



NOTICE OF COUNCIL MEETING

STUDY SESSION

TELECONFERENCE (Open to the Public)

October 17, 2022

6:30 p.m.

TELECONFERENCE/ELECTRONIC PARTICIPATION PROCEDURES

Members of the Aurora City Council will participate in the October 17, 2022 Study Session by teleconference due to concerns surrounding the COVID-19 (coronavirus) outbreak. To keep the members of our community, employees and leaders safe, there will be no public presence at the meeting. Members of the public and media will be able to participate remotely through the options listed below:

View or listen live to the Study Session

Live streamed at www.auroraTV.org
Cable Channels 8 and 880 in Aurora
Call: 855.695.3475

Translation/Accessibility

The City will provide closed captioning services on Cable Channels 8 and 880. If you need any other accommodation, please contact the Office of the City Clerk at (303) 739-7094. If you are in need of an interpreter, please contact the Office of International and Immigrant Affairs at 303-739-7521 by Monday, October 17, 2022 at 9:00 a.m. (Si necesita un intérprete, comuníquese con la oficina de asuntos internacionales e inmigrantes en 303-739-7521 por el viernes anterior a la reunión del lunes.)

For other information regarding public meetings, please contact the Office of the City Clerk at (303) 739-7094 or by email at CityClerk@auroragov.org or visit www.auroragov.org



AGENDA

Study Session of the Aurora City Council

Monday, October 17, 2022

6:30 p.m.

VIRTUAL MEETING

City of Aurora

15151 E Alameda Parkway

Pages

1. ITEMS FROM THE MAYOR

1.a. Mayor's Update

1.b. Issue Update

2. CONSENT CALENDAR

2.a. Citadel on Colfax BID 2023 Operating Plan and Budget (Resolution) 5

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney

Estimated time: 10 mins

2.b. Painted Prairie No. 1 BID 2023 Operating Plan and Budget (Resolution) 44

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney

Estimated time: 10 mins

2.c. Painted Prairie No. 2 BID 2023 Operating Plan and Budget (Resolution) 91

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney

Estimated time: 10 mins

2.d.	Porteos BID 2023 Operating Plan and Budget (Resolution)	138
	Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 10 mins	
2.e.	Tower BID 2023 Operating Plan and Budget (Resolution)	179
	Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 10 mins	
2.f.	Windler No. 1 BID 2023 Operating Plan and Budget (Resolution)	219
	Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 10 mins	
2.g.	Windler No. 2 BID 2023 Operating Plan and Budget (Resolution)	268
	Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 10 mins	
2.h.	Fitzsimons Business Improvement District - Operation Plan and Budget (Resolution)	317
	Chad Argentar, Senior Development Project Manager / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 2 mins	
2.i.	Fitzsimons Business Improvement District – New Board Member Appointment (Resolution)	356
	Chad Argentar, Senior Development Project Manager / Hanosky Hernandez, Senior Assistant City Attorney	
	Estimated time: 5 mins	

- 2.j. Havana Business Improvement District - Operation Plan and Budget (Resolution)** 361
- Chad Argentar, Senior Development Project Manager / Hanosky Hernandez, Senior Assistant City Attorney
- Outside Speaker: Chance Horiuchi, Executive Director, Havana BID
- Estimated time: 2 mins
- 2.k. Parkside at City Centre BID 2023 Operating Plan and Budget (Resolution)** 426
- Jennifer Orozco, Development Project Manager / Hanosky Hernandez, Senior Assistant City Attorney
- Estimated time: 10 mins
- 3. ITEMS FROM THE POLICY COMMITTEES**
- 3.a. 2023 State and Federal Priorities** 464
- Sponsor: Angela Lawson, Council Member
- Roberto Venegas, Deputy City Manager
- Estimated time: 10 min
- 3.b. 4th Amendment to 22nd Outfall to Westerly Creek Improvement Plan (Resolution)** 485
- Sponsor: Steve Sundberg, Council Member
- Swirvine Nyirenda, Planning and Engineering Services Manager / Ian Best, Assistant City Attorney
- Estimated time: 5 mins
- 3.c. Occupational Privilege Tax Repeal (Ordinance)** 517
- Sponsor: Danielle Jurinsky, Council Member
- Jeffrey Edwards, Manager of Tax / Hanosky Hernandez, Senior Assistant City Attorney
- Estimated time: 20 mins

3.d. Proposed Modifications to Moral Obligations Policy and Review of Existing Moral Obligations (Resolution) 522

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

Estimated time: 10 mins

3.e. 2023 Ward Redistricting (Ordinance) 554

Kadee Rodriguez, City Clerk / Dave Lathers, Senior Assistant City Attorney

Estimated time: 30 mins

3.f. Ward Realignment Recommendation Deadline (Ordinance) 571

Sponsor: Juan Marcano, Council Member

Dave Lathers, Senior Assistant City Attorney

Estimated Time: 15 mins

4. ITEMS FROM THE CITY MANAGER

4.a. Update on the Potomac Campus 593

Jessica Prosser, Director, Housing and Community Services / Tim Joyce, Assistant City Attorney

Estimated time: 15 mins

5. ITEMS FROM THE CITY COUNCIL

5.a. City of San Antonio Homelessness Response Briefing 613

Sponsor: Dustin Zvonek

Roberto Venegas, Deputy City Manager / Jessica Prosser, Director, Housing and Community Services

Estimated time: 20 mins

6. CALL-UPS OF COUNCIL POLICY COMMITTEE ITEMS

7. MISCELLANEOUS ITEMS

8. ITEMS REMOVED FROM THE AGENDA, IF ANY



CITY OF AURORA

Council Agenda Commentary

Item Title: Citadel on Colfax BID 2023 Operating Plan and Budget (Resolution)
Item Initiator: Carol Toth, Manager of Accounting - Finance
Staff Source/Legal Source: Carol Toth / 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: 11/14/2022

ITEM DETAILS:

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

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney
Estimated time: 10 mins

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 checked="" type="checkbox"/> Approve Item and Move Forward to Regular Meeting | <input checked="" type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only | |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration
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 checked="" 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 checked="" 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.

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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Citadel on Colfax Business Improvement District to the November 14, 2022, regular meeting of the City Council for formal consideration?

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	191,073	248,422	145,532	153,760	508,621
Total funds available	4,100,002	2,383,977	3,415,687	3,423,915	2,761,100
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	829,847	753,258	832,253	1,171,436	1,217,078
Total expenditures and transfers out requiring appropriation	829,847	753,258	832,253	1,171,436	1,217,078
ENDING FUND BALANCES	\$ 3,270,155	\$ 1,630,719	\$ 2,583,434	\$ 2,252,479	\$ 1,544,022
EMERGENCY RESERVE	\$ 2,400	\$ 1,200	\$ 1,100	\$ -	\$ -
Capitalized interest	-	-	926,951	616,651	-
Senior Reserve Fund	-	-	853,220	853,220	-
TOTAL RESERVE	\$ 2,400	\$ 1,200	\$ 1,781,271	\$ 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
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
ASSESSED VALUATION - ARAPAHOE					
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>
MILL LEVY					
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>
PROPERTY TAXES					
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>
BUDGETED PROPERTY TAXES					
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	<u>\$ 2,400</u>	<u>\$ 1,200</u>	<u>\$ 1,100</u>	<u>\$ -</u>	<u>\$ -</u>
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.

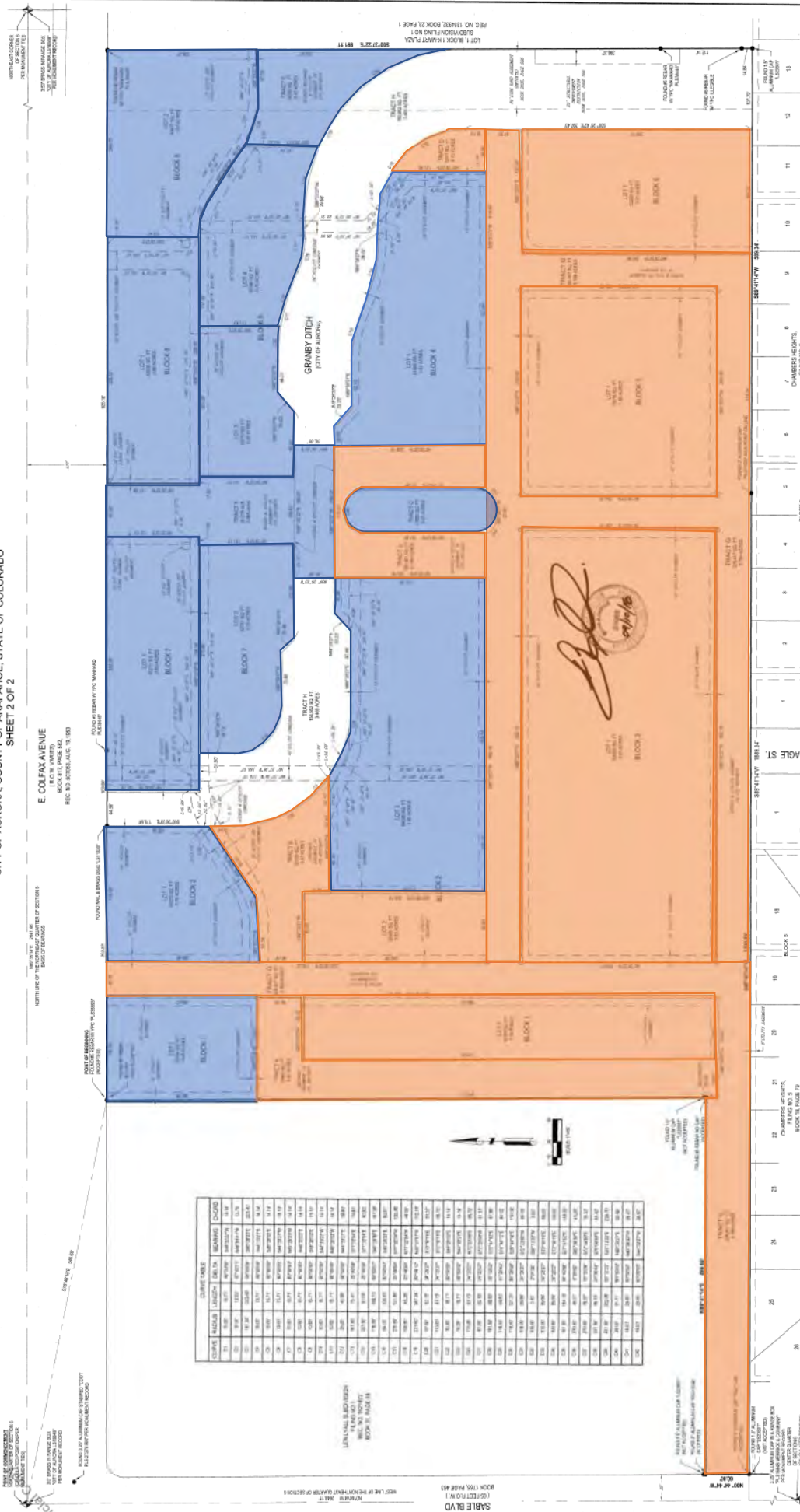
Business Improvement District
Metropolitan District

CITADEL ON COLFAX SUBDIVISION FILING NO. 1

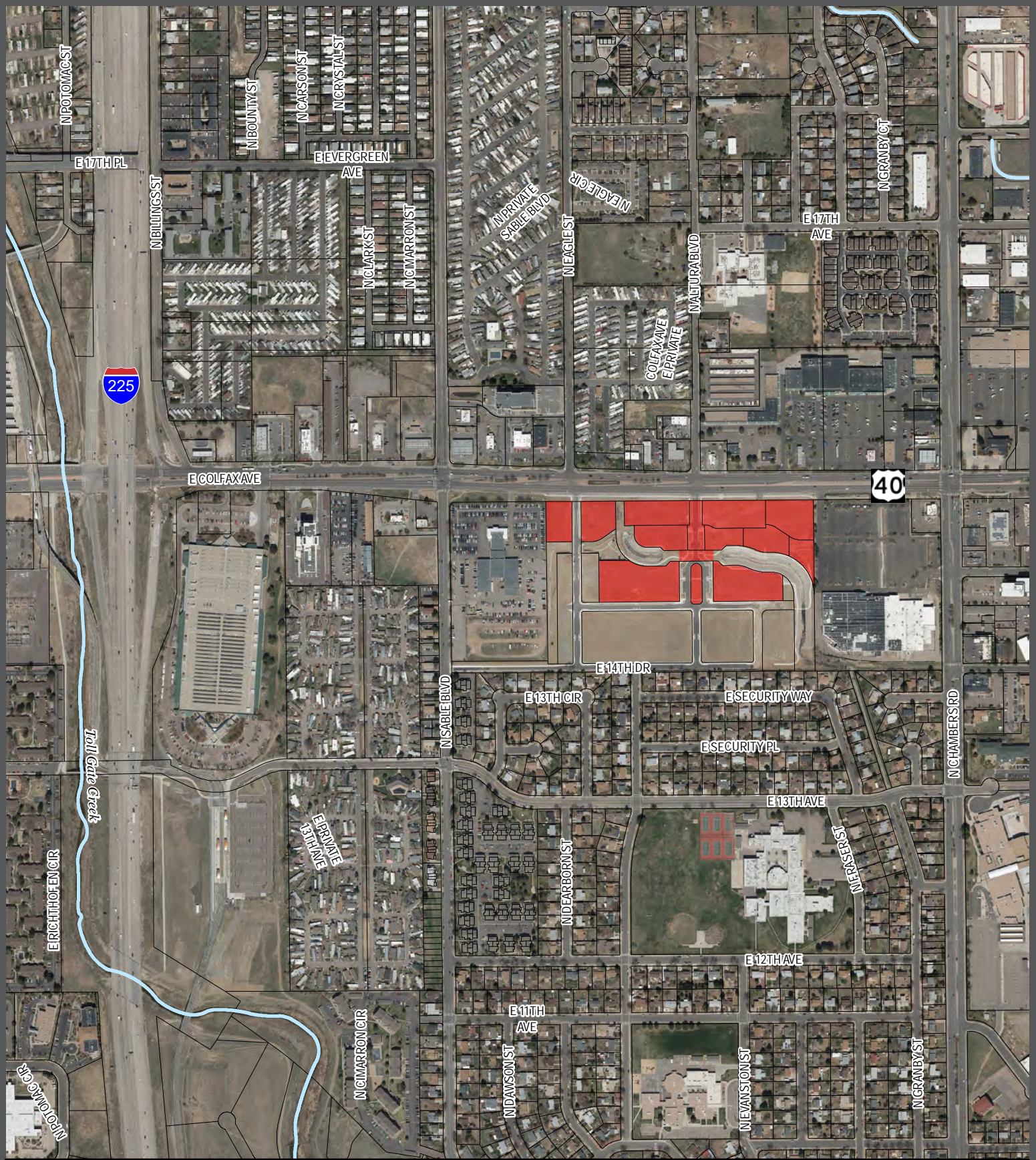
A RESUBDIVISION OF TRACT A, MONTEREY POINTE SUBDIVISION FILING NO. 1 AND LOT 1, BLOCK 1, MONTEREY POINTE SUBDIVISION FILING NO. 2 AND LOT 1, BLOCK 1, MONTEREY POINTE SUBDIVISION FILING NO. 3 SITUATED IN THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 4 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN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

