the Management & Finance Committee, City Council Study Session and regular City Council Meeting the District will receive the Final AV’s for 2022 in late November 2022. \*The final AV’s for 2022 to finalize the 2023’s budget will be received in late November 2022 and added to this document to re-submit to the City of Aurora, Arapahoe County and the State of Colorado by 12/5/2022. The BID Board will be hosting an executive meeting on budget line items for proposed 2023 events, the staff salary, and benefits after the submission to Management & Finance Committee. The District will update this report and update the budget for Study Session and City Council in October 2022 to include those approved updates to the budget. [See the attached \\*Preliminary 2023 budget on page 14.](#)

#### **GENERAL OPERATING EXPENDITURES:**

1. **Marketing Budget Expenditures - \$250,000:** 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**. The 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 2022, we budgeted \$157,000 and in 2023 we budgeted \$250,000 to bring back the pre-Covid marketing budget. **This budget includes our Fox Media & Marketing contract budget of \$219,000, \$21,000 tool incentive workforce program, and \$10,000 for the APS Stadium advertising contract.**

In 2023, the District plans to expand the marketing outreach and account for the proposed increased costs of our ad contracts. Many of the proposed media contracts have increased due to inflation and the District budgeted for the expected increases for 2023.

Fox Media & Marketing will continue to support the purchasing and negotiating of contracts for media productions, creative content, and commercials to promote the corridor. Fox Media assists in the creation of the commercials for 9NEWS platforms and digital campaigns throughout the year promoting our Havana Motor Mile, retail, and restaurants. The increase allows the District to continue a \$40,000 contract for the Lamar Billboards, create new commercials for 2023, produce more impressions for the commercials, expand our Spanish language commercials and banners with 9NEWS, \$21,000 for the tool program and a new \$10,000 APS Stadium title sponsorship.

**Havana Motor Mile Workforce Program - \$21,000:** The District will continue the automotive technician tool incentive workforce program and increased this allocation \$1,000 from \$20,000 in 2022 to \$21,000 in 2023 to account for the increased costs in shipping the tools and tool chests. The tool incentive workforce program is vital to the Havana Motor Mile.

2. **Special Events Budget Expenditures - \$217,000:** 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, volunteer food and snacks 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 \$217,000 accounts for \$117,000 for special events and \$100,000 for marketing of the events and promotions with over 15+ local and diverse publications.**

The Special Events budget will increase from \$125,000 in 2022 to \$217,000 in 2023. We will be exploring other avenues for marketing exposure and increase our presence in local and diverse print publications that reflect more of the diversity of the District's stakeholders and community. The District board and executive director reviewed the 2023 events budget and decided to add additional events. On Havana Street wants to support our stakeholders by helping them foster and strengthen their relationships with one another and local government.

In 2023, the District budgeted \$117,000 to include: \$2000 for community asks for giveaways, prizes and promotions at District events or community events, \$2500 for a Lunar New Year Networking Event in January 2023, \$500 to support Rock it Sock it from January to March 2023, \$500 for a February 2023 stakeholder networking event, \$600 for a February Date Night Giveaway promotion, \$5000 for March 2023 to Celebrate Small Business Month in the District (includes \$500 Giveaway, workshops, & a series of networking events), \$7000 for May 2023 to support Eat On Havana Street Week (includes \$500 Giveaway, media and stakeholder hosted events and stakeholder networking), \$5000 for a Summer Concert/Drive in Movie Night On Havana Street or a sponsored concert at Buckley Space Force, \$1000 for June 2022 for stakeholder networking golf foursomes, \$400 for June 2023's stakeholder networking event, \$600 for July 16, 2022 National Ice Cream Day Giveaway, \$600 for August 2023 for a Summer Giveaway, \$6000 for event promotions, gift cards and prizes at special events, \$1500 for July 2023 wellness or fitness event in the District (in 2022 the District hosted a self-defense/kickboxing class at the Havana Street Global Market with \$10 Milkroll gift cards for attendees), \$5000 for August 2023 Havana Motor Mile themed event, \$5500 for August 2023's Korea Town Aurora's Golf Tournament at Common Ground, \$1000 for August 2023 stakeholder networking golf foursomes with City Council, \$6000 for last days of summer concert in the District, \$6000 for October 2023 concert at The Stampede, \$1500 for October 2023's Halloween Networking Event, \$12,000 for Trick or Treat On Havana Street events and prizes, \$3500 for November 2023's Annual Meeting, \$6500 for holiday giveaways and promotions with Buckley Space Force, \$800 for November 2023's holiday caroling and volunteer gift cards, \$25,000 for seasonal events proposal with Bonfire Events, \$10,000 for seasonal events with Aurora Pro's, \$3000 for workforce related events an workshops. The District is working on event proposals with Bonfire Events Co and Aurora Pros for 2023 events.

**Media/Print/Marketing of Events & On Havana Street - \$100,000: The marketing budget for 2022 was \$50,000 and the District increased the 2023 budget to \$100,000 to get back to pre-Covid marketing efforts for the District.** 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 2023. **The \$100,000 event ads budget is included in the overall \$217,000 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 \$2000 for the event equipment storage locker at US Storage.

**\$100,000 for Ads & Promotions for 2023:** We budgeted for \$3500 with the Glendale Cherry Creek Chronicle, \$3,500 for Visit Aurora's Visitors Guide, \$1,100 for the Aurora Chamber Directory ad and website digital ads, \$10,000 to include purchasing ads on Buckley Space Force's Orbiter Magazine, computer labs and television monitors, BSF events: Patriot Fest Concert, giveaways on base, Holiday Market events, Breakfast with Santa events, the Turkey Trot Event and the 12 Days of Reindeer Games. The District will continue the local hotel key card ads that include three runs a year at three local hotels and \$12,500. The District budgeted \$3,000 for Asian Avenue Magazine, \$2,500 with foodie and restaurant related publications and platforms like Yelp Colorado, Door Dash, Grub Hub, Uber Eats and more, \$5,000 for Hispanic Media opportunities like Estrella Media TV Denver, \$2,500 for the African Community Media/Newspapers/Newsletters, \$5,000 for three Korean media publications (Weekly Focus, Colorado Times, & Oz Magazine), \$500 with Brock Media for the City of Aurora

Guide, \$2,500 with Lowry Media publications, \$2,500 for social media ads, promotions and boosts, and \$10,000 for 5280 to feature On Havana Street businesses and special edition ads.

**NEW in 2023:** The District budgeted \$20,000 to explore a contract with the Community College of Aurora or Denver Film School students to produce story telling videos, content creation, and marketing ads for stakeholders and the District. The District budgeted \$7,500 for Aurora TV to produce more stakeholder and event features in 2023. The District budgeted \$4,000 for On Havana Street promotional items. The District also budgeted \$2,400 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.

3. **Program Management Budget Expenditures - \$20,000:** 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**. The budget for 2022 was \$16,500 and the District increased the budget to \$20,000 to accommodate for the additional expenses in 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 2023. In 2023, the District also expects to replace the Executive Director's five year old District laptop.
4. **District Identity Budget Expenditures - \$70,000:** In 2023, the District allocated \$70,000 with \$40,000 for the Art 2C program, art murals or other district identity improvements (signage, art installations, electric box canvas wrapping) 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**.

**District Markers & On Havana Street Panels - \$30,000:** In 2023, 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 2023. 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 District savings to support further improvements in the corridor.

**Exploring other district identity improvements in 2023:** The District is also in the process of exploring a large-scale art projection project that may cost \$25,000 to \$250,000 in 2023. This art projection and activation proposal is currently not budgeted for 2023. The local art projection company is presenting to the District and stakeholders on 9/22/2022's public meeting. If the District Board and stakeholders want to pursue an art projection project in 2023, then the District will update the proposed 2023 budget and include the art installation in the documents presented to the City of Aurora's study session and council meeting in October 2022.

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 continue with the same \$18,000 in 2023 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 any cost increases of a new BID auditor and accountant in 2022.

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 2022 for 2023. \$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 - \$10,000:** 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 2023 increased from \$7,500 in 2022 to \$10,000 due to the expected premium increases and the addition of more District Markers and public art installations.
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 2023 will remain to \$7,500 to account for more legal consult due to new board member appointments, trademark renewals, and District related correspondence.

**Salary for Executive Director at \$80,000 & Staff Consulting Budget of \$35,000 – Total of \$115,000:** Paid out of the General Fund, this budget covers payroll for one employee salary of \$80,000 and a consultant/1099 budget of \$35,000 to be used as needed by the Executive Director and Board. The District Board has not voted on the 2023 Executive Director's salary and bonus. All other dependent payroll costs (Worker's Compensation, Retirement Savings Match, ADP, and Payroll Taxes) shall adjust automatically to the new salary amount after the Board hosts an executive meeting on the employee's salary and benefits for 2023. The \$35,000 proposed consultant budget was allocated to help the Executive Director in 2023. \$10,000 for additional event consulting and \$25,000 for additional marketing consulting.

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. 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 2022 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. In 2022, the District contributed \$6,000 to the ICHRA for the Executive Director and \$1000 in admin fees for Wage Works and Health Equity.



*The Board has not voted on the Executive Director's medical compensation for 2023 yet so the District proceeded with the 2022 allocations for the preliminary 2023 budget year submission.*

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. *In the preliminary 2023 budget, the District allocated the 2022 budget and plans to update this budget after the Board is able to address the compensation for the 2023 budget.*
11. **ADP Fees -\$2,000:** This budget includes accounting code 61035 and the budget for 2022 will increase from \$1,700 budgeted in 2021 to \$2,000 in 2023. In 2023, we budgeted for \$2,000 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 2023 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 2023.
13. **Staff Mileage - \$4,000:** Paid out of the District's General Fund. This is the standard federal mileage allowance for businesses for employees, estimated to be \$4,000 in 2023, based upon past years' expenses and more driving now that in-person events and gathering is no longer restricted due to Covid. This budget was decreased from \$6,400 in 2021.
14. **Stakeholder & Community Relations - \$5,000:** The budget remained the same as 2022 to continue the stakeholder relations and hosting opportunities for the board and Executive Director. In 2021 & 2022, due to the pandemic recovery and hosting of the local leaders and business round tables the board wanted to continue the budget 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 2023 to account for any board training, development, networking opportunities and the District's strategic planning.
16. **\*Prelim Board Reserves - \$638,281:** *This is the estimated and preliminary 2023 budgeted amount.* \$638,281 was set aside for contingency and savings. This is the unallocated money in the bank account that can be reallocated by the board throughout the year as the need arises.

This budget is significantly more in 2022 and 2023 to reserve funds and savings for future deficits to the Assessed Value collections from our 4.5 mil levy and reserve funds for future years, savings towards a second employee and future district identity improvement projects and large-scale events. The District is exploring security and safety initiatives and programming. Some of the proposed projects for 2023 range from \$25,000 to \$250,000 for 2023. However, the proposals are still being reviewed and have not been included in this preliminary 2023 budget yet.

*This budget item will increase or decrease based on the final 2022 AV's that are shared with the District after the October 2022 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 contingency and savings. By adding additional funds to the contingency and savings line item 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) - \$17,233:** The emergency fund for fiscal year 2023 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 three new District Markets in 2023 and is expecting to add two more Art 2C public art program locations and public art sculptures to the 2024-2026 program year 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 2023, as described above. The District anticipates that the increases in our marketing and events budgets will expand their community partnerships with contracts with Bonfire Events Co, Aurora PROS, Community College of Aurora, Denver Film School, APD Stadium, Lamar Billboard, Buckley Space Force, Aurora TV and others to support hosting events and marketing efforts with stakeholders in the District. 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 2023 the District would like to explore implementing these additional improvements with the board reserves.

**See the Preliminary 2023 Operational Plan for additional details.**

Havana Business Improvement District					
Proposed Budget					
General Fund					
For the Year Ended December 31, 2023					
	Actual 2021	Adopted Budget 2022	Actual 8/31/2022	Estimate 2022	Proposed Budget 2023
Beginning fund balance	\$ 441,364	\$ 586,260	\$ 643,321	\$ 643,321	\$ 738,786
<b>Revenues</b>					
URA property tax increment	\$ 89,706	\$ 73,329	\$ 90,779	\$ 90,779	\$ 84,312
Property tax revenue	438,451	510,148	490,519	509,000	581,196
Specific ownership taxes	35,557	40,812	24,577	35,700	34,872
VA relief funds	20,000	-	-	-	-
Interest income	201	200	2,051	3,000	200
Miscellaneous Income	626	-	369	369	-
	584,541	624,489	608,295	638,848	700,580
	1,025,905	1,210,749	1,251,616	1,282,169	1,439,366
<b>Expenditures</b>					
Special events					
Event expenses		125,000	-	-	217,000
Promotional	45,656	-	43,591	60,000	-
Printing & graphics	3,480	-	-	-	-
Entertainment	2,200	-	-	-	-
Gift Cards/Cash prizes/Promotions	10,408	-	18,166	20,000	-
Other event expenses	6,637	-	8,240	25,000	-
Special events total	68,381	125,000	69,997	105,000	217,000
Program management					
Supplies	5,584	16,500	38	70	20,000
Overhead	-	-	5,990	9,600	-
Program management total	5,584	16,500	6,028	9,670	20,000
Printing & graphics			-	-	-
Miscellaneous & mileage	1,725	3,200	2,174	3,200	4,000
Salary	73,350	80,000	53,300	80,000	80,000
Medical Insurance Reimbursement ICHRA Wage Works Health Equity ( \$6500 +	2,789	7,000	5,968	7,000	7,000
Retirement match (3% retirement savings match)	5,260	2,400	2,174	2,174	2,700
Payroll tax 7.65% of Emp. Salary)	6,301	6,000	4,076	6,120	6,500
Professional training	263	1,500	-	-	1,500
Accounting & Annual Audit	13,677	18,000	8,459	14,000	18,000
Legal	5,136	7,500	808	5,000	7,500
SDA BID Insurance	7,777	7,740	8,722	8,722	10,000
Stakeholder relations	1,105	5,000	1,247	5,000	5,000
Board development	2,474	10,000	2,249	7,500	10,000
Consulting (\$10K EVENT + \$25,000 MARKETING)		18,250	-	2,500	35,000
Business attraction & support	1,836	-	862	862	-
Treasurer fees - Tax Revenue - (1.5% AVs)	6,580	7,652	7,327	7,635	7,652
Consumer marketing (HMM Kim Fox Contract \$219K + \$21K Tool Program + \$10K APS STADIUM)	114,263	157,000	91,464	192,000	250,000
Website & branding (\$30K Webolutions + \$5k Social Ads)	24,731	30,000	6,726	25,000	30,000
ART2C expense & district identity/District Markers/Art murals	39,492	70,000	26,926	60,000	70,000
ADP Payroll fees	1,860	1,700	914	2,000	2,000
Contingency/Savings	-	619,074	-	-	638,281
Emergency reserve (REQ 3% Tabor on total expenditures w/o the treasurer's fee v	-	17,233	-	-	17,233
					803,852
Total Expenditures	382,584	1,210,749	299,421	543,383	1,439,366
Fund balance - ending	\$ 643,321	\$ -	\$ 952,195	\$ 738,786	\$ 0

2023 Preliminary Budget with YTD 8 31 2022 Financials



## 2023 PRELIMINARY OPERATING PLAN & BUDGET

### I. SUMMARY: **\*THIS OPERATING PLAN & BUDGET FOR 2023 WAS CREATED WITH THE FINAL 2022'S AV'S TO BE SUBMITTED BY 9/19/2022 TO THE CITY OF AURORA'S MANAGEMENT AND FINANCE.**

*\*The District has requested an extension for submission. The District is preparing a Preliminary Operational Plan and Budget for 2023 with the preliminary assessed values from November 23, 2021. In order to prepare a preliminary operational plan for 2023 to the City of Aurora by early September 2022, the District Board voted on August 18, 2022 utilizing the final assessed valuation for the 2022 Budget from the November 23, 2021, final assessed valuations.*

The 2023's budget and the 2022 final assessed valuation will not be received until after the City of Aurora's Management and Finance and Study Session meetings on 9/27/2022 and 10/25/2022. ***This is a preliminary plan and budget to present to the City of Aurora. The District will update this preliminary budget for 2023 after they receive the final assessed valuation.*** Our District attorney Tom George at Spencer Fane LLP advised the District that due to the delay in receiving the assessed valuation certifications from the Assessor, the District can use the previous year's assessed valuations certifications presented on November 23, 2021, as a reasonable estimate for 2023's budget year in August 2022. The Final Budget is due on December 5, 2022.

The Havana Business Improvement District (the District) is an assessment district designed to improve the economic vitality, value, and overall commercial appeal of the Havana corridor between East 6th Avenue and East Dartmouth Avenue. The District is financed through a 4.5 mill levy based on the assessed value of real commercial property. The District received its first funding in 2008. The District provides valuable business advocacy programming and benefits to business and commercial properties located along the corridor. The District focuses on economic development, establishing a district identity for the area, cultural community events and advocacy programs. The District services are in addition to the services along the corridor currently provided by the City of Aurora and Arapahoe County.

**Name:** Havana Business Improvement District dba On Havana Street

**Boundaries:** The District's boundary encompasses the commercial property on both sides of Havana Street and South Havana Street from East 6th Avenue to the north and East Dartmouth Avenue to the south in the City of Aurora in Arapahoe County. A map of the BID boundary is on page 32.

**BID Programs:** Our overall goal continues to be economic development of the Havana Corridor. The District has defined three major program areas, listed below. The general goals for each program area for 2022 are as follows. **More details about the specific projects and activities under each of the programs can be found in the "Recap of 2022 BID Activities" starting on page 4 of this operational plan.**

#### General Goals by Program:

##### **Project Management/Stakeholders' Communication/Governance:**

- Keep an open line of communication with our stakeholders' and our Havana District neighbors, engaging them in our plans and economic development activities to promote the prosperity of the Havana Corridor and adjacent neighborhoods.
- Hold monthly BID board meetings which are open to stakeholders and the public & host an annual stakeholders' meeting in November.
- Publish our monthly E-newsletter, post important announcements on the homepage of the [OnHavanaStreet.com](http://OnHavanaStreet.com) website and social media as the need arises.
- Continue regular email communication with stakeholders', regular in-store visits and connect/promote via social media platforms.
- Continue relationships with the City of Aurora, CDOT, RTD and RTD contractors, Arapahoe County and other entities that interact with the Havana BID.
- Continue to coordinate BID efforts and day-to-day project management.

**General Goals by Program:**

**Project Management/Stakeholders' Communication/Governance Continued:**

- Encourage board members and stakeholders to provide input and take the lead on projects and committees.
- Continue to utilize and improve our Business Watch Program.

**Economic Development & Marketing/Business Consulting & Advocacy:**

- Continue to advocate for our stakeholder businesses by acting as a liaison between our stakeholders and the city, county, and other entities; continue to work with the City of Aurora on efforts and programs to help small business.
- Provide new and existing businesses support
- Continue to maintain an available properties list and respond to requests from business owners and developers looking to expand or locate to the Havana Corridor.
- Continue to focus the budget and our efforts on economic development and marketing/branding of the District.
- Continue special events & promotions to attract people into the District and highlight our businesses.
- Continue to track the effectiveness of marketing efforts and measure successes as possible through sales tax revenue data, website statistics, and TV/radio statistics and other means.
- Continue to support the stakeholders during the Covid-19 recovery and other city, state and federal mandates and regulations.

**District Identity & Image/Community Sense & Involvement:**

- Continue to promote a sense of community & involvement through the monthly Life On Havana Street E-Newsletter, our TV, print, digital promotions, the OnHavanaStreet.com website and our social networking sites like Facebook, Instagram, Yelp, Google, and You Tube.
- The Executive Director will continue to attend Ward III and IV town meetings when available to keep the neighbors and consumers informed about BID activities and plans.
- Continue District marker sign maintenance and replacements as needed.
- Continue assisting the stakeholders with maintenance, code enforcement issues and the graffiti removal program.
- Continue to define our brand by creating a sense of belonging through marketing and special events, portraying On Havana Street as the place to come for your everyday purchases, as well as for unique, high-quality experiences in shopping, dining, and living and more.
- Continue to brand and market the Havana Motor Mile as the premiere destination for everything automotive.
- Continue to brand and market the Eat On Havana Street brand of 100+ diverse restaurants and food services as a destination for global eats, & attract diners and foodies all over the world.
- Continue to work with the city, the property owners, and Dream Finders Homes/Legend Partners to move forward on redevelopment of the former Fan Fare property and soon to be Argenta to create a sense of community and a gathering place, in accordance with the Havana North Urban Renewal Plan.

**District Identity & Image/Community Sense & Involvement Continued:**

- Continue the Art 2C On Havana, public art program in coordination with the Aurora's Art in Public Places Commission and install \*12 new sculptures biennially.
- \*The Art 2C On Havana originally had 13 sculptures and concrete art pads at 13 District stakeholder properties; however, in May 2021 the Autawash/AutaLube properties were sold to Cobblestone Auto Spa and are now under redevelopment. The 2020-2022 sculpture at Autawash was removed, placed in storage on 5/19/2021 and the concrete pad will be demolished in the redevelopment of the property. Autawash closed, sold to new car wash company, Cobblestone Auto Spa, took ownership on 6/2/2021 and they plan to demolition of building for redevelopment for a grand opening this winter season.
- \*A new art pad location will be installed in late 2022 by Kum & Go – Havana & Jewel to replace the Autawash location. However, the 13<sup>th</sup> art pad and redevelopment of the Kum & Go property will not be available for a public art sculpture until Early 2023, missing the 2022-2024 Art2C program timeline. After the Kum & Go – Havana & Jewel hosts their grand opening in early 2023, the District will include the Kum & Go – Havana & Jewel as the 13<sup>th</sup> location in the 2024-2026 Art2C Exhibition public art program.



- In 2021, The District and the City of Aurora’s Art in Public Places attempted to relocate the 13<sup>th</sup> sculpture and install a new concrete art pad at another property. However, due to COVID-19 challenges, concrete costs, wear, and tear on the sculpture and not being able to contract a concrete contractor for a small concrete pad install, the District decided it was best to not re-install the 13<sup>th</sup> sculpture for the 2020-2022 Art 2C program. Due to these unforeseen circumstances and challenges in 2021, the District continued the Art 2C program with the 12 existing locations in the call for art in 2022-2024 and that the 13<sup>th</sup> location would be at Kum & Go – Havana & Jewel after their construction. The District does plan to include Argenta when the housing development is completed. If the Argenta is completed by 2024 then Argenta will be included in the 2024-2026 Art2C as the 14<sup>th</sup> location in the District’s public art program with Art in Public Places.

**Basis of Accounting:** The basis of accounting utilized in preparation of the 2023 budget for the District is the cash basis. The District’s budget includes projected revenues and expenditures for its general operation fund. (Please see the attached proposed 2023 budget on page 34).

**Budget:** *The District prepared a Preliminary Operational Plan and Budget for 2023 with the preliminary assessed values from November 23, 2021, at \$129,661,592 and voted on 8/18/2022 at the public budget meeting.*

*\* The District received the preliminary assessed values dated on September 1, 2022 from Arapahoe County at \$129,154,664 after the 8/18/2022 preliminary 2023 budget public meeting. Approximately \$665,508 in 2023 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 September 1, 2022](#) AV’s (\$110,418,593 x .0045) = \$496,884, plus the preliminary 2022 URA property tax increment from page 2, line 3 of the [Certification of Valuation](#) (“total TIF area increment” - URA Property Tax Increment (\$18,736,071x .0045) = \$84,312 as well as an estimated \$34,872 in specific ownership tax. The estimated total revenues are \$700,580 and a 2022 fund balance of \$738,786.*

*After this report was submitted to the City of Aurora for the Management & Finance Committee, City Council Study Session and regular City Council Meeting the District will receive the Final AV’s for 2022 in late November 2022. \*The final AV’s for 2023’s budget will be received in late November 2022 and added to this document to submit to the City of Aurora, Arapahoe County and the State of Colorado by 12/5/2022. The BID Board will be hosting an executive meeting on budget line items for proposed 2023 events and the staff salary and benefits after the submission to Management & Finance Committee. The District will update this report and update the budget for Study Session and City Council in October 2022.*

**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 a property tax levied on real commercial property. The BID mill levy is 4.5 mills, as approved by BID stakeholders in the Tabor Election in November of 2007. One mill is equal to \$1 per \$1000 of assessed value.

**Bonding:** Any bonding would require a vote of electors. The BID shall be authorized to issue bonds in the future at the discretion of and in such amounts as may be determined by the BID board of directors. Approval of a majority of BID electors who vote at an election called for the purpose of authorizing such bonds would be required. **No bonding is planned at this time.**

**Term:** The Havana BID is a perpetual BID with a mandatory ratepayer and City Council review period every 5 years. The review will allow for appropriate adjustments to the BID boundary, assessment methodology and/or programming, and will allow business and property owners to address and respond to changes as they occur along the corridor.

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

**Governance:** The BID is managed by a 9-member Board of Directors, all of whom are voting members. At least two-thirds of the board seats shall consist of owners of real property or their representatives within the district. The board will also consist of both large and small property owners and will represent a diverse mix of property use types. At least one board member shall be an elector located in the following geographic segments of the district:

- North of Alameda Avenue
- South of Alameda Avenue and North of Mississippi Avenue
- South of Mississippi Avenue and North of Parker Road

**Dissolution:** The BID may be dissolved if property owners representing more than 50% of total acreage and assessed value submit petitions to dissolve it or if the BID fails to submit an operating budget for two successive years.

**II. Annual Report & RECAP OF 2022 BID ACTIVITIES BY PROGRAM:**

**2022 Project Management:** In 2022, the Executive Director worked with BID board members to manage major ongoing projects including:

**1. COVID-19 Recovery Assistance Continued in 2022: 2020 Challenges Rolled into 2022 Challenges:**

On Havana Street experienced over 112+ closures reported in March 2020 during the State of Colorado Stay at Home orders and closures. 90 out of our 100+ restaurants remained open as essentials businesses for take-out, delivery, drive thru and Colorado Curbside only. However, many of the 90 restaurants struggled to operate only on take out revenue and sourcing inventory of PPE and products. In early 2020, our 20+ auto dealers closed for in-person auto sales for a short period; however online sales and auto repair and services remained opened as essential businesses. The other automotive businesses remained opened during the mandate/shutdowns as essential businesses.

Although in 2022, there were no mandated shutdowns, limited capacity limits, vaccine challenges or changing restrictions, many District stakeholders were challenged with increased crime, payroll challenges, significant inflation costs, minimum wage challenges, workforce shortages, import and export delays in inventory and much more. The many diverse industries in the District's corridor are still challenged with recovering from the 2020 & 2021 Covid-19 roller coaster.

**The District supported the corridor through resources, funding, programming, and communications.**

Although the shutdowns and closures remained less severe and restrictive as compared to 2020 and 2021's industry shutdowns, mandates, and in-store/in-door dining closures, 2022's challenges included other difficulties that strained the recovery efforts of the District. We offered resources and programming to support the continuation of the increased crime, auto thefts, inflation impacts, workforce shortages, hiring challenges, supply chain challenges, access to capital and funding, access to inventory, price increases, vaccination/booster hesitations, vaccine access for workforce and lots of uncertainty with the pandemic recovery for many of the industries along the corridor.

**Hosting Outreach & Roundtable Events to Keep a Pulse on How Businesses are Doing:** After hosting regular roundtable, outreach and networking events, many stakeholders have expressed the same on-going challenges and expect more challenges this holiday season. We have received positive feedback on the roundtable, outreach, networking events and plan to budget to host more in 2023.

**Corridor Safety Outreach:** The District actively worked with stakeholders regarding safety and crime concerns. APD regularly attended the District's monthly board meetings and stakeholder outreach events. APD also provided a crime analyst, data reports and security/safety audits of properties for the District's stakeholders. The District co-hosted the APD's academy, community groups and APD community engagement staff for District tours for more diverse business and community engagement. The tours and positive engagement with our diverse business owners have been well received and hope to engage more of the District in 2023.



**Quarterly Crime Outreach, Stakeholder Networking, & Business Roundtables with Community Leaders:**

The increase in crime post Covid-19 has been extremely difficult for so many businesses. The District and Board of Directors budgeted to host quarterly meetings in the District for the community to establish better relationships with leaders, city and local government officials and to build a network of resources to combat crime. **Strengthen Community Partnerships and Stakeholder Engagement to Focus on Crime Preventions for the District:**

The District partnered with Mayor Mike Coffman, City Council Members, APD Police Area officers and detectives, Division Chief Cassidy Carlson, Captain Hanifen, Chief of Police Dan Oates, Aurora Mental Health, local legislators, State Senator Janet Buckner, Senate District 28, State Representative Naquetta Ricks HD 40, State Representative Iman Jodeh HD 41, the District Attorney John Kellner and others to host quarterly crime public meetings for business stakeholders. These meetings have been valuable in creating programs,

ordinances and future polices to help the impact of crime for the community. The quarterly meetings were scheduled to discuss ideas to reduce retail theft and allow businesses to share their challenges with crime. These public meetings have also allowed for more funding and grant opportunities for District stakeholders.

**The quarterly stakeholder networking and meetings** shared updates and solutions to the crime the community is experiencing. Updates on local ordinances, resources, and programs that the City of Aurora, Arapahoe County, and community engagement have been very impactful in helping to reduce crime in our community. The meetings were hosted in the District stakeholder businesses and invited all Aurora local retail outlets and businesses to attend and engage in the conversation. The lively discussions about on-going challenges with crime, workforce, and their experiences on navigating the recovery of COVID-19 have been vital to create new policies and ordinances to combat crime challenges at the municipal, county and state level.



**Assisted Businesses with Operating with Staff Shortages and Limited Hours:** Due to the roller coaster of the uncertainty of the pandemic recovery and its impacts to the economy many businesses along the corridor struggled to re-open or operate at full capacity or with limited hours of operation. We utilized our ad budgets and social media to promote hiring and job opportunities in the corridor. The District assisted in programing and updating online platforms, emails, website blogs, newsletters, jobs postings, and social media to keep customers and visitors informed on the on-going changes of the businesses in the District.

**Created a Jobs On Havana Street webpage:** The District supported and promoted opportunities with community partners for job fairs and workforce training programming. We created a [Jobs On Havana Street](#) page to support the stakeholders and promote the jobs available in our district. This page was promoted with our community partners, Anschutz Medical Campus students, workforce agencies, school districts and Buckley Space Force.



**Promoted the Career Launchpad by MSU Denver:** Metropolitan State University of Denver (MSU Denver) has recently launched a unique program, [Career Launchpad](#), that offers affordable online courses in various fields. Through these noncredit offerings, someone can test the waters in a new field, upskill their resume, or pursue additional education. Learn More [Here](#).

**Promoted and Supported Access to Equity Vaccine & Booster Community clinics in the corridor and in the nearby communities of On Havana Street in 2021 and 2022.** The District promoted Equity Vaccine Clinics with other community organizations for the District's workforce and community at large. The District, the City of Aurora, City Council, the NAACP, African Leadership Group, Aurora Asian Pacific Community Partnership, Colorado Alliance for Health Equity and Practice – Family Medicine Clinic (CAHEP – FMC - Dr. Alok Sarwal) and the Colorado Primary Care Clinic (Dr. Dawn Fetzko), Second Chance Center and Aurora Sister Cities International and many other partner organizations partnered on various COVID-19 Equity Vaccine Clinics. We promoted the **incentive programs and access to boosters** at various community events and festivals. There were also regularly scheduled **mobile vaccine clinics** at various businesses along the District at Mariscos el Rey Dos, Gardens on Havana, Baskin Robins, King Soopers, Concorde and more. The District also promoted the access to testing centers monthly in their e-newsletter to the local workforce. The District encouraged **Community Vaccine Clinic Partners to provide resources and services in different languages** that reflected the community. Many of the equity clinics and testing centers in the community provided translators, fluent in about 20+ different languages to aid recipients, in the process of receiving vaccines or testing. The languages represented were Spanish, Amharic, Tigray, Korean, Vietnamese, Mandarin, Cantonese, German, Dutch, French, Italian, Turkish, Azari/Azerbaijani, Farsi, Somali, Oromo, Arabic, English, Hindi, and American Sign Language.

**Promoted the RTD's Zero Fare Opportunity to OHS Workforce:** For the month of August, RTD offered #ZeroFare across the entire system during Colorado's high ozone season. Customers did NOT have to purchase mobile tickets or use fare products as RTD aimed to help reduce ground level ozone by increasing the use of public transit. **Learn more at <https://rtden.co/3uRYkxH>**



**Promoted & assisted property managements and stakeholders with fulfilling empty and available leases:** We continued to receive inquiries from other businesses wanting to relocate and open in Aurora, On Havana Street. Chance hosted in-person driving tours of available properties and virtual Google map tours on Zoom of the District to community partners, hotels, marketing companies, city council candidates and developers.

**Other COVID-19 Recovery Efforts Continued in 2022:**

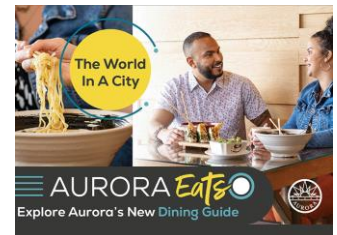
- **Grant assistance and advocacy: The District was an active advocate for the relief programming and funding for Aurora and Colorado businesses.** The executive director attended meetings, roundtables, networking events, outreach conferences, and virtual calls to lobby for more funding and programming. The District shared, promoted and assisted businesses in sourcing funding and relief programming. Many of the small businesses in the District depended on the relief programming to survive the continuing roller coaster of 2020 into 2022. **Many of the District’s business testimonies for relief efforts created additional programming and relief funding for Aurora businesses. The District is very grateful to the City of Aurora’s Mayor and City Council for advocating for the District and the diverse corridor.** The [American Rescue Plan Act \(ARPA\) grant funding](#) through the City of Aurora helped many businesses in the District survive the unexpected challenges in 2022. The ARPA grant funding for [small businesses](#) and the [Aurora Safety and Security Grant Program](#) were an integral part of the District’s pandemic recovery and assistance with navigating the impacts of increased crime and staff shortages.
- **Funding Opportunities & Workshops:** Researched, hosted, and promoted every funding campaign and workshop available to the business community. The executive director researched and networked locally and nationally to share funding opportunities that the stakeholders would qualify for. Here are some of the more recent funding opportunities shared with the District: AAPISTRONG Nest Cam Kits from the [National ACE](#), [CAPAW](#) and Google Nest to provide AAPI-owned small businesses with security support, [Door Dash Accelerator Program](#), [Verizon Small Business Digital Ready \\$10,000 grant opportunities](#), [The Colorado Health Foundation](#), [Aurora South Metro SBDC’s workshops: Funding Options: Quarterly Panel and Resource Webinar](#), [Unfinished Business by Hennessy US](#) (Unfinished Business is a program by Hennessy that provides immediate relief and long-term support to Black, Asian, and Latinx small-business owners), [Colorado Office of Economic Development and International Trade \(OEDIT\) – Business Funding and Incentives](#), [Funding and Resources for Small Businesses with African Chamber of Commerce Colorado](#), [COVID-19 Resources: A Short list for immigrants and refugees](#), [City of Aurora Rental Assistance Program](#), [Home Care and COVID-19](#), [OEDIT MBO – Business Foundations Technical Assistance Program](#), [The Black Ambition Prize](#), [CEDS FINANCE](#) – micro loans and funding programming, [Mi Casa Resource Center](#), [Denver Economic Development & Opportunity](#), [Mile High United Way’s United for Business programs](#) (website development & free consulting services), [Denver Score](#), [Inner City Capital Connections \(ICCC\)](#), [African Leadership Group Funding and Programming](#), Energize Colorado’s [Energize Community Program \(ECP\)](#), that aligns with the [African Leadership Group Business Entrepreneurship Workshop](#), [Minority Small business grant - Startup & Small Biz Fund 1, 2 & 3](#), [National ACE’s Small Business Resource Center](#), [National ACE AAPIStrong Grants](#), [Charge Ahead Colorado](#) and many more.
- **Helped the District save on Energy Costs and Engage in energy saving programming: Xcel EnergyColorado** - Partners in Energy offered Business Energy Assessments to help businesses understand their business’ energy use and provided energy efficiency opportunities. Stakeholders could start saving on utility bills and maintenance costs at a time when there were not many grants available to support increased costs in their utility bills. **Learn more at [XcelEnergy.com/EnergyAssessments](#).** On Havana Street & Partners in Energy scheduled back-to-back visits to 30+ businesses on two minority owned properties on 8/9 and 8/10 to share resources and savings. **As of September 2022, 50+ businesses participated in the assessment, received installations of new LED lighting, and engaged in the saving programs with Xcel Energy.**
- The District also promoted the applications for Xcel Energy’s fast charging EV stations and the [Charge Ahead Colorado](#) programming where businesses [could save up to \\$50,000 with EV installs at their properties.](#)
- **District Gift Card Support and Marketing:** We purchased over \$15,000 in gift cards from BID businesses to support them during the challenging months and especially during the restrictions with limited capacities. These gift cards were purchased from the event giveaway budget and the Holiday Promotions/Secret Santa gift card giveaways. Our District shared that gift card purchases and support helped many of them get through challenging weeks where revenue was down over 50% in sales.



- The District worked with [Mile High United Way's United for Business](#) and utilized their resources and advocacy programming to help businesses with lease negotiations, legal, accounting, website development improvements and much more.
- **Business Check-In's:** The Executive Director regularly checked in with our businesses with in-person visits, phone calls, texts, emails and through direct messages on social media. The Director asked how the BID could help, shared resources, updates, and grant funding opportunities.

**Other COVID-19 Recovery Efforts Continued in 2022:**

- **Partnered with Antonio Soto at the Minority Business Office - [Business Foundation Technical Assistance Program](#)** - The MBO uses this tool as an equity tool to ensure minority and all small businesses are better prepared to do business in Colorado and have better chances when applying for grants, loans, and financial incentives. Your organization can use this program as your equity tool too, especially for start-up business. Contact: Antonio Soto, pronouns: He,His,Him,EI,Ellos, MBO – Director, Minority Business Office – OEDIT, C: 720.556.6039, 1600 Broadway, Suite 2500, Denver, CO 80202, [Antonio.Soto@state.co.us](mailto:Antonio.Soto@state.co.us) | [oedit.colorado.gov/mbo](http://oedit.colorado.gov/mbo)
- **Workforce Childcare Assistance and Programming:** Advocated and shared [Child Care Assistance Program](#) resources and funding with the BID workforce. The [Child Care Assistance Program by Arapahoe County](#) is the Low-Income Child Care Assistance Program (CCAP) that helps eligible families with the costs of child care for children from birth to age 12 while the parents work toward self-sufficiency.
- **Hosted and promoted Covid-19 resources and workshops to the BID** and partnering with the SBA, SBDC, CRA, local chambers, Mile High United Way, Arapahoe/Douglas Works!,The Chamber's Diversity & Inclusion Council, CWEE & many more.
- **Introduced the Covid-19 Recovery Workforce programming** to our businesses and their property owners
- Shared business resources by [Arapahoe County](#) and the [City of Aurora](#) & promoting the vaccination awareness campaign in various languages to the BID and community.
- Promoted Covid-19 legal help from the African Chamber of Commerce, African Leadership Group, [Colorado Restaurant Association](#) and [Mile High United Way's United for Business](#) programming.
- **Continued the Eat On Havana Street promotions for our 100+ restaurants:** We continued to promote take out, curbside pick-up, outdoor/patio dining, and delivery for our restaurants and international markets. We also worked with the City of Aurora, Visit Aurora and community partners to feature our restaurants on the online City of Aurora's [Discover Aurora Eats](#) and a [Visit Aurora takeout webpage](#) featuring our restaurants.
- **Resource Sharing & Updates:** The District shared resources from the state and their many departments, Tri-County Health Department, the Colorado Restaurant Association, & SBDC regarding mandates, resources, and funding opportunities. The District shared blogs and news updates on ways to help small businesses or shared access resources during this crisis. We collaborated with hospitals at the Anschutz Medical Campus and Children's Hospital of Colorado and shared resources and flu vaccines/Covid-19 testing opportunities.
- **Active Engagement and Daily Posts on Social Media Platforms:** We shared daily Covid-19 updates, blogs, and social media support for the businesses. During the pandemic, we continued to post 5-10x a day to promote the BID businesses. We created social media stories, highlights, reels and shared them with collaborators so that the posts would go viral with more engagement and impressions. In 2022, the District collaborated with social media influencers, auto You Tubers to promote the Havana Motor Mile, food bloggers to promote our restaurants, social media content creators to promote our retail and BID businesses. The collaboration and promotions continue to be a huge success for The District. Many of the influencers and bloggers created content for some small businesses and even shared promotions to support our corridor daily.
- **Promoted the [Upcoming City of Aurora Tax and Licensing Classes](#) shared with the BID businesses and invited the Tax and Licensing leadership to OHS events and public meetings for businesses to engage one on one with city staff.** We want our District to have personal relationships and engage more with their local government.
- **Business Outreach & Engagement:** Monthly we hosted round table discussions, On Havana Street district tours, small business outreach events and phone calls with the Governor Polis, Representative Jason Crow, local Chambers, Tri-County Health Department, Mayor Coffman, city council members and Colorado legislators. The one-on-one calls, in-person coffee meetings and regular updates with city council members and the mayor truly went a long way with the BID businesses during the uncertain times. It was also a great opportunity to hear the pulse of what the businesses are experiencing and share testimonials with other partners to create more programming for the businesses in need of additional support.



2. **Havana Street Overlay District Project:** As opportunities arose in 2022, we assisted and encouraged commercial property owners in the BID to update their landscapes according to the Havana Street Overlay District guidelines and improved the overall look and appeal of the District. We also helped property owners work with the City of Aurora regarding site plan updates and improvements. We helped properties connect with City of Aurora planners, landscape architects, code enforcement, Aurora Police Department, and other partners to ease the process of improvements along the corridor.
3. **Maintenance of the On Havana Street District Markers in the District in 2022:** On Havana Street Logo panels and district markers, help to brand the District. We currently have 54 logo panels in place at various locations along Havana (46 total in 2020 + 2 at KIMCO's Village on the Park & added 6 more at three NEW locations in 2021). In 2022, we continued with limited maintenance of existing signs, since 21 NEW district marker panels at 11 locations were installed in 2021. The District budgeted \$30,000 for 3 new locations in the corridor, but only Kum & Go – Havana & Jewel applied for district markers for their new monument sign for their redevelopment of the parcel at Havana & Jewel. The panels will be ordered in 2022, stored by Kum & Go until January 2023 and installed prior to their Grand Opening in the first quarter of 2023.

**2021 (21) horizontal panels and (1) vertical panel were installed at the following locations:**

1. Buckingham Village Shopping Center – x2 panels
2. Discount Tire – x2 panels
3. 7-11 Phillips – x2 panels
4. Crestone #3 & #4 – x2 panels
5. \*First Bank #1 – x1 panel – *\*In early 2022, there was an accident & First Bank's insurance replaced the panels on their monument sign at no cost to the District Identity budget.*
6. Good Times – x2 panels
7. Schomp Ford – x2 panels
8. Jiffy Lube – x1 panel
9. Burger King – x1 panel (vertical)
10. NEW - Birchtree Shopping Center at Havana & Jewel – x2 panels (NEW location, installed in August 2021)
11. NEW - Sam's No 3 at Havana & Parker – x2 panels (NEW location, installed in November 2021)
12. NEW – Kum & Go – Havana & Jewel - **x2 panels and new monument sign to be installed in \*late 2022 (GRAND OPENING – 1/2022).**



**KIMCO's District Markers Include On Havana Street panels:** KIMCO's Village on the Park Shopping Center at Havana & Parker and their developer improved the landscape plans, added curbside pick-up parking stalls, new benches, and gateway district markers for the NW corner of Parker and Havana. These new additional markers were purchased and installed in 2020. These district signs will be maintained by KIMCO and are not a part of the District's maintenance.

**Future District Markers for the District:** We are also working with the future Argenta redevelopment and other future redevelopments on establishing district marker signs on their properties as new developments arise. In 2023, the District will budget to improve and replace the existing markers that need maintenance and allocated \$30,000 in the budget to support 3 new additional district marker locations up to \$10,000 for each location/stakeholder.



4. **Havana Motor Mile:** The Havana Motor Mile committee selected KUSA/9News/KTVD/Univision/Estrella Media for our TV commercials and digital banner ads in March, June, July, November, and December 2022. We utilized the 2021 [commercials with the new dealership names/logos, rebranded and updated parts of the commercials](#) to save on costs and to purchase more commercial impressions. Fox Media and Marketing also helped negotiate free promotions and additional impressions for our ad spots to stretch our budget to support the District. **The flights of commercials had a total of about 6 million television impressions.** The commercial spots aired during targeted times during the local news, Ellen, & Saturday Night Live. The commercial runs were very important because our stakeholders expressed their need of more exposure. In addition to the Havana Motor Mile specific commercials, we also ran the restaurant commercial in the same series of flights encouraging the community to safely order take out, pickup and delivery services to our 100+ restaurants in the corridor.

**The four 2021 9NEWS commercials for Auto Dealers, Auto Parts/Services, Retail Shopping and Restaurants were all translated in Spanish:** We partnered with 9NEWS/Univision and Estrella Media to update the 2021 commercials to be in Spanish and ran the commercials throughout the year. The Estrella Media commercials in Spanish promoted the Eat On Havana Street Week from April 27 to May 11 for Eat OHS



Week 5/4/2022 to 5/11/2022. The [Spanish voiceovers with Estrella Media/Estrella TV in July 2022](#) during the Father's Day and Fourth of July weekends were well received. We ran 34,15-second commercials with a reach of 93,500 viewers reached for only a \$500 investment. In addition to bonus spots, we also received a 2x per week social media posts on the EstrellaTV Denver Facebook page for 2 weeks. Estrella Media provided the production and editing at no cost with our partnership. [Estrella Media also did a free commercial spot to promote the Havana Street Global Market to run through September 2022.](#)

In 2023, The District will continue to run commercials and spots in Spanish to continue our diverse marketing efforts to promote the District in our communities.



NEW in 2022 – We did a Havana Motor Mile Gas Card Giveaway at special events with Buckley Space Force, Buckley Space Force's Fitness Center, on our HavanaMotormile.com website, social media, print ads and at the community festivals, and the Havana Street Global Market summers events.

5. **Promoting/marketing our businesses and events:** To gain a better return on investment with our marketing budget on KUSA & KTVD, we combined the Havana Motor Mile and Event TV budgets again in 2022. We are also scheduled for two appearances on Colorado & Company on 9News in the winter season, ran digital ads, home page takeovers for promotions, events, and giveaways, which are always well received on the 9NEWS platforms.

In 2022, we continued to establish new relationships and strengthened relationships with various marketing partners that offered free opportunities to promote our district and events.

We continued to run regular ads in print, social, web and newsletter ads with media partners: **Glendale Cherry Creek Chronicle, Asian Avenue Magazine, Rocky Mountain Chinese Weekly, Weekly Focus, Oz Magazine, Colorado Times, 5280 Magazine, Aurora Guide, Aurora Chamber Directory/Website, CBS4, Channel 7 News, Afar Magazine, NY Times Magazine journalists, Buckley Space Force's website, Buckley's Fitness Center, Orbiter Magazine & monitors on base, Community Campus Partnership/CU Anschutz Medical Campus - Weekly Community and Campus Connections Newsletter, and Estrella Media.**

We partnered with the [Asian Avenue Magazine](#) throughout the year with 4 months of half page ads, 2 editorial features - On Havana Street events, programs, history, etc., 12 social media posts (1 per month) and 6 months of a web banner ads on Asian Avenue Magazine's website for \$2000. This magazine "connects culture and links lives" in the Denver/Boulder area to over 240,000 readers a year and distributed at 400 locations.

We have a very diverse community in the District and this magazine featured our businesses, cultural celebrations, dining, shopping, travel, arts and lifestyle. Their most recent reader surveys showed that half of the readers are Caucasians and half Asian Americans, 75% of the readers have college and graduate degrees and over half of the readers have an annual income above \$60,000. The magazine showcased our businesses and events in their articles and social media at no additional cost. Asian Avenue also designed additional ads for our use to feature African Restaurants, AANHPI Restaurants, Hispanic Restaurants, Destinations for Brunch, and more.



Another marketing partner was the **Community-Campus Partnership**. This partnership fosters, promotes and supports mutually beneficial collaborations between the Anschutz Medical Campus and the surrounding Aurora community neighborhoods to improve the health and economic well-being of the Aurora community. This relationship allowed us to promote our district and events to over 30,000 in their workforce at the Anschutz Medical Campus. This campus includes **UHealth University of Colorado Hospital (UCH)**,

**Children's Hospital of Colorado, the Rocky Mountain Regional VA Medical Center - VA Eastern Colorado Health Care System and the Bioscience/Fitzsimons Innovation Community.** The District continued to partner and share weekly District ads and features in their newsletters. **The Diversity Supplier Program is in progress & a pilot program will be with about 15 OHS businesses.** For two years the District has been helping to create a program for 2023 where the campus and partners do more procurement locally and with diverse businesses in the District. The webpage in the works and being finalized by the Fall 2022: <https://www.cuanschutz.edu/offices/inclusion-and-outreach/supplier-diversity-initiative>

During Covid-19 recovery, we collaborated with **Children's Hospital Colorado's Corporate, and Community Relations, Marketing and Communication** and they offered their free virtual talks with their Children's Hospital Colorado experts to the workforce in the District. This partnership offered programs that helped engage employees in educational and volunteer opportunities. The program also offered digital resources available for various topics that could be shared in newsletters, social channels, company websites, etc.

In 2022, **Visit Aurora** hosted numerous marketing campaigns, blogs, videos, photographers, social media promotions, Made in Aurora features, podcast features, giveaways and featured On Havana Street restaurants and businesses in their marketing. Visit Aurora was a crucial part of the Covid-19 recovery marketing of the special district. Visit Aurora has been an extraordinary partner and promoted our businesses to regional visitors and the local Colorado market.

Visit Aurora continued to highlight our restaurants in the corridor and created a takeout and delivery webpage that featured our 100+ restaurants: [VISIT AURORA'S LIST OF TAKEOUT & DELIVERY LIST](#). The District continued to market and promote the features of their website that highlighted many of On Havana Street businesses as local destination experiences in food and shopping. Their website's statistics YTD January 1, 2022 - Sept 1, 2022: Website pageviews 333,847, Visitor guide pageviews 3,369, Restaurants pageview: 6,296, and Takeout pageviews: 656 (Discontinued promotion).

An On Havana Street half-page ad was in the [2022 Visit Aurora Guide](#) – Culinary Culture. Many of the District's businesses were featured in Visit Aurora's 2022 Guide, Aurora's Savings Pass, blogs, stories, features, advertisements, marketing campaigns and new podcast series. Visit Aurora's [2022 Visitors Guide](#) was met with great success from locals and visitors.

Last year, Visit Aurora brought the project in-house and doubled down on their efforts and expanded the 2022 Visitor Guide distribution to 150,000 copies to reach more people than ever before. A direct mail copy was delivered to 90,000 Aurora residents with a welcome letter from our President and CEO, Bruce Dalton. The 2022 Guide received an outpour of support from the local community and plans to aim even higher in 2023. **This guide continues to be the definitive resource and most requested item for the 77.7 million visitors arriving annually to the state and has a year-long distribution of 150,000 copies.** This is also a highly trusted and relied upon resource for important buying decisions in our community. We are grateful that the District and its stakeholders are consistently highlighted and celebrated in every feature and article. We do our best to have Visit Aurora Guides throughout the corridor and distribute them at community events to celebrate our business features.

This marketing partner continued to **share all the content**, photos, video footage, commercials, and press captured at On Havana Street businesses at no cost. The businesses used the same content in their own marketing to update their menus, website, and social media for additional exposure. The District plans to continue to collaborate and co-host **social media giveaways** to promote our destination restaurants and businesses.

**Visit Aurora continued to host successful campaigns.** For example, in the partnership for Home for the Holidays and Love Your Local, Visit Aurora's social media campaigns feature the District and had about 1.2M impressions, 292K reached, 26K clicks with 395 partner referrals. In addition to partner campaigns, Visit Aurora also assisted the District in discounted ads with other local publications. For example, in November 2021 Aurora Edition in the 5280 Magazine, Visit Aurora and the City of Aurora helped to discount ads for Aurora partners to be included in the magazine feature. The District was able to purchase two half page ads for the special edition highlight On Havana Street and the Havana Motor Mile.

**In addition to the social media promotions, free online and print marketing campaigns, Visit Aurora hosted the Savings Pass featuring our businesses in the District at no cost.** The [Visit Aurora Savings Pass](#) allowed our merchants and businesses to include a discount and promote their business. The Savings Pass was typically provided to convention and tournament attendees staying in Aurora or at one of their Denver partner hotels nearby. Since Covid-19 Visit Aurora used the Savings Pass to market regionally and locally to support our local economy. As more hotels and travelers return to visiting Colorado, The Savings Passes will be distributed to the Gaylord Rockies convention groups and several other visiting groups throughout the year. Visit Aurora also marketed the pass to locals and promoted stay-cation options while featuring our diverse, small business restaurants.

**Visit Aurora Connected the District to Regional Marketing Partnerships:** In 2022, Visit Aurora included the District in unique community networking and hosting opportunities. In July 2022, the District was invited to meet and network with over 80 event planners and suppliers from across the nation with [Meetings Today](#). It was a fun day to showcase the City of Aurora for future events and conventions. It was also a prime opportunity to expand the District's exposure with regional partnerships and marketing agencies. Networking with 80 event planners and suppliers allowed the District to showcase On Havana Street as a destination for regional travelers. Our District made established relations with other similar destination marketing organizations and special districts across the country. Many of the other BIDs planned to visit, eat, and shop in our District during their convention visits.

#### **District Featured in Visit Aurora Marketing & Community Media Partnerships**

Here is a sample of the features in the last few months:

- [AFAR Features On Havana Street as one of THE BEST FOOD NEIGHBORHOODS IN THE U.S.](#)
- [Dae Gee Wants to Bring Korean Cuisine to the Masses](#)
- Visit Aurora Features Snowl and Milkroll: [BEST ICE CREAM SHOPS IN AURORA](#)
- Visit Aurora Features Sam's No 3: [DOG-FRIENDLY BARS AND RESTAURANTS IN AURORA](#)
- Visit Aurora Features Angry Chicken: [THE ABSOLUTE BEST CHICKEN WINGS IN AURORA](#)
- 5280 Features OHS Snowl: [Where To Find Denver's Best Ice Cream](#)
- 5280 Features OHS Stakeholder: JW LEE - [Meet the Man Bringing Traditional South Korean Eats to Colorado](#)
- [Aurora has a new vision for the Havana Street corridor as transportation "rebirth" is needed, PDF VERSION OF THE ARTICLE](#) from Huiliang Liu, Denver Post's Article [Here](#), Saja Hindi, Reporter - The Denver Post, [shindi@denverpost.com](mailto:shindi@denverpost.com), 303-954-3379, Twitter: @BySajaHindi
- Aurora Sentinel: [Havana Business Improvement District holding outdoor market Saturday](#)

#### **2022 Visit Aurora Podcasts Featuring the District: HBID Chance Horiuchi, Heirlooms Antique Mall & Angry Chicken**

- <https://onhavanastreet.com/the-gateway-to-the-rockies-podcast-features-on-havana-streets-executive-director-chance-horiuchi/>
- <https://onhavanastreet.com/visit-aurora-podcast-heirlooms-antique-mall/>
- <https://onhavanastreet.com/visit-aurora-podcast-angry-chicken/>

**The District strengthened local hotel partnerships through Visit Aurora:** The District also partnered with Visit Aurora to connect the 65 hotel partners and member hotels in Aurora, Denver, Denver Tech Center and Central Park to the District's stakeholders. The District hosted the local hotel **Group Sales Teams and hotel management** to showcase restaurants, things to do, venues and other locations in the District. These hosted visits and tours helped set up hotel site visits to On Havana Street and made reservations for travelers and groups at our restaurants and businesses. Groups of 10-30 visitors/conference groups from partner hotels hosted "offsite" meals and

**The District strengthened local hotel partnerships through Visit Aurora continued:** entertainment activities in the District. The hotel shuttled the visitors to Havana to experience our global options of cuisines and entertainment. This partnership connected visitors and travelers to "Things to do On Havana Street" and attracted more diners and shoppers to the District during their stay in Colorado. Events at the hotels have returned in 2022 and so the District also promoted the catering options and delivery options that our 100+ restaurants offered. The Executive Director regularly sent images of establishments, social media pages, menus, articles highlighting On Havana Street and lists of businesses that are great destinations for local

travelers to the local hotel partners. We are very grateful to the partnership with Visit Aurora and plan to collaborate more in 2023 with regional and local marketing of Aurora, CO. In 2023, we plan to co-host community activations, placemaking projects, signature events, expand existing working relationships with Visit Aurora's partners, collaborate on content creation and media relations initiatives, and reimagine the On Havana Street branding and attractions to the District. We understand that businesses are still re-emerging from the pandemic and want to create places and events for our community in Colorado along the District.

*\*As this preliminary budget is being prepared the District is receiving event proposals for art activations and community event contracts for 2023. The District would like to propose hosting a signature event or art activation in 2023 with budgets ranging from \$25,000-\$250,000. The District has been conservative with our events budget since 2020 due to Covid and would like to bring back events in full-swing with the BID event savings in our budget. We propose hosting inclusive signature events in the District and create memories and experiences for our stakeholders and the community. We hope that these proposed events will help uplift our storytelling of the businesses in the corridor and attract more shopping and community development in the District. Some of the proposals include art activations with musical hop scotches, pianos, art installations, mural installations, festivals, concerts, night markets, Lunar New Year celebrations, and more.*

In 2022, we continued to focus on strengthening our community partnerships with the local Chambers (Asian Chamber, Aurora Chamber, Hispanic Chamber, African Chamber of Commerce, African Leadership Group, and Diversity, Inclusion and Equity councils, the National Restaurant Association, Colorado Restaurant Association, Colorado Restaurant Foundation, Colorado Korean Restaurant Association, the Korea Town Aurora committee, the Aurora South Metro SBDC, Colorado Enterprise Fund, GAP Fund, Mile High United Way – United for Business, Kaiser ICCC, CEDS Finance, Colorado Minority Business Office, the Colorado Korean Association, Rocky Mountain K-Pop, Aurora Sister Cities International, Aurora Asian Pacific Development Center, Aurora Asian Pacific Community Partnership, 5280 Dragon, Asian Avenue Magazine, Korean Daily, City of Aurora's Office of International and Immigrant Affairs, Aurora Pride, Consulado de El Salvador en Aurora by promoting, collaborating and hosting virtual/hybrid events with On Havana Street businesses. **The partnerships allowed us to strengthen our services and programming to the District by co-hosting and collaborating on resources, grants, and recovery efforts.** In 2023, we will expand our working relationships and continue to connect stakeholders to community partners.

**Throughout the year the Executive Director also collaborated on projects, shared updates, presented and hosted economic development and business tours along the corridor** to the City of Aurora's Business Advisory Board, Ward 3 & Ward 4 meetings, City of Aurora Department of Communications & Marketing, City of Aurora Traffic Department, Arapahoe County, Arapahoe County Workforce Development, Aurora TV segments, events, public meetings and support of the corridor, City of Aurora Planning & Economic Development (PED) meetings, Neighborhood Services (Horns) meetings, Havana Street Multimodal Study Updates, Governor Polis, Senator Hickenlooper, Rep. Jason Crow, the African Leadership Group, Colorado Retail Council, Rocky Mountain Shopping Centers Association, Colorado food bloggers, 5280 Magazine, AFAR Media & NYTimes journalists, Colorado Yelp, Denver Post, Aurora Day Resource Center/Comitis Crisis Center/Aurora Street Outreach, Downtown Colorado Inc, Aurora Police Department, Cops Fighting Cancer, Xcel Energy's Partners in Energy, City of Aurora Disparity Study, PROS Our Parks, Our Places, Aurora Rotary Club, Buckley Space Force Public Affairs, Marketing, Community Relations & the Panther Den (Buckley community center on base), Buckley Spouses, and the Veteran Affairs & Older Adults Commissions.

**Aurora TV:** The City of Aurora featured and collaborated with the District in their monthly newsletters, Aurora TV – Aurora 8, and the Discover Aurora Eats. Aurora TV continued to do features of our corridor and businesses. In 2022, we partnered to feature businesses and events along the corridor and budgeted to support the features with \$5,000 in our marketing and ads budget. Many of the features are complimentary by Aurora TV; however the District wanted to sponsor stakeholder opportunities for additional media content and exposure. In 2023, the District will budget \$7,500 to ask Aurora TV to produce more unique stories highlighting On Havana Street stakeholders and things to do On Havana Street. *Here is an example of a District business feature in 2022 - [Aurora TV Features Heirlooms Antique Mall](#).*

**Hotel Key Card Marketing to locals and travelers:** This year we continued to market to travelers and hotel guests through Parakalo Media, marketing agency that helped the District re-establish hotel key card marketing when Capture Those





Travelers went out of business during Covid. In 2022 & 2023, the District negotiated down from a value of \$15,000-20,000 for 3 hotels to about \$10,000 for 3 hotels due to decline in travelers to local airport hotels due to Covid-19. The 3 hotels near the airport that allow marketing on their key cards are the Aloft Denver Airport at Gateway Park, Hilton Garden Inn at Denver Airport and Towne Place Suites by Marriott at Gateway Park. We had 3 rotations of hotel room key advertisements in 2022 for a total of \$9,999.99/Year. It is estimated that each hotel does at least 25,000 impressions per month. If there are more hotels available in 2023, then the District will contract to include additional hotels in the key card rotation.

6. **City of Aurora Sales Tax Revenue History:** We have seen percentage increases in all three city sales tax categories since we started tracking the sales tax in 2010, except for the 2020 year due to the Covid-19 pandemic's challenges. Since 2015, the District continued to contribute over \$20 Million in Sales Tax for the City of Aurora. The District continued to be one of the major sales tax drivers for the City's revenue and historically contributes about 9-10% to the City of Aurora's budget in Sales Tax revenue.

Percent Change from Prior Year by Month														
	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019
Total Sales Tax	-7.8%	-1.2%	-8.0%	-11.9%	31.0%	4.7%	3.8%	4.0%	4.9%	-8.6%	6.1%	-0.9%	0.2%	
Food and Dining	32.0%	27.1%	11.1%	6.5%	10.6%	0.0%	12.2%	-4.9%	3.3%	-11.2%	0.6%	-2.0%	5.7%	
Auto Dealers & Parts	-17.3%	-11.0%	-14.2%	-11.1%	-6.3%	-1.3%	-2.1%	2.4%	8.4%	-19.2%	3.0%	-9.3%	-6.6%	
Total Use Tax	-27.7%	-11.6%	-3.2%	-5.5%	60.3%	-23.6%	-28.4%	-43.3%	3.2%	-29.5%	-57.7%	9.8%	-22.2%	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	
	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020
Total Sales Tax	4.6%	7.5%	4.7%	-13.0%	-28.3%	-4.3%	2.5%	0.8%	0.2%	2.4%	5.8%	-4.6%	-1.8%	
Food and Dining	-3.5%	4.4%	-5.5%	-29.9%	-32.5%	-27.8%	-26.5%	-2.2%	-7.7%	-10.8%	-6.8%	-23.5%	-14.7%	
Auto Dealers & Parts	8.0%	5.2%	6.9%	-27.0%	-39.7%	-11.8%	-9.7%	-18.2%	-19.9%	-0.2%	-8.8%	-17.4%	-11.6%	
Total Use Tax	20.5%	3.3%	-13.9%	9.0%	-24.0%	-12.7%	-28.6%	-9.1%	-9.1%	-38.3%	-21.6%	-21.7%	-12.6%	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021
Total Sales Tax	-0.4%	-2.6%	2.5%	24.8%	67.0%	17.5%	15.4%	12.3%	14.7%	9.3%	10.4%	21.2%	14.4%	
Food and Dining	-30.7%	-13.5%	-3.8%	33.9%	45.2%	47.3%	36.0%	16.3%	23.5%	20.1%	24.0%	51.9%	18.4%	
Auto Dealers & Parts	-8.5%	-11.4%	-6.7%	26.0%	117.0%	1.9%	15.2%	13.9%	9.8%	-9.3%	-2.3%	15.3%	9.1%	
Total Use Tax	-6.3%	24.3%	-18.3%	17.6%	-32.6%	-1.6%	92.3%	40.9%	19.6%	0.0%	3.6%	16.6%	10.8%	

Data based on Area Report 18-25 Crystal report and GenTax generated data for Havana BID

Sales Tax Revenue Jan 2014 - Dec 2021													
	Jan-18	Feb-18*	Mar-18	Apr-18	May-18**	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	2018
Total Sales Tax	\$2,167,248	\$1,516,776	\$1,562,833	\$2,048,329	\$1,251,546	\$1,692,190	\$1,784,980	\$1,707,941	1,901,909	2,038,790	1,639,857	1,793,563	\$21,105,961
Food and Dining	251,173	223,211	244,471	306,327	284,947	318,135	306,805	336,199	299,641	378,496	306,542	301,902	\$3,557,848
Auto Dealers & Parts	544,990	479,890	451,482	584,891	467,754	531,830	515,899	556,911	522,217	627,847	532,297	527,928	\$6,343,937
Total Use Tax	26,715	14,479	15,430	15,592	12,332	17,332	22,294	25,886	14,990	31,311	40,695	13,538	\$250,594
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	2019 YTD
Total Sales Tax	\$1,997,748	\$1,497,839	\$1,437,195	\$1,804,685	\$1,639,002	\$1,771,070	\$1,852,229	\$1,776,653	1,994,192	1,863,367	1,739,147	1,777,833	\$21,150,961
Food and Dining	331,498	283,603	271,665	326,374	315,277	318,176	344,299	319,815	309,504	336,046	308,511	295,726	\$3,760,494
Auto Dealers & Parts	450,673	426,913	387,455	519,724	438,082	524,774	505,092	570,376	566,295	507,035	548,411	478,668	\$5,923,499
Total Use Tax	19,302	12,805	14,930	14,740	19,765	13,241	15,965	14,684	15,467	22,080	17,209	14,863	\$195,050
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	2020 YTD
Total Sales Tax	\$2,088,683	\$1,610,006	\$1,504,420	\$1,570,339	\$1,175,608	\$1,694,205	\$1,897,702	\$1,790,064	\$1,997,408	\$1,908,460	\$1,840,570	\$1,695,359	\$20,772,823
Food and Dining	319,754	296,131	256,671	228,642	212,954	229,804	253,028	312,708	285,766	299,883	287,642	226,129	\$3,209,112
Auto Dealers & Parts	486,726	448,924	414,382	379,391	264,041	462,953	456,287	466,400	453,478	506,162	500,072	395,157	\$5,233,973
Total Use Tax	23,262	13,233	12,850	16,068	15,022	11,554	11,394	13,348	15,049	13,629	13,495	11,634	\$170,539
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	2021 YTD
Total Sales Tax	2,079,554	1,568,699	1,542,210	1,959,157	1,963,349	1,990,047	2,190,808	2,010,048	2,290,233	2,085,656	2,032,871	2,054,406	\$23,767,039
Food and Dining	221,457	256,132	246,953	306,224	309,245	338,450	344,229	363,605	352,932	360,025	356,609	343,414	\$3,799,275
Auto Dealers & Parts	445,557	397,829	386,641	477,860	572,973	471,833	525,506	531,382	498,091	459,193	488,350	455,775	\$5,710,989
Total Use Tax	21,801	16,451	10,495	18,894	10,118	11,374	21,910	18,802	17,993	13,624	13,986	13,568	189,015

\* Starting January 1 2018, the City eliminated a Vendor Fee exemption for Sales Tax remittance.

\*\* Starting May 2018, the City implemented a new tax processing system. This change allowed businesses with multiple locations in the city to submit a singular tax return. Due to changes in reporting requirements, sales tax for some sites in 2018 is estimated and may include a small amount of use tax.

**2021 Highlights from Bill Levine at the City of Aurora:**

- Havana is a very desirable area and in the top 5 producing areas for the City of Aurora sales tax generation and revenue.
- Our global businesses District generated **\$23.8 MILLION in sales taxes for the City of Aurora in 2021.**
- The 2021 sales tax collection represented 9.64% of the total sales taxes collected within the City.
- In terms of growth, the \$23.8 million in sales tax collections was \$3.0 million (14.4%) more than was collected in 2020.
- However due to COVID-19, the City likes to compare numbers prior to 2020, so in that regard, the \$23.8 million collected in 2021 was \$2.6 million (12.4%) more than what was collected from the Havana BID in 2019.
- Some of the reasons for the increase was due to a large volume of businesses that opened in the District, completion of major redevelopments in 2021, and that the inflation estimate of about 7%, noted by the federal government may have also been a factor in the increased collection. [2021 Year End Sales Tax Reports from the City of Aurora Review the report Here.](#)

**2022 Highlights from Bill Levine at the City of Aurora:**

- Sales tax collection from the Havana BID in 2022 Q1 were up a very impressive 17.9% compared to the same time period in 2021.



- Sales tax collections across the entire City of Aurora grew by 11.7% in the first quarter of 2021. The Havana BID grew by significantly more than the City's average.
- When discussing sales tax collections, the City does not that inflation has been the most important driver of recent results. For example, in March inflation was 8.5% in the United States (per the federal government's CPI-U index) and inflation in the Denver-Aurora-Lakewood area was slightly higher, at 9.1% (also per the federal government). Since sales tax is taken as a percentage of sales price, higher prices driven higher collections. The significant increase is most likely due to the significant inflation. The inflation is driving about half of the growth in sales tax collections from the Havana BID.
- [2022 Review the 3<sup>rd</sup> Quarter Sales Tax Report from the City of Aurora](#) Review the report [Here](#). Similar to other shopping districts in the City of Aurora with sales tax collections, things are looking good in the District. Contact with City of Aurora: Bill Levine, Revenue Analyst, Finance Department | City of Aurora, office 303.739.7590, [wlevine@auroragov.org](mailto:wlevine@auroragov.org) for any additional questions.