LEGEND

- ALLOTMENTARY (AS NOTED)
- PLANNED UNIT DEVELOPMENT (AS NOTED)
- PROPERTY LINE
- LOT LINE
- EAIRMENT LINE



LOT	AREA	ACRES	SECTION	TOWNSHIP	RANGE	RANGE	SECTION
1	0.00	0.00	6	4	66	66	1
2	0.00	0.00	6	4	66	66	1
3	0.00	0.00	6	4	66	66	1
4	0.00	0.00	6	4	66	66	1
5	0.00	0.00	6	4	66	66	1
6	0.00	0.00	6	4	66	66	1
7	0.00	0.00	6	4	66	66	1
8	0.00	0.00	6	4	66	66	1
9	0.00	0.00	6	4	66	66	1
10	0.00	0.00	6	4	66	66	1
11	0.00	0.00	6	4	66	66	1
12	0.00	0.00	6	4	66	66	1
13	0.00	0.00	6	4	66	66	1
14	0.00	0.00	6	4	66	66	1
15	0.00	0.00	6	4	66	66	1
16	0.00	0.00	6	4	66	66	1
17	0.00	0.00	6	4	66	66	1
18	0.00	0.00	6	4	66	66	1
19	0.00	0.00	6	4	66	66	1
20	0.00	0.00	6	4	66	66	1
21	0.00	0.00	6	4	66	66	1
22	0.00	0.00	6	4	66	66	1
23	0.00	0.00	6	4	66	66	1
24	0.00	0.00	6	4	66	66	1
25	0.00	0.00	6	4	66	66	1
26	0.00	0.00	6	4	66	66	1
27	0.00	0.00	6	4	66	66	1
28	0.00	0.00	6	4	66	66	1
29	0.00	0.00	6	4	66	66	1
30	0.00	0.00	6	4	66	66	1
31	0.00	0.00	6	4	66	66	1
32	0.00	0.00	6	4	66	66	1
33	0.00	0.00	6	4	66	66	1
34	0.00	0.00	6	4	66	66	1
35	0.00	0.00	6	4	66	66	1
36	0.00	0.00	6	4	66	66	1
37	0.00	0.00	6	4	66	66	1
38	0.00	0.00	6	4	66	66	1
39	0.00	0.00	6	4	66	66	1
40	0.00	0.00	6	4	66	66	1
41	0.00	0.00	6	4	66	66	1
42	0.00	0.00	6	4	66	66	1
43	0.00	0.00	6	4	66	66	1
44	0.00	0.00	6	4	66	66	1
45	0.00	0.00	6	4	66	66	1
46	0.00	0.00	6	4	66	66	1
47	0.00	0.00	6	4	66	66	1
48	0.00	0.00	6	4	66	66	1
49	0.00	0.00	6	4	66	66	1
50	0.00	0.00	6	4	66	66	1
51	0.00	0.00	6	4	66	66	1
52	0.00	0.00	6	4	66	66	1
53	0.00	0.00	6	4	66	66	1
54	0.00	0.00	6	4	66	66	1
55	0.00	0.00	6	4	66	66	1
56	0.00	0.00	6	4	66	66	1
57	0.00	0.00	6	4	66	66	1
58	0.00	0.00	6	4	66	66	1
59	0.00	0.00	6	4	66	66	1
60	0.00	0.00	6	4	66	66	1
61	0.00	0.00	6	4	66	66	1
62	0.00	0.00	6	4	66	66	1
63	0.00	0.00	6	4	66	66	1
64	0.00	0.00	6	4	66	66	1
65	0.00	0.00	6	4	66	66	1
66	0.00	0.00	6	4	66	66	1
67	0.00	0.00	6	4	66	66	1
68	0.00	0.00	6	4	66	66	1
69	0.00	0.00	6	4	66	66	1
70	0.00	0.00	6	4	66	66	1
71	0.00	0.00	6	4	66	66	1
72	0.00	0.00	6	4	66	66	1
73	0.00	0.00	6	4	66	66	1
74	0.00	0.00	6	4	66	66	1
75	0.00	0.00	6	4	66	66	1
76	0.00	0.00	6	4	66	66	1
77	0.00	0.00	6	4	66	66	1
78	0.00	0.00	6	4	66	66	1
79	0.00	0.00	6	4	66	66	1
80	0.00	0.00	6	4	66	66	1
81	0.00	0.00	6	4	66	66	1
82	0.00	0.00	6	4	66	66	1
83	0.00	0.00	6	4	66	66	1
84	0.00	0.00	6	4	66	66	1
85	0.00	0.00	6	4	66	66	1
86	0.00	0.00	6	4	66	66	1
87	0.00	0.00	6	4	66	66	1
88	0.00	0.00	6	4	66	66	1
89	0.00	0.00	6	4	66	66	1
90	0.00	0.00	6	4	66	66	1
91	0.00	0.00	6	4	66	66	1
92	0.00	0.00	6	4	66	66	1
93	0.00	0.00	6	4	66	66	1
94	0.00	0.00	6	4	66	66	1
95	0.00	0.00	6	4	66	66	1
96	0.00	0.00	6	4	66	66	1
97	0.00	0.00	6	4	66	66	1
98	0.00	0.00	6	4	66	66	1
99	0.00	0.00	6	4	66	66	1
100	0.00	0.00	6	4	66	66	1



Planning & Development Services

15151 E. Alameda Pkwy
 Aurora CO 80012 USA
www.auroragov.org
 303-739-7250
GIS@auroragov.org

City of Aurora, Colorado

Citadel on Colfax
 Business Improvement District




September 21, 2022



Aurora is Worth Discovering!



Legend

-  Water Lines
-  Parcels
-  Citadel on Colfax BID

Feet 0 400 800

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINE**Summary of Issue and Discussion**

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTS**Summary of Issue and Discussion**

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Painted Prairie No. 1 BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

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

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney
Estimated time: 10 mins

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 checked="" type="checkbox"/> Approve Item and Move Forward to Regular Meeting | <input checked="" type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only | |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration
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 checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Painted Prairie Business Improvement District No. 1 (BID) in 2017 (Ord. No. 2017-36). The BID is located in the southeast corner of E 64th 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Painted Prairie Business Improvement District No. 1 to the November 14, 2022, regular meeting of the City Council for formal consideration?

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

TABLE OF CONTENTS

- I. PURPOSE AND SCOPE OF DISTRICT 1**
 - A. Requirement for this Operating Plan 1**
 - B. What Must Be Included in the Operating Plan? 1**
 - C. Purposes 1**
- II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1**
 - A. Current Board of Directors..... 1**
 - B. Term Limits 1**
 - C. Director Compensation 1**
- III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 2**
- IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2**
 - A. Current Year (2022) Services, Activities, Projects and Public Improvements 2**
 - B. Future Year (2023) Services, Activities, Projects and Public Improvements 2**
- V. SOURCES OF REVENUE..... 2**
 - A. Current Year (2022) Sources of Revenue 2**
 - B. Future Year (2023) Sources of Revenue 3**
- VI. PROPERTY TAX AND MILL LEVY 3**
 - A. Mill Levy Caps 3**
 - B. Current Year (2022) Mill Levy 3**
 - C. Future Year (2023) Mill Levy 3**
- VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3**
 - A. Maximum Debt Authorization..... 3**
 - B. Current Year (2022) Debt Outstanding..... 3**
 - C. Future Year (2023) Debt Outstanding 3**
- VIII. BUDGET AND FINANCIAL STATEMENTS 3**
 - A. 2023 Budget 3**
 - B. 2022 Budget 3**
 - C. 2021 and 2022 Financial Statements 3**
- IX. DISTRICT CONTACT INFORMATION 4**
 - A. Contact Information 4**
- X. DISSOLUTION..... 4**
- XI. CONCLUSION 4**

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-----

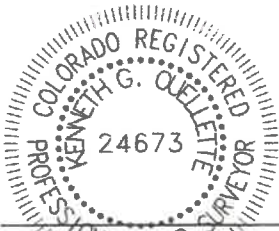
PROPERTY DESCRIPTION

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:

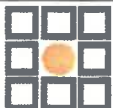
BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING S89°55'04"W BETWEEN THE NORTH QUARTER CORNER OF SAID SECTION 11 AND THE NORTHWEST CORNER OF SAID SECTION 11. BASED ON THE CITY OF AURORA 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

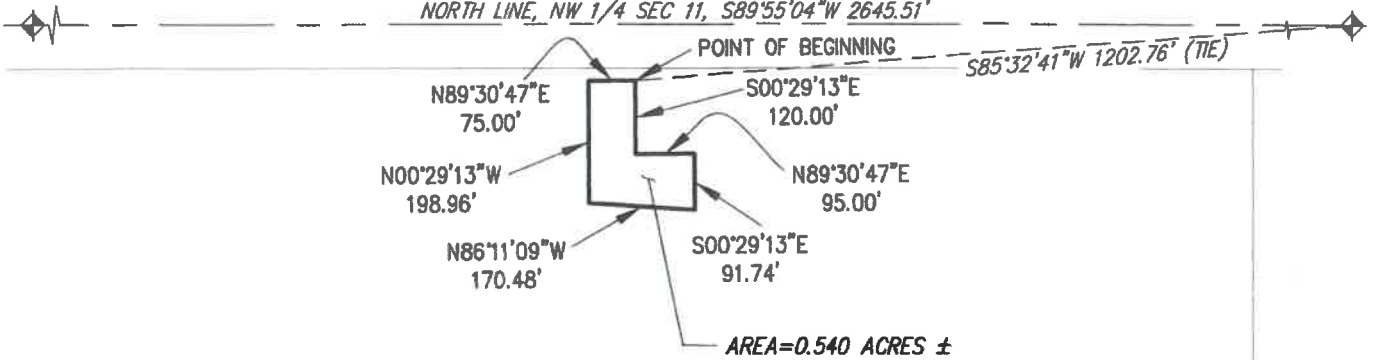
ILLUSTRATION FOR EXHIBIT A

NW COR SEC 11
T3S, R66W, 6TH P.M.

E. 64TH AVENUE
(PUBLIC ROW VARIES)

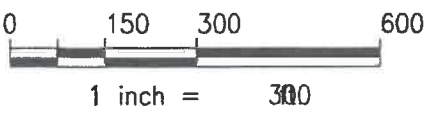
POINT OF COMMENCEMENT
N 1/4 CORNER SEC 11
T3S, R66W, 6TH P.M.

BASIS OF BEARINGS
NORTH LINE, NW 1/4 SEC 11, S89°55'04"W 2645.51'



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.

<p>5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741</p>	<p>BID 1</p>	<p>DATE: 9/7/21</p>

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>
Assets			
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>
Liabilities and Equity			
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>
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 #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

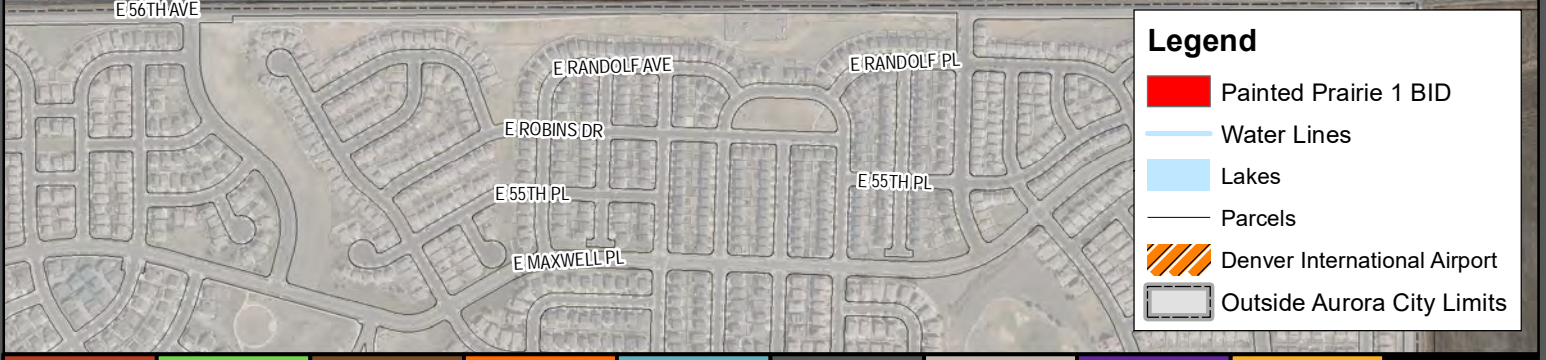
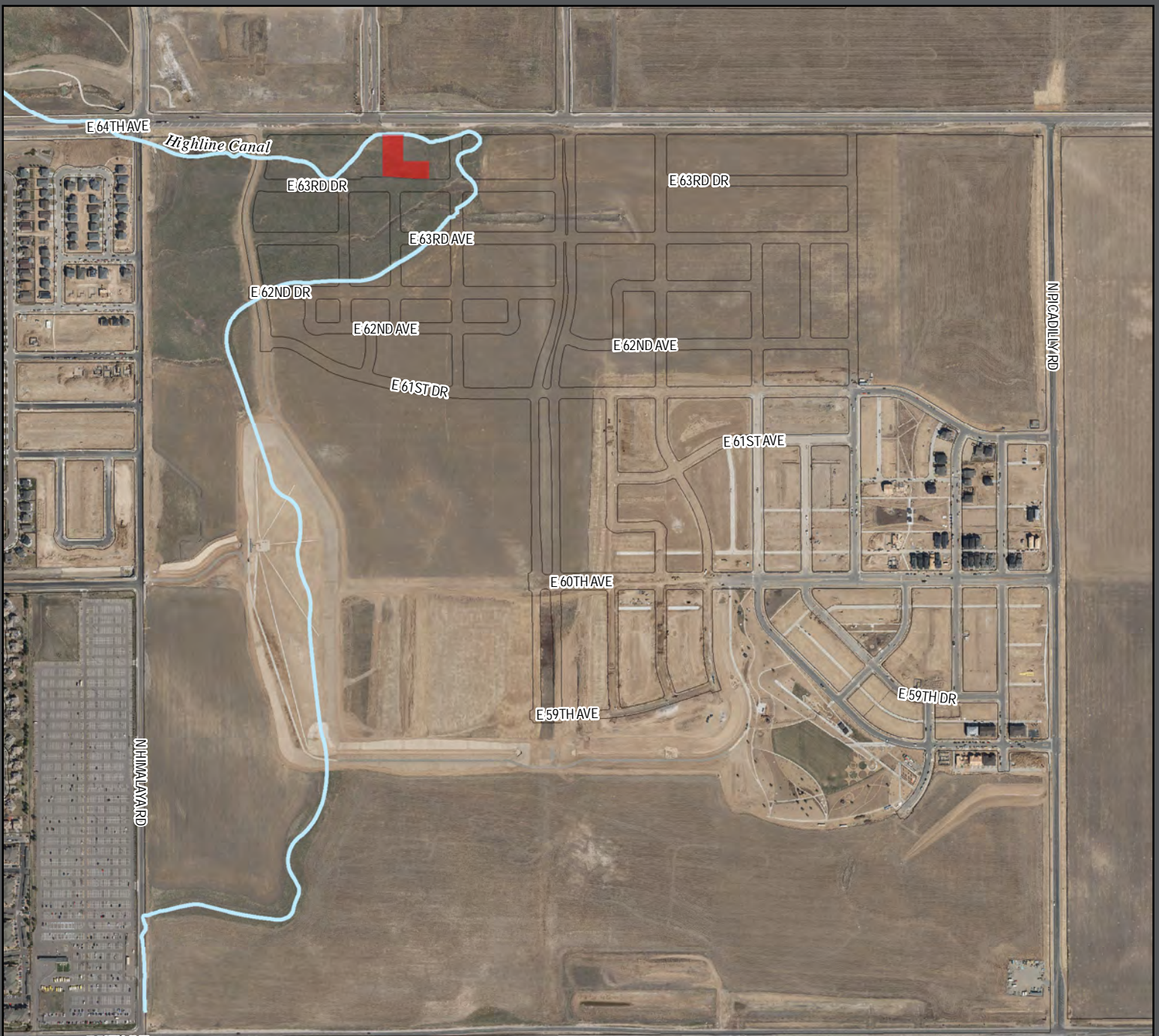
District Representative Contact:

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



Planning & Development Services
 15151 E. Alameda Pkwy
 Aurora CO 80012 USA
www.auroragov.org
 303-739-7250
GIS@auroragov.org

City of Aurora, Colorado
 Painted Prairie Business Improvement District #1

September 20, 2022

Aurora is Worth Discovering!

Feet 0 425 850

9/20/2022 I:\GIS\Arc10_MXD\Planning\ODA\BID Maps\Painted Prairie BID no 1.mxd

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Painted Prairie No. 2 BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

- Agenda long title:
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title:
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time: 5/5

Carol Toth, Manager of Accounting / Hanosky Hernandez, Senior Assistant City Attorney
Estimated time: 10 mins

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Painted Prairie Business Improvement District No. 2 (BID) in 2017 (Ord. No. 2017-37). The BID is located generally south of E 64th 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Painted Prairie Business Improvement District No. 2 to the November 14, 2022, regular meeting of the City Council for formal consideration?

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:


HANOSKY HERNANDEZ,
Sr. Assistant City Attorney

PAINTED PRAIRIE BUSINESS IMPROVEMENT DISTRICT NUMBER TWO

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

TABLE OF CONTENTS

I. PURPOSE AND SCOPE OF DISTRICT 1

A. Requirement for this Operating Plan 1

B. What Must Be Included in the Operating Plan? 1

C. Purposes 1

II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1

A. Current Board of Directors..... 1

B. Term Limits 1

C. Director Compensation 1

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 2

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2

A. Current Year (2022) Services, Activities, Projects and Public Improvements 2

B. Future Year (2023) Services, Activities, Projects and Public Improvements 2

V. SOURCES OF REVENUE..... 2

A. Current Year (2022) Sources of Revenue 2

B. Future Year (2023) Sources of Revenue 3

VI. PROPERTY TAX AND MILL LEVY..... 3

A. Mill Levy Caps 3

B. Current Year (2022) Mill Levy 3

C. Future Year (2023) Mill Levy 3

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3

A. Maximum Debt Authorization..... 3

B. Current Year (2022) Debt Outstanding..... 3

C. Future Year (2023) Debt Outstanding 3

VIII. BUDGET AND FINANCIAL STATEMENTS 3

A. 2023 Budget 3

B. 2022 Budget 3

C. 2021 and 2022 Financial Statements 3

IX. DISTRICT CONTACT INFORMATION 4

A. Contact Information 4

X. DISSOLUTION..... 4

XI. CONCLUSION 4

EXHIBIT LIST

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

I. PURPOSE AND SCOPE OF DISTRICT

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

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

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

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

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

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

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

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

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. 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-----

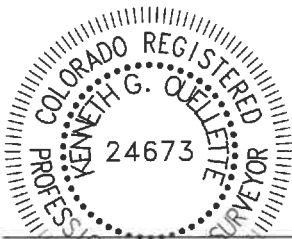
PROPERTY DESCRIPTION

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:

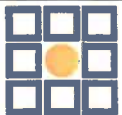
BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING S89°55'04"W BETWEEN THE NORTH QUARTER CORNER OF SAID SECTION 11 AND THE NORTHWEST CORNER OF SAID SECTION 11. BASED ON THE CITY OF AURORA 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®

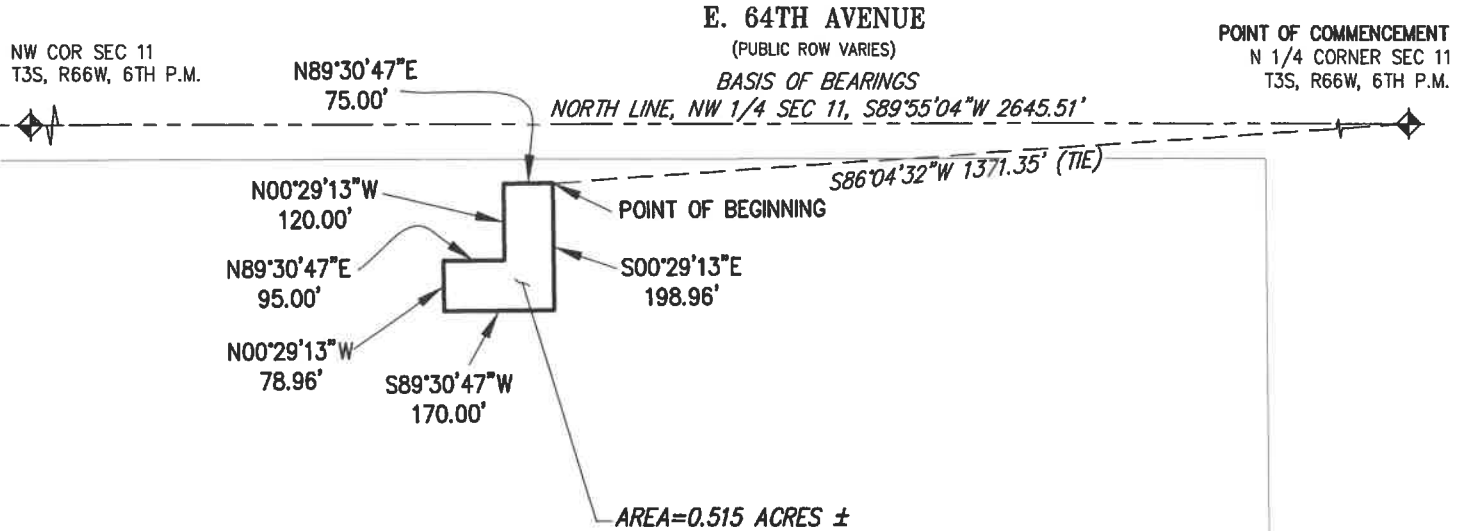
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

BID 2

DATE: 8/22/22

SHEET: 1 OF 2

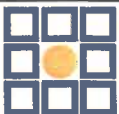
ILLUSTRATION FOR EXHIBIT A



1 inch = 300 ft.

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 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>
Assets			
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>
Liabilities and Equity			
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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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

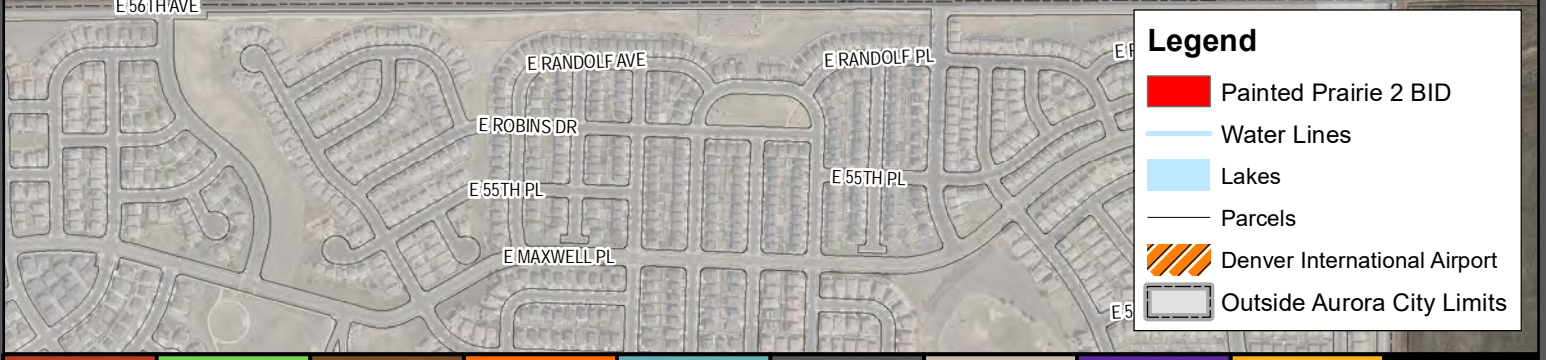
Megan J. Murphy, Esq.
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Work: 303-858-1800
Email: mmurphy@wbapc.com

District Accountant:

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

District Auditor:

Not applicable





Planning & Development Services

15151 E. Alameda Pkwy
Aurora CO 80012 USA
www.auroragov.org
303-739-7250
GIS@auroragov.org

City of Aurora, Colorado
Painted Prairie Business Improvement District #2

September 20, 2022

Aurora is Worth Discovering!

Feet
0 425 850

9/20/2022 I:\GIS\Arc10_MXD\Planning\ODA\BID Maps\Painted Prairie BID no 2.mxd

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Porteos BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

- Agenda long title:
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title:

- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time:

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney
Estimated time: 10 mins

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Porteos Business Improvement District (BID) in 2016 (Ord. No. 2016-43). The BID is located generally east of Harvard Road between 56th and 68th 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.

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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Porteos Business Improvement District to the November 14, 2022, regular meeting of the City Council for formal consideration?

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

TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
1. PURPOSE AND SCOPE OF THIS DISTRICT	1
A. Requirement for this Operating Plan.	1
B. What Must Be Included in the Operating Plan?	1
C. Purposes.	1
D. Ownership of Property or Major Assets.	1
E. Contracts and Agreements.	1
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS	2
A. Organization.....	2
B. Governance.	2
C. District Board.....	2
D. Term Limits.	2
E. Advisory Board.....	2
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS.....	2
4. PUBLIC IMPROVEMENTS	2
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE.....	3
6. FINANCIAL PLAN AND BUDGET	3
A. 2023 Budget and Additional Financial Information.	3
B. Authorized Indebtedness.....	3
C. Property Tax and Mill Levy Caps.....	3
D. District Revenues.	3
E. Existing Debt Obligations.....	3
F. Future Debt Obligations.....	3
G. Other Financial Obligations.....	4
H. Non-Default Provisions.	4
I. No City Obligation.....	4
7. 2022 AND 2023 SERVICES, ACTIVITIES, PROJECTS AND CHANGES.....	4
A. Services and Activities.....	4
B. Projects and Public Improvements.....	4
8. DISSOLUTION.....	4
9. CONCLUSION	4

EXHIBIT A – District Contact Information

EXHIBIT B – 2023 BID Budget and Additional Financial Information

EXHIBIT C – District Map

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

Accountant:

Diane Wheeler
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490
Englewood, CO 80112
303-689-0833
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 <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/31/2022</u>	Estimate <u>2022</u>	Proposed Budget <u>2023</u>
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>
Assets			
Current assets			
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	22,084	-	22,084
	<u>553,436</u>	<u>-</u>	<u>553,436</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	381,177	381,177
	<u>-</u>	<u>381,177</u>	<u>381,177</u>
	<u>\$ 553,436</u>	<u>\$ 381,177</u>	<u>\$ 934,613</u>
Liabilities and Equity			
Current liabilities			
Accounts payable	\$ 20,693	\$ -	\$ 20,693
	<u>20,693</u>	<u>-</u>	<u>20,693</u>
Developer Advance - Principal	-	319,916	319,916
Developer Advance - Interest	-	61,261	61,261
	<u>-</u>	<u>381,177</u>	<u>401,870</u>
Total liabilities	<u>20,693</u>	<u>381,177</u>	<u>401,870</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	532,743	-	532,743
	<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>
Revenues			
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>
Expenditures			
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>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
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>
Expenditures			
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>\$ 358,301</u>	<u>\$ 358,301</u>