City of Aurora Sales Tax Collection from the Havana BID – On Havana Street			
YEAR	AUTO DEALERS & PARTS	FOOD & DINING	TOTAL SALES TAX
2008-2009	2008 was the 1 <sup>st</sup> Year of the BID 4.5 mill levy collection & The District and City did not begin reporting on total Sales Tax Collection until 2010.		
2010	\$3,435,800	\$1,788,855	\$13,097,290
2011	\$3,769,713	\$2,019,244	\$13,680,196
2012	\$4,934,651	\$2,374,026	\$15,636,441
2013	\$5,295,256	\$2,424,008	\$16,339,128
2014	\$5,897,049	\$2,810,906	\$18,599,766
2015	\$6,546,804	\$3,081,998	\$20,193,012
2016	\$6,292,571	\$3,058,532	\$20,358,224
2017	\$6,628,639	\$3,072,734	\$21,049,286
2018	\$6,343,937	\$3,557,848	\$21,105,961
2019	\$5,923,499	\$3,760,494	\$21,150,961
As of 9.2020	\$3,830,556	\$2,398,277	\$15,528,761
2020	\$5,233,973	\$3,209,112	\$20,772,883
As of 8.2021	\$4,353,897	\$2,735,126	\$17,636,149
2021	\$5,710,989	\$3,799,275	\$23,767,039
As of 7.2022	\$4,254,046	\$2,955,026	\$17,425,456

Year-to-date total sales tax collections from businesses in the corridor through the end of August were \$17.42M. This amount is 13.9% more than what was collected in 2021. Year-to-date food & dining sales tax collections from businesses in the corridor through the end of August were \$2.95M. This amount is 23.8% more than what was collected in 2021. Year-to-date auto dealers & parts sales tax collections from businesses in the corridor through the end of August were \$4.25M. This amount is 11.7% more than what was collected in 2021. Based on this last comparison, it appears that business in the District is now exceeding pre-pandemic levels of sales. Bill Levine with the City calculated sales tax from the District through August 2022 (\$17.42M) and divided those by all sales tax collections in the entire City of Aurora through August (about \$178.35M) and calculated that **the District is responsible for generating 9.77% of the City of Aurora's total sales tax collections so far in 2022.**

## Celebrating 15 Years On Havana Street

Havana District Assessed Valuations (AV) from Arapahoe County by year:

**Up 79% since 2008**

**+\$56,920,784**

**2022 AV \*\$129,154,664**

2021 AV \$129,661,592

2020 AV \$114,648,028

2019 AV \$113,901,131

2018 AV \$104,714,381

2017 AV \$105,807,722

2016 AV \$92,087,741

2015 AV \$92,241,078

2014 AV \$80,738,883

2013 AV \$79,700,290

2012 AV \$78,099,140

2011 AV \$78,223,730

2010 AV \$84,745,410

2009 AV \$84,854,490

**2008 AV \$72,233,880**

Total Aurora City Sales Tax Revenues (3.75% tax) generated from the Havana BID businesses by year:

**Up 95% since 2008**

**+\$11,588,763**

**2022 \*Q2 \$17,425,456**

2021 \$23,767,639

2020 \$20,772,883

2019 \$21,150,961

2018 \$21,105,961

2017 \$21,058,637

2016 \$20,358,224

2015 \$20,183,012

2014 \$18,599,766

2013 \$16,339,126

2012 \$15,636,441

2011 \$13,680,296

2010 \$12,955,934

2009 \$12,637,352

**2008 \$12,178,876**

**\*2022 Prelim. AV \$129,154,664**

\*This is the PRELIM. certification of valuation received by Arapahoe County on 9/1/2022.

**2020 to 2021 AV's INCREASED**

**\$15,013,564**

**2018 to 2022 AV's INCREASED**

**\$24,947,211**

**2022 FINAL AV --- TBA**

\*This was the final certification of valuation is received by Arapahoe County at the end of November 2022.

**2021 to 2022 PRELIM AV's**

**DECREASED \$506,364**

**7. Art 2C On Havana Street Exhibition:** In [2020-2022 our public art program](#) included 13 sculptures along Havana Street in our public art-on-the-street exhibition. Art 2C On Havana Street is a public/private partnership between the Havana BID and Aurora's Art in Public Places (AAIPP). In 2022, the District budgeted for about \$40,000 to cover the program, artist stipends, artist 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Place awards, supplies, art contractor, and the \*annual 2022 Art 2C Gala. In 2022, the District hosted a call for 12 sculptures and continued the artists stipends at \$2,500 for the two-year program for 2022-2024. We had one less art pad available due to a redevelopment of an existing property (Autawash) with an existing sculpture and pad in the 2020-2022 program.



The \$2,500 stipends are based on the art commission's analysis of other Colorado public art stipends in 2020. The BID Board and AAIPP felt that \$2,500 would allow Art 2C to be more competitive with other local public art programs with the increased stipend amount and attract quality submissions. The exhibiting artists will be paid a \$2,500 stipend for the transportation, installation, and de-installation of their artwork. The District also budgeted funds for awards in the following amounts: 1st Place: \$1,250, 2nd Place: \$750 and 3rd Place: \$500 to be mailed or presented to the awarded artists at the \*ART2C Award Ceremony in November 2022. \*Due to venue hosting challenges in the District in November 2022, the Board proposed that in 2022 we push the artist awards gala event to the summer of 2023. However, we can still present the checks to the artists for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> place in November 2022. Then the District can host the community event outdoors with a possible concert in 2023 when weather and venue space is not as challenging with the winter months. The summer celebration also may allow for the artists to travel to be at the summer event.

**View the 2022-2024 Art 2C's twelve selected sculptures [here](#).** In 2024-2026 Art 2C we hope to have two new locations (Kum & Go at Havana & Jewel and Argenta) to do a call for 14 art sculptures. The Havana BID board supports public art as an economic development tool and a chance to further brand The District. The exhibition provides residents and visitors a unique way to experience the Business District. Public art boosts real estate values and creates opportunities for local businesses to thrive.

**8. Havana North Urban Renewal Area & Argenta:** The Havana North Urban Renewal area straddles the northern corridor of Havana Street from Sixth Avenue, south to Bayaud Street. The area generally includes commercial properties along both the east and west sides of the street. A key concept associated with Havana North Urban Renewal Plan implementation is targeted investment that will serve to catalyze development throughout the area and fund future public improvements. The old 10.3-acre Fan Fare site, which is identified as one of three activity centers within the Havana District Design Concepts Plan, is considered the catalyst project within the area. This site of a former department store from a bygone era is now one of the largest development opportunities in the busy Havana Business Improvement District. Construction of Argenta is in progress on the site, and will feature retail, commercial space, 200 apartments units in 3 buildings and a public park/plaza space. This location along Havana Street features strong and vibrant retail and automotive co-tenancy, some of the state's best ethnic restaurants and a balanced mix of national and regional retail. The strong, growing demographics in the area make it ideal for young professionals and families. Historic renovations and older property/building conversions make up much of the development potential nearby.



In late 2021, Argenta was sold to Dream Finders Homes. [Pacific North](#) (developer) and [Legend Partners](#) (Commercial Leasing for Retail Space) presented to the District with an update on 8/18/2022. The update included three buildings with 32 units facing Havana, 76 units in the south apartment building and 92 units in the north apartment building. Pacific North shared that Argenta is expected to deliver the first building in December 2022 or Early 2023. The first building is going to be a condominium building, with 32 condominium units. In addition to the condominium units, Argenta will have 16,495 square feet of space available for lease.

Legend Partners shared that they are flexible on the space available for leasing and can lease space to any size that is suitable for prospective tenants. For new construction and high visibility retail, the project is very affordable. Legend Partners is asking +/- \$25-28/sf + \$10 NNN. For leasing opportunities or interest in the 0.2 Acres of commercial land then contact Nate Hansen, Legend Partners, 2000 S. Colorado Blvd Colorado Center // Annex 320, Denver, CO 80222, 720-529-2881, NHansen@legendllp.com, [www.legendllp.com](http://www.legendllp.com)

**9. Business Watch Issues:** With the assistance of the Homeless Street Outreach Team, Aurora Police, City Planners, Aurora Water and Code Enforcement, and site plan amendments, the District is making progress with helping people experiencing homelessness, unhoused and exhibiting “visible poverty”, urban camping, panhandling, shoplifting, and graffiti removal. Other crimes are still happening but at a lower level than the past three years. The major challenge of the corridor in 2022 has been auto thefts, increased retail thefts and vandalism and property crimes. The District continues to work closely with the APD PAR officers and property owners and as shared other useful resources for the businesses regarding safety and crime prevention:

- **Assisted Businesses with Signage on Properties for Auto Theft Prevention:** The [Park Smart Program for Businesses](#) allows businesses to [purchase these signs](#) and hang them in their parking lots or on their buildings to remind patrons to not leave anything of value in their vehicle to help prevent themselves from becoming victims. APD provided quotes for signs [here](#).
- **Lighting Safety Drive:** When APD was out working an operation and during the downtime, “APD took a run up and down Havana St. to see what it looks like at night. They would do an audit and report on the businesses that need better lights or had no parking lot lights on in the evenings. After the audit of lighting safety [Chance reached out to the businesses and shared Partners in Energy resources with the BID](#) so that the businesses could have resources for purchasing better lighting improvements.
- **Explored Other Crime Deterrents - LiveView Technologies:** APD investigated the surveillance in KingSoopers’ parking lots that other BID members mentioned at previous BID meetings. The equipment belongs to a company out of Utah called, “LiveView Tech.” The company leases their system and then sets up and monitors activity from the cloud. The system is portable, so you can easily move it from place to place. You can zoom, pan, and capture pictures or video. Some models have speakers where you can record messages or speak over it. APD shared to learn more visit their website [www.liveviewtech.com](http://www.liveviewtech.com).
- **Provided crime reports and APD updates for the BID businesses periodically at the monthly board meetings. Our Havana PAR also attends monthly meetings to engage with the District.**
- **Business Visits and Drives throughout the Corridor:** The Executive Director did Business Watch Drives periodically 3-5 days a week. During the drives and visits the Executive Director made sure to share resources and visit businesses along the District.
- **The BID worked with commercial property owners in the District and helped them with city compliances and the trespassing ordinances.** The BID assisted properties and advised on having proper signage and letter of consent on file with Aurora Police to allow police to go onto the property if an incident ever occurred. Our outreach efforts included assisting people in need by sharing the Aurora’s Homeless Resource Guide and providing a bus pass to those in need to get transportation to services at the Day Resource Center. We also assisted in connecting those in need to the Street Outreach Team to transport them to services. If people continue to panhandle and/or urban camp on private property and have refused all our offers to help them, the private commercial property owners had the right to trespass them off their private property. We continue to look for other solutions for this difficult and challenging issue.

**10. Automotive Technician Tool Incentive Workforce Program:** To help address the severe shortage of trained auto technicians, in 2022 we continued to partner with the repair shops and dealerships in the Havana District and Pickens Tech’s Mechanic Certification program. Our auto technician tool incentive program is annual success. In 2022, the District increased the budget to \$20,000 to sponsor more student engagement in working on the Havana Motor Mile. The District also increased the budget due to the rising cost of tools and the tool chests. The increased budget also allowed the program to support up to 8 students in 2022. In 2023, we budgeted \$21,000 for the program in hopes to support 6-8 students. The additional \$1,000 was allocated to the 2023 budget to cover the increased inflation and bulk shipping costs.

**Why Tools? vs a Scholarship:** Automotive Technicians need to have their own tools to use on the job. These tools are expensive, especially for someone just starting out in the field. If the auto technician stays employed in the Havana Motor Mile shop for 2 years, then technician is awarded ownership of the tool chest and tools with a ceremonial key celebration. If the technician leaves the job before the 2-year commitment,



then the tools go back to the Pickens Technical Mechanic Certification program to be redistributed to a future student working in a Havana Motor Mile Shop.

**2022 was the fourth year we were able to give the ownership keys of the tool cabinet to the students that completed the two-year commitment to the Havana Motor Mile.** These students worked at a Havana Motor Mile business for two years and were awarded the official ownership of the tools and tool chest. The Executive Director and Rolf Werner from Pickens Technical delivered the ownership keys to each student on the Havana Motor Mile.



**In May 2022, the 2020-2022 awardees received the keys to their tools and chest. These students included:** Haven Del Valle at Schomp Subaru, Carlos Martinez at Schomp Subaru, Edgar Henriquez at Schomp Subaru, Fabian Leyva at Tynan's Nissan, Allan Banuelos at Shortline Buick, Dyan Clabaugh at Shortline Buick and Kade Gale at Schomp Mazda (photos of students receiving their keys above). These graduates received the keys to their tool chests for completing the two-year commitment to the Havana Motor Mile.

**Our 2022 graduates and 2022-2024 awardees included 8 students:** Wilfredo Gonzalez at Ed Bozarth Chevy, Jazriel Gutierrez at Shortline Buick GMC, Awsiiif Khokhar at Shortline Buick GMC, Fatul Fatulov at Ed Bozarth Chevy, Knyaw Doh at Schomp Subaru, John Webster at Schomp Subaru, Tyler Gow at Tynan's Volkswagon, Johnathon Pool at Ed Bozarth Celebrate Chevrolet. **This workforce initiative growth will help to support our 20+ car dealerships and over 100 automotive service businesses in our corridor.**

**Our 2021-2023 awardees include:** Ismael De Haro at Bozarth Chevy, Andres Ona at Schomp Hyundai, Isaac Cordova at Schomp Subaru, William Peh at Schomp Subaru, Austin Holmes at Tynan's Nissan, Javier Coca at Stevenson Toyota, Anthony Lara at Tynan's Nissan, and Isaih Johnson at Bozarth Chevy.



In 2021, due to Covid-19 restrictions, Rolf Werner delivered the keys to the tool chest to the students that completed the 2019-2021 commitment to the Havana Motor Mile: William Peh - Schomp Subaru, Joel Borunda at Schomp Subaru, Javier Coca - Stevenson Toyota and Erik Amaya – Ed Bozarth Chevrolet.

**11. Daily BID Operations:** Executive Director performed all day-to-day functions of a special district in Colorado, including ongoing updates to the Havana BID database to keep track of the number of real properties and businesses within the BID's boundaries.

**2022 Stakeholders' Communication:** In 2022, the BID worked diligently to keep its stakeholders and neighbors informed of events and plans On Havana Street. We also actively updated stakeholders on Covid-19 resources and updates.

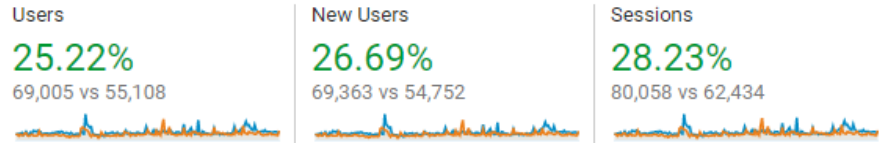
- **Quarterly Crime Outreach and Roundtables + Networking Events**

- **Monthly Meetings:** We held regularly monthly virtual BID board meetings, which are open to all stakeholders and the public. The agenda is publicly posted prior to the 3<sup>rd</sup> Thursday meeting to inform and welcome the public.
- **Annual Meeting:** We plan to host the Annual Stakeholders' meeting in-person at The Stampede on November 16, 2022, at 11-12:30pm and hope to have it recorded to share with stakeholders that cannot attend.
- **Stakeholders' Special Notification:** The Havana BID posted notices on the home page at [www.OnHavanaStreet.com](http://www.OnHavanaStreet.com) and sent out regular email updates as needed to keep the business owners informed. We have updated our email distribution lists to allow us to send out communication to specific groups of business owners and citizen supporters; for example, contacting just the restaurant owners, or car dealerships.
- **Consumer Marketing Newsletter:** We published a monthly consumer marketing "Life On Havana Street" E-Newsletter with 4,500+ newsletters being sent out monthly.
- **Regular In-Store visits, phone calls, text updates & social media/website promotions:** Executive Director made regular in-store visits safely to the businesses in the District. We also actively engaged the businesses in attending virtual events, workshops, public meetings, outreach campaigns, and we promoted businesses on social media platforms/website. In addition to actively engaging the stakeholders in community and BID events, we listened to their comments and concerns and hosted multiple listening events with local, state, and federal leaders for assistance in the Covid-19 recovery. When updates are time sensitive the executive director will text and direct message stakeholders.
- **Business Watch:** The District sent out regular e-mail Business Watch Alerts to stakeholders as needed. We followed crime stats on the Lexis Nexis Community Crime Map and notified businesses as needed about issues. The crime stats are also shared at every 3<sup>rd</sup> Thursday Board meeting. We worked with our Aurora Police PAR, Police Area Representatives, officers to distribute shoplifting and auto theft prevention flyers/posters to all our retail businesses. We worked with Aurora Police to develop a Trespassing Ordinance Packet which includes sample signage wording, sample letter of consent to have on file with police, and a sample parking tag for the commercial property owners. In 2022, we partnered with PAR and visited shops together to address crime concerns and challenges with stakeholders. The PAR also regularly attended events in the District. We engaged with the Aurora Day Resource Center, Comitis Crisis Center, Aurora Mental Health, Second Chance Center, Village Exchange Center and the Homelessness Outreach Team regularly to help vulnerable community members in the District.
- **Hosted APD's Community Relations and their Responding to Aurora's Critical Topics (ReACT)** for an economic development driving tour and dinner with BID Board of Directors and stakeholders. ReACT coordinated a bus and toured the 4.3-mile special district and ended the tour with a dinner at the Havana Exchange Shopping Center at El Tequileño Family Mexican Restaurant. As a community we had great discussions on issues and challenges the City of Aurora is facing today.



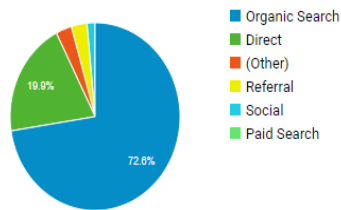
- **Website & Social Media Marketing:** We regularly updated the On Havana Street website with stakeholder and District events, COVID-19 related updates and resources, funding opportunities, ordinance updates, blog posts, press coverage, photos, new business directory listings, and available properties. We actively engaged and posted daily on Instagram and Facebook. Plus, we created lives, highlights, and story highlights to feature the activities in the District. We updated our You Tube, Google, Instagram and Facebook profiles for marketing and events. We continued to utilize our "responsive" smart-phone friendly website and newsletter. We worked closely with Webolutions to continue the on-going maintenance, updates and effectiveness of our responsive website and newsletter. Both the website and newsletter have been well received. In 2022, we continued monthly strategy sessions with Webolutions via Zoom. Webolutions assisted in urgent updates, content, RSVP forms, giveaways, and blogs. We created additional business resource drop down tabs on our website for easy accessibility, created a contact page regarding Covid-19 questions, designed pop-up banners to alert visitors on urgent news, Jobs On Havana Street and business promotions, hours and open for business marketing.

- **Website Report – Year Span: September 1, 2021 – August 31, 2022: Website Visits:** Site visits were up 28.23% over previous year with 80,058 sessions. Overall users up 25.22% with an increase of

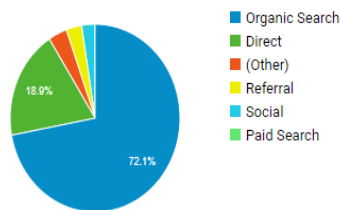


Top Channels

Sep 1, 2021 - Aug 31, 2022



Sep 1, 2020 - Aug 31, 2021



26.69% in new users.

- **Channel Contribution:** Organic searches (i.e. Google) drove the majority of site traffic at 72.32% of all traffic. Organic traffic to the website was up 29.81% over the previous year. In 2023, we plan to do more Google ads knowing that majority of our site traffic is from Google. Direct traffic drove 20.40% of site traffic and was up 35.10% over the previous year. Other traffic from 9News/KUSA/Tenga was up 3.50% over the previous year and drove 2,191 sessions on the website. However, this was still less than 3% of total site traffic.
- **Behavior Observations:** The majority of traffic entered, like last year, entered through the website via the Business Directory. This means that more users are directly going to the business directly listing to find information on a business – more than 27,000 sessions were started on a business page versus 16,000 sessions that started on the Home Page.
- **Most business directory traffic originates from Organic Search**, which is understandable given the large percent of site traffic from Organic Search. Of the 27,000 starting sessions on Business Directory pages, 72.80% of those sessions came from Google Organic Search.

In 2022, the **Top Pages visited** were the [Homepage](#), [Havana Health Spa Havana Sauna](#) (Business Page), [Events](#), [Business Directory](#), [Tous Les Jours](#) (Business Page), [Red Carpet Carwash](#) (Business Page), [5280 article feature "Around the World in Aurora"](#), [Aurora Restaurants](#), [Pleasures](#) (Business Page) and the new business [Mr. Tang](#) (Business Page).

**Enewsletter:** In 2022, the Open Rate: 26%, the Click Rate: 24% (total clicks divided by total opens) and Click-Through Rate: 6% (total clicks divided by total emails delivered). In 2021, the Open Rate: 20%, the Click Rate: 32% (total clicks divided by total opens), and the Click-Through Rate: 6% (total clicks divided by total emails delivered). In 2020: The Open Rate was 19%, with a Click Rate of 34% (total clicks divided by total opens), and the Click-Through Rate: 7% (total clicks divided by total emails delivered). Open rates are still within normal industry ranges but click through rates are slightly lower. For example, the industry average is about 15 to 25% for Open Rates and an industry average of a 7% Click Through Rate. The District saw higher open rates this year, but lower click rates. Our highest performing eNews was June 2022 (30% open rate/7% click-through rate), largely due to the fact there were two giveaways being promoted – Eat on Havana and Frozen Treats Giveaways.

**Social media traffic** (non-paid) was 1.39% of site traffic and down 28.61% from the previous year. The District did not host many direct links to social media in 2022 and can add more links from social media to drive more traffic to the website in 2023. However, we mostly ran organic social media posts this past year, versus paid or boosted ads in previous years for the many community events. As a result, this provided us less reach due to social media algorithms. **Social Media - Instagram Page continues to engage the community and businesses:** In April 2018, we created an @OnHavanaStreet Instagram profile featuring pictures of events and happenings in the District to show stakeholders, residents and potential developers and businesses looking to relocate to the District. We have also created trending hashtags like #OnHavanaStreet, #OnHavanaStreet2go, #EatOnHavanaStreet, #HavanaMotorMile, #LiveOnHavanaStreet, #ShopOnHavanaStreet to create social media buzz and trending hashtags to increase followers and likes. **Partnerships with Food & Lifestyle Bloggers & Micro-Influencers:** We utilized partnerships and launched the #OnHavanaStreet2go campaign to showcase the restaurants options for takeout, delivery and pick up options.

**We posted daily and actively posted [Instagram](#) stories, reels, highlights, and videos of events, promotions of businesses and featured businesses on our page.** We actively share our businesses posts and bloggers that promote our District. In September 2018, we had 555 followers and 281 posts on our Instagram profile. As of



September 2022, 3,339 followers and 3181 posts. In 2021 we had 2423 followers, 2020:1654 followers, 2552 posts (1793) posts, 100+ stories on events, shopping, Havana Motor Mile, food, public art, Covid-19 updates, and resources on our Instagram profile. Through our Instagram page we have established relationships with over 300 auto, food and lifestyle bloggers that often share, promote, and highlight our businesses and have reached 45.5% more accounts, our engaged accounts are up 134% this year. On a 90 day average our Instagram reaches an average of 12.2K accounts, 109 posts, 603 stories, and 11 reels.



- **Keeping up with the Issues:** The Executive Director attended city council study sessions, regular city council meetings, City of Aurora policy committee meetings like the Planning and Economic Development (PED) committee meetings, Housing, Neighborhood Services, & Redevelopment meetings, Housing Task Force meetings, Zoning, Coding, Budget meetings, Management & Finance committee meetings, planning commission hearings and Aurora Chamber of Commerce, Arapahoe County, Community Enterprise Development Services (CEDs), Our Parks, Our Places, Disparity Study Outreach events, Webolutions Executive Business Roundtable, Women in Executive Leadership Roundtable, Aurora & South Metro Small Business Development Center events to stay on top of the issues that may affect/impact the BID's businesses and small businesses in general in Aurora. The Executive Director attended other BID and urban renewal training sessions offered by Downtown Colorado, Inc. to strengthen our Districts relationships with other special districts.
- **Annual Audit:** We contracted to have a Government Audit completed in April. The audit is shared with the stakeholders and confirms that the District is a good steward of their tax dollars.
- **Code Complaint Resolution:** The Executive Director worked with code enforcement officers, city, state and CDOT representatives, the Aurora Police Department, property hired security officers, and business owners to address and resolve code complaints. The District worked with business owners to resolve code complaints, avoid code violations and expensive fines on the business owners and help to keep the corridor looking its best.
- **Homeless Outreach & Support:** See above to **Business Watch Issues**
- **Welcome Committee:** The District and board members contacted new business owners, welcomed them to the District, explained the BID's responsibilities and offerings, arranged grand opening celebrations, submitted information & marketing to local media/social media. We added the new business and stakeholder to the newsletter distributions, created a business directory profile, updated the BID's database of properties, and added their contact information to our communications. In addition, we added their business to our social media platforms and followed/liked their profile pages to be informed about future business activities and promotions. We also work to closely with the new businesses and share our resources regarding our business watch information and help to provide any other resources they may need in their new home On Havana Street.
- **Community Events (see a list on page 24-26):** The District hosted hybrid events and co-hosted or support existing stakeholder events in the corridor and community. Many of the events were scheduled and marketed to attract shoppers, visitors, business owners and neighbors together, like the Havana Street Global Markets, Business Round Tables, Networking at On Havana Street businesses, workforce/hiring/workshop events, Last Days of Summer Concert with Dotsero at The Stampede, Boba & Business, and the Trick or Treat Events in the District. Due to Covid-19 precautions the District continued to host many Covid-19 outreach virtual events, workshops, and public meetings. The District also hosted outreach calls with the businesses and leaders in the community. The District hosted regular round tables with Governor Polis, Representative Crow, District Attorney John Kellner, Mayor Coffman, Aurora City Council and the former Governor Hickenlooper. In addition smaller in-person small business round tables, which allowed businesses to networking and collaborate with one another with recovery efforts.

**2022 Other Economic Development Services:**

- **Business Directory:** We updated our business directory photos, contacts, and details on our new responsive website. Webolutions, our marketing partner, continued to do key-word optimization on each of the business directory listings to increase the Google search engine rankings for each individual BID stakeholder business. This business directory gets the most traffic on our website, followed by the upcoming events page.

- **[Available Properties Listing](#)**: We continued to revise and update the list of available commercial properties for sale/lease in the Havana corridor on our website to attract and assist future business owners, investors, and developers. This has been a very popular service that generates new business leads. The District works closely with the City of Aurora Retail Specialist, developers, commercial brokers, local Chambers and the Aurora Economic Development Council for referrals and establish interest in the BID corridor. Havana is a very desirable area and in the top 5 producing areas for City of Aurora sales tax generation and revenue. In 2022, the District received many inquiries from commercial brokers, interested prospective property owners and many businesses looking to relocate to our district. There has been significant interest in the former Bicycle Village space at the Havana Exchange Shopping Center, Gardens on Havana's vacant parcel and Kimco's Village on the Park's new lease spaces near bb.q Chicken. **Businesses inquired looking for space for restaurants, event centers, international bakeries, Korean spas, and specifically looking for properties and leases that allowed for drive-thrus, walk-ups, patio, and outdoor seating options.**
- **Vacancy Rate Survey**: We complete a survey of retail vacancy rates in the Havana corridor every October in preparation for the annual meeting in November. Our first 2008 vacancy rate was 8.6% and over the past decade has decreased. Retail vacancy rate in October 2012 was 6.7%, October 2013 was 2.8%, October 2014 was 2.3%, October 2015 was 4.2%, October 2016 was 4.7%, October 2017 was 2.5%, October 2018 was 2%, October 2019 was 3%, October 2020 was 6% and **October 2021 was 5%. In 2021, we celebrated the 95% occupancy On Havana Street with not many leases available at over twenty-five shopping centers.** Due to Covid-19 challenges, we expected to see an increase in vacancy rates due to the challenges and business closures. However, the District has seen business closures and new tenants move in a month to two weeks later. Despite the pandemic's hardships new businesses still desire to relocate and open in our corridor. **In 2023, we expect more redevelopment of properties and vacant parcels and the completion of Kum & Go at Havana & Jewel, redevelopment of the Autawash to Cobblestone at Havana & Iliff, and the first 32 units of condominiums and retail space at the Argenta redevelopment.**
- **Kimco's Village on the Park** at the Parker & Havana intersection saw a huge transformation with facade renovations, and newer tenants. Some of the additions included: First Watch, Five Below, Old Navy, Sharetea Aurora, Miyamoto Dental, and BB.Q Best of Best Quality -Korean Fried Chicken. This \$14.5 million redevelopment project is completed and 87% leased with the new retail space. There are other prospective leases to be announced in 2023, but currently has 8 leases available out of the 35 leases ranging from 1130 SQ FT to 7250 SQ FT. Unfortunately, Sir Speedy rebranded to Resolution Printing in March 2022 and relocated to Centennial after a decade in the corridor.
- **AmCap's Gardens On Havana** – Gardens is 93% leased with 5 leases available ranging from 1300 SF FT to 23,649 SF FT with two pads available for development. Half of the Toys 'R US vacancy from Spring 2018 is now a Ross Dress for Less with another prospective retailer occupying the other half of the vacancy. The AFC Urgent Care is now open at one of the parcels near Key Bank.
- **Development and Business Assistance**: The District regularly worked with existing business owners and developers by connecting them to resources and contacts in the city about development plans, tenant finish, new business plans, expansions, and code complaint issues. We hosted calls and driving tours of the corridor to share "What's Happening or Coming Soon to On Havana Street."
- **Business Attraction**: The District worked with prospective business owners interested in opening a business On Havana Street and offered any assistance from the BID that would help in that process. We are also in the process of updating our website attract various audiences to explore, experience, eat, visit and live On Havana Street. Our goal is to showcase the life, culture, and lifestyle on the corridor to attract businesses, shoppers and residents.
- **New Businesses**: We saw about 45 new and remodeled businesses making major investments in late 2021 and in 2022. With a very low retail vacancy rate we are running out of retail space. The Havana BID has been very busy working with business owners and prospective buyers to provide details about the Havana BID activities, Havana District statistics, and available property details, being the liaison between businesses and the city staff and development services.

**Here are some of the new businesses that have opened in the last year, have completed major remodels, new ownerships, rebranding, redevelopments or are currently under construction along Havana:**

1. Dream Finders Homes/Pacific North/Legend Partners – Argenta sold in last QTR of 2021 – expect 1st building with 32 condominium units to be available in Late December 2022 or Early 2023.
2. [Mochinut](#) – October 29, 2021
3. [AFC Urgent Care at The Gardens on Havana](#) - December 2021
4. [Tous Les Jours](#) - Grand Opening 1.08.2022
5. [Miyamoto Family Dental](#) - December 2021



6. [Cobblestone Auto Spa](#) (Autawash/Autalube sold 5/26/2021) Redevelopment to be completed in 2022 or early 2023
7. [Living Water Car Wash](#) at 857 S Havana St, Aurora, CO 80012 sold to [Cobblestone Auto Spa](#) and rebranding occurred in Early 2022.
8. Early 2022 - The **parcel at 10590 E Tennessee Avenue, Aurora CO 80012** sold. Neil Shea and the HBID have been in communication, and he hopes the property is redeveloped. This property is located behind the Pho 99 restaurant and GoodYear near Portico with 0.627 Acres, (27,312 sf), Zoned B1, & Utilities on site.
9. Early 2022 - [Pizza Hut](#) remodel completed
10. Early 2022 - [Ventana Capital](#) sold **Havana Tower** sold to Nigerian business owner. The Havana Tower was a multi-tenant office building located in the heart of Aurora, CO with size of 68,848 Sq. Ft. Office spaces ranged in size from 150 to 5,500 sf. Ample parking at 3.5/1,000 sf.
11. Trap Tea is now [Banned Boba](#) - January 8, 2022, same ownership but new business name
12. March 2022 - Xclusive Events & VIP Services – 2740 Havana Street Unit J, New Event Space at Havana Exchange Shopping Center
13. March 2022 - [Baek Nyun Jang Soo](#) – 100 Years of Longevity – Korean Furniture Store 2712 S Havana Street Unit C at Havana Exchange Shopping Center
14. March 2022 - **Dozens** – New ownership & restaurant/patio/signage will be renovated. New Ethiopian ownership invested about \$75,000-100,000 in exterior improvements and new signage
15. **Stevinson Toyota East** - Now owned by Asbury Automotive, no name change or rebranding - Late 2021/Early 2022, Stevinson Toyota East withdrew their site plan and application for redevelopment in early 2022.
16. **Schomp Ford redevelopment is in the 3<sup>rd</sup> review and moving forward.** “SITE PLAN AMENDMENT TO EXPAND AND RENOVATE THE PREVIOUS MIKE NAUGHTON FORD DEALERSHIP. THE RENOVATIONS AND EXPANSIONS WILL INCLUDE THE SHOWROOM AND SERVICE DEPARTMENTS TO MEET CURRENT BRAND DESIGN STANDARDS. THE TOTAL SQUARE FOOTAGE WILL BE 109,071 SQUARE FEET WITH REWORKED 10.31 ACRES SITE LAYOUT TO RESPOND TO THE MU-C ZONING AND THE HAVANA OVERLAY DISTRICT FRONTAGE REQUIREMENTS. A PARCEL ACROSS BAYAUD WILL BE DEVELOPED FOR INVENTORY PARKING.”
17. [Schomp Mazda – 90 N Havana St. demolition](#) of two buildings and construction of a two-story, approximately 48,000 square foot facility and the addition of 8,000 square feet to an existing building. Schomp Mazda has relocated to across the street of Schomp Subaru on the Denver side of Havana Street at 505 S Havana St, Denver, CO 80247 Schomp Mazda “SITE PLAN AMENDMENT FOR REGRADING THE PARKING LOT, DEMOLITION OF TWO BUILDINGS AND CONSTRUCTION OF A TWO-STORY APPROXIMATELY 48,000 SQUARE FOOT FACILITY AND THE ADDITION OF 8,000 SQUARE FEET TO AN EXISTING BUILDING. REPLAT FOR ONE LOT ON 5.63 ACRES.”
18. ADI Autosport at AWAD Auto Sales Parking Lot Addition: “SITE PLAN AMDT, 1960 S HAVANA ST, SITE PLAN AMENDMENT TO ADD PARKING/STORAGE FOR CAR SALES INVENTORY AT SOUTHEAST CORNER OF LOT.”
19. Stampede – “MINOR AMENDMENT TO MODIFY THE FRONT ENTRY, RECONSTRUCT TWO STAIR ENTRIES, EXTEND THE ASPHALT PARKING, ADDING A STAIRWAY AND DECK, RECONSTRUCTING THE ADA LANDING AND MODIFYING THE EXISTING DETENTION POND.”
20. Havana Plaza – “2222 S HAVANA ST, MINOR AMENDMENT TO CHANGE THE FACADE AND MATERIALS.”
21. May 2022 - Lightshade and the HBID partnered on an art mural project with Kirileigh Jones
22. May 2022 - King Soopers - repaved and parking lot
23. May 2022 - GoodTimes - made improvements to their landscaping
24. May 2022 - [Angry Chicken](#) - Korean Fried Chicken - added a new food truck
25. June 2022 - Ed Bozarth Chevrolet is now [Celebration Chevrolet](#)
26. June/July 2022 - Western Centers, Tous les Jours and the HBID partnered on an art mural project with Kirileigh Jones to feature the NEW summer events at the Havana Street Global Market
27. NEW Mexican Seafood Restaurant, Construction began April 2022, coming soon - Former Village Inn
28. [bb.q Chicken](#) - Village on the Park - Korean Fried Chicken - March 23, 2022 Soft Opening, Grand Opening May 26, 2022
29. [Mr. Tang](#) – Korean Specialty Soup Restaurant - Opened - July 1, 2022 - former DMZ Pub



30. [人间烟火 U&I BBQ Karaoke Room Bar](#) - Now Open - June 2022 - Chinese cuisine and karaoke, former restaurant and karaoke business KTV and Century Asian Cafe/Noodle House Closed. <https://www.renjianyanhuoui.com> 1555 S Havana St Unit B & C, Aurora, CO 80012, 303-750-0059
31. NEW Primary Care Clinic – Coming Soon to the Havana Tower by Malik K.
32. NEW Infiniti Home Healthcare – Havana Tower – 1450 S Havana St Ste 200
33. NEW leases coming soon to AMCAP – TBA - Gardens on Havana at the former Xfinity store lease
34. NEW leases coming soon to AMCAP – TBA - Gardens on Havana at the former hair salon space
35. NEW ownership at [Shinee Blinds](#) - p: 720-365-8463, [CM@Shineebllindsco.com](mailto:CM@Shineebllindsco.com), 1205 S Havana St., B2 Aurora, CO 80012
36. NEW ownership at the [Havana Health Spa](#) - 2020 S Havana St, Aurora, CO 80014
37. NEW ownership at CM Nails - 1913 S Havana St, Aurora, CO 80014
38. Late 2022/Early 2023 – [Cobblestone Auto Spa](#) – Property Under Redevelopment (former Autawash/Autalube)
39. Coming Soon – TBA Vietnamese Restaurant next to BB.Q at The Village on the Park
40. OPENING Early 2023: Kum & Go - Havana & Yale - pre-construction work will begin in 2022 and plans to open in Early 2023, “ZONING MAP AMENDMENT TO REZONE 2.97 ACRES FROM R-2 TO MU-C, CONDITIONAL USE FOR A FUELING STATION IN A MU-C ZONE DISTRICT, CONDITIONAL USE FOR 24-HOUR OPERATIONS ADJACENT TO RESIDENTIAL, A SITE PLAN FOR A 5,620 SQUARE-FOOT CONVENIENCE STORE WITH AN 8-PUMP FUELING STATION AND A REPLAT TO CREATE TWO LOTS OUT OF THE CURRENT PARCEL ON 2.97 ACRES.”  
**District Marker:** K&G expressed interest in adding an On Havana Street sign to their monument. The District can provide the panels, then K&G will cover the install in early 2023.  
**Art Pad Install + Art2C 2024-2026:** Kum & Go offered to add an 8x8 concrete pad for the ART 2C public art program and the District will include this location in the future call for art and pay for the additional sculpture to the Art 2C program. This art pad would not be available until 2023 so it would be included in the 2024-2026 program.
41. former Thai Basil/Hungry Wolf BBQ – Restaurant TBA by JW Lee – challenges with landscaping, sprinkler system and parking lot improvements have delayed the opening of the restaurant, same owner as Seoul KBBQ & Hot Pot, Seoul Mandoo, Mochinut, Coffee Story, & Thank Sol Pocha.
42. Havana Tower – remodel, paint, and new carpets
43. Summer 2022 – Discount Tire updated their branding, signage, monument signage and repainted their exterior.
44. Costco – re-pavement of parking lot

#### **Business Closures/Relocations On Havana Street**

1. CEDS Finance in the Havana Tower - relocated to 10660 E Colfax Ave, Aurora, Colorado 80010
2. [Ventana Capital](#) sold Havana Tower sold to Nigerian business owner. The Havana Tower was a multi-tenant office building located in the heart of Aurora, CO with size of 68,848 Sq. Ft. Office spaces ranged in size from 150 to 5,500 sf. Ample parking at 3.5/1,000 sf.
3. March 2022 - [Bicycle Village](#) at the Havana Exchange Shopping Center closed and merged with Epic Mountain Gear. The 25,000 SQ FT now available for Lease. Contact [Western Centers](#) if interested in space.
4. March 2022 - Stevo's Pizza & Ribs relocated to New Mexico and closed.
5. April 2022 - DMZ Pub Closed at the end of April 2022 – new ownership – NEW Business – [Mr. Tang](#) – Korean Specialty Soup Restaurant – Opened July 2022
6. May 2022 - Fantastic Sam's Closed and did not renew their lease on May 31, 2022. Owner changed careers. Space at M&H Shopping Center near King Soopers is now available for lease. Contact AMCAP at Jodi Bothwell, Director - Property Management, [jbothwell@amcap.com](mailto:jbothwell@amcap.com), O: 303.321.1500 | F: 303.321.0662 | C: 303.817.2965, [amcap.com](http://amcap.com)
7. KTV and Century Asian Cafe/Noodle House Closed - Lease is now [U&I BBQ Karaoke Room Bar](#) - Chinese Restaurant, Take out, & Karaoke Room Bar
8. [Living Water Car Wash](#) at 857 S Havana St, Aurora, CO 80012 sold to [Cobblestone Auto Spa](#) and rebranding occurred in Early 2022
9. Sir Speedy changed their name to Resolution Printing under the same ownership in March 2022, then closed On Havana Street at Village on the Park and relocated to [7388 South Revere Parkway, Unit 702](#), Centennial, CO 80112, Sir Speedy was in the District for a decade.
10. [Golden Luxe Salon](#) on April 6, 2021 (former [Juno Hair](#) Closed August 2022

**MARKETING/MONTHLY EVENTS:** In 2022, the Havana BID budgeted \$125,000 of its annual budget hosting and marketing monthly events to put feet on the street and attract shoppers and customers to our businesses, bringing thousands of people to the Havana District to shop, dine and have fun. The District continued to pivot in 2022 and hosted virtual/hybrid small gathering events, supported other stakeholder events, actively advertised businesses on social media and through our print/digital ad contracts, and promoted giveaways online showcasing the stakeholders in the district.

\$75,000 was budgeted to host the events and \$25,000 was budgeted to market the events in diverse publications and media.

**Overview of 2022's activities and events:**

- January 17, 2022 - January 21, 2021, 12-8p, YELP Elites Only - due to limited capacity & in-person event was canceled, but Dining Times were scheduled for 60 Yelp Elites during Elite Week, [Yelp CO Elites at Angry Chicken – Invite Only](#)
- January 10, 2022 - March 5, 2022, [2022 Rock It Sock It – Sock Drive](#), What is Rock It? Providing clean, new socks and more to those in need with 11 donation locations in District. Sock Drive Kits Collected = 1,217. Estimated pairs of socks collected = 3,650
- February 1, 2022 - February 11, 2022, [2022 Date Night On Havana Street Giveaway Winner was Kylie B. @a foodie with a booty](#), GIVEAWAY included: \$50 Dinner Date at Cody's Cafe & Bar, \$50 Dinner Date to Mariscos El Rey Dos, \$50 Dinner Date to Seoul Korean BBQ & Hot Pot, \$50 for a massage or facial at Massage Envy at The Gardens on Havana, \$60 for a massage or facial at Vogue Day Spa at the Havana Exchange Shopping Center, \$50 mani/pedi at the Nail Studio at The Gardens on Havana, \$50 Fascinations at Yale Place, \$50 Lucy's Flowers & Designs at Birchtree Shopping Center, \$25 Petco at The Gardens on Havana – Get something for your furry Valentine, \$25 RocketFizz Aurora at The Gardens on Havana, \$25 Target at The Gardens on Havana (Shop for last minute V-DAY gifts like a Valentine's Day card or romantic candles), \$25 bottle of wine from a local liquor shop On Havana Street, \$25 to Milkroll Creamery Aurora – Life is short, Enjoy the Sweets!, \$25 to Tous Les Jours Korean/French Bakery – Pick up something sweet for your sweetie, Valued at \$560 in gift cards from On Havana Street Shops. Enter to win options were posted on our [Instagram](#) and [Facebook](#).
- Thursday, February 10, 2022, 1pm MST, FREE, [Taking Flight at DEN – Virtual Outreach – How to Navigate the ACDBE Certification Process](#) – Over 70 businesses attended. It was also great to see some of stakeholders joined the call.
- Wednesday, February 16, 2022, 10am, [Meet & Greet with Aurora City Council – On Havana Street](#) – over 65 stakeholders attended to network
- Thursday, February 17, 2022, 8:30am, [2/17 Aurora Red Tape Reduction Committee needs feedback](#)
- Monday, February 28, 2022, [bb.q Chicken Grand Opening](#)
- Small Business Month Event Updates – All of March 2022 – Events, Giveaway and Small Business Highlights
  - Wednesday, March 2, 2022 6-8pm, FREE, [3/2/2022 Fired Up: I Want to Start a Business!](#)
  - [Wednesday, March 2, 2022, 5:30pm-7pm, Official Launch of the Aurora-El Salvador Sister City Committee](#), On Havana Street is so honored to have the Consulado de El Salvador en Aurora in the District.
  - Check out [Small Business Features on Website](#) and social media during March
  - Small Business Month [Giveaways](#) – entries available on [Instagram](#) & [Facebook](#). [Winners for Instagram: Chris L., Instagram: Allison R., Facebook: Tina H. & Website Entry Form: Emily E.](#)
  - OHS - Celebrate Small Businesses Presentation for the Aurora Commission for Older Adults, March 7, 2022, at 1-3pm, Virtual Event [Here](#)
  - March 8, 2022 - International Women's Day Instagram Stories – Feature OHS BID BOD, Businesses & Partners – See IG Stories [Here](#)
  - [Asian Avenue Magazine Full Page Feature for OHS and Small Business Month](#): (page 8): <https://issuu.com/asianavemag/docs/march2022/18>
  - [Tuesday, March 15, 2022, Invited YELP Elites Only - due to limited capacity, Yelp CO Elites at Seoul Korean BBQ & Hot Pot – canceled due to Yelp capacity limits](#)
  - [Tuesday, March 16, 2022, 4:30pm-8:30pm, Progressive Networking at the Heirlooms Antique Mall](#), 100 Yelp CO Elites Invited, 10 BID Businesses Participating, & BID BOD Only due to Limited Capacity, 25 Yelp Elites at 4:30-6:30p + 25 yelp Elites at 6:30-8:30p, Learn More at [YELP CO ELITES – Celebrate Small Business Month On Havana Street](#)
  - See the [Yelp Elites Reviews](#) & Photo of the Event [Here](#): <https://www.yelp.com/biz/elite-experience-national-mom-and-pop-month-on-havana-street-aurora>
  - Thursday, March 24, 2022, [bb.q Chicken Grand Opening – Soft Opening 3/24, hosted Yelp CO & local media for lunch to plan a media day for the grand opening with bb.q Corp.](#)
  - Tuesday, March 29, 2022, 2-4:30pm, ShareTea Aurora, Boba & Business – Networking Event & Celebrate Small Business OHS, Photos [Here](#) + Event Details [Here](#)
- April 2022 Events – Coffee with a Cop, APD Academy Tours OHS/Business Roundtable, Chamber Networking Event, & CO Realtor Association hosting networking at OHS businesses to support the District.
  - Wednesday, April 6, 2022 – Lunch with El Salvadorean Consulate
  - Wednesday, April 6, 2022, 9-11am, [Aurora Business Licensing & Sales Tax – April 2022](#)
  - [Wednesday, April 6, 2022 6:30-8:30pm, Ruben Medina Ward 3 Town Hall](#)
  - Opportunity to Network – April 7, 2022, Aurora Chamber's Annual Award Dinner at The Stampede
  - Friday, April 8, 2022, 9:30am-11am, FREE, [Coffee & Bagels Networking On Havana Street](#)
  - Thursday, April 14, 2022, 1-4pm, FREE, [Spring Fling at Bella Vita Senior Living – Shop local](#)
  - April 15, 2022, 11am, Hosted Buckley Space Force Tour, AF FSS Marketing OHS
  - April 18, 2022, 4-6pm, Aurora Eats OHS Tour
  - April 19, 2022, Aurora Faces and Aurora Places Site Survey to feature OHS businesses and owners
  - April 19, 2022, Visit Aurora hosting journalist that writes for many outlets including Food + Wine
  - April 19, 2022, 6-8pm ReACT with APD Driving Tour On Havana Street





- Wednesday, April 20, 2022, 6pm, [4/20 Aurora Red Tape Reduction Committee needed feedback](#)

- [April 26, 2022 Aurora Asian Pacific Community Partnership Annual Dinner & Networking at Chutney at the Havana Exchange Shopping Center, \\$40, 5:30p-7:30pm](#)



- April 28, 2022 Aurora Sister Cities International Event with BID vendors, 5:30-7:30pm – Learn More [Here](#)

- [April 28, 2022 Realtor's Happy Hour at Shin Myung Gwan for AAPI Heritage Month](#)

- April 2022 – Earth Day Giveaway and promotions with Xcel Energy Partners in Business

- [Earth Day Giveaway](#) Winners: Antoinette D., Carol H., & Emilee D.
- Scheduled Xcel to visit businesses with free LED light bulbs
- Blogs on programs available for businesses
- Xcel Energy Partners in Energy – Learn More about Savings for your business [here](#).
- Tips on Earth Day blogs
- Saturday, April 23, 2022 10a-3pm, FREE, [Earth Day Celebration with the City of Aurora](#)



- Eat On Havana Street Week – May 4-11, 2022

- \$500 Giveaway Winner was Liz F., received over 250 entries
- May 1, 2022, NEW EAT OHS Billboard up at 625 S Havana Street
- Estrella Media: Spanish commercials to promote Eat OHS, Havana Motor Mile and the Retail Shops – April 27 to May 11 for Eat OHS Week 5/4 to 5/11/2022, Check out the commercials in [Spanish here](#).
- [Saturday, May 7, 2022, 4-7pm, African Chamber Mixer Event at Maandeeq East Africa Restaurant, 1535 S Havana St, Aurora, CO 80012, Buckingham Village Shopping Center](#)

- May 9, 2022, Buckley Tour OHS for Holiday Marketing Campaign

- May 12, 2022, 9-12pm, [APD, Comitis, Rock it Sock it Drive Committee presented Certificated to the BID businesses](#). Photos [Here](#)

- May 18, 2022, [Gov Polis Visits OHS for AAPI Heritage Month at Tous les Jours](#), hosted by owner Gabriel Lee

- May 19, 2022, 5-6:30p, [Realtor's Happy Hour & Networking at Shin Myung Gwan](#), Presentation by OHS and Korea Town Aurora

- May 25, 2022, 10am, Rep. Crow hosts Business Round Table at Coffee Story with Chambers of Commerce & Community Partners

- May 26, 2022, bb.q Chicken VIP Grand Opening at 11am with Mayor & City Council, Invite Only

- [Monday, June 6, 2022, 2-4pm MST, Xcel Energy Partners in Energy Networking Event](#), Register for this FREE event! [bit.ly/community\\_relationshipsCO](#), Flyer: [6 6 2022 Partners in Energy Networking Event Save the Date CO](#)

- June 2022 – Aurora TV, Estrella, Visit Aurora, Buckley SFB, City of Aurora & YELP CO filming and giveaways scheduled to feature OHS businesses.

- Monday, June 6, 2022, 11am-2pm, FREE, [Celebration Chevrolet Special Event](#), Complete with a ribbon cutting, In N Out Cookout Truck, music and giveaways, Learn More [Here](#)

- Friday, June 17, 2022, 9:30am-11am, FREE, [Cafecito y Pastelitos Networking at GEICO](#)

- Friday, June 24, 2022, 12-1:30pm, FREE, [Funding Options: Quarterly Panel and Resource Webinar](#)

- Saturday, June 25, 2022, 5pm, FREE, OHS sponsored the [Buckley Space Force Patriot Fest on the flight line + hosted an OHS \\$250 Giveaway at their vendor table – Winner was Amy C. Meet and Greet Photos with Lindsay Ell, John Michael Montgomery, & The Band Perry Here](#).



- Thursday, July 7, 2022, 3pm-4pm, FREE, [Retail Crime Roundtable with APD, Mayor Coffman & City Council](#)

- Friday, July 8, 2022, 9-10:30am, FREE, Hybrid Event at The Aurora Chamber or on Zoom, [Diversity & Inclusion Council Presents: FirstBank Include All](#)

- Saturday, July 9, 2022, 2-3pm in English, 3-4pm in Spanish, FREE, [Meet Mayor Mike Town Hall](#)

- July 11, 2022, July 18, 2022, & July 25, 2022, FREE, [Chick Fil A Gardens on Havana Giveaway this July 2022](#)

- Wednesday, July 13, 2022 10am-2pm, FREE, [International Day at Concorde Career College](#)

- Wednesday, July 13, 2022, 9-11am, FREE, [Aurora Business Licensing & Sales Tax – July 2022](#)

- Thursday, July 14, 2022, 6:30-9:30pm, Ward 4 Meeting with Chief Dan Oates

- \$500 Frozen Treats Giveaway Details [Here](#) Winner was Richard L. ----- *\*Due to staffing limitations of the frozen treats' shops and Covid-19 recovery challenges, we are not able to host the progressive frozen treats event on National Ice Cream Day on July 17, 2022. However, On Havana Street did want to offer a \$500 Frozen Treats Giveaway to feature the incredible options to enjoy a frozen treat On Havana Street. [List of On Havana Street Frozen Treats Businesses to Visit On National Ice Cream Day, July 17, 2022](#)*

- Saturday, July 16, 2022, 12pm-4pm, FREE, AMC, [City of Aurora – First Responders Celebration](#)

#### Special Events on July 16, 2022:

- 10-2pm - Taste of On Havana Street - 1<sup>st</sup> 100 attendees enjoyed delicious sambusa - Sambusa Samples from [Golf First Ethiopian Restaurant](#), Sambusa: A Pastry Shell Filled With Lentils, Onions, Green Peppers And Herbs.
- 10-2pm - Taste of On Havana Street - 1<sup>st</sup> 65 Attendees received a sample of Choco Pie - Korean Snack from [M Mart](#). Sponsored by M Mart, the only Korean independently owned international grocery market in Colorado for the past 39 years. A choco pie is a snack cake consisting of two small round layers of cake with marshmallow filling and a chocolate covering.

- 10-2pm - Taste of On Havana Street - International snacks and candies from [Rocket Fizz Aurora](#), [M Mart](#), [El Pulgarcito de America en Colorado](#), [Solomon's Grocery & European Deli](#) and [Nana African Market](#). Sponsored by the Havana Business Improvement District.
- 10am-11am, [High Altitude Martial Arts - FREE Outdoor Kickboxing Class at the Havana Street Global Market](#), 2832 S Havana St # ZZ, Aurora, CO 80014, Participants Receive a [Milkroll Creamery](#) gift card. Learn More [Here](#)
- Ethiopian Coffee Ceremony with Amatula: The Ethiopian coffee ceremony is an important part of Ethiopian culture. It involves roasting coffee beans, and the ceremony can take hours. The ceremony is also considered to be the most important social occasion in many villages, and it is a sign of respect and friendship to be invited to a coffee ceremony. 'Buna tetu' which translates to 'come drink coffee' is a famous communal tradition in Ethiopia.
- Roaming street magic from [Magic Realty Inc](#)
- Attendees checked out the beautiful, NEW art mural located on the wall by [TOUS les JOURS Colorado](#) created by extremely talented [KiriLeigh](#) Jones. Take a selfie and use hashtag [#HavanaStreetGlobalMarket](#) for a chance to win a gift card to Milkroll Creamery
- Friday, July 22, 2022, 6pm, \$50, WeeCycle Rocks Levitt Pavilion, Learn More [Here](#)
- July 25, 2022, Commonground Golf Tournament, Stakeholder Networking, More Details to be shared by CGG
- July to September 2022, Saturday, 10-2pm, Bonfire Event Co. Presents the [Havana Street Global Market](#)
  - NEW DATES & TIMES: \*July to September 2022, July 16th & 30th August 13th & 27th September 10th & 24th, 10-2pm
  - Location: Western Centers' Havana Exchange Shopping Center, in the former Bicycle Village parking lot, at 2802 S. Havana St. Aurora, Colorado 80014.
  - What is it? The Aurora Global Market is the most unique outdoor market to debut in 2022. This event will highlight and celebrate cultural diversity through business. You will find a mix of vendors from around the world with a variety of products ranging from food, crafts, art, jewelry and more!
  - Apply to be a vendor & Learn More [Here](#)
- Havana Motor Mile Summer Promotion: Win a Gas Card from the Havana Motor Mile, Enter to win here: <https://onhavanastreet.com/havana-motor-mile/>
- Wednesday, August 3, 2022, 6:30pm, [Ward 3 Town Hall with Council Member Ruben Medina](#)
- Saturday, August 6, 2022, Noon - 7pm, [Aurora Pride Comes to the Aurora Reservoir](#)
- August 9, 2022 & August 10, 2022, 11-4pm, FREE, [Partners in Energy Visiting On Havana Street Businesses](#)
- Thursday, August 11, 2022, 6:30pm, [Ward 4 Town Hall with Council Member Juan Marcano](#)
- Saturday, August 13, 2022, 11 a.m. - 3 p.m., FREE, [APD Family Safety Check – Aug. 13, 2022](#)
- August 25, 2022, BID Stakeholder Networking - Koreatown Aurora Golf Tournament at CommonGround Golf Course
- Thursday, August 25, 2022 6-8pm, FREE, [At Large Town Meeting with Lawson, Gardner, Jurinsky and Zvonek](#)
- Wednesday, September 7, 2022 6:30pm, FREE, [Ward 3 Town Hall with Council Member Ruben Medina](#)
- Thursday, September 8, 2022, 3-4pm, FREE, 9/8/2022 Retail Crime Business Outreach Public Meeting at Tous les Jours
- Thursday, September 8, 2022, 6:30pm, FREE, [Ward 4 Town Hall with Council Member Juan Marcano](#)
- Wednesday, September 14, 2022, Registration at 7am, Shotgun at 8:30a, \$1000 foursome, WeeCycle's Birdies For Babies 5th Annual Golf Tournament, Learn More [Here](#)
- Tuesday, October 4, 2022, 6:30 p.m. - 8:30 p.m., Doors Open at 6 p.m., FREE, [10/4 Last Days of Summer Concert – Dotsero at The Stampede](#)
- [Wednesday, October 12, 2022, 9-12pm, Virtual 15th Annual Veterans Small Business Conference](#)
- Wednesday, October 26, 2022, 4:30-6:30pm, FREE, [2022 Halloween Networking Happy Hour at Piramides](#)
- Saturday, October 29, 2022, 1-3pm, FREE, Trick or Treat at The Gardens on Havana - [2022 Halloween On Havana Street](#)
- November 2022 – 2022 to 2024 ART2C Public Art Event – location tbd
- Wednesday, November 16, 2022, 11 am - 12:30 pm, FREE, The Stampede, [2022 Havana BID – On Havana Street Annual Business Stakeholder Meeting](#)



## **2022 Establishing a District Identity & Image:**

- See the District Identity major projects listed above under the Project Management Section including On Havana Street District Markers, Art 2C On Havana Public Art Exhibition and continue working with the property owners on landscape plans to get compliance with the Havana Street Overlay District.
- We continued to work with Webolutions and Fox Media & Marketing to make sure we are staying true to our brand in all the marketing and promotions that we do.
- The BID will be working with the Havana Street Multi-Modal Study regarding future opportunities for improvements and assistance on district identity tools to further the improvement of the corridor
- Continued to actively add photos and marketing on social media and on our website to document the events and activities going on in The District.
- Worked with local media, newspapers, magazines, TV stations and Colorado bloggers, food bloggers and social media influencers to market the District in a positive light and promote our events.
- Conducted the maintenance and district marker replacements as needed.



- Worked with new stakeholders to establish new district markers and monument sign improvements.
- Managed the 2020-2022 Art 2C On Havana Street de-install, transitioned new property owners to the BID with existing art pads, and installation the 2022-2024 Art2C On Havana Street will be done in late September/Early October 2022.
- **NEW in 2022 – Art Mural Collaboration:** [Lightshade](#) asked the District if they would partner on murals at their business in the northern end of the corridor at 503 S Havana Street in December 2021 and in January 2022 the board voted to support the \$4500 investment from our \$70,000 District Identity budget for 2022. Lightshade did not participate in the district marker or public art program in the past and the board felt that an art mural would be a great fit for our district identity and stakeholder support program, especially in the northern corridor. The mural was by [Kirleigh Jones](#), a popular and local artist, with the Be a Good Person movement. Her mural work was also recently featured by actress [Beverly Mitchell](#) in the television show [In With The Old](#) on the [Magnolia Network](#).



- **NEW in 2022 – Art Mural Collaboration:** Bonfire Events Co. hosted the Havana Street Global Market at the Havana Exchange Shopping Center from July to September 2022. In partnership with Bonfire Events Co, Western Centers/Havana Exchange Shopping Center, Tous Les Jours, and On Havana Street we sponsored the mural to support the global market and the multiple stakeholders that wanted to add a mural to a wall facing the Havana Street corridor in the southern region of the District.



- **NEW in 2022 – 6 months of Lamar Billboards Promoting On Havana Street:** For the first time in 14 years the District was able to obtain a contract to purchase 6 months of billboards on the Denver side of On Havana Street corridor. The billboards are typically in 12-month contracts with other businesses prior to Covid. In 2021, there were 6 months available, and Kim Fox at Fox Media and Marketing negotiated a great price for 6 billboards and 3 free vinyl productions for the District for less than \$31,000 (Feb-May 2022 + Oct-Nov 2022).

The Board voted to add the contract to our 2022 budget with Kim Fox in January 2022. To save on costs the District recycled the 3 vinyls and only paid for production of 3 billboards to be reused in the 6 month duration. The 3<sup>rd</sup> billboard is in the design process and will be up in October to November 2022. The billboards captured consumers driving south with lots of retail and commercial destinations. In February 2022 our first billboard went up at 625 S Havana Street north facing, perched above the parking lot of UHAUL, with exposure to traffic southbound, traffic exposure of 203,000 impressions/day. In 2023, the District plans to compete with other contracts to secure the billboard for 6 months for \$40,000 to allow for the creation of new vinyls for all 6 months



### III. HAVANA BID 2023 OPERATING PLAN

As determined by the board of directors, area property and business owners, the top priorities for improvements and activities continue to include the following programs:

- Program Management/Stakeholder Communication/Governance

- Economic Development & Marketing/Business Consulting & Advocacy
- District Identity & Image/Community Sense & Involvement

Economic development continues to be our primary focus, and the BID board further defined what should be included in each of the above programs (see below).

**BID PROGRAMS:** The following narrative provides recommendations for BID programs and a description of the BID's plans for 2023, both continuing programs and new programs. The board may amend program activities in subsequent years within the general categories authorized by state law and in the approved annual operating plan and budget. Final programs and budgets will be subject to the annual review and approval of the BID board of directors. **The narrative below lists what we plan to continue in 2023 and what is new for 2023.**

**Economic Development:**

In 2023, we plan to continue our ongoing efforts to enhance the overall image and marketability of the Havana corridor and to create a favorable business climate to recruit retain and grow businesses and new development. The BID board of directors sets annual priorities for economic development projects.

**Project Management/Ratepayer Communication/Governance:**

**In 2023 the BID plans to continue to:**

- Publish monthly consumer marketing newsletter, Life On Havana Street E-Newsletter and to continue to increase the use of social media like Instagram, Facebook, Linked In, Instagram, You Tube, and Twitter even more to market our events. We will improve the features of our website to elevate the business directory and add more features to assist businesses more during the Covid-19 recovery.
- Work with our International business owners and all our small business owners, facilitating getting them in touch with the business resources they need at the City, the office of International Initiatives, the ASBDC and SBA office, etc.
- Work on its ongoing relationships with the City of Aurora, Arapahoe County, CDOT, RTD, Xcel Energy, Xfinity/Comcast and other entities that impact On Havana Street.
- Perform the daily duties required of a Special District in Colorado and continue to coordinate BID efforts and manage its programs.
- Hold monthly virtual BID board meetings and hold an annual stakeholders' meeting in November.
- The Executive Director will continue to make in-store visits to the businesses in the District to keep them informed and listen to their comments and concerns.
- Pursue issues and policies that will positively influence the Havana District, both in the short and long term; the Executive Director will continue to attend policy committee meetings, study sessions and city council meetings.

**Project Management/Ratepayer Communication/Governance:**

**In 2023 the District plans to continue to:**

- Gather the email addresses of more of our stakeholders to add to our distribution lists and business watch email list.
- Work with the City on a snow ordinance education campaign to inform business owners and property managers about the 24-hour snow removal code. Snow removal is an annual "hot button" issue, especially with businesses who have bus stops/benches in front of their businesses and have changed management/employees since the last time it snowed, so no one in charge knows the details of the ordinance from one year to the next. The BID Executive Director drives Havana Street after a snowfall, looking to see who has not shoveled out by the bus stops that about their properties, and then educates the manager/staff on the City's snow removal ordinance.
- Make copies of the Downtown Colorado, Inc. new board member training manual, "The Amazing Colorado BID Board Member Manual" for all new board members and host an orientation meeting with new board members.
- Continue to identify and develop new leadership and advocacy opportunities as they arise.

**New for 2023— the District plans to:**

- Work on a new 5-year strategic plan to create new or change existing programs as the need arises throughout the year, using the budgeted board reserves as the board sees fit.
- Host more cultural community events with community partners like Aurora PROS, Bonfire Events Co, community non-profits. Some of the events presented to the District have been Global Night Markets, Festivals, Concerts, Lunar New Year, and Day of the Dead Festivities.
- Explore a destination art projection for the District's Identity. District estimates the program to cost \$25,000 to \$250,000.

- Work on board training, development, and engagement.
- Focus on stakeholder relationship building and include board members in networking relationships/interactions with BID businesses.
- Continue advocating for the Covid-19 recovery programming and funding opportunities for the District businesses.
- Focus on workforce development and support for the District businesses.

**Economic Development Services/Business Consulting & Advocacy:**

**In 2023 the District plans to continue to:**

- Concentrate on promoting and marketing the district in a very positive light through various media including TV, radio, social media, digital & print ads, conveying the message that the Havana District is the place to come for your everyday needs, as well as for unique experiences in shopping, dining, living, and more.
- Work with the city’s retail specialist, AEDC and developers to work out the optimal retail mix, identify retailer needs and community needs to get new and unique retailers to locate in the Havana District as space becomes available.
- Share store openings and closings, retail sales tax reports, available property info, lease rates and vacancy rates through our newsletters and on our website.
- Continue to concentrate on the District’s safety and business watch program—as noted above.
- To update the District’s master database to keep an up-to-date listing of all commercial properties and businesses in the Havana corridor.
- Participate in the city’s Office of International and Immigrant Affairs, Red Tape Reduction Committee, Havana Street Corridor Study, City Center Visioning Study, Disparity Study, Our Parks, Our Places, “All 4 Business” efforts, code updates, Aurora Places - new comprehensive plan, referring new and existing business owners to the Aurora South Metro Business Development Center.
- Engage with the partners for the Havana Multi Modal Study and participate in the discussions regarding the proposed improvement projects.
- Be the liaison between the businesses and the city and to facilitate connecting business owners and the appropriate city staff/services as necessary.
- Host monthly events to put feet on the street and customers in our businesses.
- Develop an annual “snapshot” of The District to present at the Annual Meeting.
- Update the on-line business directory and website to provide the community up-to-date information about the business district and keep the Available Properties list updated.
- Work with the retail marijuana industry in the District and help support the businesses for the overall safety and security of the corridor.
- Continue to work with the Homeless Street Outreach Team, code enforcement, community non-profits, APD and our businesses to attempt to connect persons experiencing homelessness in the District with appropriate services offered in the community. We will also continue to support events and programs for Comitis Crisis Center virtually/in-person as permitted. Typically, we support the events and offer Comitis a free spot on [9NEWS Colorado and Company](#). In 2022, we supported marketing initiatives and supported the annual [Rock it Sock it](#) collection drive from January to March at our corridor’s businesses. [Over 11 BID business participated, 1217 Sock Drive Kits were created with over 3650 socks collected in total.](#)
- Be on the lookout for other opportunities and partnerships that benefit both our businesses and the community.
- Continue the Automotive Technician Tool Incentive Workforce Program and connect the new dealerships to the program opportunity.

**New for 2023—We plan to:**

- We budgeted \$21,000 to partner with local schools near the District like Community College of Aurora and the Denver Film School. We would like to create a partnership like the Pickens Tech Tool program and have students create content and promotions for the District stakeholders. In return the District can help and sponsor the students with camera equipment, software, and experience with various industries in the District.
- We budgeted \$25,000 to work with an event contractor to create inclusive events in the District.
- We budgeted \$35,000 for consultants to help the Executive Director with marketing (\$25,000) and event hosting (\$10,000)
- Write and produce new Havana Motor Mile TV commercials promoting auto sales, auto service and auto parts sectors to include the new dealerships.
- Work with the Aurora Urban Renewal Authority, Development Services, the Office of Development Assistance, the development team, business owners and neighbors as we continue with the redevelopment for “Argenta” the former Fan Fare site on the north end of Havana.
- Utilize the marketing budget to support the ribbon cutting and celebrations of the first Argenta building.



- Work with Kimco on the Village on the Park redevelopment plans and assist in attracting new stakeholders to the remaining leases.
- Work with Western Centers on the new businesses coming to Havana Exchange Shopping Center
- Work with AMCAP at the Gardens on Havana on redevelopment plans and attract new businesses to the leases and empty pads for development
- Work with Visit Aurora to strengthen relationships with hotels and partners to encourage more On Havana Street visitors and brand as an entertainment and foodie destination for visitors and business travel.
- Strengthen partnerships, relationships and community networking with Buckley Air Force Base, Anschutz Community-Campus Partnership, The Chamber, local neighborhoods, retirement communities to attract more visitors and residents to explore, shop, eat, live, and experience On Havana Street.
- Think about what we can do to encourage formation of an area-wide transportation plan to connect the Havana District shopping venues with light rail stops, Lowry, Central Park, and the Anschutz Campus, Buckley Space Force, Lockheed Martin, Gaylord of the Rockies especially with the redevelopment of the Fan Fare site.

**District Identity & Image/Community Sense & Involvement:**

**In 2023 the District plans to continue:**

- To remain active on the project management team for Havana Street Corridor Multi-Modal Study and inform the stakeholders on new developments, proposed improvements, and updates regarding the study.
- To attend other special district outreach meetings and conferences to stay involved and informed in what other specials districts are implementing to help with businesses and corridor through the Covid-19 recovery
- To work with the City of Aurora on other emergency snow removal options for the business district in snow emergencies and continue to re-educate businesses about the snow removal ordinance.
- Assisting stakeholders with code enforcement, landscaping improvements and graffiti removal
- To repair district markers as required and add 3 new district markers as permitting allows. The District budgeted \$30,000 for three additional locations in 2023.
- To engage the neighbors/residents through monthly hybrid events/communications and by having the BID's executive director continue to attend town meetings, keeping the neighbors informed about what is happening On Havana Street.
- Establish more inclusive communications and marketing to the diverse businesses in the corridor.
- Explore translating features and applications for our website, blogs, webpages, and content shared with the community.
- The Executive Director will continue to grow the district image, community sense and BID engagement.
- To encourage our stakeholder businesses to notify the Executive Director when the business is having a special open house, event, sale, or customer appreciation event so we can list those in our newsletter and website.
- Regular Business Watch & "graffiti sweeps" of the District, looking for and reporting graffiti to get it removed a.s.a.p.