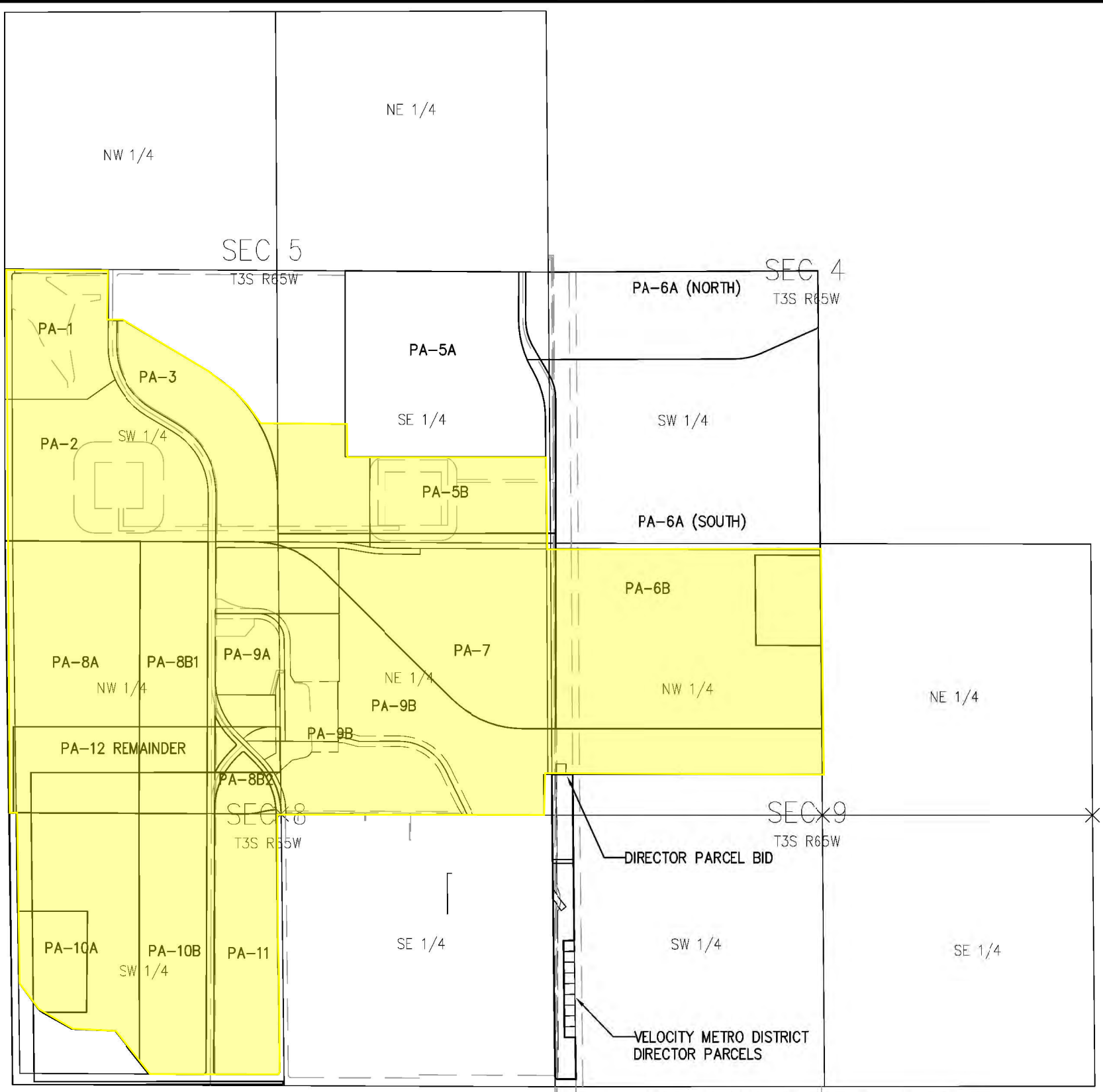
EXHIBIT C

District Map

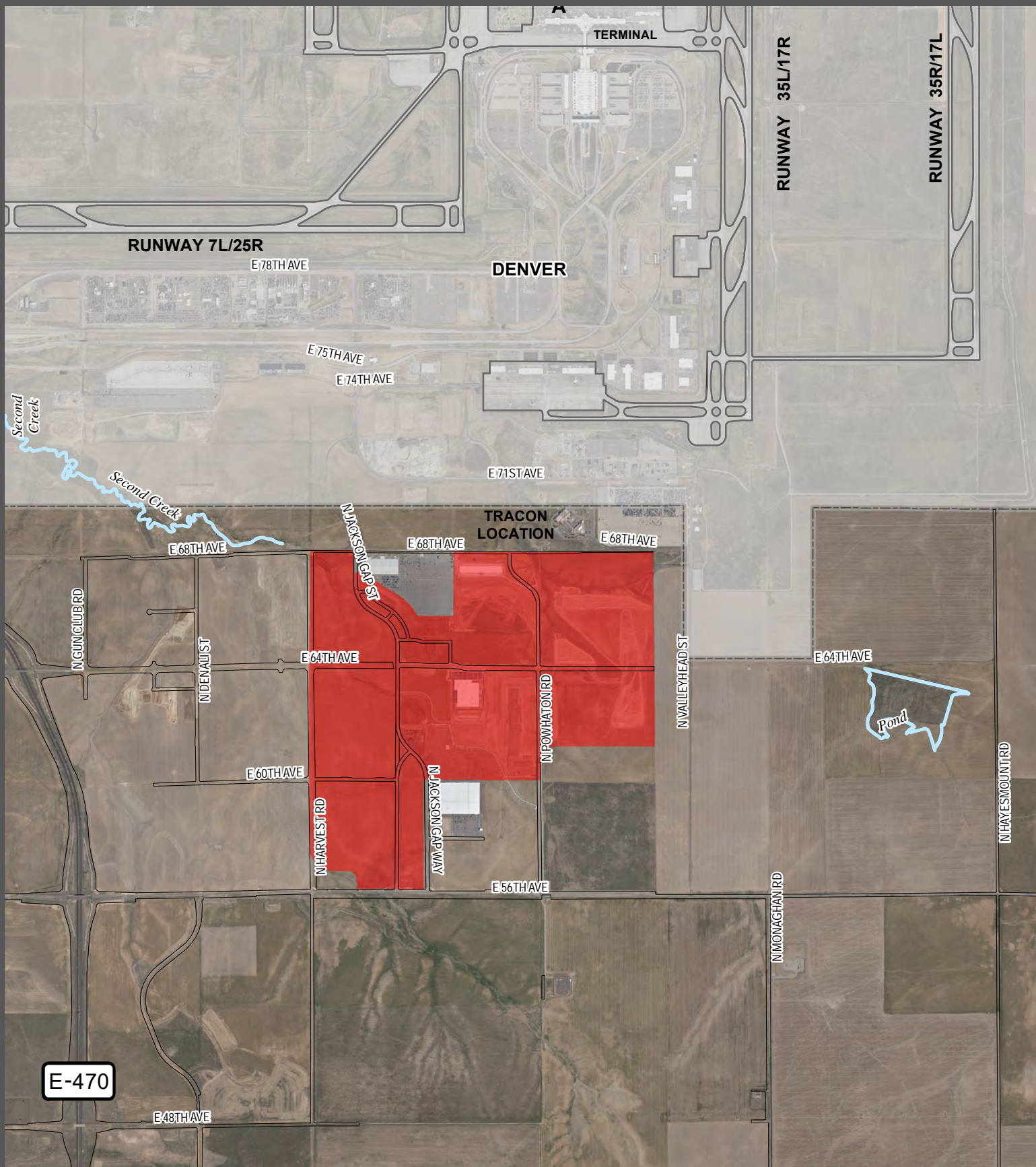
THIS MAP IS A PRELIMINARY DESIGN AND SHOULD NOT BE USED FOR CONSTRUCTION OR AS A BASIS FOR ANY CONTRACT. THE USER SHALL BE RESPONSIBLE FOR VERIFYING THE ACCURACY OF THE INFORMATION SHOWN ON THIS MAP. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY INFORMATION FROM THE APPROPRIATE AGENCIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY INFORMATION FROM THE APPROPRIATE AGENCIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY INFORMATION FROM THE APPROPRIATE AGENCIES.

File: \\c:\data\c\de\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: CAURRAY

 BID



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



E-470

Planning & Development Services

15151 E. Alameda Pkwy
Aurora CO 80012 USA
www.auroragov.org
303-739-7250
GIS@auroragov.org

City of Aurora, Colorado





2022 Porteos Business Improvement District

September 20, 2022



Aurora is Worth Discovering!

Legend

-  Water Lines
-  Parcels
-  Porteos BID
-  Other Jurisdictions

Feet
0 1,500 3,000

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINE

Summary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTS

Summary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Tower BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

- Agenda long title:
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title:
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time: 5 / 5

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney

Estimated time: 10 mins

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Tower Business Improvement District (BID) in 2019 (Ord. No. 2019-71). The BID is located generally at the southeast corner of 38th 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Tower Business Improvement District to the November 14, 2022, regular meeting of the City Council for formal consideration?

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

TABLE OF CONTENTS

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

 A. Requirement for this Operating Plan 1

 B. What Must Be Included in the Operating Plan? 1

 C. Purposes 1

 D. Ownership of Property or Major Assets 1

 E. Contracts and Agreements 1

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

 A. Organization..... 2

 B. Governance 2

 C. Current Board..... 2

 D. Term Limits 2

 E. Advisory Board..... 2

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 2

4. PUBLIC IMPROVEMENTS..... 3

5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE 5

6. FINANCIAL PLAN AND BUDGET..... 5

 A. 2023 Budget..... 5

 B. Authorized Indebtedness..... 5

 C. Property Tax and Mill Levy Caps..... 5

 D. District Revenues 5

 E. Existing Debt Obligations..... 5

 F. Future Debt Obligations..... 5

 G. Other Financial Obligations..... 6

 H. Non-Default Provisions 6

 I. Privately Placed Debt..... 6

 J. No City Obligations 6

7. 2023 ACTIVITIES, PROJECTS AND CHANGES..... 6

 A. Activities 6

 B. Projects and Public Improvements..... 6

8. DISSOLUTION 6

9. CONCLUSION..... 7

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

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 2021</u>	<u>Actual 2021</u>	<u>Proposed 2022</u>	<u>Actual 2022</u>	<u>Proposed 2023</u>
Beginning Fund Balance	-	-	-	-	-
REVENUES					
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
EXPENDITURES					
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</u> <u>2021</u>	<u>Actual</u> <u>2021</u>	<u>Proposed</u> <u>2022</u>	<u>Actual</u> <u>2022</u>	<u>Proposed</u> <u>2023</u>
Beginning Fund Balance	-		-		-
REVENUES					
Property Taxes	-		-		-
Public Improvement Fees	-		-		-
Developer Advance	-	-	-	-	-
Net Investment Income	-		-		-
Intergovernmental Revenue	-		-		-
Bond Issuance	-		-		-
Total Revenues	-	-	-	-	-
EXPENDITURES					
Electric Utility Extensions (East 38 th Ave)	-	-	-	-	-
Gas Utility Extensions (East 38 th Ave)	-	-	-	-	-
Electric Utility Extensions (Picadilly Rd)	-	-	-	-	-
Total Expenditures	-	-	-	-	-
ENDING FUND BALANCE	-	-	-	-	-

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;

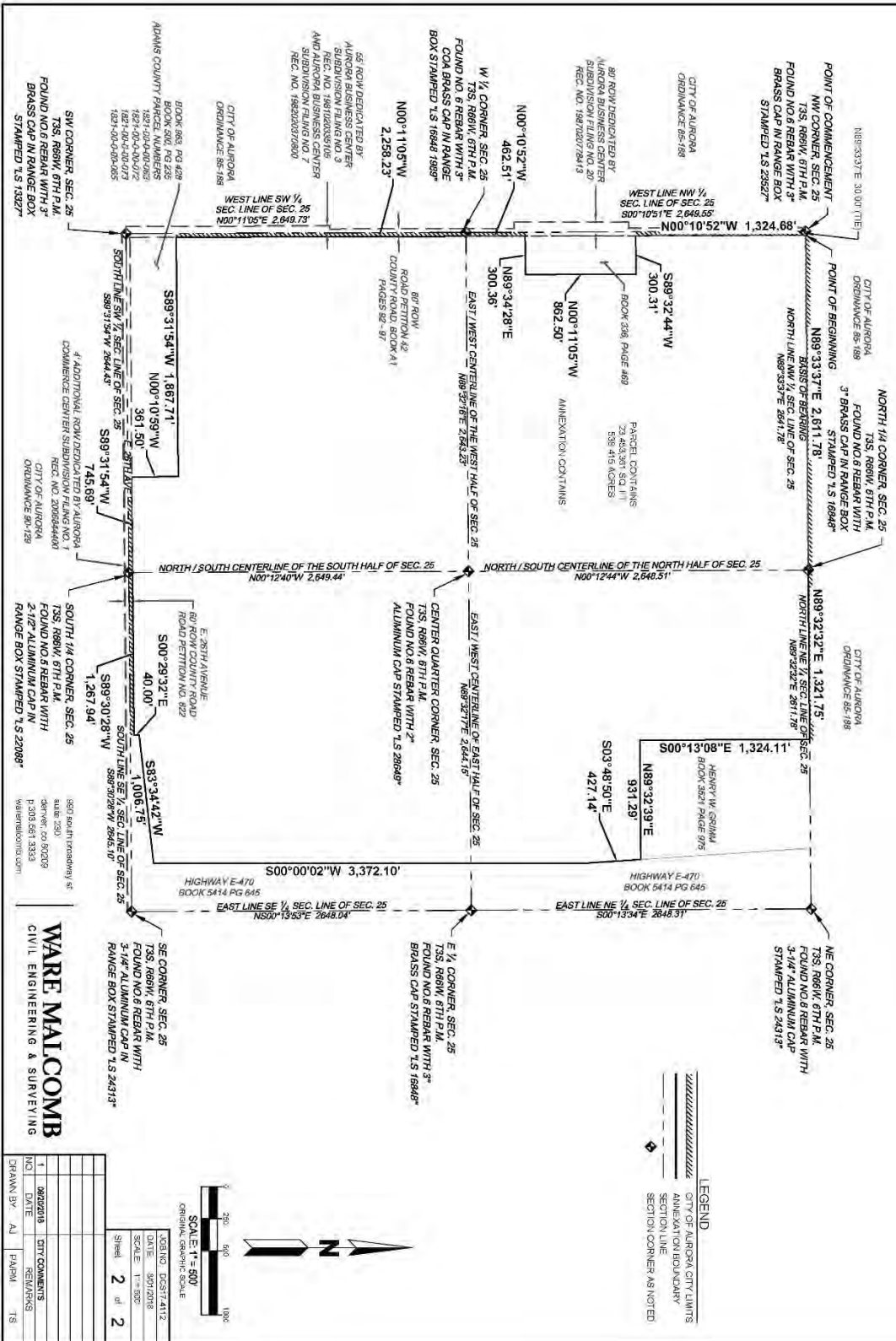
THENCE NORTH 00°10'52" WEST ALONG EAST RIGHT-OF-WAY LINE A DISTANCE OF 1324.68 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 23,453,361 SQUARE FEET, OR 538.415 ACRES, MORE OR LESS.