**New in 2023 —we plan to:**

- Focus on expanding our initiatives on crime prevention, educations, safety and security funding opportunities for the District.
- Continue efforts to support business recovery and advocacy. The District will bring back community concerts and events and continue hosting programming and outreach resources for the stakeholders. The District hopes to host trainings, workforce initiative programming and support businesses through collaboration with local and national partners.
- Co-host workshops, programming, and trainings related to business recovery efforts. Example: business liabilities, lease negotiations, job sharing and workforce development programs, managing payroll and inflation costs, funding resources and more.
- Explore new district identity improvements for the corridor. The District is in the process of receiving proposals for art projections, murals, event activations and other projects for 2023. The District is looking to make significant investments in their district identity, events and programming to support improvements in 2023.
- To grow the Art2C program to add two to three more public art locations as redevelopments are completed in 2023. Continue to work with Argenta – Dream Finders Homes to get a new District logo panel marker on the signage of the new development and public art sculpture on the north end of the corridor.
- To reserve funds to host the biennial Art 2C on Havana Gala in 2022-2024 to celebrate the ongoing revitalization of the Havana District, acknowledging our use of public art as an economic development tool. The District board proposed celebrating the program in the gap year in 2023 in the summer months instead of hosting an event in November 2022.
- Continue to work on our district identity and explore canvas wrapping electrical boxes throughout the corridor.
- Explore other District Identity improvements to the corridor like proposed in the Havana Multi Modal Study.
- Continue to work on maintenance of existing district markers and replace damaged markers as needed.
- Continue to work and collaborate on improvements regarding the Havana Street Corridor Multimodal Study

- Work to build a sense of community by distributing information about of the Street Outreach Program Team to business owners and neighbors so anyone can call the team when they see a someone experiencing homeless.

**Maintenance Capital Improvements:** With stakeholder approval via a formal vote, the BID can issue bonds to pay for capital improvements if the board chooses to do so. BID funds and reserves can be used to match and leverage funds and other resources. No bonding is planned at this time.

There are several ways in which the District and its operations and programs can be managed and staffed, including hiring staff, and/or contracting with a marketing and/or other professional(s) to carry out BID programs.

- **2023 plans are summarized above.**
- The Executive Director takes on the responsibilities and can hire a consultant or event laborers for special projects, as needed and up to \$18,250 in 2022 and in 2023 we budgeted up to \$35,000. We would like to contract for at least \$10,000 for events and \$25,000 for marketing for the District.
- The BID board formed subcommittees to engage and support the ED with the events, marketing, and budgets.

## V. BID BUDGET

*The District prepared a Preliminary Operational Plan and Budget for 2023 with the preliminary assessed values from November 23, 2021, at \$129,661,592 and voted on 8/18/2022 at the public budget meeting.*

*\* The District received the preliminary assessed values dated on September 1, 2022 from Arapahoe County at \$129,154,664 after the 8/18/2022 preliminary 2023 budget public meeting. Approximately \$665,508 in 2023 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 September 1, 2022](#) AV's (\$110,418,593 x .0045) = \$496,884, plus the preliminary 2022 URA property tax increment from page 2, line 3 of the [Certification of Valuation](#) ("total TIF area increment" - URA Property Tax Increment (\$18,736,071x .0045) = \$84,312 as well as an estimated \$34,872 in specific ownership tax. The estimated total revenues are \$700,580 and a 2022 fund balance of \$738,786.*

*After this report was submitted to the City of Aurora for the Management & Finance Committee, City Council Study Session and regular City Council Meeting the District will receive the Final AV's for 2022 in late November 2022. \*The final AV's for 2023's budget will be received in late November 2022 and added to this document to submit to the City of Aurora, Arapahoe County and the State of Colorado by 12/5/2022. The BID Board will be hosting an executive meeting on budget line items for proposed 2023 events and the staff salary and benefits after the submission to Management & Finance Committee. The District will update this report and update the 2023 budget for Study Session and City Council in October 2022. Please see the attached proposed 2023 budget on page 34.*

**Bonds:** Any bonding would require a vote of electors. The BID shall be authorized to issue bonds in the future at the discretion of, and in such amounts as may be determined by, the BID board of directors. Approval of a majority of BID electors who vote at an election called for the purpose of authorizing such bonds would be required. **No bonding is planned at this time.**

**Fees, Charges and Other Revenues:** Although the current budget and operating plan do not contemplate imposing rates and charges for services furnished or performed, the BID shall be authorized to impose and collect reasonable fees and charges for specific services as determined by the BID Board of Directors. There are no plans to impose any additional fees and charges beyond the annual BID assessment at this time. The BID will be authorized to collect and spend other revenues as well, such as grants, gifts, receipts from contracts and enterprises, specific ownership taxes, and interest earnings.

**Assessment Methodology:** Under Colorado statutes, business improvement districts can generate revenues through several methods, including charges for services rendered by The District, fees, taxes, special assessments, or a combination of any of these. In order to allocate the costs of the 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 a mil levy based upon the assessed value of commercial property located in The District.

The mil levy method of assessment is intended to equitably address the intended benefits to the Havana corridor by improving the overall value of commercial property in The District through enhanced identity and image, economic development initiatives and advocacy for positive change along the corridor.

## VI. BID GOVERNANCE AND PROGRAM MANAGEMENT

The Havana BID will be managed by a Board of Directors consisting of a minimum of seven (7) electors, all of whom shall be voting members. At least two-thirds of the board seats shall consist of owners of real property or their representatives within The District.

**At least one board member shall be an elector located in the following geographic segments of The District:**

- North of Alameda Avenue

- South of Alameda Avenue and North of Mississippi Avenue
- South of Mississippi Avenue and North of Parker Road
- South of Parker Road

**The board will also consist of both large and small property owners and will represent a diverse mix of property use types. The BID board will have the following responsibilities:**

- Prepare and file the annual District budget 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.

**The Havana BID Board of Directors includes:**

- Garrett Walls, BID President, Owner, Synergy Business Solutions, E-5 Equities/Havana Exchange Shopping Center, 1555 S Havana St, Aurora CO 80012
- Yulissa Williams, BID Vice President, US BANK, 941 S Havana St, Aurora, CO 80012
- Donovan Welsh, General Manger, Havana Auto Parts, 901 S Havana St., Aurora CO 80012
- Patrick Armatas, Owner, Sam's No 3, 2580 S Havana St, Aurora, CO 80014
- John Sanchez, Owner, GEICO Insurance at The Gardens on Havana/AMCAP, 10550 E Garden Dr. #104, Aurora, CO 80012
- Matt Rauzi, Owner, Colorado's Pro Gym, 1961 S Havana St, Aurora, CO 80014

**3 NEW BID BOD members were confirmed on 12/20/2021:**

- Kerstin Hitchcock with Gary's Full-Service Auto Repair LLC, 30 S Havana St Ste 304R, Aurora, CO, 80012
- Jennifer Dunn with First Bank, 2300 S Havana St, Aurora CO, 80014
- Alex Lee with New Gate Construction, 1930 S Havana St, Aurora, CO, 80014

**At the end of December 2021:**

- Gary Sliger retired and sold business to Kerstin & Joe Hitchcock, Owner of Gary's Full-Service Auto Repair, 30 S Havana St., 304-R, Aurora CO 80012
- Sean Choi, resigned from the Havana location to transfer for a promotion, Director of Diversity, Equity, and Inclusion Senior Vice President, First Bank, 2300 S Havana St, Aurora CO, 80014
- **Zero Open Board Positions** – However the District has received interest from BID Stakeholders include Chris Swank – The Stampede, Hannah Cho – Shin Myung Gwan Korean BBQ Restaurant, representatives from Argenta – Housing Development, AMCAP, and Kum & Go – two properties in the District.

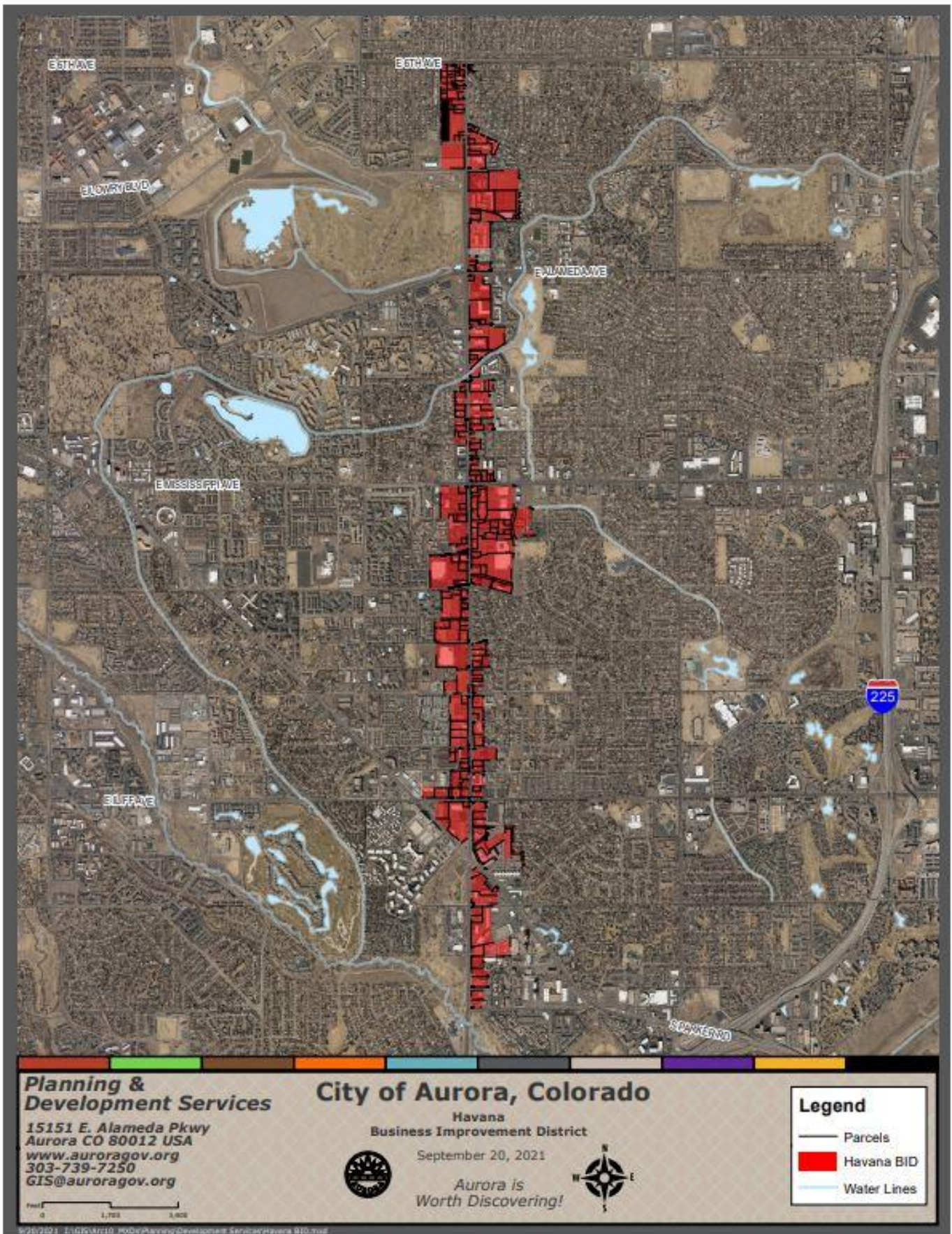
**VII. CITY SERVICES: BID services will be in addition to any City services currently provided along Havana.**

### VIII. TERM

The Havana BID is recommended to be a perpetual BID with a mandatory review period every 5 years. The review will allow for appropriate adjustments to the BID boundary, assessment methodology and/or programming. The review will allow business and property owners to address and respond to changes as they occur along the corridor.









Havana Business Improvement District					
Proposed Budget					
General Fund					
For the Year Ended December 31, 2023					
	Actual 2021	Adopted Budget 2022	Actual 8/31/2022	Estimate 2022	Proposed Budget 2023
Beginning fund balance	\$ 441,364	\$ 586,260	\$ 643,321	\$ 643,321	\$ 738,786
<b>Revenues</b>					
URA property tax increment	\$ 89,706	\$ 73,329	\$ 90,779	\$ 90,779	\$ 84,312
Property tax revenue	438,451	510,148	490,519	509,000	581,196
Specific ownership taxes	35,557	40,812	24,577	35,700	34,872
VA relief funds	20,000	-	-	-	-
Interest income	201	200	2,051	3,000	200
Miscellaneous Income	626	-	369	369	-
	584,541	624,489	608,295	638,848	700,580
	1,025,905	1,210,749	1,251,616	1,282,169	1,439,366
<b>Expenditures</b>					
Special events					
Event expenses		125,000	-	-	217,000
Promotional	45,656	-	43,591	60,000	-
Printing & graphics	3,480	-	-	-	-
Entertainment	2,200	-	-	-	-
Gift Cards/Cash prizes/Promotions	10,408	-	18,166	20,000	-
Other event expenses	6,637	-	8,240	25,000	-
Special events total	68,381	125,000	69,997	105,000	217,000
Program management					
Supplies	5,584	16,500	38	70	20,000
Overhead	-	-	5,990	9,600	-
Program management total	5,584	16,500	6,028	9,670	20,000
Printing & graphics					
Miscellaneous & mileage	1,725	3,200	2,174	3,200	4,000
Salary	73,350	80,000	53,300	80,000	80,000
Medical Insurance Reimbursement ICHRA Wage Works Health Equity ( \$6500 +	2,789	7,000	5,968	7,000	7,000
Retirement match (3% retirement savings match)	5,260	2,400	2,174	2,174	2,700
Payroll tax 7.65% of Emp. Salary)	6,301	6,000	4,076	6,120	6,500
Professional training	263	1,500	-	-	1,500
Accounting & Annual Audit	13,677	18,000	8,459	14,000	18,000
Legal	5,136	7,500	808	5,000	7,500
SDA BID Insurance	7,777	7,740	8,722	8,722	10,000
Stakeholder relations	1,105	5,000	1,247	5,000	5,000
Board development	2,474	10,000	2,249	7,500	10,000
Consulting (\$10K EVENT + \$25,000 MARKETING)		18,250	-	2,500	35,000
Business attraction & support	1,836	-	862	862	-
Treasurer fees - Tax Revenue - (1.5% AVs)	6,580	7,652	7,327	7,635	7,652
Consumer marketing (HMM Kim Fox Contract \$219K + \$21K Tool Program + \$10K APS STADIUM)	114,263	157,000	91,464	192,000	250,000
Website & branding (\$30K Webolutions + \$5k Social Ads)	24,731	30,000	6,726	25,000	30,000
ART2C expense & district identity/District Markers/Art murals	39,492	70,000	26,926	60,000	70,000
ADP Payroll fees	1,860	1,700	914	2,000	2,000
Contingency/Savings	-	619,074	-	-	638,281
Emergency reserve (REQ 3% Tabor on total expenditures w/o the treasurer's fee w	-	17,233	-	-	17,233
					803,852
Total Expenditures	382,584	1,210,749	299,421	543,383	1,439,366
Fund balance - ending	\$ 643,321	\$ -	\$ 952,195	\$ 738,786	\$ 0

[2023 Preliminary Budget with YTD 8 31 2022 Financials](#)

Havana Business Improvement District					
Proposed Budget					
General Fund					
For the Year Ended December 31, 2023					
		Adopted			Proposed
	Actual	Budget	Actual	Estimate	Budget
	2021	2022	8/31/2022	2022	2023
Beginning fund balance	\$ 441,364	\$ 586,260	\$ 643,321	\$ 643,321	\$ 738,786
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	<u>584,541</u>	<u>624,489</u>	<u>608,295</u>	<u>638,848</u>	<u>700,580</u>
	<u>1,025,905</u>	<u>1,210,749</u>	<u>1,251,616</u>	<u>1,282,169</u>	<u>1,439,366</u>
<b>Expenditures</b>					
Special events					
Event expenses		125,000	-		217,000
Promotional	45,656	-	43,591	60,000	-
Printing & graphics	3,480	-	-	-	-
Entertainment	2,200	-	-	-	-
Gift Cards/Cash prizes/Promotions	10,408	-	18,166	20,000	-
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Overhead	-	-	5,990	9,600	-
Program management total	<u>5,584</u>	<u>16,500</u>	<u>6,028</u>	<u>9,670</u>	<u>20,000</u>
Printing & graphics		-	-	-	-
Miscellaneous & mileage	1,725	3,200	2,174	3,200	4,000
Salary	73,350	80,000	53,300	80,000	80,000
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Total Expenditures	<u>382,584</u>	<u>1,210,749</u>	<u>299,421</u>	<u>543,383</u>	<u>1,439,366</u>
Fund balance - ending	\$ 643,321	\$ -	\$ 952,195	\$ 738,786	\$ 0

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.


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

ATTEST:

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KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

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HANOSKY HERNANDEZ,  
Sr. 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 2023 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 / Hanosky Hernandez, Sr Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

- Agenda long title: Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Painted Prairie Business Improvement District No. 2
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title: Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr Assistant City Attorney
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time: 5/5

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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

**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 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 2023 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 2023.

---

**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 2023 operating plan and budget for the Painted Prairie Business Improvement District No. 2. Funding is projected at \$25,000 from developer advances.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 JK  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

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

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## **2023 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted: September 9, 2022

Prepared by:



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

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- 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. The Board of Directors of the District plans on adopting a resolution requesting the City appoint directors to fill the vacancies at the District’s next meeting.

**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 0.515 acres 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 (2022) 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 2022.

#### **B. Future Year (2023) Services, Activities, Projects and Public Improvements.**

During 2023, the District intends to continue to evaluate and plan the services, activities and Public Improvements to be provided by the District.

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

**A. Current Year (2022) 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 2022, all of which was dedicated to the General Fund.

**B. Future Year (2023) Sources of Revenue.** The primary source of revenue for the District in 2023 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 for changes in the method of calculating assessed valuation 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 (2022) Mill Levy.** The District imposed a 10.000 mill levy on all property within the District for collection in 2022, all of which was dedicated to the General Fund.

**C. Future Year (2023) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 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 (2022) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2023) Debt Outstanding.** The District does not anticipate issuing debt in 2023.

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

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **Exhibit B**.

**B. 2022 Budget.** The District’s 2022 Budget is attached as **Exhibit B**.

**C. 2021 and 2022 Financial Statements.** The District’s December 31, 2021 financial statements and June 30, 2022 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2021.

**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 Part 12 of Article 25 of Title 31, C.R.S.

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

# EXHIBIT A

NW 1/4, SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST 6th P.M.  
-----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO-----

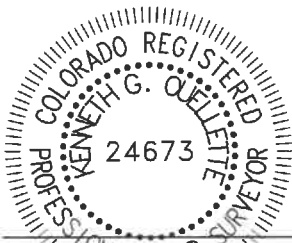
## PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

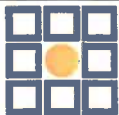
BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING S89°55'04"W BETWEEN THE NORTH QUARTER CORNER OF SAID SECTION 11 AND THE NORTHWEST CORNER OF SAID SECTION 11. BASED ON THE CITY OF AURORA HORIZONTAL CONTROL NETWORK, COLORADO STATE PLANE CENTRAL ZONE 1983/1992 HARN. THIS DESCRIPTION UTILIZED RECORDED DOCUMENTS FROM THE ADAMS COUNTY CLERK AND RECORDER'S OFFICE AND DOES NOT REPRESENT A MONUMENTED LAND SURVEY AND SHOULD NOT BE RELIED UPON AS SUCH.

**COMMENCING** AT SAID NORTH QUARTER CORNER OF SECTION 11;  
THENCE S86°04'32"W A DISTANCE OF 1371.35 FEET TO THE **POINT OF BEGINNING**;  
THENCE S00°29'13"E A DISTANCE OF 198.96 FEET;  
THENCE S89°30'47"W A DISTANCE OF 170.00 FEET;  
THENCE N00°29'13"W A DISTANCE OF 78.96 FEET;  
THENCE N89°30'47"E A DISTANCE OF 95.00 FEET;  
THENCE N00°29'13"W A DISTANCE OF 120.00 FEET;  
THENCE N89°30'47"E A DISTANCE OF 75.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 0.515 ACRES, MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673  
DATE: AUGUST 22, 2022  
JOB NO. 65419757  
FOR AND ON BEHALF OF MERRICK & COMPANY



**MERRICK®**

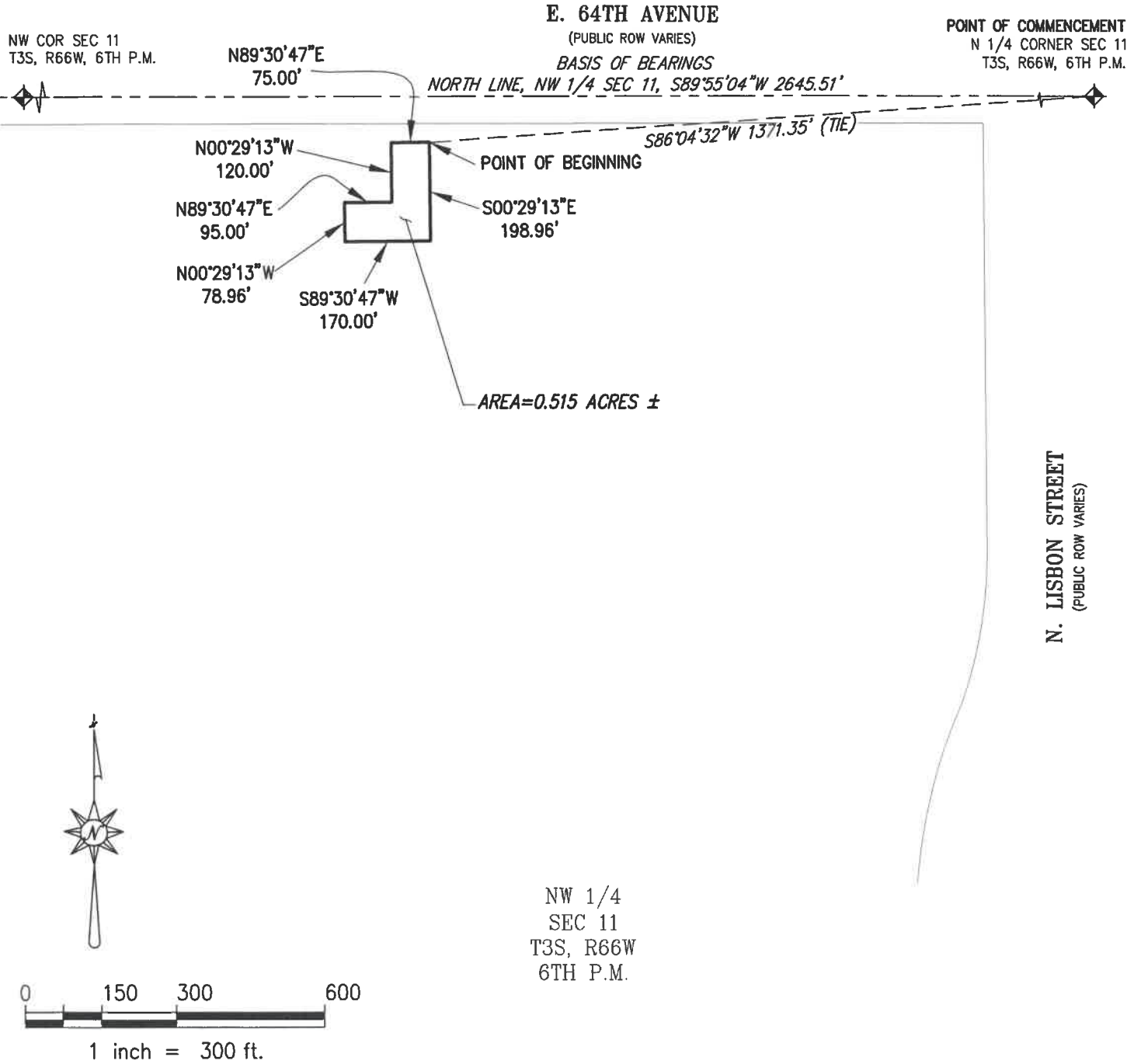
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

BID 2

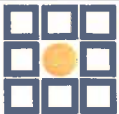
DATE: 8/22/22

SHEET: 1 OF 2

# ILLUSTRATION FOR EXHIBIT A



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

BID 2

DATE: 8/22/22

SHEET: 2 OF 2

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

**Painted Prairie Business Improvement District #2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/30/22</u>	Estimate <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer advances	<u>2,091</u>	<u>25,000</u>	<u>2,555</u>	<u>2,817</u>	<u>25,000</u>
Total revenues	<u>2,091</u>	<u>25,000</u>	<u>2,555</u>	<u>2,817</u>	<u>25,000</u>
Total funds available	<u>2,091</u>	<u>25,000</u>	<u>2,555</u>	<u>2,817</u>	<u>25,000</u>
Expenditures:					
Accounting / audit	-	2,500	-	-	2,500
Engineering	-	2,500	-	-	2,500
Insurance/SDA dues	2,091	2,500	2,555	2,817	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>2,091</u>	<u>25,000</u>	<u>2,555</u>	<u>2,817</u>	<u>25,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 10</u>			<u>\$ 20</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>



**PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT #2**  
**2022**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2022 budget for the Painted Prairie Business Improvement District #2.

The Painted Prairie Business Improvement District #2 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 2022 will be developer advances. The district intends to impose 10.000 mill levy on all property within the district for 2022, all of which will be dedicated to the General Fund.

**Painted Prairie Business Improvement District #2**  
**Adopted 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>	Adopted 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%)	-	<u>630</u>	-	-	<u>630</u>
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>

Painted Prairie Business Improvement Districts #1 & #2  
Financial Statements

December 31, 2021

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Painted Prairie Business Improvement Districts #1 & #2

Management is responsible for the accompanying financial statements of each major fund of Painted Prairie Business Improvement Districts #1 & #2, as of and for the period ended December 31, 2021, 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 Painted Prairie Business Improvement Districts #1 & #2 because we performed certain accounting services that impaired our independence.

*Simmons & Wheeler P.C.*

March 30, 2022  
Englewood, Colorado

Painted Prairie Business Improvement District #1  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ 2,099	\$ -	\$ 2,099
Prepaid Expenses	<u>4,586</u>	<u>-</u>	<u>4,586</u>
	<u>6,685</u>	<u>-</u>	<u>6,685</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>\$ 6,685</u>	<u>\$ 78,292</u>	<u>\$ 84,977</u>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ 1,028	\$ -	\$ 1,028
Due to/from accounts	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,028</u>	<u>-</u>	<u>1,028</u>
Note Payable - Developer	-	69,358	69,358
Note Payable - Developer interest	<u>-</u>	<u>8,934</u>	<u>8,934</u>
Total liabilities	<u>1,028</u>	<u>78,292</u>	<u>79,320</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>5,657</u>	<u>-</u>	<u>5,657</u>
	<u>5,657</u>	<u>-</u>	<u>5,657</u>
	<u>\$ 6,685</u>	<u>\$ 78,292</u>	<u>\$ 84,977</u>

Painted Prairie Business Improvement District #1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 4	\$ -	\$ (4)
Specific ownership taxes	-	-	-
Developer advance	29,996	21,086	(8,910)
Interest income	-	-	-
	30,000	21,086	(8,914)
<b>Expenditures</b>			
Accounting/Audit	5,000	3,383	1,617
Engineering	5,000	-	5,000
Insurance	2,500	2,101	399
Legal	15,000	10,660	4,340
Management	-	-	-
Miscellaneous	1,000	94	906
Treasurer's Fees	-	-	-
Contingency	645	-	645
Emergency Reserve	855	-	855
	30,000	16,238	13,762
Excess (deficiency) of revenues over expenditures	-	4,848	4,848
Fund balance - beginning	-	809	809
Fund balance - ending	\$ -	\$ 5,657	\$ 5,657

Painted Prairie Business Improvement District #2  
 Balance Sheet - Governmental Funds and Account Groups  
 December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Transfer from D1	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Accounts receivable - developer	-	-	-
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to/from accounts	-	-	-
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	-	-	-
Total liabilities	-	-	-
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	\$ -	\$ -	\$ -

Painted Prairie Business Improvement District #2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ -	\$ -	\$ -
Specific ownership taxes	-	-	-
Developer advance	25,000	2,091	(22,909)
Interest income	-	-	-
	<u>25,000</u>	<u>2,091</u>	<u>(22,909)</u>
Expenditures			
Accounting/Audit	2,500	-	2,500
Engineering	2,500	-	2,500
Insurance	2,500	2,091	409
Legal	10,000	-	10,000
Management	1,500	-	1,500
Miscellaneous	2,000	-	2,000
Treasurer's Fees	-	-	-
Contingency	3,370	-	3,370
Emergency Reserve	630	-	630
	<u>25,000</u>	<u>2,091</u>	<u>22,909</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>



Painted Prairie Business Improvement Districts No. 2  
Financial Statements

June 30, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Painted Prairie Business Improvement Districts No. 2

Management is responsible for the accompanying financial statements of each major fund of Painted Prairie Business Improvement Districts No. 2, as of and for the period ended June 30, 2022, 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 six 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 Painted Prairie Business Improvement Districts No. 2 because we performed certain accounting services that impaired our independence.

*Simmons & Wheeler P.C.*

August 31, 2022  
Englewood, Colorado

Painted Prairie Business Improvement District No. 2  
 Balance Sheet - Governmental Funds and Account Groups  
 June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets			
Current assets			
Transfer from D1	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Accounts receivable - developer	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Equity			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to/from accounts	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Painted Prairie Business Improvement District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ -	\$ -	\$ -
Specific ownership taxes	-	-	-
Developer advance	25,000	2,555	(22,445)
Interest income	-	-	-
	<u>25,000</u>	<u>2,555</u>	<u>(22,445)</u>
Expenditures			
Accounting/Audit	2,500	-	2,500
Engineering	2,500	-	2,500
Insurance	2,500	2,555	(55)
Legal	10,000	-	10,000
Management	1,500	-	1,500
Miscellaneous	2,000	-	2,000
Treasurer's Fees	-	-	-
Contingency	3,370	-	3,370
Emergency Reserve	630	-	630
	<u>25,000</u>	<u>2,555</u>	<u>22,445</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></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](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



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 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 / Hanosky Hernandez, Sr. Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney  
Estimated time: 10 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 |

Minutes Attached

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.

---

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

The attached resolution will approve the Painted Prairie Business Improvement District No. 1 2023 operating plan and budget. The operating plan anticipates mainly developer advances for its \$30,000 revenue and expected expenditures. The Painted Prairie No. 1 BID does not anticipate any major public improvements for 2023.

---

**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:**

---

**PRIVATE FISCAL IMPACT**

Not Applicable       Significant       Nominal

**If Significant or Nominal, explain:** The attached item sets out the 2023 operating plan and budget for the Painted Prairie Business Improvement District No. 1. Funding is projected at \$30,000 primarily from developer advances.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE 2023 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. 2017-37 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.


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



ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

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

---

## **2023 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted: September 9, 2022

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. The Board of Directors of the District plans on adopting a resolution requesting the City appoint directors to fill the vacancies at the District’s next meeting.

**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 0.540 acres 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 (2022) 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 2022.

#### **B. Future Year (2023) Services, Activities, Projects and Public Improvements.**

During 2023, the District intends to continue to evaluate and plan the services, activities and Public Improvements to be provided by the District.

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

**A. Current Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 was developer advances. The District imposed a 10.000 mill levy on all property within the District for collection in 2022, all of which was dedicated to the General Fund.

**B. Future Year (2023) Sources of Revenue.** The primary source of revenue for the District in 2023 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 for changes in the method of calculating assessed valuation 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 (2022) 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 (2023) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 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 (2022) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2023) Debt Outstanding.** The District does not anticipate issuing debt in 2023.

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

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **Exhibit B**.

**B. 2022 Budget.** The District’s 2022 Budget is attached as **Exhibit B**.

**C. 2021 and 2022 Financial Statements.** The District’s December 31, 2021 financial statements and June 30, 2022 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2021.

**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 Part 12 of Article 25 of Title 31, C.R.S.



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

# EXHIBIT A

NW 1/4, SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST 6th P.M.  
-----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO-----

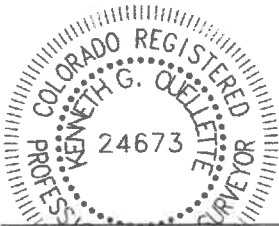
## PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

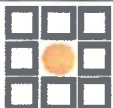
BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING S89°55'04"W BETWEEN THE NORTH QUARTER CORNER OF SAID SECTION 11 AND THE NORTHWEST CORNER OF SAID SECTION 11. BASED ON THE CITY OF AURORA HORIZONTAL CONTROL NETWORK, COLORADO STATE PLANE CENTRAL ZONE 1983/1992 HARN. THIS DESCRIPTION UTILIZED RECORDED DOCUMENTS FROM THE ADAMS COUNTY CLERK AND RECORDER'S OFFICE AND DOES NOT REPRESENT A MONUMENTED LAND SURVEY AND SHOULD NOT BE RELIED UPON AS SUCH.

**COMMENCING** AT SAID NORTH QUARTER CORNER OF SECTION 11;  
THENCE S85°32'41"W A DISTANCE OF 1202.76 FEET TO THE **POINT OF BEGINNING**;  
THENCE S00°29'13"E A DISTANCE OF 120.00 FEET;  
THENCE N89°30'47"E A DISTANCE OF 95.00 FEET;  
THENCE S00°29'13"E A DISTANCE OF 91.74 FEET;  
THENCE N86°11'09"W A DISTANCE OF 170.48 FEET;  
THENCE N00°29'13"W A DISTANCE OF 198.96 FEET;  
THENCE N89°30'47"E A DISTANCE OF 75.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 0.540 ACRES, MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673  
DATE: SEPTEMBER 7, 2021  
JOB NO. 65419757  
FOR AND ON BEHALF OF MERRICK & COMPANY



**MERRICK®**

5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111  
Telephone: 303-751-0741

BID 1

DATE: 9/7/21

SHEET: 1 OF 2

# ILLUSTRATION FOR EXHIBIT A

NW COR SEC 11  
T3S, R66W, 6TH P.M.

**E. 64TH AVENUE**

(PUBLIC ROW VARIES)

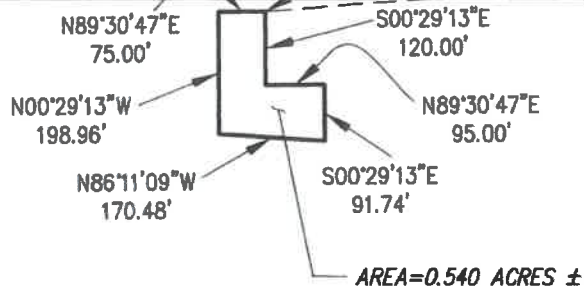
POINT OF COMMENCEMENT  
N 1/4 CORNER SEC 11  
T3S, R66W, 6TH P.M.

*BASIS OF BEARINGS*

NORTH LINE, NW 1/4 SEC 11, S89°55'04"W 2645.51'

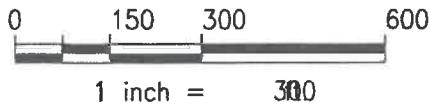
POINT OF BEGINNING

S85°32'41"W 1202.76' (TIE)

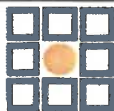


N. LISBON STREET  
(PUBLIC ROW VARIES)

NW 1/4  
SEC 11  
T3S, R66W  
6TH P.M.