EXHIBIT D
The Property Map

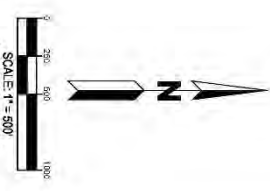
ANNEXATION MAP

A PORTION OF SECTION 25, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO



LEGEND

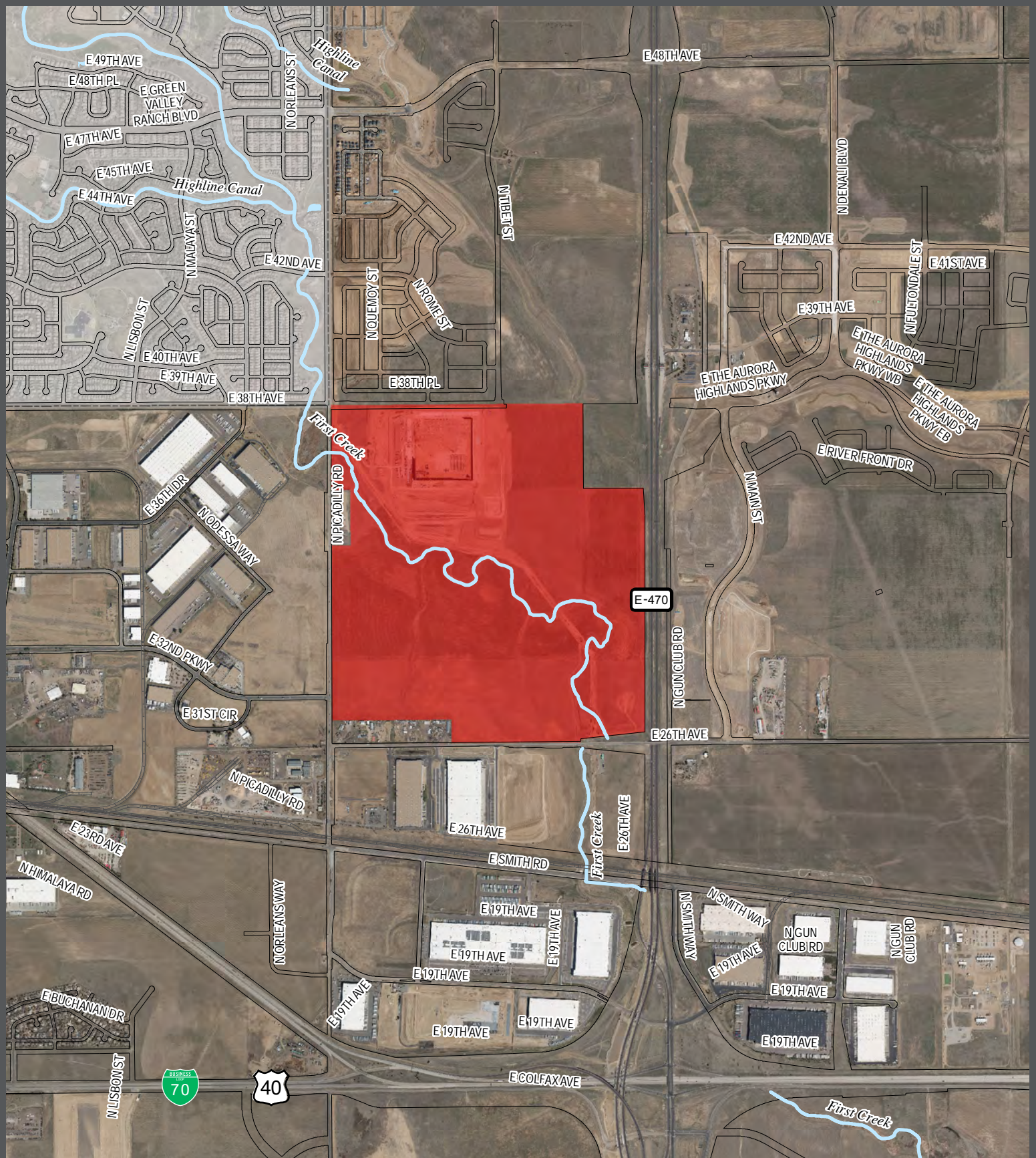
- CITY OF AURORA CITY LIMITS
- ANNEXATION BOUNDARY
- SECTION LINE
- SECTION CORNER AS NOTED



WARE MALCOMB
CIVIL ENGINEERING & SURVEYING

867 South Broadway St
Suite 200
Denver, CO 80202
P: 303.563.3333
W: www.waremalcomb.com

1 08/2018 CITY COMMENTS
NO DATE REV/ISS
DRAWN BY: AJL PMPM TS



Planning & Development Services

15151 E. Alameda Pkwy
Aurora CO 80012 USA
www.auroragov.org
303-739-7250
GIS@auroragov.org

City of Aurora, Colorado

Majestic Commercenter II Vicinity Map

September 20, 2022



Legend

- Railroad Lines
- Water Lines
- Parcels
- Lakes
- Tower Business Improvement District
- Other Jurisdictions

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Windler No. 1 BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

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

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney

Estimated time: 10 mins

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 checked="" type="checkbox"/> Approve Item and Move Forward to Regular Meeting | <input checked="" type="checkbox"/> Approve Item as proposed at Regular Meeting |
| <input type="checkbox"/> Information Only | |
| <input type="checkbox"/> Approve Item with Waiver of Reconsideration
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 checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Windler Business Improvement District No. 1 (BID) in 2021 (Ord. No. 2021-32). The BID is located generally west of Harvest Road, north of E 42nd Avenue, south of E 56th 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Windler Business Improvement District No. 1 to the November 14, 2022, regular meeting of the City Council for formal consideration?

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.

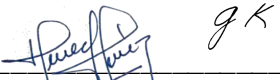
RESOLVED AND PASSED this _____ day of _____, 2022.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



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

TABLE OF CONTENTS

I. PURPOSE AND SCOPE OF DISTRICT 1

A. Requirement for this Operating Plan 1

B. What Must Be Included in the Operating Plan? 1

C. Purposes 1

II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1

A. Current Board of Directors..... 1

B. Term Limits 1

C. Director Compensation 1

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 2

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2

A. Current Year (2022) Services, Activities, Projects and Public Improvements 2

B. Future Year (2023) Services, Activities, Projects and Public Improvements 2

V. SOURCES OF REVENUE..... 2

A. Current Year (2022) Sources of Revenue 2

B. Future Year (2023) Sources of Revenue 3

VI. PROPERTY TAX AND MILL LEVY 3

A. Mill Levy Caps 3

B. Current Year (2022) Mill Levy 3

C. Future Year (2023) Mill Levy 3

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3

A. Maximum Debt Authorization..... 3

B. Current Year (2022) Debt Outstanding..... 3

C. Future Year (2023) Debt Outstanding 3

VIII. BUDGETS AND FINANCIAL STATEMENTS..... 3

A. 2023 Budget 3

B. 2022 Budget 3

C. 2021 and 2022 Financial Statements 3

IX. DISTRICT CONTACT INFORMATION 4

A. Contact Information 4

X. DISSOLUTION..... 4

XI. CONCLUSION 4

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 30th 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----

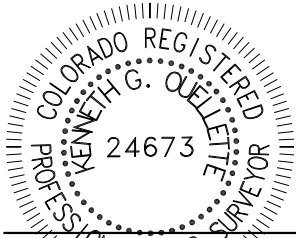
PROPERTY DESCRIPTION

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.



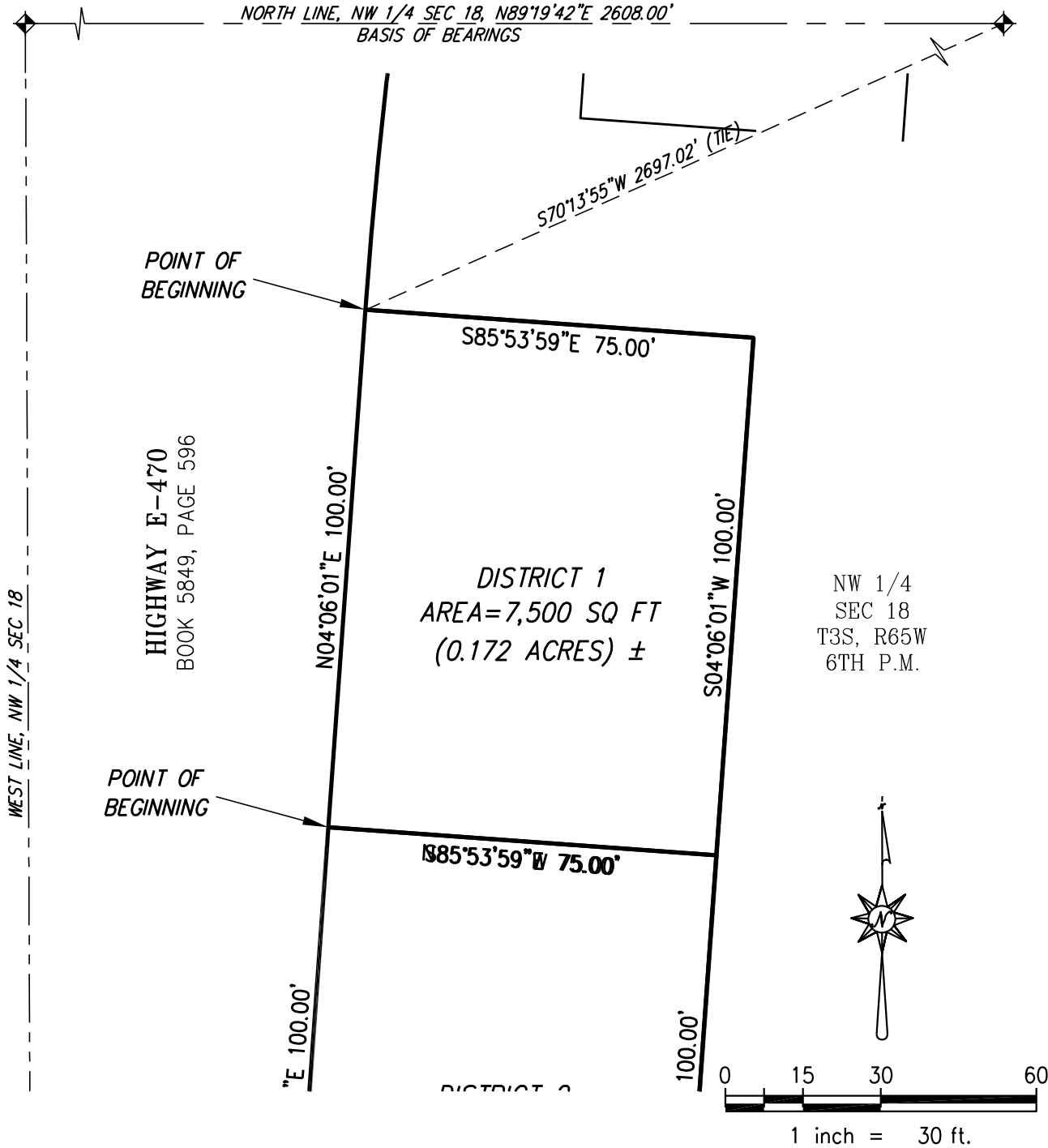
KENNETH G. OUELLETTE, P.L.S. 24673
 DATE: MAY 16, 2021
 JOB NO. 65420899
 FOR AND ON BEHALF OF MERRICK & COMPANY

 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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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. 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)
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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)
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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>
Revenues			
Developer advance	\$ 50,000	\$ 3,946	\$ (46,054)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>3,946</u>	<u>(46,054)</u>
Expenditures			
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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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>
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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

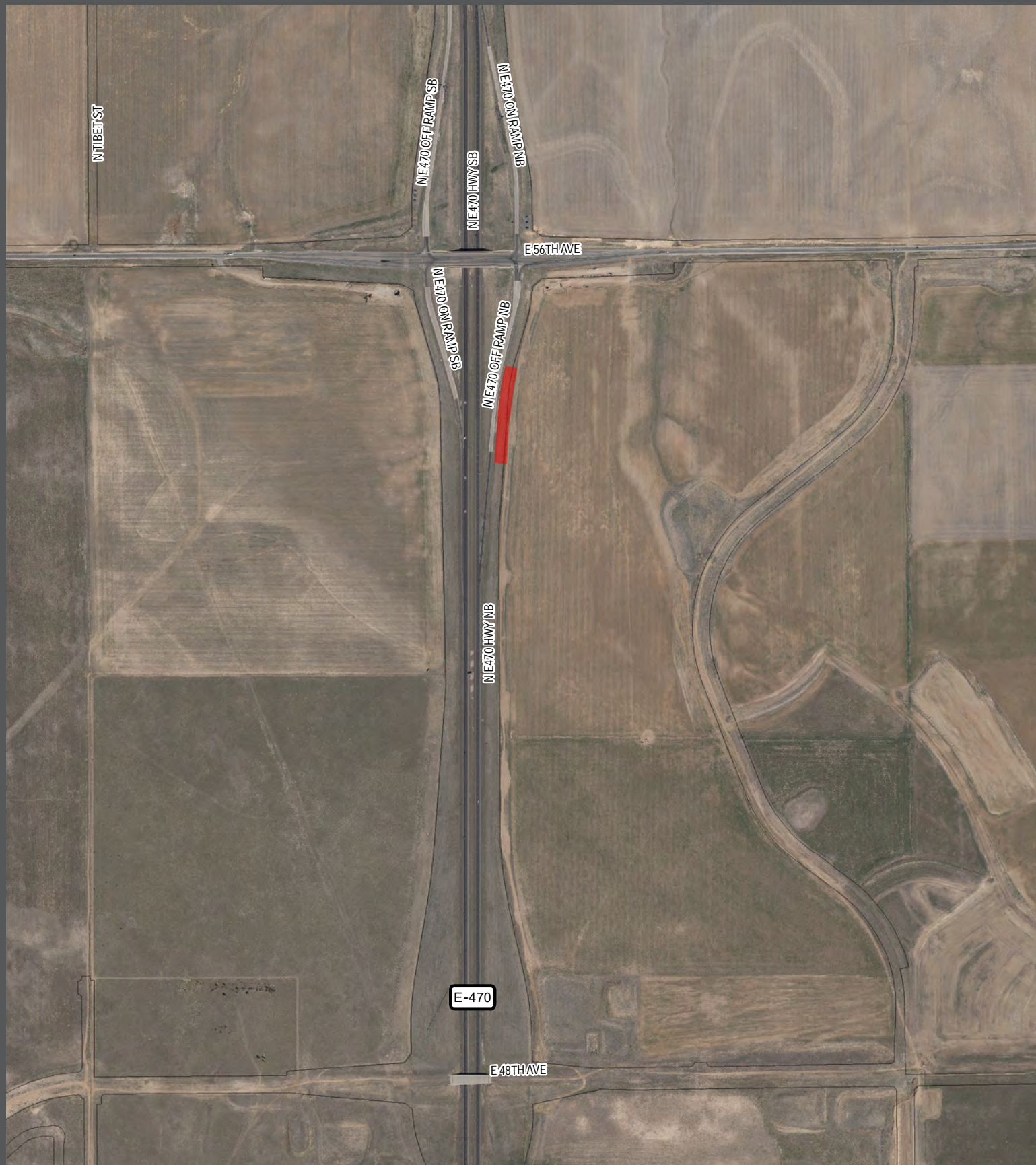
District Representative Contact:

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



Planning & Development Services

15151 E. Alameda Pkwy
 Aurora CO 80012 USA
www.auroragov.org
 303-739-7250
GIS@auroragov.org

City of Aurora, Colorado

Windler Homestead No. 1
 Business Improvement District

September 20, 2022



Legend

- Windler Homestead No. 1
- Railroad Lines
- Water Lines
- Parcels
- Lakes
- Other Jurisdiction



MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Windler No. 2 BID 2023 Operating Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

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

Carol Toth, Manager of Accounting / Hanosky Hernandez, Sr. Assistant City Attorney

Estimated time: 10 mins

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" 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 checked="" type="checkbox"/> Minutes Not Available |

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

City Council approved the establishment of the Windler Business Improvement District No. 2 (BID) in 2021 (Ord. No. 2021-33). The BID is located generally west of Harvest Road, north of E 42nd Avenue, south of E 56th 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Windler Business Improvement District No. 2 to the November 14, 2022, regular meeting of the City Council for formal consideration?