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

BID 1

DATE: 9/7/21

SHEET: 2 OF 2

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

**Painted Prairie Business Improvement District #1**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/30/22</u>	Estimate <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ 809	\$ -	\$ 5,657	\$ 5,657	\$ 1,301
Revenues:					
Property taxes	-	229	229	229	-
Specific ownership taxes	-	18	-	18	-
Developer advances	<u>21,086</u>	<u>29,756</u>	<u>9,499</u>	<u>18,000</u>	<u>28,699</u>
Total revenues	<u>21,086</u>	<u>30,003</u>	<u>9,728</u>	<u>18,247</u>	<u>28,699</u>
Total funds available	<u>21,895</u>	<u>30,003</u>	<u>15,385</u>	<u>23,904</u>	<u>30,000</u>
Expenditures:					
Accounting / audit	3,383	5,000	1,629	3,500	5,000
Engineering	-	5,000	-	-	5,000
Election	-	-	1,000	1,000	-
Insurance/SDA dues	2,101	2,500	2,555	2,900	2,500
Legal	10,660	15,000	6,318	15,000	15,000
Management	-	-	-	-	-
Miscellaneous	94	1,000	52	200	1,000
Treasurer fees	-	3	3	3	-
Repay developer advances	-	-	-	-	-
Contingency	-	645	-	-	645
Emergency reserve (3%)	-	<u>855</u>	-	-	<u>855</u>
Total expenditures	<u>16,238</u>	<u>30,003</u>	<u>11,557</u>	<u>22,603</u>	<u>30,000</u>
Ending fund balance	<u>\$ 5,657</u>	<u>\$ -</u>	<u>\$ 3,828</u>	<u>\$ 1,301</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 22,870</u>			<u>\$ -</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>

**PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT #1**  
**2022**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2022 budget for the Painted Prairie Business Improvement District #1.

The Painted Prairie Business Improvement District #1 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 2022 will be developer advances. The district intends to impose 10.000 mill levy on all property within the district for 2022, all of which will be dedicated to the General Fund.

**Painted Prairie Business Improvement District #1**  
**Adopted 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>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	4	-	-	229
Specific ownership taxes	-	-	-	-	18
Developer advances	<u>41,165</u>	<u>29,996</u>	<u>6,121</u>	<u>20,722</u>	<u>29,756</u>
Total revenues	<u>46,958</u>	<u>30,000</u>	<u>6,121</u>	<u>20,722</u>	<u>30,003</u>
Total funds available	<u>46,958</u>	<u>30,000</u>	<u>6,121</u>	<u>20,722</u>	<u>30,003</u>
Expenditures:					
Accounting / audit	11,873	5,000	1,711	3,500	5,000
Engineering	-	5,000	-	-	5,000
Insurance/SDA dues	3,039	2,500	2,022	2,022	2,500
Legal	23,900	15,000	2,388	15,000	15,000
Miscellaneous	210	1,000	-	200	1,000
Treasurer fees	-	-	-	-	3
Contingency	-	645	-	-	645
Emergency reserve (3%)	<u>-</u>	<u>855</u>	<u>-</u>	<u>-</u>	<u>855</u>
Total expenditures	<u>39,022</u>	<u>30,000</u>	<u>6,121</u>	<u>20,722</u>	<u>30,003</u>
Ending fund balance	<u>\$ 7,936</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>

Painted Prairie Business Improvement Districts #1 & #2  
Financial Statements

December 31, 2021



ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Painted Prairie Business Improvement Districts #1 & #2

Management is responsible for the accompanying financial statements of each major fund of Painted Prairie Business Improvement Districts #1 & #2, as of and for the period ended December 31, 2021, 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 Painted Prairie Business Improvement Districts #1 & #2 because we performed certain accounting services that impaired our independence.

*Simmons & Wheeler P.C.*

March 30, 2022  
Englewood, Colorado

Painted Prairie Business Improvement District #1  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ 2,099	\$ -	\$ 2,099
Prepaid Expenses	<u>4,586</u>	<u>-</u>	<u>4,586</u>
	<u>6,685</u>	<u>-</u>	<u>6,685</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>\$ 6,685</u>	<u>\$ 78,292</u>	<u>\$ 84,977</u>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ 1,028	\$ -	\$ 1,028
Due to/from accounts	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,028</u>	<u>-</u>	<u>1,028</u>
Note Payable - Developer	-	69,358	69,358
Note Payable - Developer interest	<u>-</u>	<u>8,934</u>	<u>8,934</u>
Total liabilities	<u>1,028</u>	<u>78,292</u>	<u>79,320</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>5,657</u>	<u>-</u>	<u>5,657</u>
	<u>5,657</u>	<u>-</u>	<u>5,657</u>
	<u>\$ 6,685</u>	<u>\$ 78,292</u>	<u>\$ 84,977</u>

Painted Prairie Business Improvement District #1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 4	\$ -	\$ (4)
Specific ownership taxes	-	-	-
Developer advance	29,996	21,086	(8,910)
Interest income	-	-	-
	<u>30,000</u>	<u>21,086</u>	<u>(8,914)</u>
Expenditures			
Accounting/Audit	5,000	3,383	1,617
Engineering	5,000	-	5,000
Insurance	2,500	2,101	399
Legal	15,000	10,660	4,340
Management	-	-	-
Miscellaneous	1,000	94	906
Treasurer's Fees	-	-	-
Contingency	645	-	645
Emergency Reserve	855	-	855
	<u>30,000</u>	<u>16,238</u>	<u>13,762</u>
Excess (deficiency) of revenues over expenditures	-	4,848	4,848
Fund balance - beginning	<u>-</u>	<u>809</u>	<u>809</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>5,657</u></u>	\$ <u><u>5,657</u></u>

Painted Prairie Business Improvement District #2  
 Balance Sheet - Governmental Funds and Account Groups  
 December 31, 2021

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>			
Transfer from D1	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Accounts receivable - developer	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
<b>Other assets</b>			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to/from accounts	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Fund Equity</b>			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Painted Prairie Business Improvement District #2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ -	\$ -	\$ -
Specific ownership taxes	-	-	-
Developer advance	25,000	2,091	(22,909)
Interest income	-	-	-
	<u>25,000</u>	<u>2,091</u>	<u>(22,909)</u>
Expenditures			
Accounting/Audit	2,500	-	2,500
Engineering	2,500	-	2,500
Insurance	2,500	2,091	409
Legal	10,000	-	10,000
Management	1,500	-	1,500
Miscellaneous	2,000	-	2,000
Treasurer's Fees	-	-	-
Contingency	3,370	-	3,370
Emergency Reserve	630	-	630
	<u>25,000</u>	<u>2,091</u>	<u>22,909</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Painted Prairie Business Improvement Districts No. 1  
Financial Statements

June 30, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Painted Prairie Business Improvement Districts No. 1

Management is responsible for the accompanying financial statements of each major fund of Painted Prairie Business Improvement Districts No. 1, as of and for the period ended June 30, 2022, 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 six 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 Painted Prairie Business Improvement Districts No. 1 because we performed certain accounting services that impaired our independence.

*Simmons & Wheeler P.C.*

August 31, 2022  
Englewood, Colorado

Painted Prairie Business Improvement District No. 1  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets			
Current assets			
Cash in checking	\$ 2,046	\$ -	\$ 2,046
Taxes Receivable	226	-	226
Accounts receivable - District 2	2,555	-	2,555
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,827</u>	<u>-</u>	<u>4,827</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>-</u>	<u>78,292</u>	<u>78,292</u>
	<u>\$ 4,828</u>	<u>\$ 78,292</u>	<u>\$ 83,120</u>
Liabilities and Equity			
Current liabilities			
Accounts payable	\$ 1,001	\$ -	\$ 1,001
Due to/from accounts	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,001</u>	<u>-</u>	<u>1,001</u>
Note Payable - Developer	-	69,358	69,358
Note Payable - Developer interest	<u>-</u>	<u>8,934</u>	<u>8,934</u>
Total liabilities	<u>1,001</u>	<u>78,292</u>	<u>79,293</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>3,827</u>	<u>-</u>	<u>3,827</u>
	<u>3,827</u>	<u>-</u>	<u>3,827</u>
	<u>\$ 4,828</u>	<u>\$ 78,292</u>	<u>\$ 83,120</u>



Painted Prairie Business Improvement District No. 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 229	\$ 229	\$ -
Specific ownership taxes	18	-	(18)
Developer advance	29,756	9,499	(20,257)
Interest income	-	-	-
	<u>30,003</u>	<u>9,728</u>	<u>(20,275)</u>
Expenditures			
Accounting/Audit	5,000	1,629	3,371
Engineering	5,000	-	5,000
Insurance	2,500	2,555	(55)
Legal	15,000	6,318	8,682
Election	-	1,000	(1,000)
Management	-	-	-
Miscellaneous	1,000	53	947
Treasurer's Fees	3	3	-
Contingency	645	-	645
Emergency Reserve	855	-	855
	<u>30,003</u>	<u>11,558</u>	<u>18,445</u>
Excess (deficiency) of revenues over expenditures	-	(1,830)	(1,830)
Fund balance - beginning	<u>-</u>	<u>5,657</u>	<u>5,657</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>3,827</u></u>	\$ <u><u>3,827</u></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



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 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 / Hanosky Hernandez, Sr. Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney  
Estimated time: 10 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 |

Minutes Attached

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 2023 operating plan and budget. The operating plan anticipates developer advances for its \$50,000 revenue and expected expenditures. The Tower BID will undertake projects as development needs require in 2023.

---

**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 2023 operating plan and budget for the Tower Business Improvement District. Funding is projected at \$50,000 from developer advances.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District Operating Plan and Budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 JK  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

**2023 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 2023
- EXHIBIT C – District Boundary Legal Description
- EXHIBIT D – District Boundary Map



**2023**  
**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 2023 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 listed below, and there is one vacancy on the Board of Directors. Upon a vacancy on the Board of Directors, the City Council shall appoint a successor by resolution within thirty days of the vacancy. Currently, there are no qualified individuals to fill the vacancy and therefore the District anticipates the vacancy will remain in 2023.

1. Randall C. Hertel
2. Michael M. Wafer
3. Jack “Skip” Bailey, Jr.
4. Michael V. Kapoor
5. Vacancy

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 2023 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. 2023 Budget.** The proposed 2023 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. The mill levy cap set forth in this paragraph may be subject to upward or downward adjustments addressing any abatement or statutory, legislative, or constitutional changes that adjust or impact the assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated occurring after, but not before, January 1, 2004. Such upward or downward adjustments are to be determined by the Board of Directors in good faith (such determination to be binding and final) so that to the extent possible, the actual revenue 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.

**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 2023.

**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. 2023 ACTIVITIES, PROJECTS AND CHANGES

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

The District does not anticipate undertaking projects or Public Improvements in 2023.

### (b) Summary of 2023 Activities and Changes from Prior Year

The District did not have any activity in 2022 and anticipates it will not have any activity in 2023.

**Boundary changes:** Boundary changes are not anticipated to occur in 2023.

**Changes to board or governance structure:** No changes to board or governance structure are anticipated in 2023.

**Mill levy changes:** The District did not impose a mill levy in 2022 and does not anticipate imposing a mill levy in 2023.

**New, refinanced or fully discharged debt:** The District does not anticipate issuing debt in 2023.

**Elections:** None anticipated.

**Major changes in development activity or valuation:** No major changes in development activity or valuation are anticipated in 2023.

**Ability to meet current financial obligations:** See 2023 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  
Michael M. Wafer  
Jack "Skip" Bailey, Jr.  
Michael V. Kapoor  
Vacancy

**DISTRICT CONTACT:**

Nicole R. Peykov  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800  
[npeykov@spencerfane.com](mailto:npeykov@spencerfane.com)

**DISTRICT ACCOUNTANT:**

Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800

**AUDITOR: Not applicable**



**EXHIBIT B**  
**District Budget 2023**

**GENERAL FUND**

	<u>Proposed</u> 2021	<u>Actual</u> 2021	<u>Proposed</u> 2022	<u>Actual</u> 2022	<u>Proposed</u> 2023
Beginning Fund Balance	-	-	-	-	-
<b>REVENUES</b>					
Property Taxes	-		-	-	-
Specific Ownership Taxes	-		-	-	-
Public Improvement Fees	-		-	-	-
Developer Advance	50,000		50,000		50,000
Net Investment Income	-		-		-
Intergovernmental Revenue	-		-		-
Total Revenues	50,000		50,000		50,000
<b>EXPENDITURES</b>					
Accounting	2,500		2,500		2,500
Engineering	10,000		10,000		10,000
District Management	1,500		1,500		1,500
Dues/Insurance	2,500		2,500		2,500
Legal	15,000		15,000		15,000
Miscellaneous	2,000		2,000		2,000
Contingency	15,000		15,000		15,000
Total Expenditures	48,500		48,500		48,500
Emergency Reserve	1,500		1,500		1,500
Total Expenditures	50,000		50,000		50,000
Ending Fund Balance	-		-		-

**CAPITAL PROJECTS FUND**

	<u>Proposed 2021</u>	<u>Actual 2021</u>	<u>Proposed 2022</u>	<u>Actual 2022</u>	<u>Proposed 2023</u>
Beginning Fund Balance	-		-		-
<b>REVENUES</b>					
Property Taxes	-		-		-
Public Improvement Fees	-		-		-
Developer Advance	-	-	-	-	-
Net Investment Income	-		-		-
Intergovernmental Revenue	-		-		-
Bond Issuance	-		-		-
<b>Total Revenues</b>	-	-	-	-	-
<b>EXPENDITURES</b>					
Electric Utility Extensions (East 38 <sup>th</sup> Ave)	-	-	-	-	-
Gas Utility Extensions (East 38 <sup>th</sup> Ave)	-	-	-	-	-
Electric Utility Extensions (Picadilly Rd)	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	-	-	-	-	-

**DEBT SERVICE FUND**

	<u>Proposed 2022</u>	<u>Actual 2022</u>	<u>Proposed 2023</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;

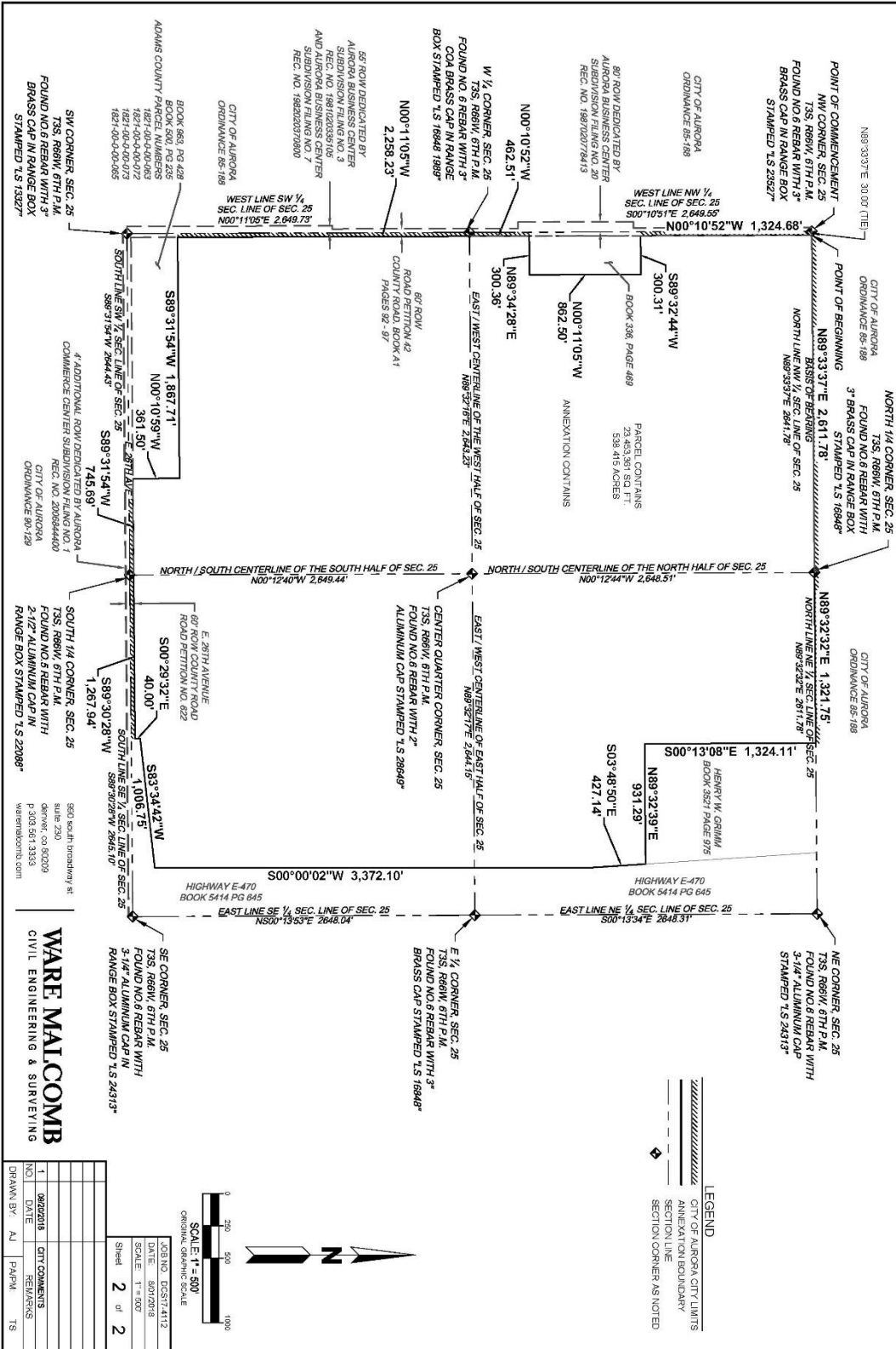
SAID PARCEL CONTAINS AN AREA OF 23,453,361 SQUARE FEET, OR 538.415 ACRES, MORE OR LESS.

**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



**WARE, MALCOMB**  
CIVIL ENGINEERING & SURVEYING

NO.	DATE	CITY COMMENTS	REVISIONS	DRAWN BY	PAI.PM.	TS
1	08/20/2018			JAI		TS
2	09/07/2018					

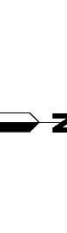
960 South Broadway St  
Suite 200  
Denver, CO 80202  
P: 303.563.3333  
www.waremalcomb.com

JOB NO. DCSST-1412  
DATE: 09/07/2018  
SCALE: 1" = 500'  
Sheet 2 of 2

ORIGINAL GRAPHIC SCALE

SCALE: 1" = 500'

0 250 500 1000



LEGEND

--- CITY OF AURORA CITY LIMITS  
--- ANNEXATION BOUNDARY  
--- SECTION LINE  
--- SECTION CORNER AS NOTED





# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 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 / Hanosky Hernandez, Sr. Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney  
Estimated time: 10 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 |

Minutes Attached

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 2023 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 2023.

---

**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 2023 operating plan and budget for the Windler Business Improvement District No. 2. Funding is projected at \$50,000 from developer advances.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District Operating Plan and Budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 *gk*  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

# **WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2**

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## **2023 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted:

September 12, 2022

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. 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 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. The Board of Directors of the District plans on adopting a resolution requesting the City appoint directors to fill the vacancies at the District’s next meeting.

**B. Term Limits.** Ballot Question AA of the November 2, 2021 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 0.172 acres 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 (2022) 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 2022.

#### **B. Future Year (2023) Services, Activities, Projects and Public Improvements.**

During 2023, the District intends to continue to evaluate and plan the services, activities and Public Improvements to be provided by the District.

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

**A. Current Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 was developer advances.

**B. Future Year (2023) Sources of Revenue.** The primary source of revenue for the District in 2023 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 for changes in the method of calculating assessed valuation 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 (2022) Mill Levy.** The District did not impose a mill levy for 2022.

**C. Future Year (2023) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 election on November 2, 2021 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as 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 (2022) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2023) Debt Outstanding.** The District does not anticipate issuing debt in 2023.

## **VIII. BUDGETS AND FINANCIAL STATEMENTS**

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **Exhibit B**.

**B. 2022 Budget.** The District’s 2022 Budget is attached as **Exhibit B**.

**C. 2021 and 2022 Financial Statements.** The District’s December 31, 2021 financial statements and June 30, 2022 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2021.

## **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----

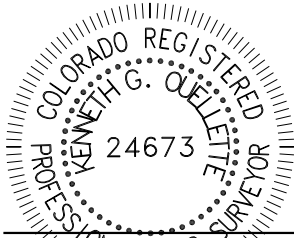
**PROPERTY DESCRIPTION**

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.



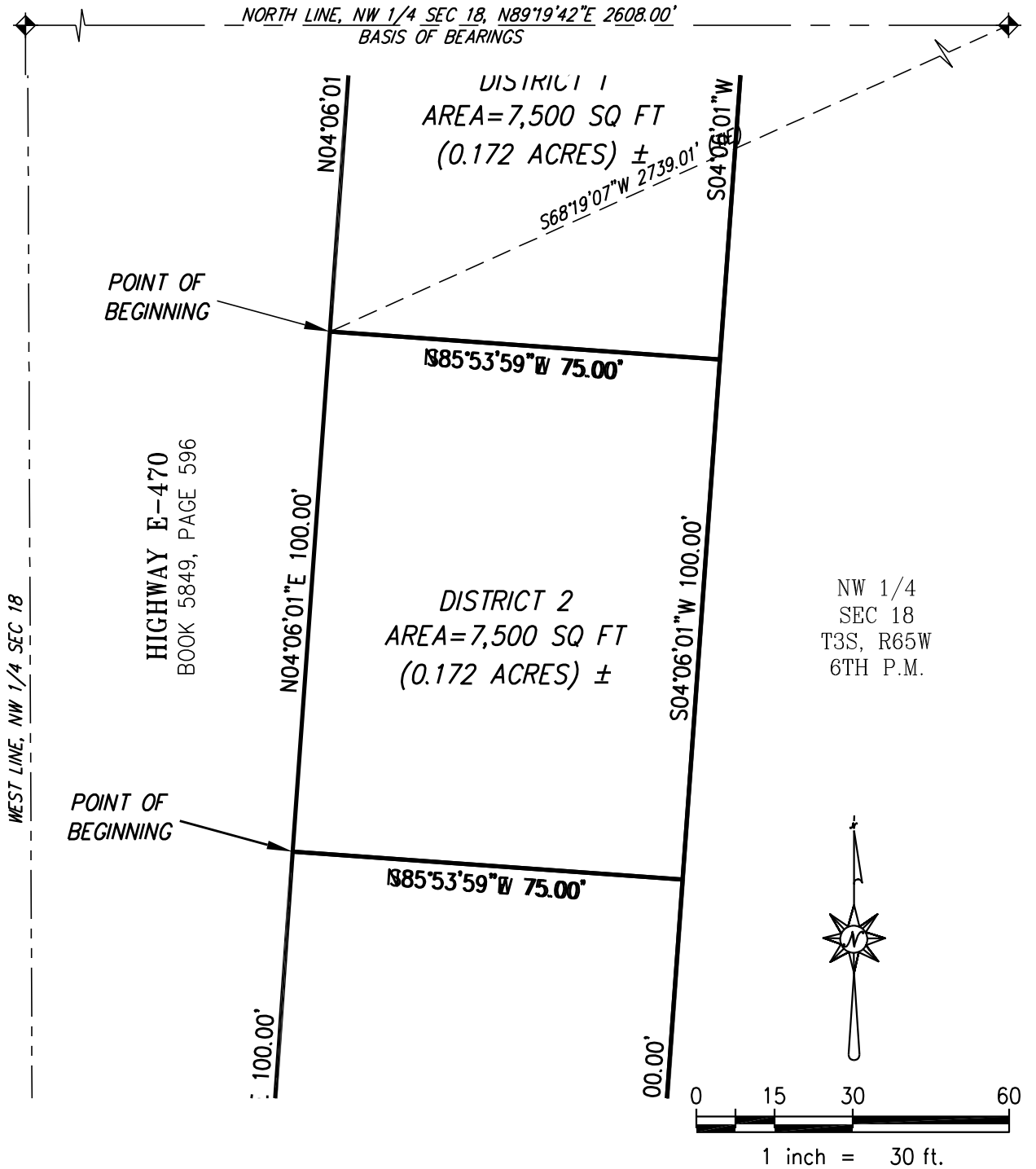
KENNETH G. OUELLETTE, P.L.S. 24673  
 DATE: MAY 16, 2021  
 JOB NO. 65420899  
 FOR AND ON BEHALF OF MERRICK & COMPANY

 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**  
**2022**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2022 budget for the Windler Business Improvement District No. 2.

The Windler Business Improvement District No. 2 has adopted 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 2022 will be developer advances. The district does not intend to impose a mill levy on property within the district for 2022.



**Windler Business Improvement District No. 2**  
**Adopted 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>	Adopted 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	-	-			-

**Windler Business Improvement District No. 2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/30/22</u>	Estimated <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Developer advances	-	50,000	-	15,500	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>15,500</u>	<u>50,000</u>
Total revenues	-	50,000	-	15,500	50,000
Total funds available	-	50,000	-	15,500	50,000
Expenditures:					
Accounting / audit	-	5,000	-	3,000	5,000
Directors fees	-	900	-	-	900
Insurance/SDA dues	-	2,500	-	2,500	2,500
Legal -	-	22,500	-	10,000	22,500
Management	-	3,500	-	-	3,500
Miscellaneous	-	2,000	-	-	2,000
Contingency	-	12,508	-	-	12,508
Emergency reserve (3%)	-	1,092	-	-	1,092
Treasurer fees	-	-	-	-	-
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>15,500</u>	<u>50,000</u>
Total expenditures	-	50,000	-	15,500	50,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ -</u>			<u>\$ -</u>
Mill Levy		<u>-</u>			<u>-</u>

Windler Business Improvement Districts No. 1 & No. 2  
Financial Statements

December 31, 2021

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Windler Business Improvement Districts No. 1 & No. 2

Management is responsible for the accompanying financial statements of each major fund of Windler Business Improvement Districts No. 1 & No. 2, as of and for the period ended December 31, 2021, 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 Windler Business Improvement Districts No. 1 & No. 2 because we performed certain accounting services that impaired our independence.



March 30, 2022  
Englewood, Colorado

Windler Business Improvement District No. 1  
 Balance Sheet - Governmental Funds and Account Groups  
 December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Windler Business Improvement District No. 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	10,000	-	10,000
Insurance/SDA Dues	2,500	-	2,500
Legal	16,000	-	16,000
Miscellaneous	-	-	-
Engineering	10,000	-	10,000
Contingency	10,180	-	10,180
Emergency Reserve	1,320	-	1,320
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Windler Business Improvement District No. 2  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	-	-	-
Total liabilities	-	-	-
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	\$ -	\$ -	\$ -

Windler Business Improvement District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	10,000	-	10,000
Insurance/SDA Dues	2,500	-	2,500
Legal	16,000	-	16,000
Miscellaneous	-	-	-
Engineering	10,000	-	10,000
Contingency	10,180	-	10,180
Emergency Reserve	1,320	-	1,320
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Windler Business Improvement Districts No. 1 & No. 2  
Financial Statements

June 30, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Windler Business Improvement Districts No. 1 & No. 2

Management is responsible for the accompanying financial statements of each major fund of Windler Business Improvement Districts No. 1 & No. 2, as of and for the period ended June 30, 2022, 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 six 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 Windler Business Improvement Districts No. 1 & No. 2 because we performed certain accounting services that impaired our independence.



August 4, 2022  
Englewood, Colorado

Windler Business Improvement District No. 1  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	3,946	-	3,946
	3,946	-	3,946
Other assets			
Improvements	-	-	-
Amount available in debt service fu	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	\$ 3,946	\$ -	\$ 3,946
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ 3,946	\$ -	\$ 3,946
	3,946	-	3,946
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
Total liabilities	3,946	-	3,946
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	\$ 3,946	\$ -	\$ 3,946

Windler Business Improvement District No. 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ 3,946	\$ (46,054)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>3,946</u>	<u>(46,054)</u>
<b>Expenditures</b>			
Accounting	5,000	784	4,216
Directors fees	900	-	900
Insurance/SDA Dues	2,500	-	2,500
Legal	22,500	3,162	19,338
Management	3,500	-	3,500
Miscellaneous	2,000	-	2,000
Contingency	12,508	-	12,508
Emergency Reserve	1,092	-	1,092
	<u>50,000</u>	<u>3,946</u>	<u>46,054</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Windler Business Improvement District No. 2  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fu	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	-	-	-
Total liabilities	-	-	-
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	\$ -	\$ -	\$ -

Windler Business Improvement District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	5,000	-	5,000
Directors fees	900	-	900
Insurance/SDA Dues	2,500	-	2,500
Legal	22,500	-	22,500
Management	3,500	-	3,500
Miscellaneous	2,000	-	2,000
Engineering	-	-	-
Treasurer's Fees	-	-	-
Contingency	12,508	-	12,508
Emergency Reserve	1,092	-	1,092
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 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 / Hanosky Hernandez, Sr. Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney  
Estimated time: 10 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 |



Minutes Attached

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. 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.

---

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

The attached resolution will approve the Windler Business Improvement District No. 1 2023 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 2023.

---

**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 2023 operating plan and budget for the Windler Business Improvement District No. 1. Funding is projected at \$50,000 from developer advances.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 *gk*  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

# **WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1**

---

## **2023 OPERATING PLAN AND BUDGET**

(City of Aurora, Adams County, Colorado)

Submitted:

September 12, 2022

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 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. The Board of Directors of the District plans on adopting a resolution requesting the City appoint directors to fill the vacancies at the District’s next meeting.

**B. Term Limits.** Ballot Question AA of the November 2, 2021 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 0.172 acres 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 (2022) 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 2022.

#### **B. Future Year (2023) Services, Activities, Projects and Public Improvements.**

During 2023, the District intends to continue to evaluate and plan the services, activities and Public Improvements to be provided by the District.

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

**A. Current Year (2022) Sources of Revenue.** The primary source of revenue for the District in 2022 was developer advances.



**B. Future Year (2023) Sources of Revenue.** The primary source of revenue for the District in 2023 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 for changes in the method of calculating assessed valuation 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 (2022) Mill Levy.** The District did not impose a mill levy for 2022.

**C. Future Year (2023) Mill Levy.** The District intends to impose a 10.000 mill levy on all property within the District for collection in 2023, 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 election on November 2, 2021 for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as 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 (2022) Debt Outstanding.** The District has no outstanding debt obligations.

**C. Future Year (2023) Debt Outstanding.** The District does not anticipate issuing debt in 2023.

## **VIII. BUDGETS AND FINANCIAL STATEMENTS**

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **Exhibit B**.

**B. 2022 Budget.** The District’s 2022 Budget is attached as **Exhibit B**.

**C. 2021 and 2022 Financial Statements.** The District’s December 31, 2021 financial statements and June 30, 2022 financial statements are attached as **Exhibit B**. The District was exempt from audit during 2021.

**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----

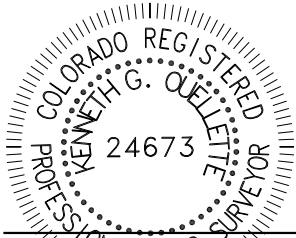
**PROPERTY DESCRIPTION**

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

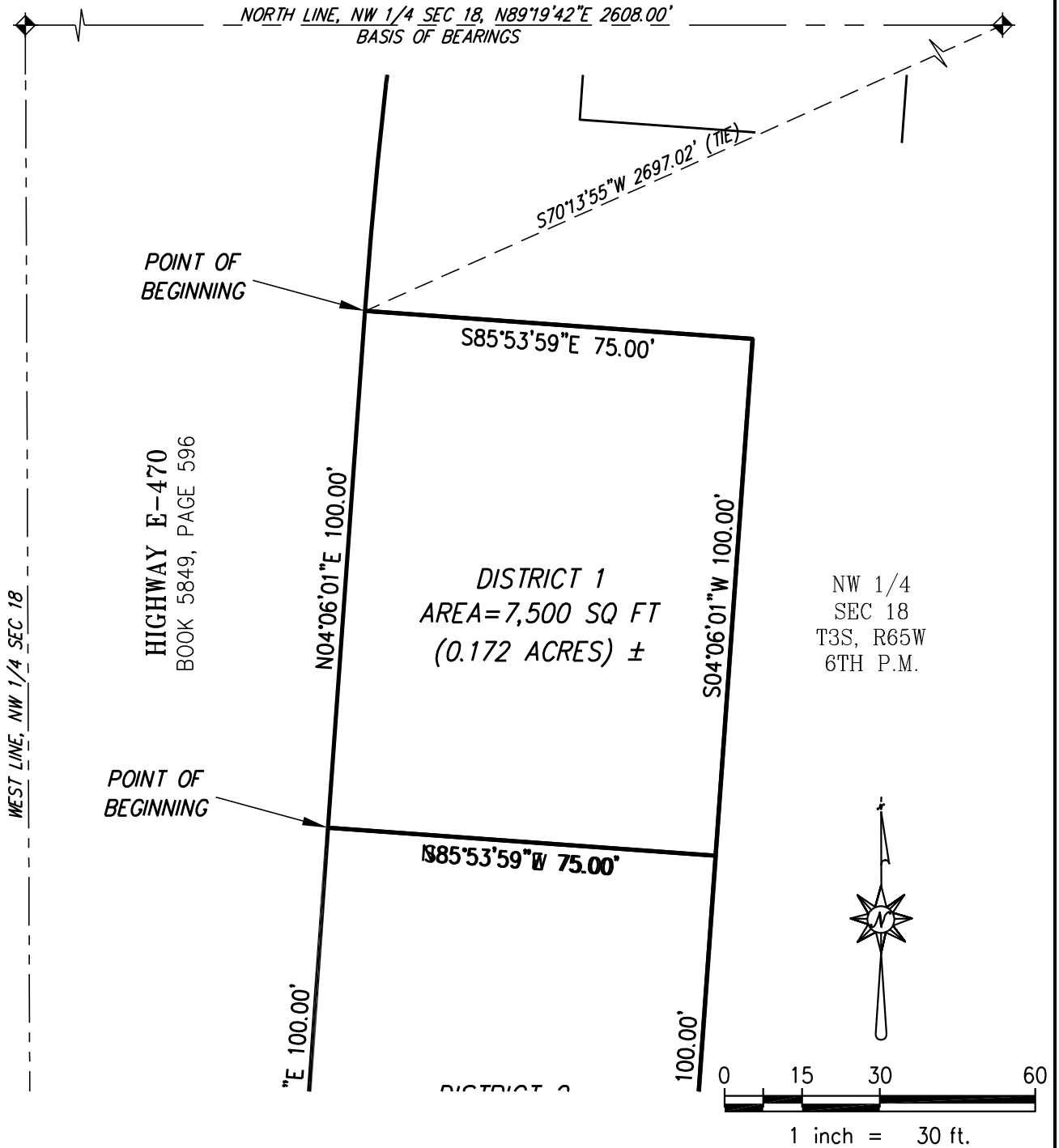
DATE: 5/6/21

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.



**MERRICK®**

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, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/30/22</u>	Estimated <u>2022</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Developer advances	-	50,000	3,946	15,000	50,000
	<u>-</u>	<u>50,000</u>	<u>3,946</u>	<u>15,000</u>	<u>50,000</u>
Total revenues	-	50,000	3,946	15,000	50,000
Total funds available	-	50,000	3,946	15,000	50,000
Expenditures:					
Accounting / audit	-	5,000	784	3,000	5,000
Directors fees	-	900	-	-	900
Insurance/SDA dues	-	2,500	-	-	2,500
Legal -	-	22,500	3,162	10,000	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	-	-	-	-	-
	<u>-</u>	<u>50,000</u>	<u>3,946</u>	<u>15,000</u>	<u>50,000</u>
Total expenditures	-	50,000	3,946	15,000	50,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ -</u>			<u>\$ -</u>
Mill Levy		<u>-</u>			<u>-</u>

**WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1**  
**2022**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2022 budget for the Windler Business Improvement District No. 1.