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:


HANOSKY HERNANDEZ,
Sr. Assistant City Attorney

**WINDLER
BUSINESS IMPROVEMENT DISTRICT NO. 2**

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

TABLE OF CONTENTS

I. PURPOSE AND SCOPE OF DISTRICT 1

A. Requirement for this Operating Plan 1

B. What Must Be Included in the Operating Plan? 1

C. Purposes 1

II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1

A. Current Board of Directors..... 1

B. Term Limits..... 1

C. Director Compensation 1

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 2

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2

A. Current Year (2022) Services, Activities, Projects and Public Improvements 2

B. Future Year (2023) Services, Activities, Projects and Public Improvements 2

V. SOURCES OF REVENUE..... 2

A. Current Year (2022) Sources of Revenue 2

B. Future Year (2023) Sources of Revenue 3

VI. PROPERTY TAX AND MILL LEVY..... 3

A. Mill Levy Caps 3

B. Current Year (2022) Mill Levy..... 3

C. Future Year (2023) Mill Levy 3

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3

A. Maximum Debt Authorization..... 3

B. Current Year (2022) Debt Outstanding..... 3

C. Future Year (2023) Debt Outstanding..... 3

VIII. BUDGETS AND FINANCIAL STATEMENTS..... 3

A. 2023 Budget 3

B. 2022 Budget 3

C. 2021 Financial Statements..... 3

IX. DISTRICT CONTACT INFORMATION 4

A. Contact Information 4

X. DISSOLUTION..... 4

XI. CONCLUSION 4

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 30th 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----

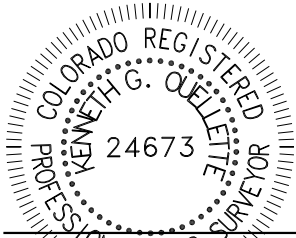
PROPERTY DESCRIPTION

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.



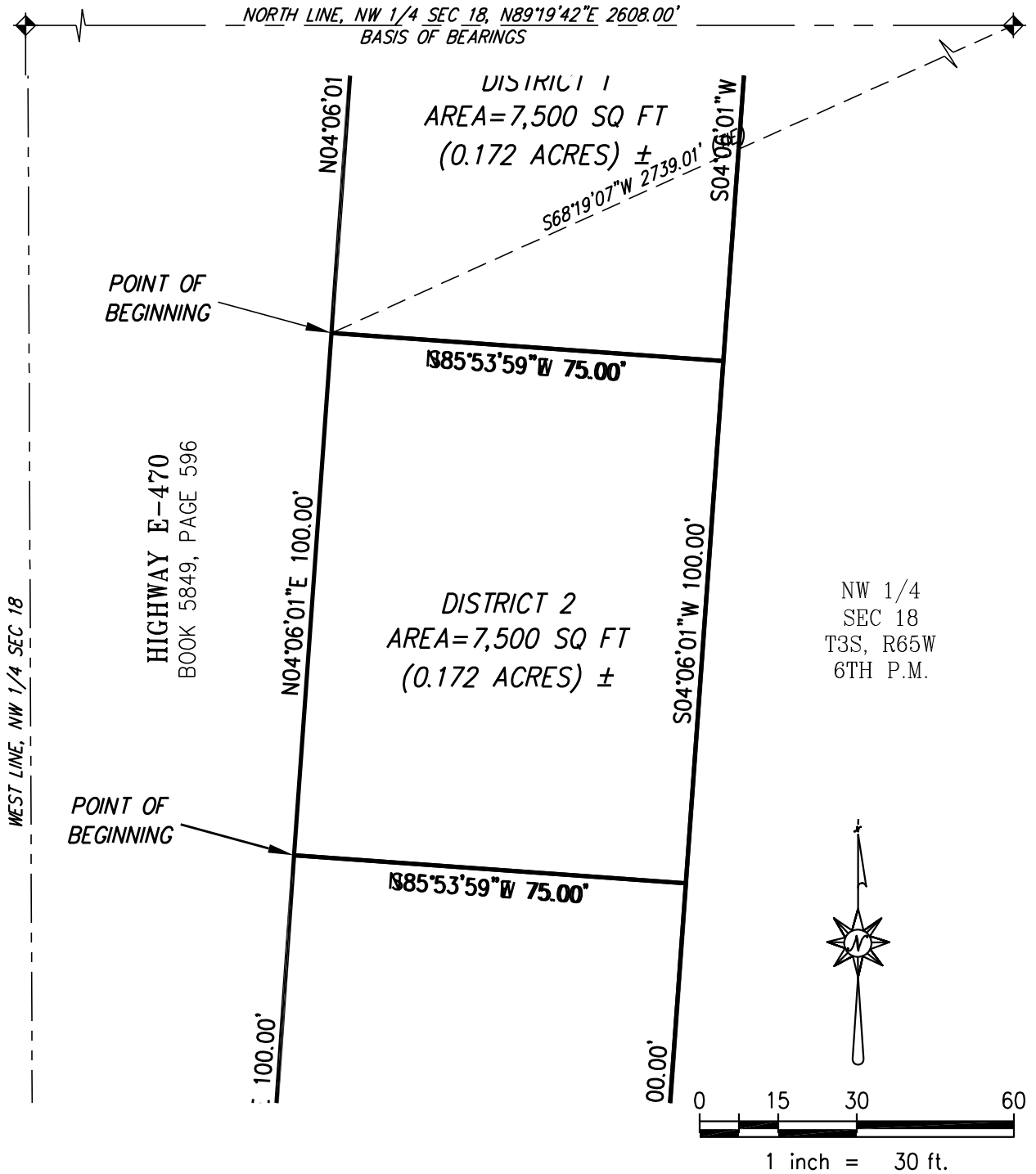
KENNETH G. OUELLETTE, P.L.S. 24673
 DATE: MAY 16, 2021
 JOB NO. 65420899
 FOR AND ON BEHALF OF MERRICK & COMPANY

 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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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. 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)
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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>
Assets			
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	-	-	-
	-	-	-
	\$ -	\$ -	\$ -
Liabilities and Equity			
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)
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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	<u>3,946</u>	<u>-</u>	<u>3,946</u>
	<u>3,946</u>	<u>-</u>	<u>3,946</u>
Other assets			
Improvements	-	-	-
Amount available in debt service fu	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,946</u>	<u>\$ -</u>	<u>\$ 3,946</u>
Liabilities and Equity			
Current liabilities			
Accounts payable	<u>\$ 3,946</u>	<u>\$ -</u>	<u>\$ 3,946</u>
	<u>3,946</u>	<u>-</u>	<u>3,946</u>
Note Payable - Developer	-	-	-
Note Payable - Developer interest	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,946</u>	<u>-</u>	<u>3,946</u>
Fund Equity			
Investment in improvements	-	-	-
Fund balance (deficit)	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,946</u>	<u>\$ -</u>	<u>\$ 3,946</u>

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>
Revenues			
Developer advance	\$ 50,000	\$ 3,946	\$ (46,054)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>3,946</u>	<u>(46,054)</u>
Expenditures			
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>
Assets			
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>
Liabilities and Equity			
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>
Revenues			
Developer advance	\$ 50,000	\$ -	\$ (50,000)
Misc Income	-	-	-
Interest income	-	-	-
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
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

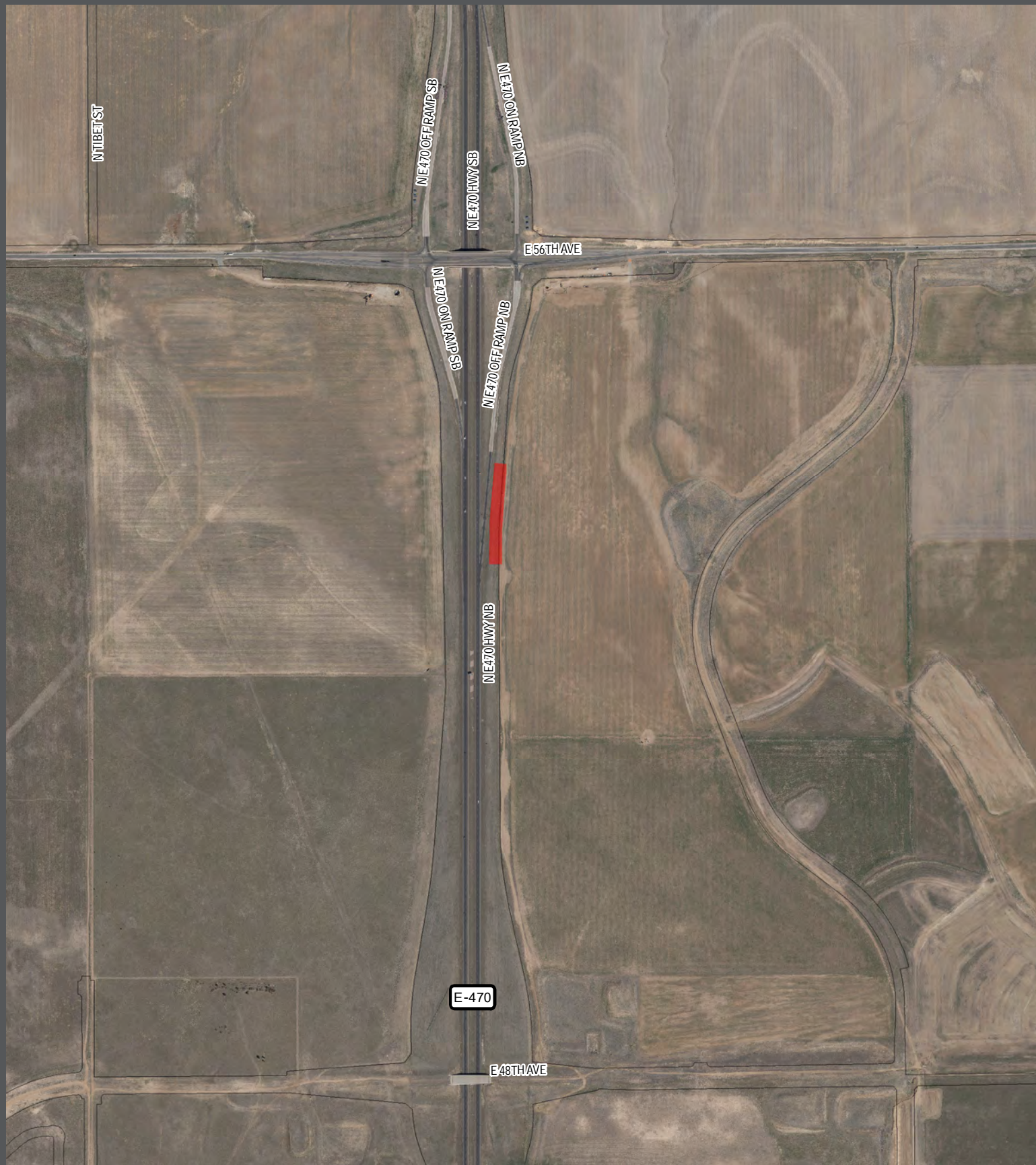
District Representative Contact:

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



**Planning &
Development Services**

15151 E. Alameda Pkwy
Aurora CO 80012 USA
www.auroragov.org
303-739-7250
GIS@auroragov.org

City of Aurora, Colorado

Windler Homestead No. 2
Business Improvement District

September 20, 2022



Legend

- Windler Homestead No. 2
- Railroad Lines
- Water Lines
- Parcels
- Lakes
- Other Jurisdiction



MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Fitzsimons Business Improvement District - Operation Plan and Budget (Resolution)

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: 11/14/2022

ITEM DETAILS:

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

Estimated time: 2 mins

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 checked="" 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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|----------------------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
| <input checked="" 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 23rd Street and Montview Boulevard.

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.

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 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 A
MAP OF THE BID SERVICE AREA

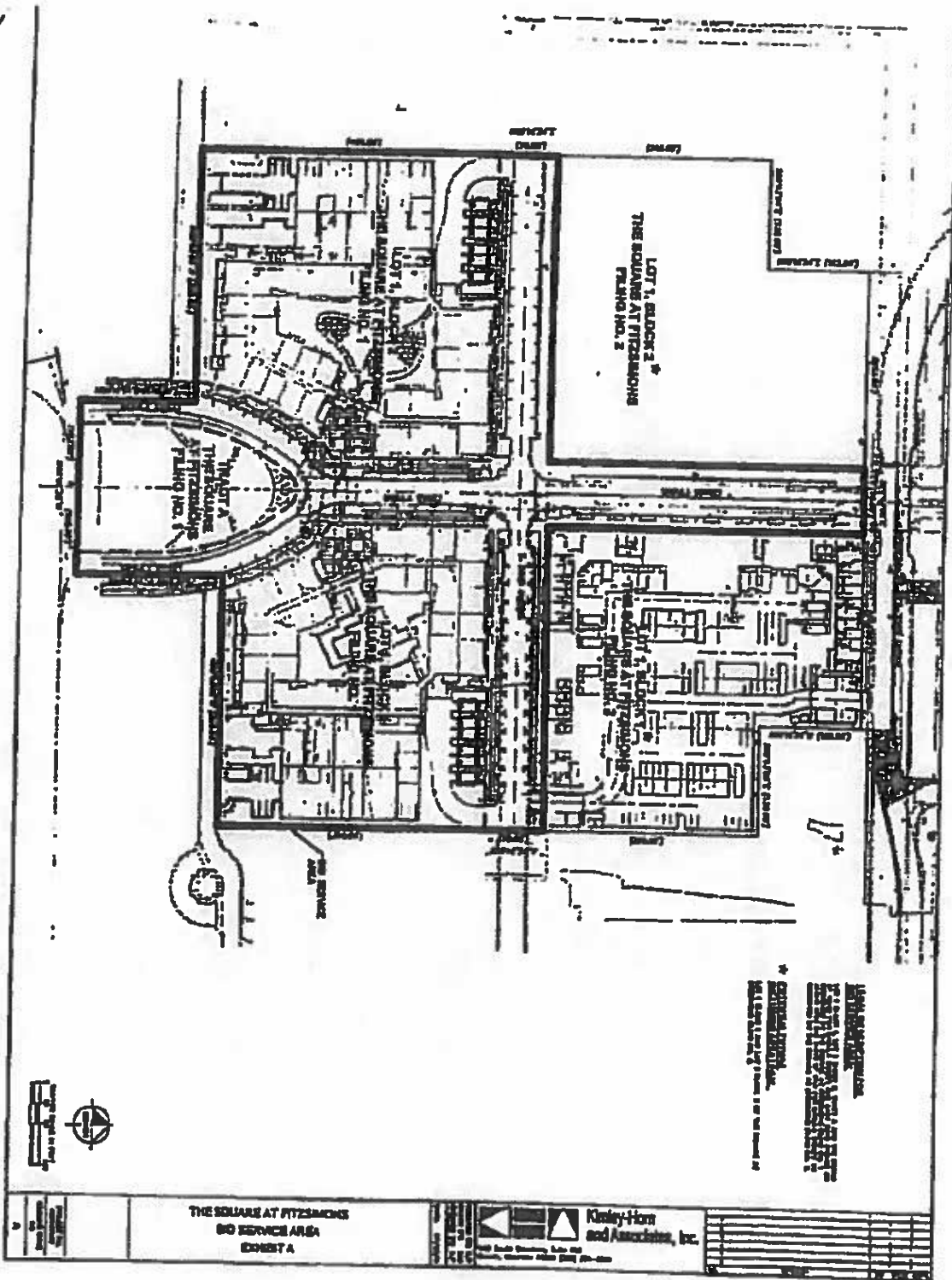
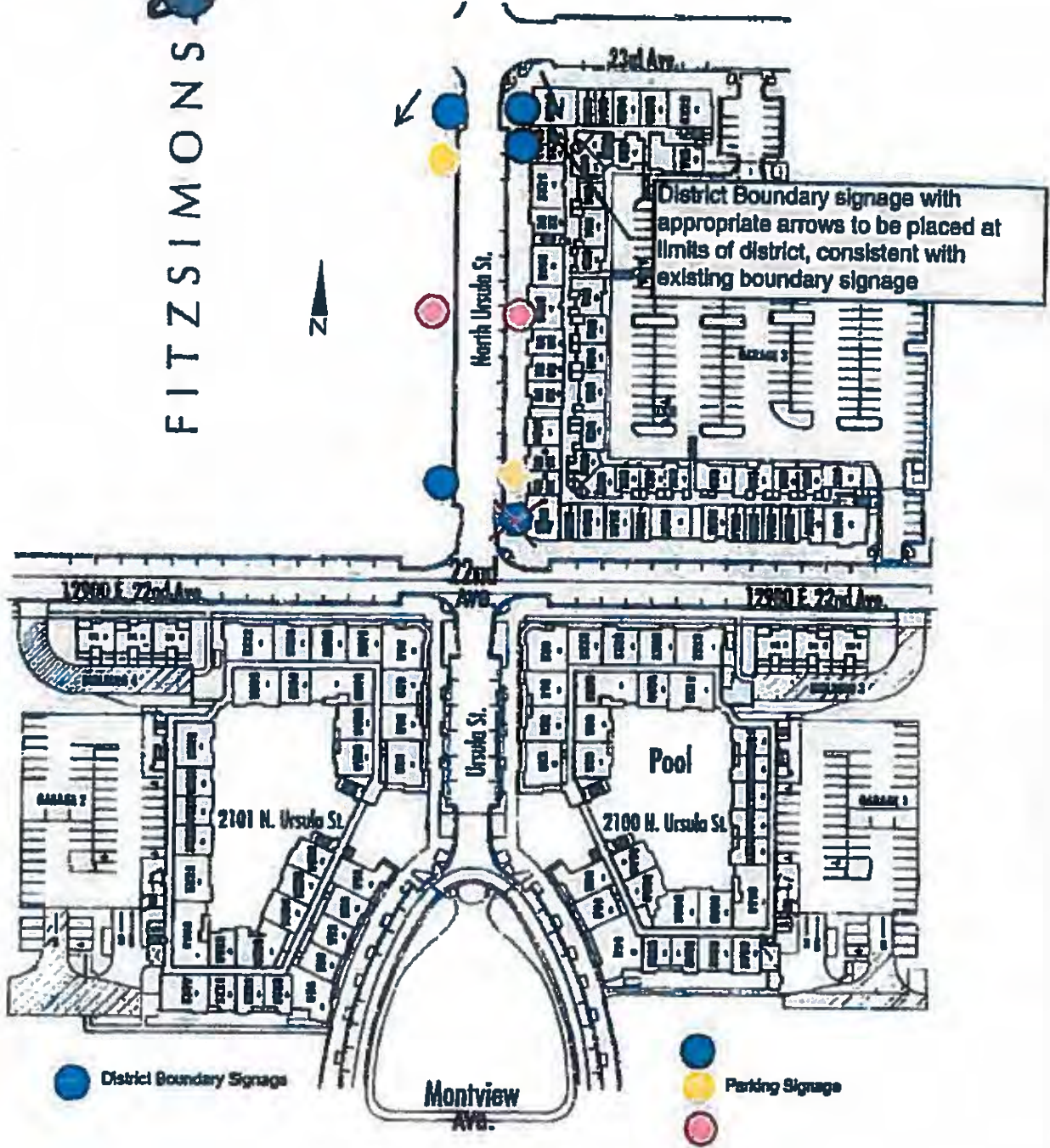


EXHIBIT B
(PARKING SPACE MAP)



FITZSIMONS



2100 n ursula st. • aurora • co 80045 • p: 303-363-0021 • f: 303-363-0023 • 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

APPROVAL: (YES) APPROVAL: (YES)
It is hereby acknowledged that the client has accepted the design and content of the signs and that the client is responsible for any and all errors or omissions. The client's signature and date are required for approval. The client's signature and date are required for approval.



BACKFACE
 ALUMINUM PLATE
 WITH DWT 0.015 INCS

FINISH
 SIGN FACE SOLID 10
 BK/ALUMINUM 10



CLIENT: FALLS CORPORATION
 FILE NAME: 10X12 PARKING
 DRAWN BY: LORREN

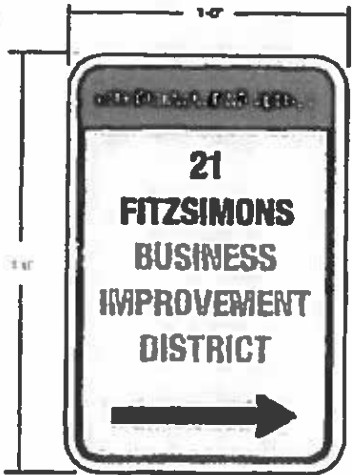
PROJECT NAME: 21 FITZSIMONS
 ACCOUNT MANAGER: JEAN WHITE
 DATE: 10/24/11

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. THE SIGN WILL BE DELIVERED TO THE ADDRESS AND PHONE NUMBER PROVIDED. IF YOU DO NOT PROVIDE AN ADDRESS AND PHONE NUMBER, WE WILL NOT BE RESPONSIBLE FOR THE DELIVERY OF THE SIGN. IF YOU DO NOT PROVIDE AN ADDRESS AND PHONE NUMBER, WE WILL NOT BE RESPONSIBLE FOR THE DELIVERY OF THE SIGN.

APPROVAL: APPROVAL:



SCALE 1/4" = 1'



SCALE 3" = 1'

REPLACE PLASTER TRAFFIC WITH DRY GRAVEL
 SIGN TO BE MOUNTED TO BRACKETS

FOR DELIVERY OF THIS SIGN, A SIGN IS REQUIRED AS A PRE-ORDER SIGN. DELIVERY IS REQUIRED AS A PRE-ORDER SIGN.

REVISIONS: NO

EXHIBIT C
(2023 Budget)

Fitzsimons Business Improvement District													
2023 Budget													
September 15, 2022													
INCOME STATEMENT	2017	2017	2018	2018	2019	2019	2020	2020	2021	2021	2022	2022	2023
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actual	Budget	Actual	Budget	Estimated	Budget
REVENUE													
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													
Total Revenue	8,039.42	7,339.76	9,766.00	6,184.92	9,766.00	7,280.96	10,161.50	4,162.19	9,859.00	1,857.00	5,859.00	15,695.40	13,420.00
EXPENSES													
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
Total Expenses	(7,537.00)	(2,236.31)	(6,766.31)	(7,064.97)	(6,766.00)	(7,788.09)	(7,161.86)	(5,804.61)	(6,859.00)	(1,341.00)	(5,859.00)	(10,685.07)	(6,920.00)
CAPITAL EXPENDITURES													
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
Total Capital Spending	(500.00)	0.00	(3,000.00)	0.00	(3,000.00)	(3,095.00)	(3,000.00)	0.00	(3,000.00)	0.00	0.00	(3,307.02)	(6,500.00)
Total Expenditures	(8,037.00)	(2,236.31)	(9,766.31)	(7,064.97)	(9,766.00)	(10,883.09)	(10,161.86)	(5,804.61)	(9,859.00)	(1,341.00)	(5,859.00)	(13,992.09)	(13,420.00)
NET REVENUES	2.42	5,103.45	(0.31)	(880.05)	0.00	(3,602.13)	(0.36)	(1,642.42)	0.00	516.00	0.00	1,703.31	0.00
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**

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
REVENUE													
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													
Total Revenue	8,039.42	7,339.76	9,766.00	6,184.92	9,766.00	7,280.96	10,161.50	4,162.19	9,859.00	1,857.00	5,859.00	15,695.40	13,420.00
EXPENSES													
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
Total Expenses	(7,537.00)	(2,236.31)	(6,766.31)	(7,064.97)	(6,766.00)	(7,788.09)	(7,161.86)	(5,804.61)	(6,859.00)	(1,341.00)	(5,859.00)	(10,685.07)	(6,920.00)
CAPITAL EXPENDITURES													
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
Total Capital Spending	(500.00)	0.00	(3,000.00)	0.00	(3,000.00)	(3,095.00)	(3,000.00)	0.00	(3,000.00)	0.00	0.00	(3,307.02)	(6,500.00)
Total Expenditures	(8,037.00)	(2,236.31)	(9,766.31)	(7,064.97)	(9,766.00)	(10,883.09)	(10,161.86)	(5,804.61)	(9,859.00)	(1,341.00)	(5,859.00)	(13,992.09)	(13,420.00)
NET REVENUES	2.42	5,103.45	(0.31)	(880.05)	0.00	(3,602.13)	(0.36)	(1,642.42)	0.00	516.00	0.00	1,703.31	0.00
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.

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:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:


HANOSKY HERNANDEZ,
Sr. Assistant City Attorney

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

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

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: 11/14/2022

ITEM DETAILS:

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

Estimated time: 5 mins

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 checked="" 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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|----------------------------------------------|------------------------------------------------------|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
|----------------------------------------------|------------------------------------------------------|

Forwarded Without Recommendation

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.)*

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 23rd Avenue and extends further east and west between 22nd Avenue and Montview Boulevard. The BID primarily supports its businesses by managing and enforcing parking, signage and streetscaping.

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.

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?

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)

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

Council Agenda Commentary

Item Title: Havana Business Improvement District - Operation Plan and Budget (Resolution)
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: 11/14/2022

ITEM DETAILS:

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

Outside Speaker: Chance Horiuchi, Executive Director, Havana BID

Estimated time: 2 mins

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

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

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 6th Avenue to Dartmouth Avenue.

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. The Board is currently obtaining additional district stakeholder feedback regarding 2023 programming which could result in some additional changes to the Operation Plan between the Study Session and Regular Session meetings. Changes, if any, will be identified in the backup material presented at the Regular Session.

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. Please note that the Board is currently obtaining additional district stakeholder feedback regarding 2023 programming which could result in some additional changes to the Operation Plan between the Study Session and Regular Session meetings. Changes, if any, will be identified in the backup material presented at the Regular Session.

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?

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 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 6th 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	\$ 585,260	\$ 643,321	\$ 643,321	\$ 738,786
Revenues					
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	628	-	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
Expenditures					
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	16,000
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 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 13th 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 13th 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 13th 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 13th 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 13th 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 14th 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 policies 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 programming 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 | 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.

- 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, 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%		-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 3rd 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 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 st 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 1st, 2nd & 3rd 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 1st, 2nd and 3rd 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

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.
- **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 Stevinson 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 - Stevinson 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 3rd 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 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 3rd 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.



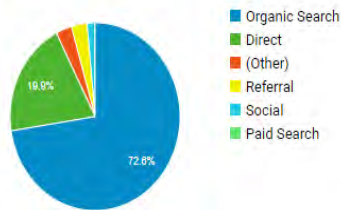
- **Website & Social Media Marketing:** We regularly updated the On Havana Street website with stakeholder and District events, COVID-19 related updates and resources, funding opportunities, ordinance updates, blog posts, press coverage, photos, new business directory listings, and available properties. 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 YouTube, 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

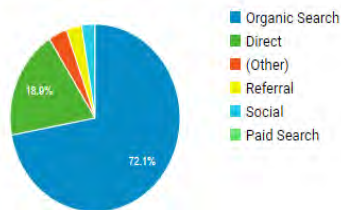


Top Channels

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 3rd 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, 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

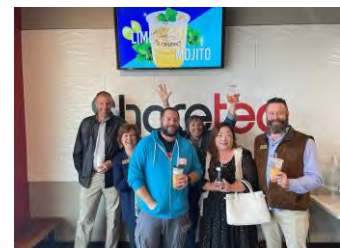
1. CEDS Finance in the Havana Tower - relocated to 10660 E Colfax Ave, Aurora, Colorado 80010
2. [Ventana Capital](#) sold Havana Tower sold to Nigerian business owner. The Havana Tower was a multi-tenant office building located in the heart of Aurora, CO with size of 68,848 Sq. Ft. Office spaces ranged 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, O: 303.321.1500 | F: 303.321.0662 | C: 303.817.2965, 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 - 1st 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 - 1st 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 3rd 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:

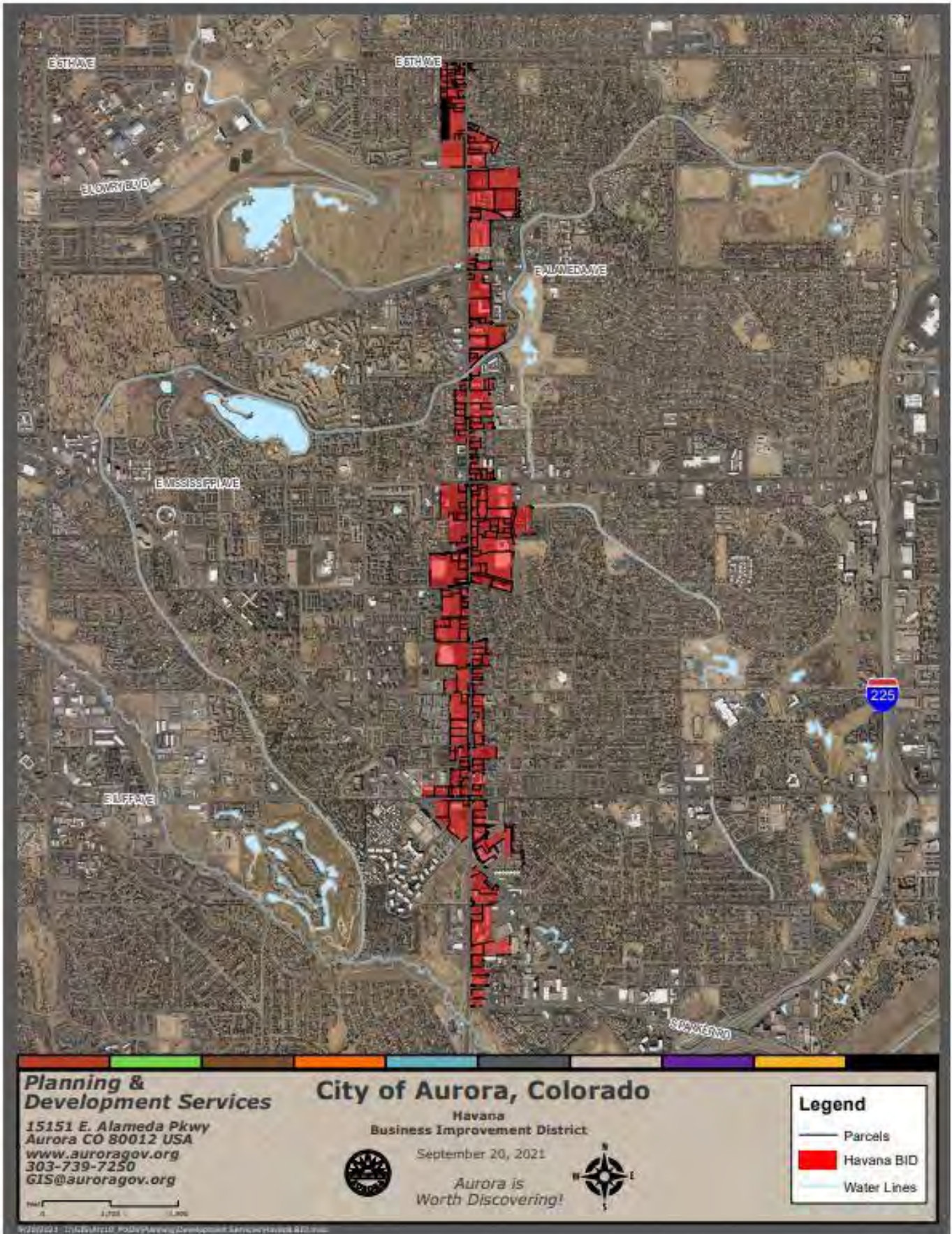
- Gary Sliger retired and sold business to Kerstin & Joe Hitchcock, Owner of Gary's Full-Service Auto Repair, 30 S Havana St., 304-R, Aurora CO 80012
- Sean Choi, resigned from the Havana location to transfer for a promotion, Director of Diversity, Equity, and Inclusion Senior Vice President, First Bank, 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	Adopted	Actual	Estimate	Proposed
	2021	Budget	8/31/2022	2022	Budget
	2021	2022	2022	2022	2023
Beginning fund balance	\$ 441,364	\$ 585,260	\$ 643,321	\$ 643,321	\$ 738,786
Revenues					
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	628	-	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
Expenditures					
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	16,000
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
Revenues					
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	-
	<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>
Expenditures					
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	<u>68,381</u>	<u>125,000</u>	<u>69,997</u>	<u>105,000</u>	<u>217,000</u>
Program management					
Supplies	5,584	16,500	38	70	20,000
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
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	<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:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