The Windler Business Improvement District No. 1 has adopted 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 2022 will be developer advances. The district does not intend to impose a mill levy on property within the district for 2022.



**Windler Business Improvement District No. 1**  
**Adopted 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>	Estimated <u>2021</u>	Adopted 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	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>29,400</u>	<u>50,000</u>
Total funds available	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>29,400</u>	<u>50,000</u>
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	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>29,400</u>	<u>50,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ -</u>	<u>\$ -</u>			<u>\$ -</u>
Mill Levy	<u>-</u>	<u>-</u>			<u>-</u>

Windler Business Improvement Districts No. 1 & No. 2  
Financial Statements

December 31, 2021


ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Windler Business Improvement Districts No. 1 & No. 2

Management is responsible for the accompanying financial statements of each major fund of Windler Business Improvement Districts No. 1 & No. 2, as of and for the period ended December 31, 2021, 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 Windler Business Improvement Districts No. 1 & No. 2 because we performed certain accounting services that impaired our independence.



March 30, 2022  
Englewood, Colorado

Windler Business Improvement District No. 1  
 Balance Sheet - Governmental Funds and Account Groups  
 December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Windler Business Improvement District No. 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	10,000	-	10,000
Insurance/SDA Dues	2,500	-	2,500
Legal	16,000	-	16,000
Miscellaneous	-	-	-
Engineering	10,000	-	10,000
Contingency	10,180	-	10,180
Emergency Reserve	1,320	-	1,320
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Windler Business Improvement District No. 2  
 Balance Sheet - Governmental Funds and Account Groups  
 December 31, 2021

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	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Other assets</b>			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Fund Equity</b>			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Windler Business Improvement District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 12 Months Ended December 31, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	10,000	-	10,000
Insurance/SDA Dues	2,500	-	2,500
Legal	16,000	-	16,000
Miscellaneous	-	-	-
Engineering	10,000	-	10,000
Contingency	10,180	-	10,180
Emergency Reserve	1,320	-	1,320
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Windler Business Improvement Districts No. 1 & No. 2  
Financial Statements

June 30, 2022




ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Windler Business Improvement Districts No. 1 & No. 2

Management is responsible for the accompanying financial statements of each major fund of Windler Business Improvement Districts No. 1 & No. 2, as of and for the period ended June 30, 2022, 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 six 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 Windler Business Improvement Districts No. 1 & No. 2 because we performed certain accounting services that impaired our independence.



August 4, 2022  
Englewood, Colorado

Windler Business Improvement District No. 1  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	3,946	-	3,946
	3,946	-	3,946
Other assets			
Improvements	-	-	-
Amount available in debt service fu	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	\$ 3,946	\$ -	\$ 3,946
Liabilities and Equity			
Current liabilities			
Accounts payable	\$ 3,946	\$ -	\$ 3,946
	3,946	-	3,946
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
Total liabilities	3,946	-	3,946
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	\$ 3,946	\$ -	\$ 3,946

Windler Business Improvement District No. 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ 3,946	\$ (46,054)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>3,946</u>	<u>(46,054)</u>
<b>Expenditures</b>			
Accounting	5,000	784	4,216
Directors fees	900	-	900
Insurance/SDA Dues	2,500	-	2,500
Legal	22,500	3,162	19,338
Management	3,500	-	3,500
Miscellaneous	2,000	-	2,000
Contingency	12,508	-	12,508
Emergency Reserve	1,092	-	1,092
	<u>50,000</u>	<u>3,946</u>	<u>46,054</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Windler Business Improvement District No. 2  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Accounts receivable - developer	-	-	-
	-	-	-
Other assets			
Improvements	-	-	-
Amount available in debt service fu	-	-	-
Amount to be provided for retirement of debt	-	-	-
	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
	-	-	-
Note Payable - Developer	-	-	-
Note Payable - Developer interest	-	-	-
	-	-	-
Total liabilities	-	-	-
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	-	-	-
	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Windler Business Improvement District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the 6 Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Accounting	5,000	-	5,000
Directors fees	900	-	900
Insurance/SDA Dues	2,500	-	2,500
Legal	22,500	-	22,500
Management	3,500	-	3,500
Miscellaneous	2,000	-	2,000
Engineering	-	-	-
Treasurer's Fees	-	-	-
Contingency	12,508	-	12,508
Emergency Reserve	1,092	-	1,092
	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Citadel on Colfax Business Improvement District
<b>Item Initiator:</b> Carol Toth, Manager of Accounting - Finance
<b>Staff Source/Legal Source:</b> Carol Toth / Hanosky Hernandez Sr. Assistant City Attorney.
<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:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

- Agenda long title: A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Citadel on Colfax Business Improvement District
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title: Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time: 5/5

### 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 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 2023 operating plan and budget. The operating plan anticipates mainly remaining bond proceeds from the 2020 debt issuance, property taxes and tax revenue from the Colfax Sable Metropolitan District for its \$1,217,078 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 2023 including street improvements, landscaping, traffic signalization and site furnishings.

---

**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 2023 operating plan and budget for the Citadel on Colfax Business Improvement District. Funding is projected at \$1,217,078 primarily from remaining bond proceeds, property taxes and tax revenue from the Colfax Sable Metropolitan District.



RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

**2023 OPERATING PLAN AND BUDGET**

**CITADEL ON  
COLFAX BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Arapahoe County, Colorado

**TABLE OF CONTENTS**

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

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

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ..... 2

4. PUBLIC IMPROVEMENTS ..... 2

5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE ..... 3

6. FINANCIAL PLAN AND BUDGET ..... 3

7. 2023 ACTIVITIES, PROJECTS AND CHANGES ..... 4

8. DISSOLUTION ..... 5

9. CONCLUSION ..... 5

EXHIBIT A - Director Contact Information

EXHIBIT B - BID Budget 2023

    General Fund

    Debt Service Fund

    Capital Projects Fund

EXHIBIT C - District Legal Description

**2023**  
**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 2023 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) Alan Westfall
- 2) Vacant
- 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 may receive 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**

**A. 2023 Budget.** The proposed 2023 Budget for the District is attached as **EXHIBIT B**. The adopted 2022 Budget differs from the 2022 Budget attached to the 2022 Operating Plan to account for the final assessed valuation of the property within the District, to adjust the specific ownership tax revenues, to adjust the amount of property tax revenue transferred from the Colfax Sable Metropolitan District as a result of the final assessed valuation of the property within 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 remove the expenditures in the capital project fund as no funds remain.

**B. 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.

**C. Property Tax and Debt Service Mill Levy Cap.** The District's debt service taxing ability shall be constrained to a mill levy limitation of up to 50 mills. The debt service mill levy cap set forth in this paragraph may be subject to upward or downward adjustments addressing any abatement or statutory, legislative, or constitutional changes that adjust or impact the assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated occurring after, but not before, January 1, 2004. Such upward or downward adjustments are to be determined by the Board of Directors in good faith (such determination to be binding and final) so that to the extent possible, the actual revenue 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. The debt service mill levy cap shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users.

**D. District Revenues.** The District anticipates receiving revenues derived from property taxes and tax revenue from 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.

**E. 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.

**F. Future Debt Obligations.** The District does not anticipate issuing debt in 2023.

**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 Debt or Obligation of the City.** 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. 2023 ACTIVITIES, PROJECTS AND CHANGES**

**A. Activities.** The District will continue with development activity in 2023.

**B. Projects and Public Improvements.** The District anticipates undertaking projects related to public improvements in the upcoming year.

**C. Summary of 2023 Activities and Changes from Prior Year.** In 2022, the District constructed and installed public improvements. In 2023, the District will continue focusing on constructing and installing the public improvements to serve the project in 2023, including street improvements, landscaping, traffic signalization, and site furnishings.

**D. Boundary Changes.** Boundary changes may occur in 2023.

**E. Changes to Board or Governance Structure.** It is anticipated that the Board will appoint Jason Marcotte to the Board in late 2022. There are no plans to fill the other vacancies at this time, as there are no individuals qualified to serve on the Board of Directors. The District anticipates more individuals will become qualified to serve on the Board as the District continues to develop.

**F. Mill Levy Changes.**

- i. Debt Service Mill Levy Cap: 50 mills



- ii. 2022 Mill Levies: The District imposed 20 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2022.
- i. 2023 Mill Levies: The District anticipates imposing 20 mills for operations and maintenance, 50 mills for debt service, and 1 mill for ARI mill levy in 2023.

**G. Elections.** Regular election to occur on May 2, 2023.

**H. Major Changes in Development Activity or Valuation.** Development activity is anticipated to continue for the upcoming year.

**I. Ability to Meet Current Financial Obligations.** See 2023 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:**

Alan Westfall  
Penthouse 1720 South Bellaire Street  
Denver, Colorado 80222  
awestfall@strategicstoragepartners.com  
(303) 725-1466

Vacant

Vacant

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:**

Jason Carroll  
CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, Colorado 80111  
Jason.carroll@claconnect.com  
(303) 779-5710

**AUDITOR:**

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

**EXHIBIT B**  
**2023 BID Budget**

**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT  
SUMMARY  
2023 BUDGET AS PROPOSED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
BEGINNING FUND BALANCES	\$ 3,908,929	\$ 2,135,555	\$ 3,270,155	\$ 3,270,155	\$ 2,252,479
REVENUES					
1 Property taxes	32,143	122,422	122,422	122,422	457,190
2 Specific ownership taxes	2,214	9,790	7,345	7,690	27,431
3 Developer advance	-	45,000	-	-	-
4 Net investment income	3,574	-	-	-	-
5 Other income	-	3,000	-	-	-
6 Transfer from Sable	153,142	68,210	-	-	-
7 Interest Income	-	-	15,765	23,648	24,000
Total revenues	<u>191,073</u>	<u>248,422</u>	<u>145,532</u>	<u>153,760</u>	<u>508,621</u>
Total funds available	<u>4,100,002</u>	<u>2,383,977</u>	<u>3,415,687</u>	<u>3,423,915</u>	<u>2,761,100</u>
EXPENDITURES					
8 General and administration					
9 Accounting	12,280	15,000	12,471	15,000	20,000
10 ARI	519	-	-	-	-
11 Audit	-	-	7,000	7,000	8,000
12 Contingency	-	10,741	-	-	-
13 County Treasurer's fees	92	517	1,836	1,836	6,858
14 District management	404	15,000	3,347	15,000	17,250
15 Dues and membership	290	500	-	500	500
16 Election	-	2,500	-	2,500	2,500
17 Insurance	-	3,000	-	3,000	3,000
18 Legal	25,323	15,000	12,482	15,000	22,500
19 Debt service					
20 Bond interest Series 2020A	630,943	675,000	310,300	620,600	620,600
21 Contingency	-	7,681	-	-	-
22 County Treasurer's fees	417	1,319	-	-	4,870
23 Paying agent fees	-	7,000	7,000	7,000	9,000
24 Capital projects					
25 Capital Outlay	101,371	-	403,070	405,000	410,000
26 Engineering	-	-	8,327	10,000	12,000
27 Landscaping	-	-	57,595	60,000	70,000
28 Permits	18,240	-	-	-	-
29 Planning and Engineering	39,229	-	-	9,000	10,000
30 Property Management	-	-	8,825	-	-
31 Street Lights	739	-	-	-	-
Total expenditures	<u>829,847</u>	<u>753,258</u>	<u>832,253</u>	<u>1,171,436</u>	<u>1,217,078</u>
Total expenditures and transfers out requiring appropriation	<u>829,847</u>	<u>753,258</u>	<u>832,253</u>	<u>1,171,436</u>	<u>1,217,078</u>
ENDING FUND BALANCES	<u>\$ 3,270,155</u>	<u>\$ 1,630,719</u>	<u>\$ 2,583,434</u>	<u>\$ 2,252,479</u>	<u>\$ 1,544,022</u>
EMERGENCY RESERVE	\$ 2,400	\$ 1,200	\$ 1,100	\$ -	\$ -
Capitalized interest	-	-	926,951	616,651	-
Senior Reserve Fund	-	-	853,220	853,220	-
TOTAL RESERVE	<u>\$ 2,400</u>	<u>\$ 1,200</u>	<u>\$ 1,781,271</u>	<u>\$ 1,469,871</u>	<u>\$ -</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
<b>ASSESSED VALUATION - ARAPAHOE</b>					
Commercial	\$ -	\$ -	\$ -	\$ -	\$ 932,574
Vacant Land	526,788	1,724,263	1,724,263	1,724,263	5,462,288
Other	-	-	-	-	44,449
Certified Assessed Value	<u>\$ 526,788</u>	<u>\$ 1,724,263</u>	<u>\$ 1,724,263</u>	<u>\$ 1,724,263</u>	<u>\$ 6,439,311</u>
<b>MILL LEVY</b>					
GENERAL FUND	10.000	20.000	20.000	20.000	20.000
DEBT SERVICE FUND	51.000	51.000	51.000	51.000	50.000
ARI	-	-	-	-	1.000
Total Mill Levy	<u>61.000</u>	<u>71.000</u>	<u>71.000</u>	<u>71.000</u>	<u>71.000</u>
<b>PROPERTY TAXES</b>					
GENERAL FUND	\$ 5,268	\$ 34,485	\$ 34,485	\$ 34,485	\$ 128,786
DEBT SERVICE FUND	26,866	87,937	87,937	87,937	321,966
ARI	-	-	-	-	6,439
Levied property taxes	32,134	122,422	122,422	122,422	457,191
Adjustments to actual/rounding	9	-	-	-	-
Budgeted Property Taxes	<u>\$ 32,143</u>	<u>\$ 122,422</u>	<u>\$ 122,422</u>	<u>\$ 122,422</u>	<u>\$ 457,191</u>
<b>BUDGETED PROPERTY TAXES</b>					
GENERAL FUND	\$ 5,804	\$ 34,485	\$ 34,485	\$ 34,485	\$ 128,786
DEBT SERVICE FUND	26,339	87,937	87,937	87,937	321,965
ARI	-	-	-	-	6,439
	<u>\$ 32,143</u>	<u>\$ 122,422</u>	<u>\$ 122,422</u>	<u>\$ 122,422</u>	<u>\$ 457,190</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT**  
**GENERAL FUND**  
**2023 BUDGET AS PROPOSED**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
BEGINNING FUND BALANCES	\$ 29,962	\$ 11,438	\$ 68,504	\$ 68,504	\$ 46,886
REVENUES					
1 Property taxes	5,804	34,485	34,485	34,485	128,786
2 Specific ownership taxes	399	2,760	2,069	2,414	7,728
3 Developer advance	-	45,000	-	-	-
4 Net investment income	321	-	-	-	-
5 Transfer from Sable	70,926	-	-	-	-
Total revenues	<u>77,450</u>	<u>82,245</u>	<u>36,554</u>	<u>36,899</u>	<u>136,514</u>
Total funds available	<u>107,412</u>	<u>93,683</u>	<u>105,058</u>	<u>105,403</u>	<u>183,400</u>
EXPENDITURES					
General and administration					
6 Accounting	12,280	15,000	12,471	15,000	20,000
7 ARI	519	-	-	-	-
8 Audit	-	-	7,000	7,000	8,000
9 Contingency	-	10,741	-	-	-
10 County Treasurer's fees	92	517	517	517	1,932
11 District management	404	15,000	3,347	15,000	17,250
12 Dues and membership	290	500	-	500	500
13 Election	-	2,500	-	2,500	2,500
14 Insurance	-	3,000	-	3,000	3,000
15 Legal	25,323	15,000	12,482	15,000	22,500
Total expenditures	<u>38,908</u>	<u>62,258</u>	<u>35,817</u>	<u>58,517</u>	<u>75,682</u>
Total expenditures and transfers out requiring appropriation	<u>38,908</u>	<u>62,258</u>	<u>35,817</u>	<u>58,517</u>	<u>75,682</u>
ENDING FUND BALANCES	<u>\$ 68,504</u>	<u>\$ 31,425</u>	<u>\$ 69,241</u>	<u>\$ 46,886</u>	<u>\$ 107,718</u>
EMERGENCY RESERVE	\$ 2,400	\$ 1,200	\$ 1,100	\$ -	\$ -
TOTAL RESERVE	<u>\$ 2,400</u>	<u>\$ 1,200</u>	<u>\$ 1,100</u>	<u>\$ -</u>	<u>\$ -</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT**  
**DEBT SERVICE FUND**  
**2023 BUDGET AS PROPOSED**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
BEGINNING FUND BALANCES	\$ 2,710,593	\$ 2,124,117	\$ 2,192,305	\$ 2,192,305	\$ 1,672,880
REVENUES					
1 Property taxes	26,339	87,937	87,937	87,937	321,965
2 Specific ownership taxes	1,815	7,030	5,276	5,276	19,317
3 Net investment income	2,702	-	-	-	-
4 Other income	-	3,000	-	-	-
5 Transfer from Sable	82,216	68,210	-	-	-
6 Interest Income	-	-	10,854	16,281	16,000
Total revenues	113,072	166,177	104,067	109,494	357,282
Total funds available	2,823,665	2,290,294	2,296,372	2,301,799	2,030,162
EXPENDITURES					
General and administration					
7 County Treasurer's fees	-	-	1,319	1,319	4,829
Debt service					
8 Bond interest Series 2020A	630,943	675,000	310,300	620,600	620,600
9 Contingency	-	7,681	-	-	-
10 County Treasurer's fees	417	1,319	-	-	4,870
11 Paying agent fees	-	7,000	7,000	7,000	9,000
Total expenditures	631,360	691,000	318,619	628,919	639,299
Total expenditures and transfers out requiring appropriation	631,360	691,000	318,619	628,919	639,299
ENDING FUND BALANCES	\$ 2,192,305	\$ 1,599,294	\$ 1,977,753	\$ 1,672,880	\$ 1,390,863
Capitalized interest	\$ -	\$ -	\$ 926,951	\$ 616,651	\$ -
Senior Reserve Fund	-	-	853,220	853,220	-
TOTAL RESERVE	\$ -	\$ -	\$ 1,780,171	\$ 1,469,871	\$ -

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT**  
**ARI**  
**2023 BUDGET AS PROPOSED**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
1 Property taxes	-	-	-	-	6,439
2 Specific ownership taxes	-	-	-	-	386
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,825</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,825</u>
EXPENDITURES					
General and administration					
3 County Treasurer's fees	-	-	-	-	97
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>6,729</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.



**CITADEL ON COLFAX BUSINESS IMPROVEMENT DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET AS PROPOSED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

9/12/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	PROPOSED 2023
BEGINNING FUND BALANCES	\$ 1,168,374	\$ -	\$ 1,009,346	\$ 1,009,346	\$ 532,713
REVENUES					
1 Net investment income	551	-	-	-	-
2 Interest Income	-	-	4,911	7,367	8,000
Total revenues	551	-	4,911	7,367	8,000
Total funds available	1,168,925	-	1,014,257	1,016,713	540,713
EXPENDITURES					
Capital projects					
3 Capital Outlay	101,371	-	403,070	405,000	410,000
4 Engineering	-	-	8,327	10,000	12,000
5 Landscaping	-	-	57,595	60,000	70,000
6 Permits	18,240	-	-	-	-
7 Planning and Engineering	39,229	-	-	9,000	10,000
8 Property Management	-	-	8,825	-	-
9 Street Lights	739	-	-	-	-
Total expenditures	159,579	-	477,817	484,000	502,000
Total expenditures and transfers out requiring appropriation	159,579	-	477,817	484,000	502,000
ENDING FUND BALANCES	\$ 1,009,346	\$ -	\$ 536,440	\$ 532,713	\$ 38,713

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

## **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.

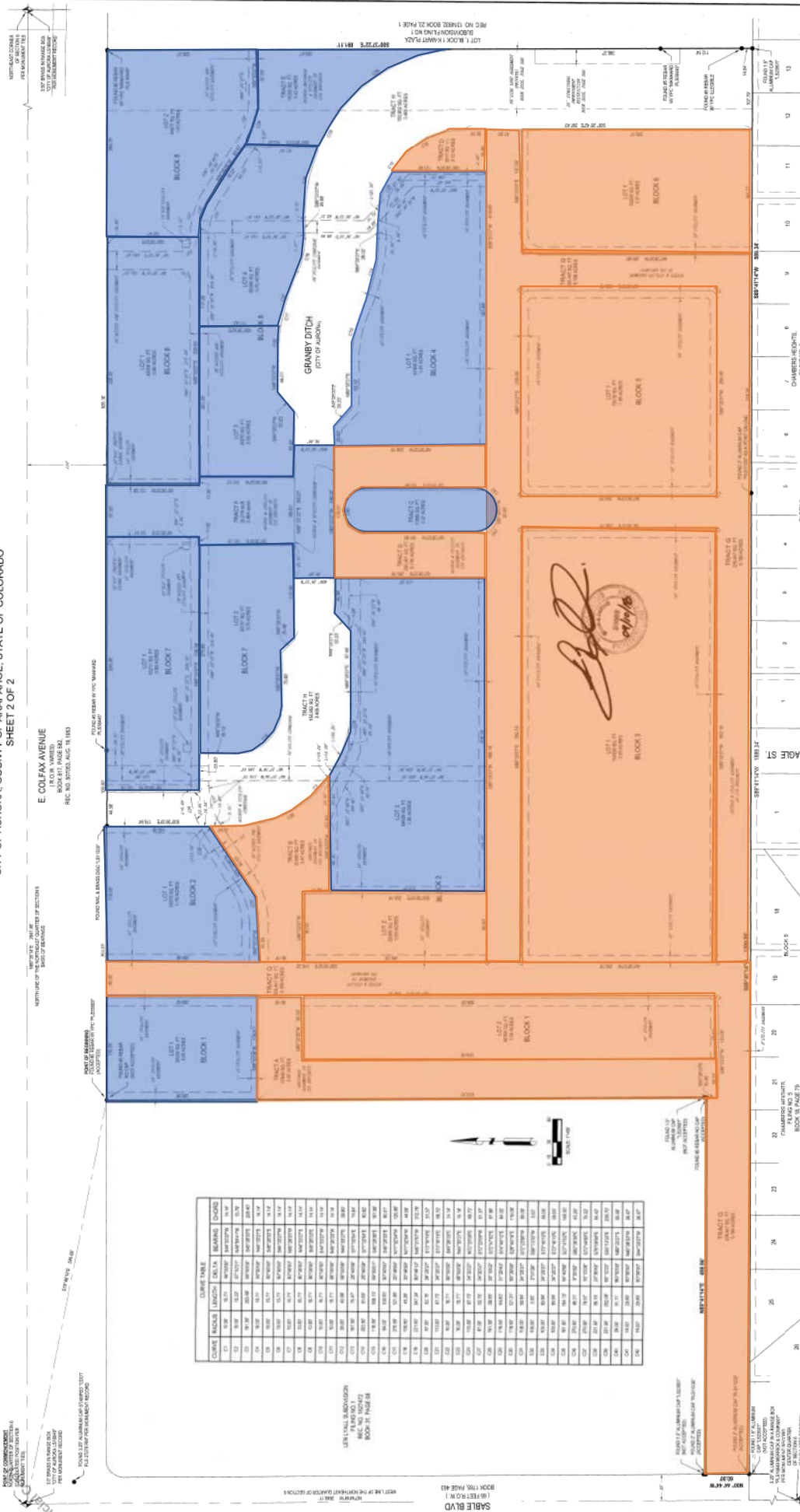
TRACTS C, E, F, CITADEL ON COLFAX SUBDIVISION FILING NO. 1, COUNTY OF ARAPAHOE, STATE OF COLORADO.

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

**CITADEL ON COLFAX SUBDIVISION FILING NO. 1**  
 A RESUBDIVISION OF TRACT A, MONTEREY POINTE 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

**LEGEND**

- ALLOTMENTARY (AS NOTED)
- PROPERTY LINE
- LOT LINE
- PARCEL LINE



CHANCE	TABLE	LENGTH	AREA	BEARING	COORD.
1	1.00	1.00	1.00	000°00'00"	100.0000
2	1.00	1.00	1.00	000°00'00"	100.0000
3	1.00	1.00	1.00	000°00'00"	100.0000
4	1.00	1.00	1.00	000°00'00"	100.0000
5	1.00	1.00	1.00	000°00'00"	100.0000
6	1.00	1.00	1.00	000°00'00"	100.0000
7	1.00	1.00	1.00	000°00'00"	100.0000
8	1.00	1.00	1.00	000°00'00"	100.0000
9	1.00	1.00	1.00	000°00'00"	100.0000
10	1.00	1.00	1.00	000°00'00"	100.0000
11	1.00	1.00	1.00	000°00'00"	100.0000
12	1.00	1.00	1.00	000°00'00"	100.0000
13	1.00	1.00	1.00	000°00'00"	100.0000
14	1.00	1.00	1.00	000°00'00"	100.0000
15	1.00	1.00	1.00	000°00'00"	100.0000
16	1.00	1.00	1.00	000°00'00"	100.0000
17	1.00	1.00	1.00	000°00'00"	100.0000
18	1.00	1.00	1.00	000°00'00"	100.0000
19	1.00	1.00	1.00	000°00'00"	100.0000
20	1.00	1.00	1.00	000°00'00"	100.0000
21	1.00	1.00	1.00	000°00'00"	100.0000
22	1.00	1.00	1.00	000°00'00"	100.0000
23	1.00	1.00	1.00	000°00'00"	100.0000
24	1.00	1.00	1.00	000°00'00"	100.0000
25	1.00	1.00	1.00	000°00'00"	100.0000
26	1.00	1.00	1.00	000°00'00"	100.0000
27	1.00	1.00	1.00	000°00'00"	100.0000
28	1.00	1.00	1.00	000°00'00"	100.0000
29	1.00	1.00	1.00	000°00'00"	100.0000
30	1.00	1.00	1.00	000°00'00"	100.0000
31	1.00	1.00	1.00	000°00'00"	100.0000
32	1.00	1.00	1.00	000°00'00"	100.0000
33	1.00	1.00	1.00	000°00'00"	100.0000
34	1.00	1.00	1.00	000°00'00"	100.0000
35	1.00	1.00	1.00	000°00'00"	100.0000
36	1.00	1.00	1.00	000°00'00"	100.0000
37	1.00	1.00	1.00	000°00'00"	100.0000
38	1.00	1.00	1.00	000°00'00"	100.0000
39	1.00	1.00	1.00	000°00'00"	100.0000
40	1.00	1.00	1.00	000°00'00"	100.0000
41	1.00	1.00	1.00	000°00'00"	100.0000
42	1.00	1.00	1.00	000°00'00"	100.0000
43	1.00	1.00	1.00	000°00'00"	100.0000
44	1.00	1.00	1.00	000°00'00"	100.0000
45	1.00	1.00	1.00	000°00'00"	100.0000
46	1.00	1.00	1.00	000°00'00"	100.0000
47	1.00	1.00	1.00	000°00'00"	100.0000
48	1.00	1.00	1.00	000°00'00"	100.0000
49	1.00	1.00	1.00	000°00'00"	100.0000
50	1.00	1.00	1.00	000°00'00"	100.0000
51	1.00	1.00	1.00	000°00'00"	100.0000
52	1.00	1.00	1.00	000°00'00"	100.0000
53	1.00	1.00	1.00	000°00'00"	100.0000
54	1.00	1.00	1.00	000°00'00"	100.0000
55	1.00	1.00	1.00	000°00'00"	100.0000
56	1.00	1.00	1.00	000°00'00"	100.0000
57	1.00	1.00	1.00	000°00'00"	100.0000
58	1.00	1.00	1.00	000°00'00"	100.0000
59	1.00	1.00	1.00	000°00'00"	100.0000
60	1.00	1.00	1.00	000°00'00"	100.0000
61	1.00	1.00	1.00	000°00'00"	100.0000
62	1.00	1.00	1.00	000°00'00"	100.0000
63	1.00	1.00	1.00	000°00'00"	100.0000
64	1.00	1.00	1.00	000°00'00"	100.0000
65	1.00	1.00	1.00	000°00'00"	100.0000
66	1.00	1.00	1.00	000°00'00"	100.0000
67	1.00	1.00	1.00	000°00'00"	100.0000
68	1.00	1.00	1.00	000°00'00"	100.0000
69	1.00	1.00	1.00	000°00'00"	100.0000
70	1.00	1.00	1.00	000°00'00"	100.0000
71	1.00	1.00	1.00	000°00'00"	100.0000
72	1.00	1.00	1.00	000°00'00"	100.0000
73	1.00	1.00	1.00	000°00'00"	100.0000
74	1.00	1.00	1.00	000°00'00"	100.0000
75	1.00	1.00	1.00	000°00'00"	100.0000
76	1.00	1.00	1.00	000°00'00"	100.0000
77	1.00	1.00	1.00	000°00'00"	100.0000
78	1.00	1.00	1.00	000°00'00"	100.0000
79	1.00	1.00	1.00	000°00'00"	100.0000
80	1.00	1.00	1.00	000°00'00"	100.0000
81	1.00	1.00	1.00	000°00'00"	100.0000
82	1.00	1.00	1.00	000°00'00"	100.0000
83	1.00	1.00	1.00	000°00'00"	100.0000
84	1.00	1.00	1.00	000°00'00"	100.0000
85	1.00	1.00	1.00	000°00'00"	100.0000
86	1.00	1.00	1.00	000°00'00"	100.0000
87	1.00	1.00	1.00	000°00'00"	100.0000
88	1.00	1.00	1.00	000°00'00"	100.0000
89	1.00	1.00	1.00	000°00'00"	100.0000
90	1.00	1.00	1.00	000°00'00"	100.0000
91	1.00	1.00	1.00	000°00'00"	100.0000
92	1.00	1.00	1.00	000°00'00"	100.0000
93	1.00	1.00	1.00	000°00'00"	100.0000
94	1.00	1.00	1.00	000°00'00"	100.0000
95	1.00	1.00	1.00	000°00'00"	100.0000
96	1.00	1.00	1.00	000°00'00"	100.0000
97	1.00	1.00	1.00	000°00'00"	100.0000
98	1.00	1.00	1.00	000°00'00"	100.0000
99	1.00	1.00	1.00	000°00'00"	100.0000
100	1.00	1.00	1.00	000°00'00"	100.0000



# CITY OF AURORA

## Council Agenda Commentary

**Item Title:** Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the 2023 Operating Plan and Budget for the Porteos Business Improvement District

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

**Staff Source/Legal Source:** Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney

**Outside Speaker:** N/A

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

### COUNCIL MEETING DATES:

**Study Session:** 10/17/2022

**Regular Meeting:** 10/24/2022

### ITEM DETAILS:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney  
Estimated time: 10 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 |

Minutes Attached

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 2023 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 \$612,238 revenue and expected expenditures. The Porteos BID will undertake projects as development needs require in 2023.

---

**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 2023 operating plan and budget for the Porteos Business Improvement District. Funding is projected at \$612,238 primarily from developer advances received in prior years, property taxes and public improvement fees.

RESOLUTION NO. R2022-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,  
COLORADO, APPROVING THE 2023 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 2023 District operating plan and budget (the “2023 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 2023 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 2023 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 \_\_\_\_\_, 2022.

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

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Sr. Assistant City Attorney

**2023 OPERATING PLAN AND BUDGET**

**PORTEOS  
BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Aurora, Adams County, Colorado



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EXHIBIT A – District Contact Information

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**2023**  
**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, Sections 31-25-1201, *et seq.*, C.R.S., as amended (the “Act”), and 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 of Aurora (the “City”) City Clerk no later than September 30 of each year. Pursuant to the Act, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District will operate pursuant to the authority 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 and direction from the City’s Finance Department, this Operating Plan identifies: (1) the composition of the Board of Directors; (2) the services, activities, projects, and public improvements provided in the current year and planned for in the upcoming year; (3) the District’s sources of revenue, including taxes, fees, and assessments to be imposed by the District in the current year and in the upcoming year; (4) the District’s authorized indebtedness and existing debt obligations, including the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require, including budget statements and contact information for the District.

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 the District for 2023 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 is party to that certain Amended and Restated Intergovernmental Agreement Concerning District Improvements and Operations dated December 10, 2020 together with the Velocity Metropolitan District Nos. 1-9. 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 in 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 2025
Kristen Adams	May 2023
Yuriy Gorlov	May 2023
Seth C. Rollert	May 2023
Melissa M. Shea	May 2025

**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 board has been appointed.

## 3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

A map of the District's boundaries is attached as **EXHIBIT C**. In 2023 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, in accordance with the Act, may 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. 2023 Budget and Additional Financial Information.** The District's proposed 2023 Budget and adopted 2022 Budget, along with current financial statements are attached in **EXHIBIT B**.

**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 2021, for collection in 2022, 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 2023 Budget, it is anticipated at the District will impose a levy of 5.00 mills for general operating expenses for collection in 2023.

**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 debt in 2023.

**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, and accounting.

**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. 2022 AND 2023 SERVICES, ACTIVITIES, PROJECTS AND CHANGES**

**A. *Services and Activities.*** In 2022 and continuing in 2023, 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 2023 Operating Plan and Budget for the District meets the requirements of the Act and further meets applicable requirements of State 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**  
**District Contact Information**

**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**

**2023 BID Budget & Additional Financial Information**

**Porteos Business Improvement District**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual 2021	Adopted Budget 2022	Actual 06/31/2022	Estimate 2022	Proposed Budget 2023
Beginning fund balance	\$ 150,899	\$ 280,565	\$ 358,301	\$ 358,301	\$ 348,173
Revenues:					
Property taxes	33,867	100,450	98,112	100,000	179,687
Specific ownership taxes	18	8,039	1	8,000	14,378
Developer advances	37,626	-	-	-	-
Transfer from Velocity	49,283	43,372	21,668	43,372	-
Public Improvement Fees	245,216	70,000	128,019	175,000	70,000
Interest income	(1,104)	-	154	-	-
Total revenues	<u>364,906</u>	<u>221,861</u>	<u>247,954</u>	<u>326,372</u>	<u>264,065</u>
Total funds available	<u>515,805</u>	<u>502,426</u>	<u>606,255</u>	<u>684,673</u>	<u>612,238</u>
Expenditures:					
Accounting / audit	22,798	30,000	10,508	30,000	30,000
Engineering	-	10,000	-	-	10,000
Insurance/SDA dues	4,598	30,500	22,761	25,000	30,500
Legal	23,564	75,000	3,609	25,000	75,000
Management	-	1,500	-	-	1,500
Director's Fees	11,250	20,000	4,050	15,000	20,000
Miscellaneous	1,241	2,000	-	-	2,000
Utilities	59,400	30,000	11,382	25,000	30,000
Landscape Maintenance	34,142	40,000	19,730	40,000	40,000
Treasurer's fees	511	1,507	1,472	1,500	2,695
Repay developer advances	-	175,000	-	175,000	175,000
Contingency	-	74,454	-	-	183,042
Emergency reserve (3%)	-	12,465	-	-	12,501
Total expenditures	<u>157,504</u>	<u>502,426</u>	<u>73,512</u>	<u>336,500</u>	<u>612,238</u>
Ending fund balance	<u>\$ 358,301</u>	<u>\$ -</u>	<u>\$ 532,743</u>	<u>\$ 348,173</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 20,089,990</u>			<u>\$ 35,937,340</u>
Mill Levy		<u>5.000</u>			<u>5.000</u>



Porteos Business Improvement District  
Financial Statements

June 30, 2022

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 June 30, 2022, 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 six 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.

*Simmons & Wheeler P.C.*

August 4, 2022  
Englewood, Colorado

Porteos Business Improvement District  
Balance Sheet - Governmental Funds and Account Groups  
June 30, 2022

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	\$ 331,336	\$ -	\$ 331,336
Colotrust	98,580		98,580
Taxes Receivable	24,485	-	24,485
Prepaid Expenses	-	-	-
Receivable Velocity 1 for D9 and D2	76,951	-	76,951
Receivable PIFs	<u>22,084</u>	<u>-</u>	<u>22,084</u>
	<u>553,436</u>	<u>-</u>	<u>553,436</u>
<b>Other assets</b>			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>381,177</u>	<u>381,177</u>
	<u>-</u>	<u>381,177</u>	<u>381,177</u>
	<u>\$ 553,436</u>	<u>\$ 381,177</u>	<u>\$ 934,613</u>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accounts payable	<u>\$ 20,693</u>	<u>\$ -</u>	<u>\$ 20,693</u>
	<u>20,693</u>	<u>-</u>	<u>20,693</u>
Developer Advance - Principal	-	319,916	319,916
Developer Advance - Interest	<u>-</u>	<u>61,261</u>	<u>61,261</u>
Total liabilities	<u>20,693</u>	<u>381,177</u>	<u>401,870</u>
<b>Fund Equity</b>			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>532,743</u>	<u>-</u>	<u>532,743</u>
	<u>532,743</u>	<u>-</u>	<u>532,743</u>
	<u>\$ 553,436</u>	<u>\$ 381,177</u>	<u>\$ 934,613</u>

Porteos Business Improvement District  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Budget and Actual  
For the Six Months Ended June 30, 2022  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 100,450	\$ 98,112	\$ (2,338)
Specific ownership taxes	8,039	1	(8,038)
Developer advance	-	-	-
Transfer from Velocity	43,372	21,668	(21,704)
Public Improvement Fees	70,000	128,019	58,019
Interest income	-	154	154
	<u>221,861</u>	<u>247,954</u>	<u>26,093</u>
<b>Expenditures</b>			
Accounting	30,000	5,963	24,037
Audit	-	4,545	(4,545)
Engineering	10,000	-	10,000
Insurance	30,500	22,761	7,739
Legal	75,000	3,609	71,391
District Management	1,500	-	1,500
Director's Fees	20,000	4,050	15,950
Miscellaneous	2,000	-	2,000
Utilities	30,000	11,382	18,618
Landscape Maintenance	40,000	19,730	20,270
Treasurer's Fees	1,507	1,472	35
Repay developer advances	175,000	-	175,000
Contingency	74,454	-	74,454
Emergency Reserve	12,465	-	12,465
	<u>502,426</u>	<u>73,512</u>	<u>428,914</u>
Excess (deficiency) of revenues over expenditures	(280,565)	174,442	455,007
Fund balance - beginning	<u>280,565</u>	<u>358,301</u>	<u>77,736</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>532,743</u></u>	\$ <u><u>532,743</u></u>

Porteos Business Improvement District  
Financial Statements

December 31, 2021

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, 2021, 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.

*Simmons & Wheeler P.C.*

March 29, 2022  
Englewood, Colorado

Porteos Business Improvement District  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets			
Current assets			
Cash in checking	\$ 263,724	\$ -	\$ 263,724
Colotrust	49,118		49,118
Taxes Receivable	(16,849)	-	(16,849)
Prepaid Expenses	2,037	-	2,037
Receivable Velocity 1 for D9 and D2	49,283	-	49,283
Receivable PIFs	<u>20,757</u>	<u>-</u>	<u>20,757</u>
	<u>368,070</u>	<u>-</u>	<u>368,070</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>368,486</u>	<u>368,486</u>
	<u>-</u>	<u>368,486</u>	<u>368,486</u>
	<u>\$ 368,070</u>	<u>\$ 368,486</u>	<u>\$ 736,556</u>
Liabilities and Equity			
Current liabilities			
Accounts payable	<u>\$ 9,769</u>	<u>\$ -</u>	<u>\$ 9,769</u>
	<u>9,769</u>	<u>-</u>	<u>9,769</u>
Developer Advance - Principal	-	319,916	319,916
Developer Advance - Interest	<u>-</u>	<u>48,570</u>	<u>48,570</u>
Total liabilities	<u>9,769</u>	<u>368,486</u>	<u>378,255</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>358,301</u>	<u>-</u>	<u>358,301</u>
	<u>358,301</u>	<u>-</u>	<u>358,301</u>
	<u>\$ 368,070</u>	<u>\$ 368,486</u>	<u>\$ 736,556</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, 2021  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 52,380	\$ 33,867	\$ (18,513)
Specific ownership taxes	4,190	18	(4,172)
Developer advance	-	37,626	37,626
Transfer from Velocity	70,915	49,283	(21,632)
Public Improvement Fees	70,000	245,216	175,216
Interest income	-	(1,104)	(1,104)
	<u>197,485</u>	<u>364,906</u>	<u>167,421</u>
<b>Expenditures</b>			
Accounting	30,000	22,798	7,202
Engineering	10,000	-	10,000
Insurance	30,500	4,598	25,902
Legal	75,000	23,564	51,436
District Management	1,500	-	1,500
Director's Fees	6,000	11,250	(5,250)
Miscellaneous	2,000	1,241	759
Utilities	20,000	59,400	(39,400)
Landscape Maintenance	30,000	34,142	(4,142)
Treasurer's Fees	786	511	275
Contingency	6,614	-	6,614
Emergency Reserve	6,174	-	6,174
	<u>218,574</u>	<u>157,504</u>	<u>61,070</u>
Excess (deficiency) of revenues over expenditures	(21,089)	207,402	228,491
Fund balance - beginning	<u>21,089</u>	<u>150,899</u>	<u>129,810</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>358,301</u></u>	\$ <u><u>358,301</u></u>



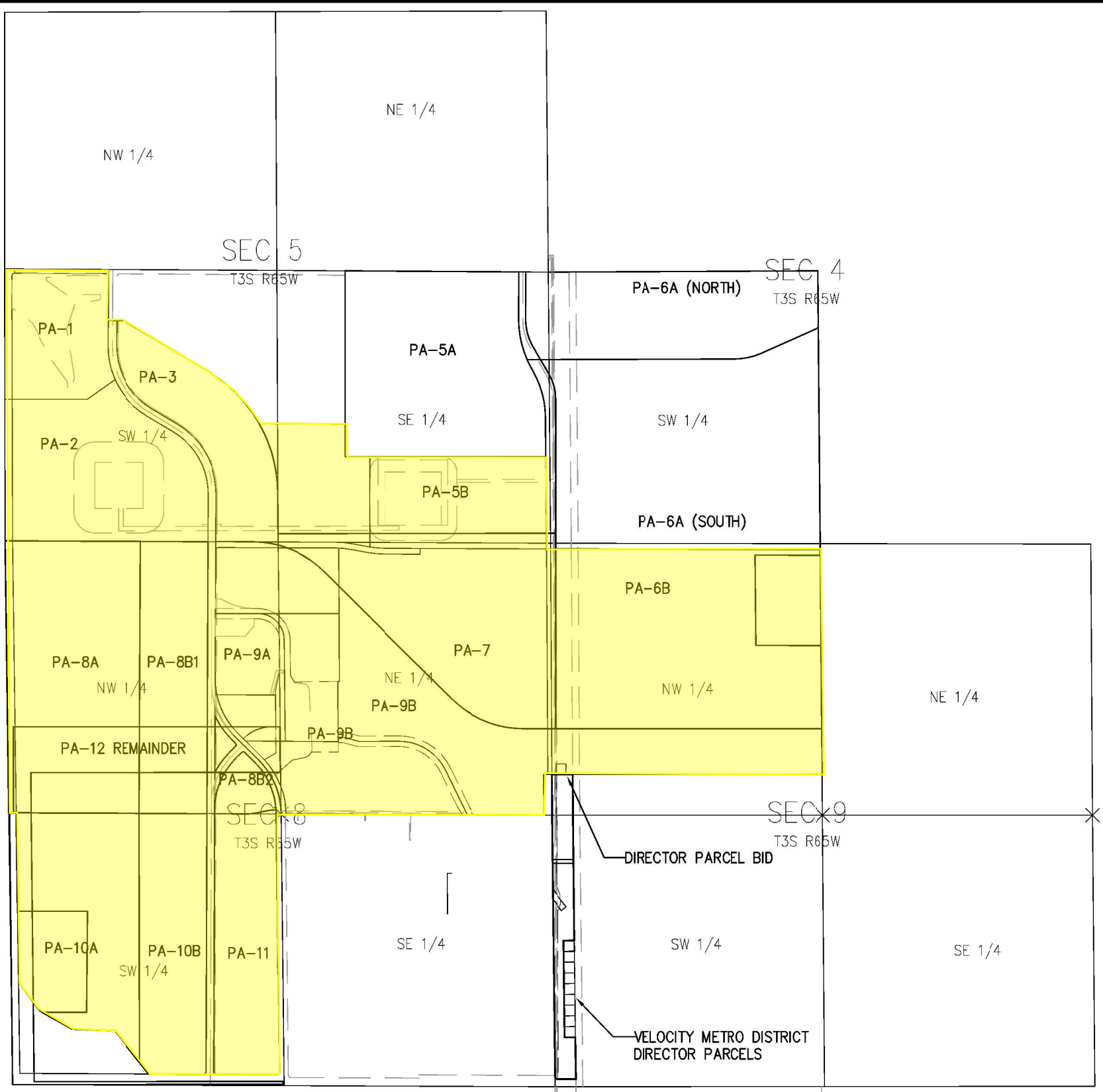
**EXHIBIT C**

**District Map**

THIS MAP IS A PRELIMINARY DESIGN AND SHOULD NOT BE USED FOR CONSTRUCTION. IT IS THE PROPERTY OF MERRICK AND COMPANY, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN CONSENT OF MERRICK AND COMPANY. THE USER SHALL BE RESPONSIBLE FOR VERIFYING THE ACCURACY OF ANY INFORMATION SHOWN ON THIS MAP.

File: location\Q:\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



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



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> of General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez -Sr. Assistant City Attorney
<b>Outside Speaker:</b> n/a
<b>Council Goal:</b> 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

### COUNCIL MEETING DATES:

**Study Session:** 10/8/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of General Improvement District 1-2007 (Cherry Creek Racquet Club) adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

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 (Budget Workshop)
- 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

**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          |

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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.)**

This budget and mill levy ordinance is the annual property tax mill levy, adopting, and appropriating ordinance for the Cherry Creek Fence General Improvement District 1-2007 (GID). On November 6, 2007, the qualified electors of the Cherry Creek Racquet Club GID voted in favor of the issuance of general obligation indebtedness and the imposition of taxes for the repayment of debt. The purpose of the Cherry Creek Racquet Club GID was to construct, finance and maintain a community masonry fence. Subsequently, on March 17, 2008 council approved Ordinance 2008-14 declaring organization of the district. Per the ballot issue, final costs for the project will not exceed \$706,000, with annual taxes not to exceed \$67,000. On August 17, 2009, council approved the bond issuance for the Cherry Creek fence.

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

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 2023, 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, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Creek Racquet Club GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

Cherry Creek Racquet Club General Improvement District No. 1-2007 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15<sup>th</sup>, 2022. See, Sec. 39-5-128 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:** n/a



ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF GENERAL IMPROVEMENT DISTRICT 1-2007 (CHERRY CREEK RACQUET CLUB) ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2008-14 declaring the organization of General Improvement District 1-2007 (the “District”) for constructing a masonry fence and other incidental and necessary improvements for the Cherry Creek Racquet Club neighborhood (the “Improvements”); and

WHEREAS, following the organization of the District, the Council, sitting *ex-officio* as the Board of Directors of the District (the “Board”), adopted Resolution No. R2008-13, appointing the City to act as the authorized agent of the District in the performance of all services necessary and appurtenant to the construction, installation, operation, maintenance, and repair of the Improvements, all funding for which would be provided by the District; and

WHEREAS, subsequently, the Board adopted Ordinance No. 2009-34, authorizing the issuance of General Obligation Limited Tax Bonds, Series 2009 (the “Series 2009 Bonds”) for the purpose of reimbursing expenditures incurred by the City on the District’s behalf in constructing the Improvements; and

WHEREAS, as a result of issuing the Series 2009 Bonds and of constructing and maintaining the Improvements, the District is expected to receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, as such, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF GENERAL IMPROVEMENT DISTRICT 1-2007.

Section 1. The total budget of the District for Fiscal Year 2023 shall be Seventy Thousand Dollars (\$70,000.00), which amount shall be apportioned as follows: (i) Sixty-Seven Thousand Dollars (\$67,000.00) for purposes of discharging principal and interest on such portion of the Series 2009 Bonds as may become due and payable in 2023, and (ii) Three Thousand Dollars (\$3,000.00) for purposes of defraying expenses associated with the operation, maintenance, and repair of the Improvements.

Section 2. Pursuant to the authority granted by the voters at the November 6, 2007 regular municipal election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to discharge principal and interest on such portion of the Series 2009 Bonds as may become due and payable in 2023, but in no

event to generate an amount in excess of Sixty-Seven Thousand Dollars (\$67,000.00) in total revenue. The City Manager and Budget Officer are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 3. Pursuant to the authority granted by the voters at the November 6, 2007, regular municipal election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to defray the expenses associated with the operation, maintenance, and repair of the Improvements in 2023, but in no event to generate an amount in excess of Three Thousand Dollars (\$3,000.00) in total revenue. The City Manager and Finance Director are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 4. The City Manager and the Finance Director are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Arapahoe, State of Colorado, on or before December 15, 2022.

Section 5. There is hereby appropriated from General Improvement District No. 1-2007 Fund for Fiscal Year 2023 the sum of Seventy Thousand Dollars (\$70,000.00).

Section 6. All ordinances of the District or parts thereof in conflict with this ordinance are hereby repealed.

Section 7. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

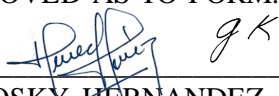
PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Pier Point 7 General Improvement District 2-2009 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez – Sr. Assistant City Attorney
<b>Outside Speaker:</b> n/a
<b>Council Goal:</b> 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

### COUNCIL MEETING DATES:

**Study Session:** 10/8/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of Pier Point 7 General Improvement District 2-2009 adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

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 (Budget Workshop)
- 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

**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.)*

This is the annual property tax mill levy, adopting, and appropriating ordinance for the Pier Point 7 General Improvement District 2-2009 (GID). On November 3, 2009, the qualified electors of the Pier Point 7 GID voted in favor of the issuance of general obligation indebtedness and the imposition of taxes for the repayment of debt. The purpose of the Pier Point 7 GID was to repair and replace the sewer lines and related work. Subsequently, on January 11, 2010 council approved Ordinance 2009-61 declaring organization of the district. Per the ballot issue, final costs for the project will not exceed \$3,500,000, with annual taxes not to exceed \$371,277. On April 11, 2011, council approved the bond issuance for the Pier Point 7 sewer General Improvement District.

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

As the Pier Point 7 GID has already been formed and the bond issuance related to the sewer line improvements has already been approved, this is a technical mechanism to create the budget authority and mill levies for the upcoming year. For 2023, 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, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Pier Point 7 GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

Pier Point 7 General Improvement District No. 2-2009 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15<sup>th</sup>, 2022. See, Sec. 39-5-128 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:** n/a

ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF PIER POINT 7 GENERAL IMPROVEMENT DISTRICT 2-2009 ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2009-61 declaring the organization of Pier Point 7 General Improvement District 2-2009 (the “District”) to provide essential sanitary sewer system improvements and services within District boundaries, including, but not limited to, collection mains and laterals, transmission lines, and related landscaping improvements, together with all necessary, incidental and appurtenant facilities, equipment, land, easements, and extensions of and improvements to such facilities, all for the purpose of upgrading the existing private sanitary sewer system to City standards for ownership and maintenance by the City (the “Improvements”); and

WHEREAS, following the organization of the District, the Council, sitting *ex-officio* as the Board of Directors of the District (the “Board”), adopted Resolution No. R2010-03, appointing the City to act as the authorized agent of the District in the performance of all services necessary and appurtenant to the construction, installation, operation, maintenance, and repair of the Improvements, all funding for which would be provided by the District; and

WHEREAS, subsequently, the Board adopted Ordinance No. 2011-06, authorizing the issuance of General Obligation Bonds, Series 2011 (the “Series 2011 Bonds”) for the purpose of reimbursing expenditures incurred by the City on the District’s behalf in constructing the Improvements; and

WHEREAS, as a result of issuing the Series 2011 Bonds, the District will receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, as such, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF PIER POINT 7 GENERAL IMPROVEMENT DISTRICT 2-2009.

Section 1. The total budget of the District for Fiscal Year 2023 shall be Three Hundred Seventy-One Thousand Two Hundred and Seventy-Seven Dollars (\$371,277.00), which amount shall be expended for the purpose of discharging principal and interest on such portion of the Series 2011 Bonds as may become due and payable in 2023.

Section 2. Pursuant to the authority granted by the voters at the November 3, 2009, regular municipal election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to discharge principal and interest on such portion of the Series 2011 Bonds as may become due and payable in 2023, but in no event to generate an amount in excess of Three Hundred Seventy-One Thousand Two Hundred and Seventy-Seven Dollars (\$371,277.00) in total revenue. The City Manager and Finance Director are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 3. The City Manager and the Finance Director are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Arapahoe, State of Colorado, on or before December 15, 2022.

Section 4. There is hereby appropriated from the Pier Point 7 General Improvement District No. 2-2009 Fund for Fiscal Year 2023 the sum of Three Hundred Seventy-One Thousand Two Hundred and Seventy-Seven Dollars (\$371,277.00).

Section 5. All ordinances of the District or parts thereof in conflict with this ordinance are hereby repealed.

Section 6. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez – Sr. Assistant City Attorney
<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:** 10/8/2022

**Regular Meeting:** 10/10/2022

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of General Improvement District 2-2011 (Aurora Conference Center) adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

Hanosky Hernandez, Senior Assistant City Attorney

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(Budget Workshop)  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

**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          |

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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.)**

This budget and mill levy ordinance is the annual property tax mill levy, adopting, and appropriating ordinance for the Aurora Conference Center General Improvement District 2-2011(GID). On November 1, 2011, the qualified electors of the Aurora Conference Center GID voted in favor of 1) authorizing the levy of an ad valorem property tax for the construction and/or to incentivize a public conference center and related improvements to attract tourism to the area and stimulate development of property within and surrounding the GID; 2) authorizing the pledge of a portion of such ad valorem property tax to the payment of obligations incurred by the Colorado International Center Metropolitan District No. 4 (the "CIC District") to provide off-site public infrastructure; and 3) authorizing the pledge of a portion of such ad valorem property tax to the payment of obligations incurred by the Aurora High Point at DIA Metropolitan District (the "AHP District") to provide for the payment of future regional infrastructure costs, all for the benefit of GID taxpayers.

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

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 2023, is \$14,000,000.00 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, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Aurora Conference Center GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

The Aurora Conference Center General Improvement District No. 2-2011 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15th, 2022. See, Sec. 39-5-128 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:** n/a

ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF THE AURORA CONFERENCE CENTER GENERAL IMPROVEMENT DISTRICT (NO. 2-2011) ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, on July 11, 2011, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), adopted Ordinance No. 2011-17 (the “GID Ordinance”) declaring the organization of the Aurora Conference Center General Improvement District (No. 2-2011) (the “GID”); and

WHEREAS, the GID Ordinance further provided for the submission to a vote of the registered electors of the GID ballot questions: (i) authorizing the levy of an ad valorem property tax for the construction and/or to incentivize a public conference center and related improvements to attract tourism to the area and stimulate development of property within and surrounding the GID; (ii) authorizing the pledge of a portion of such ad valorem property tax to the payment of obligations incurred by the Colorado International Center Metropolitan District No. 4 (the “CIC District”) to provide off-site public infrastructure and (iii) authorizing the pledge of a portion of such ad valorem property tax to the payment of obligations incurred by the Aurora High Point at DIA Metropolitan District (the “AHP District”) to provide for the payment of future regional infrastructure costs, all for the benefit of GID taxpayers; and

WHEREAS, subsequently, at an election duly called and held on November 1, 2011, the qualified electors of the GID approved each of the ballot questions submitted; and

WHEREAS, as a result, the GID will receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF AURORA CONFERENCE CENTER GENERAL IMPROVEMENT DISTRICT (NO. 2-2011).

Section 1. The total budget of the GID for Fiscal Year 2023 shall be Fourteen Million Dollars (\$14,000,000.00), which amount shall be spent for the following purposes:

- a. Thirteen Million Four Hundred-Fifty Thousand (\$13,450,000.00) for the construction and/or to incent the construction of a public conference center and related improvements to attract tourism to the area and stimulate development of the property within and surrounding the GID, or any other legally permitted public purposes; and

- b. Five Hundred-Fifty Thousand Dollars (\$550,000.00) for the payment of obligations incurred by the GID to the CIC District to provide off-site public infrastructure, or for any other legally permitted public purposes.

Section 2. Pursuant to the authority granted by the voters at the November 1, 2011, regular municipal election, there is hereby levied upon all taxable property within the corporate limits of the GID, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at the rate of forty (40) mills.

Section 3. The City Manager and the Budget Officer are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Adams, State of Colorado, on or before December 15, 2022.

Section 4. There is hereby appropriated from the Aurora Conference Center General Improvement District (No. 2-2011) Fund for Fiscal Year 2023 the sum of Fourteen Million Dollars (\$14,000,000.00).

Section 5. All ordinances of the GID or parts thereof in conflict with this ordinance are hereby repealed.

Section 6. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> Cobblewood General Improvement District 1-2016 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez – Sr. Assistant City Attorney
<b>Outside Speaker:</b> n/a
<b>Council Goal:</b> 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

### COUNCIL MEETING DATES:

**Study Session:** 10/8/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of Cobblewood General Improvement District 1-2016 adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

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 (Budget Workshop)
- 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

**Policy Committee Date:** n/a

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



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Recommends Approval

Does Not Recommend Approval

Forwarded Without Recommendation

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.)*

This is the annual property tax mill levy, adopting, and appropriating ordinance for the Cobblewood General Improvement District 1-2016 (GID). On November 8, 2016, the qualified electors of the Cobblewood GID voted in favor of the issuance of general obligation indebtedness and the imposition of taxes for the repayment of debt. The purpose of the Cobblewood GID was to repair and replace the private neighborhood street and grant the new street to the City. Subsequently, on January 9, 2017, council approved Ordinance 2016-71 declaring organization of the district. Per the ballot issue, final costs for the project will not exceed \$935,550.00, with annual taxes not to exceed \$95,000.00. On August 26, 2017, council approved the bond issuance for the Cobblewood General Improvement District.

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

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 2023, 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 \$95,000.00 for debt service. The revenue shall be used to defray the general expenses of Cobblewood GID for the fiscal year commencing January 1, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Cobblewood GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

Cobblewood General Improvement District No. 1-2016 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15th, 2022. See, Sec. 39-5-128 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:** n/a

ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF COBBLEWOOD GENERAL IMPROVEMENT DISTRICT 1-2016 (COBBLEWOOD GENERAL IMPROVEMENT DISTRICT) ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2016-71 declaring the organization of Cobblewood General Improvement District 1-2016 (the “District”) for the purpose of providing street improvements to South Kingston Circle, and other incidental and necessary improvements for the Cobblewood neighborhood (the “Improvements”); and

WHEREAS, Ordinance 2016-71 authorized the City council to be the *ex-officio* Board of Directors of the District (the “Board”), and Resolution 2017-13 appointed the City as the authorized agent for the District, and also authorized the City to perform all services necessary and appurtenant to the construction and installation of the Improvements, all funding for which would be provided by the District; and

WHEREAS, subsequently, the Board adopted Ordinance No. 2017-24, authorizing the issuance of General Obligation Bonds, Series 2017 (the “Series 2017 Bonds”) for the purpose of reimbursing expenditures incurred by the City on the District’s behalf in constructing the Improvements; and

WHEREAS, as a result of issuing the Series 2017 Bonds and of constructing and maintaining the Improvements, the District is expected to receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, as such, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF COBBLEWOOD GENERAL IMPROVEMENT DISTRICT 1-2016.

Section 1. The total budget of the District for Fiscal Year 2023 shall be Ninety-Five Thousand Dollars (\$95,000.00), which amount shall be apportioned for purposes of discharging principal and interest on such portion of the Series 2017 Bonds as may become due and payable in 2023.

Section 2. Pursuant to the authority granted by the voters at the November 8, 2016, statewide general election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to discharge principal and interest on such portion of the Series 2017 Bonds as may become due and payable in 2023, but in no event to generate an amount in excess of Ninety-Five Thousand Dollars (\$95,000.00) in total

revenue. The City Manager and Budget Officer are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 3. The City Manager and the Finance Director are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Arapahoe, State of Colorado, on or before December 15, 2022.

Section 4. There is hereby appropriated from Cobblewood General Improvement District No. 1-2016 Fund for Fiscal Year 2023 the sum of Ninety-Five Thousand Dollars (\$95,000.00).

Section 5. All ordinances of the District or parts thereof in conflict with this ordinance are hereby repealed.

Section 6. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District



# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> General Improvement District 1-2008 (Peoria Park) 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez – Sr. Assistant City Attorney
<b>Outside Speaker:</b> n/a
<b>Council Goal:</b> 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

### COUNCIL MEETING DATES:

**Study Session:** 10/8/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of General Improvement District 1-2008 (Peoria Park) adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

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 (Budget Workshop)
- 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

**Policy Committee Date:** n/a

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

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Recommends Approval

Does Not Recommend Approval

Forwarded Without Recommendation

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.)*

This budget and mill levy ordinance is the annual property tax mill levy, adopting, and appropriating ordinance for the Peoria Park Fence General Improvement District 1-2008 (GID). On November 4, 2008, the qualified electors of the Peoria Park GID voted in favor of the issuance of general obligation indebtedness and the imposition of taxes for the repayment of debt. The purpose of the Peoria Park GID was to construct, finance and maintain a community masonry fence. Subsequently, on January 26, 2009 council approved Ordinance 2009-01 declaring organization of the district. Per the ballot issue, final costs for the project will not exceed \$388,945, with annual debt service not to exceed \$36,000. On April 5, 2010, council approved the bond issuance for the Peoria Park fence.

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

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 2023 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, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Peoria Park GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

Peoria Park General Improvement District No. 1-2008 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15th, 2022. See, Sec. 39-5-128 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:** n/a



ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF GENERAL IMPROVEMENT DISTRICT 1-2008 (PEORIA PARK) ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2009-01 declaring the organization of General Improvement District 1-2008 (the “District”) for constructing a masonry fence and other incidental and necessary improvements for the Peoria Park neighborhood (the “Improvements”); and

WHEREAS, following the organization of the District, the Council, sitting *ex-officio* as the Board of Directors of the District (the “Board”), adopted Resolution No. R2009-04, appointing the City to act as the authorized agent of the District in the performance of all services necessary and appurtenant to the construction, installation, operation, maintenance, and repair of the Improvements, all funding for which would be provided by the District; and

WHEREAS, subsequently, the Board adopted Ordinance No. 2010-10, authorizing the issuance of General Obligation Bonds, Series 2010 (the “Series 2010 Bonds”) for the purpose of reimbursing expenditures incurred by the City on the District’s behalf in constructing the Improvements; and

WHEREAS, as a result of issuing the Series 2010 Bonds and of constructing and maintaining the Improvements, the District is expected to receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, as such, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF GENERAL IMPROVEMENT DISTRICT 1-2008.

Section 1. The total budget of the District for Fiscal Year 2023 shall be Forty-One Thousand Eight Hundred and Twenty-Five Dollars (\$41,825.00), which amount shall be apportioned as follows: (i) Thirty-Six Thousand Dollars (\$36,000.00) for purposes of discharging principal and interest on such portion of the Series 2010 Bonds as may become due and payable in 2023 and (ii) Five Thousand Eight Hundred and Twenty-Five Dollars (\$5,825.00) for purposes of defraying expenses associated with the operation, maintenance, and repair of the Improvements.

Section 2. Pursuant to the authority granted by the voters at the November 4, 2008, statewide general election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to discharge principal and interest on such portion of the Series 2010 Bonds as may become due and payable in 2023, but in no event to generate an amount in excess of Thirty-Six Thousand Dollars (\$36,000.00) in total revenue.

The City Manager and Budget Officer are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 3. Pursuant to the authority granted by the voters at the November 4, 2008, statewide general election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to defray the expenses associated with the operation, maintenance, and repair of the Improvements in 2023, but in no event to generate an amount in excess of Five Thousand Eight hundred and Twenty-Five Dollars (\$5,825.00) in total revenue. The City Manager and Finance Director are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 4. The City Manager and the Finance Director are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Arapahoe, State of Colorado, on or before December 15, 2022.

Section 5. There is hereby appropriated from General Improvement District No. 1-2008 Fund for Fiscal Year 2023 the sum of Forty-One Thousand Eight Hundred and Twenty-Five Dollars (\$41,825.00).

Section 6. All ordinances of the District or parts thereof in conflict with this ordinance are hereby repealed.

Section 7. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District





# CITY OF AURORA

## Council Agenda Commentary

<b>Item Title:</b> General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget
<b>Item Initiator:</b> Jamison, Andrew - Debt & Treasury Supervisor - Finance
<b>Staff Source/Legal Source:</b> Hanosky Hernandez – Sr. Assistant City Attorney
<b>Outside Speaker:</b> N/A
<b>Council Goal:</b> 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

### COUNCIL MEETING DATES:

**Study Session:** 10/8/2022

**Regular Meeting:** 10/10/2022

### ITEM DETAILS:

Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, of General Improvement District 3-2008 (Meadow Hills Country Club) adopting an operating budget, establishing the tax levy, and appropriating sums of money to defray expenses and liabilities for the fiscal year beginning January 1, 2023, and ending December 31, 2023.

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 (Budget Workshop)
- 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

**Policy Committee Date:** n/a

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

Recommends Approval

Does Not Recommend Approval

Forwarded Without Recommendation

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.)*

This is the annual property tax mill levy, adopting, and appropriating ordinance for the Meadow Hills Country Club Fence General Improvement District 3-2008 (GID). On November 4, 2008, the qualified electors of the Meadow Hills Country Club GID voted in favor of the issuance of general obligation indebtedness and the imposition of taxes for the repayment of debt. The purpose of the Meadow Hills Country Club GID was to construct, finance and maintain a community masonry fence. Subsequently, on January 26, 2009 council approved Ordinance 2009-02 declaring organization of the district. Per the ballot issue, final costs for the project will not exceed \$685,000, with annual taxes not to exceed \$71,000. On April 5, 2010, council approved the bond issuance for the Meadow Hills Country Club fence.

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

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 2023, 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, 2023 and ending December 31, 2023.

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**QUESTIONS FOR COUNCIL**

Does the Committee support the Meadow Hills GID budget and mill levy for 2023, as described above?

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**LEGAL COMMENTS**

Meadow Hill General Improvement District No. 3-2008 is a taxing unit of the City and, as such, is required by law to adopt its own budget and to make appropriations. See generally Sec. 29-1-103 C.R.S. The District has issued bonds and will incur expenses in the 2023 fiscal year. As a result, the District will need to certify a debt service and operating mill levy to Arapahoe County by no later than December 15<sup>th</sup>, 2022. See, Sec. 39-5-128 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:** n/a

ORDINANCE NO. 2022-\_\_\_

AN ORDINANCE OF GENERAL IMPROVEMENT DISTRICT 3-2008 (MEADOW HILLS COUNTRY CLUB) ADOPTING AN OPERATING BUDGET, ESTABLISHING THE TAX LEVY, AND APPROPRIATING SUMS OF MONEY TO DEFRAY EXPENSES AND LIABILITIES FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023

WHEREAS, the City Council (the “Council”) of the City of Aurora, Colorado (the “City”), has adopted Ordinance No. 2009-02 declaring the organization of General Improvement District 3-2008 (the “District”) for the purpose of constructing a masonry fence and other incidental and necessary improvements for the Meadow Hills Country Club neighborhood (the “Improvements”); and

WHEREAS, following the organization of the District, the Council, sitting *ex-officio* as the Board of Directors of the District (the “Board”), adopted Resolution No. R2009-05, appointing the City to act as the authorized agent of the District in the performance of all services necessary and appurtenant to the construction, installation, operation, maintenance, and repair of the Improvements, all funding for which would be provided by the District; and

WHEREAS, subsequently, the Board adopted Ordinance No. 2010-11, authorizing the issuance of General Obligation Bonds, Series 2010 (the “Series 2010 Bonds”) for the purpose of reimbursing expenditures incurred by the City on the District’s behalf in constructing the Improvements; and

WHEREAS, as a result of issuing the Series 2010 Bonds and of constructing and maintaining the Improvements, the District is expected to receive revenues and incur expenditures during the course of the fiscal year beginning January 1, 2023, and ending December 31, 2023 (“Fiscal Year 2023”); and

WHEREAS, as such, it is incumbent upon the Board to adopt an operating budget for the District, establish a District tax levy, and appropriate sums of money to defray expenses and liabilities of the District for Fiscal Year 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO ACTING AS THE *EX-OFFICIO* BOARD OF DIRECTORS OF GENERAL IMPROVEMENT DISTRICT 3-2008.

Section 1. The total budget of the District for Fiscal Year 2023 shall be Seventy-Six Thousand and Sixty Dollars (\$76,060.00), which amount shall be apportioned as follows: (i) Seventy-One Thousand Dollars (\$71,000.00) for purposes of discharging principal and interest on such portion of the Series 2010 Bonds as may become due and payable in 2023, and (ii) Five Thousand and Sixty Dollars (\$5,060.00) for purposes of defraying expenses associated with the operation, maintenance, and repair of the Improvements.

Section 2. Pursuant to the authority granted by the voters at the November 4, 2008, statewide general election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to discharge principal and interest on such portion of the Series 2010 Bonds as may become due and payable in 2023, but in no

event to generate an amount in excess of Seventy-One Thousand Dollars (\$71,000) in total revenue. The City Manager and Budget Officer are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 3. Pursuant to the authority granted by the voters at the November 4, 2008, statewide general election, there is hereby levied upon all taxable property within the corporate limits of the District, for collection in 2023, a tax on each dollar of the total assessed valuation of such property as certified to the City on December 10, 2022, at a rate sufficient to defray the expenses associated with the operation, maintenance, and repair of the Improvements in 2023, but in no event to generate an amount in excess of Five Thousand and Sixty Dollars (\$5,060.00) in total revenue. The City Manager and Finance Director are hereby directed to calculate the number of mills necessary to discharge this obligation following the December 10, 2022 certification of total assessed valuation of property within the City.

Section 4. The City Manager and the Finance Director are hereby authorized and directed to certify the total tax levy to the appropriate officials of the County of Arapahoe, State of Colorado, on or before December 15, 2022.

Section 5. There is hereby appropriated from General Improvement District No. 3-2008 Fund for Fiscal Year 2023 the sum of Seventy-Six Thousand and Sixty Dollars (\$76,060).

Section 6. All ordinances of the District or parts thereof in conflict with this ordinance are hereby repealed.

Section 7. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.


PASSED AND ORDERED PUBLISHED BY REFERENCE this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MIKE COFFMAN, Presiding Officer

ATTEST:

\_\_\_\_\_  
KADEE RODRIGUEZ,  
Ex-officio Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
HANOSKY HERNANDEZ,  
Legal Counsel to the District