HANOSKY HERNANDEZ,
Sr. Assistant City Attorney

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Parkside at City Centre BID 2023 Operating Plan and Budget
Item Initiator: Jennifer Orozco, Development Project Manager – Planning and Development Services
Staff Source/Legal Source: Jennifer Orozco, Dev Project Mgr – PDS / 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: 11/14/2022

ITEM DETAILS:

- Agenda long title: Parkside at City Centre BID 2023 Operating Plan and Budget
- Waiver of reconsideration requested, and if so, why: N/A
- Sponsor name: N/A
- Staff source name and title / Legal source name and title:
- Outside speaker name and organization: N/A
- Estimated Presentation/discussion time 5 / 5

Jennifer Orozco, Dev Project Manager / Hanosky Hernandez, Sr. Assistant City Attorney
Estimated time: 10 mins

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

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

- | | |
|-----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" 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 checked="" 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 Council wish to forward the resolution approving the 2023 operating plan and budget for the Parkside at City Centre Business Improvement District to the November 14, 2022, regular meeting of the City Council for formal consideration?

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

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 - 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. 54th 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

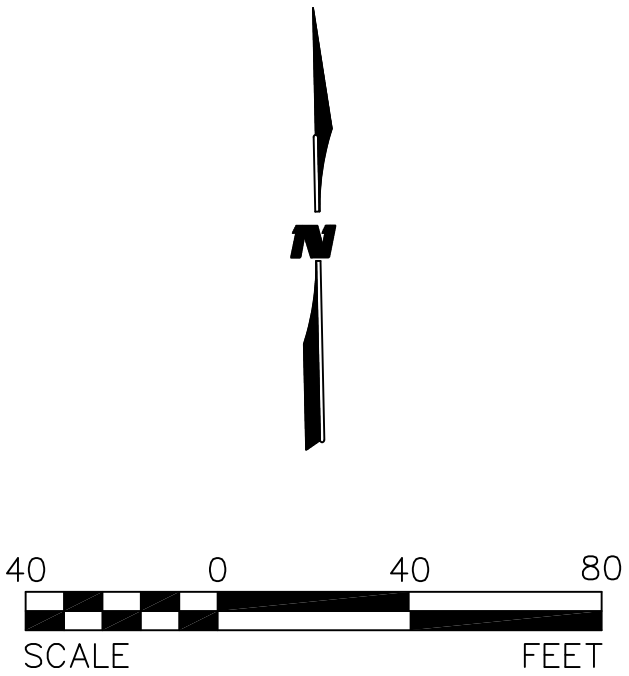
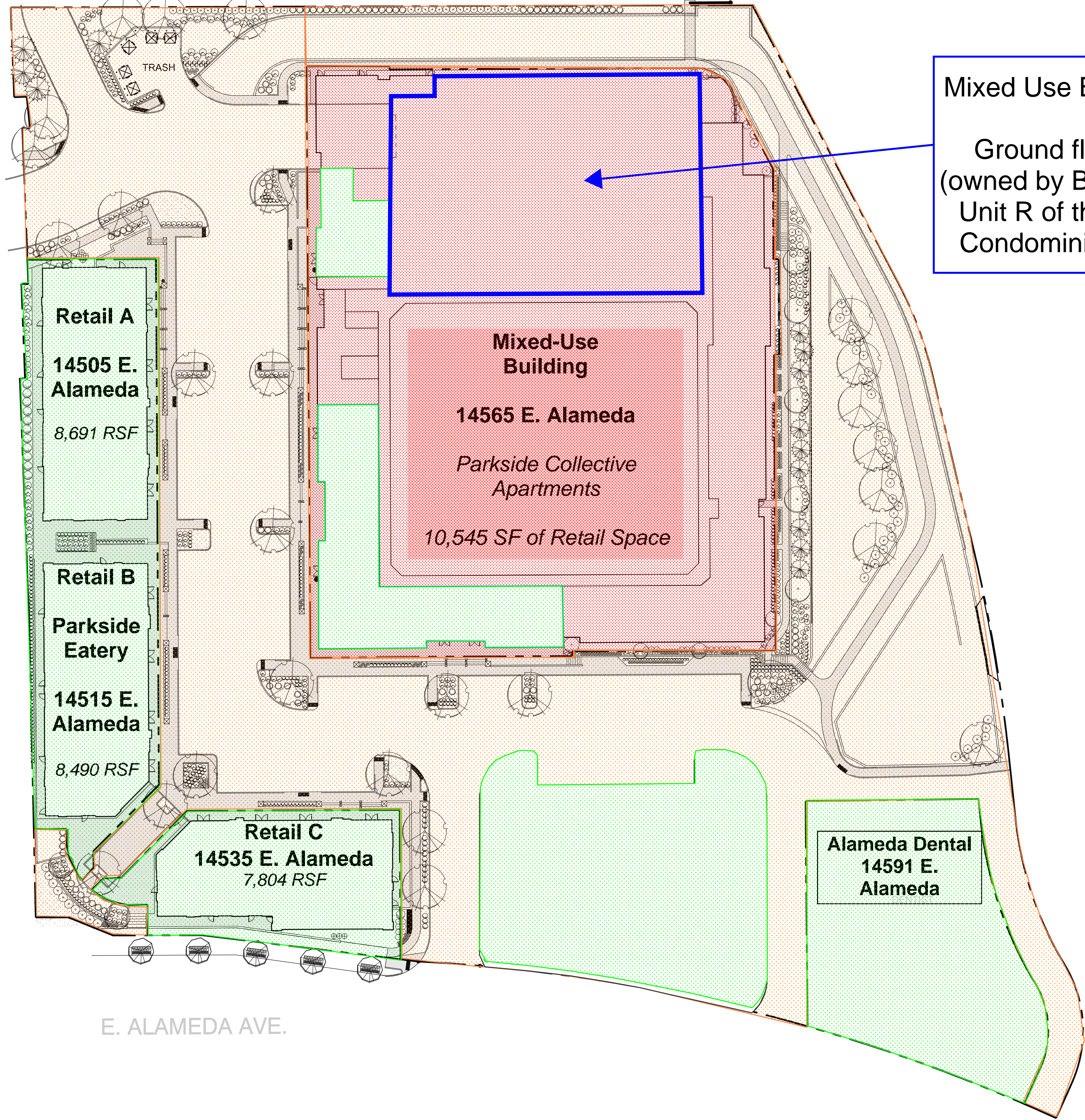
Parkside at City Centre Business Improvement District:
 24,985 SF of Stand-Alone Retail Buildings:
 Parkside Retail A: 14505 E. Alameda
 Parkside Retail B: 14515 E. Alameda
 Parkside Retail C: 14535 E. Alameda

 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)



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

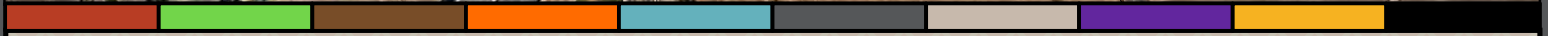
ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:



HANOSKY HERNANDEZ,
Sr. Assistant City Attorney



Planning & Development Services
 15151 E. Alameda Pkwy
 Aurora CO 80012 USA
www.auroragov.org
 303-739-7250
GIS@auroragov.org

City of Aurora, Colorado

Parkside at City Centre
 Business Improvement District





September 20, 2022

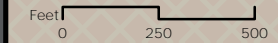


Aurora is Worth Discovering!



Legend

-  Water Lines
-  Lakes
-  Parcels
-  Parkside at City Centre BID



MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: 2023 State and Federal Priorities
Item Initiator: Roberto Venegas, Deputy City Manager
Staff Source/Legal Source: Roberto Venegas, Deputy City Manager
Outside Speaker: n/a
Council Goal: 2012: 2.1--Work with appointed and elected representatives to ensure Aurora's interests

COUNCIL MEETING DATES:

Study Session: 10/17/2022

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 for Study Session

Sponsor: CM Lawson
2023 State and Federal Priorities
Roberto Venegas, Deputy City Manager
Estimated time: 10 min

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

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <input type="checkbox"/> Approve Item and Move Forward to Study Session | <input checked="" 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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Federal, State & Intergovernmental Relations

Policy Committee Date: 9/23/2022

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

- | | |
|----------------------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
| <input checked="" 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.)

FSIR reviewed the State and Federal priorities at their September 23 meeting and approved them moving forward to Study Session while being sent to Council for additional feedback.

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

The 2023 State and Federal Priorities are staff generated from priorities raised by departments. The items are then reviewed by FSIR, with members providing feedback as well as their own additional priorities. As in past years, FSIR sends along the priorities to the Mayor/Council at a Study Session for additional feedback, recommendations, and approval.

These priorities will help direct our lobbying efforts at the State and Federal level and are working documents. Additional priorities will emerge as the General Assembly and new Congress begin meeting in 2023.

Hannah Smith emailed the priorities reviewed by the FSIR committee to the full Council on September 27th, soliciting feedback, revisions, and/or additional priorities from Councilmembers. CM Zvonek provided revisions to the state priorities (attached as a redline, "CM Zvonek 2023 State Priorities Revisions"). Staff received no other revisions/feedback from Councilmembers on either the state or federal priorities.

QUESTIONS FOR COUNCIL

Does Council wish to approve the 2023 State and Federal Priorities?

LEGAL COMMENTS

Pursuant to City Code Section 2-32, City Council has the power conferred by the State Constitution, statute, or City Charter, and such 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 inhabitants thereof. (Koumantakis)

PUBLIC FINANCIAL IMPACT

- YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

- Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

DRAFT 2023 STATE LEGISLATIVE PRIORITIES

The State Legislative Priority document outlines broad priorities and policy principles identified by the Mayor and City Council. The city will identify and respond to individual bills as they are proposed and debated during the state legislative session.

AFFORDABLE HOUSING

Colorado is facing an affordable housing crisis. Many Colorado residents struggle to find affordable housing in the communities where they live and work. Colorado's local governments, including Aurora, can be a key player in finding a solution by utilizing their local land authority and supporting housing options across the continuum of housing needs including keep housing affordable, keeping people in their homes, and providing shelter for those experiencing homelessness. The City of Aurora Supports:

- **Preserving Affordability** – As costs in the housing and rental market continue to grow, it is important to preserve the affordability of existing housing stock to keep our community in their homes using tools across the continuum of. This includes supporting legislation that increases rental assistance and prohibits eviction without representation. The city supports removing the prohibition on rent control, so it is an issue of local control and discouraging outside investors for homes stay affordable for Coloradans. The city supports additional funding for rehabilitation programs to maintain the city's housing stock that is already in place.
- **Mobile Home Protections** – Last year, significant progress was made passing legislation that protects those living in mobile homes. However, many residents are still being displaced. The city supports additional protections and financing options for those in mobile home parks to purchase land and build stability and limits on rent increases to ensure residents are able to stay in their homes.
- **Grant Opportunities for a Navigation Center** - In 2022, the General Assembly created grant programs for responding to homelessness. HB22-1377 established \$105M in grant funding and HB22-1378 created a second grant of \$50 million for local governments and non-profits to create navigation centers. These campuses may provide behavioral and mental health, substance use disorder services and treatment; medical care; transitional housing; permanent supportive housing; emergency shelter; recovery-oriented services and care; vocational rehabilitation and employment skill training; assistance to enroll in public benefits; and other supportive services. The city will be pursuing this funding for a navigation center as it becomes available and asks for support to in our application for these resources.
- **Funding Accountability** - In 2022, the General Assembly passed historic levels of funding for affordable housing. The city supports efforts to increase transparency and

accountability on use of these taxpayer funds to ensure funding is used well for our communities.

BEHAVIORAL HEALTH

Colorado is facing a behavioral crisis. Members of our community are in crisis and there are not enough services and workforce challenges to accessing care. The City of Aurora supports efforts to mitigate these challenges and to seek solutions to these behavioral health-related issues, including:

- **Increased Access to Care** – Increased funding and resources to ensure that people can access the care they need across the behavioral health continuum including those with the highest needs get the care they need, including disadvantaged communities, youth, and caregivers.
- **Integration and parity between physical and behavioral health** while providing equitable access to services as early as needed.
- **Support for the Behavioral Health Workforce** - Developing a trained, qualified, and diverse workforce that can meet the state’s needs.
- **Co-responders & Medical Alternative Response Models** - Legislation that increases the use of both law enforcement co-responder models and medical alternative response models through and the expansion of crisis services. The City of Aurora currently provides two crisis intervention models that provide trauma informed care through a multidisciplinary partnership between Aurora first responders and behavioral health professionals and supports additional resources for this work.

TRANSPORTATION

With the passage of the Federal Infrastructure Investment and Jobs Act, the City of Aurora expects an increase in transportation funding to flow into state and city coffers. Senate Bill 21-260 Sustainability of the Transportation System will also impact the funding available for future infrastructure projects. The legislation will raise \$5.4 billion over the next 10 years through a combination of general fund transfers and new fees on gasoline, diesel, electric vehicles, residential deliveries, and rideshare trips to repair roads and bridges, expand transit, and improve air quality. The city supports using this funding and passing legislation to:

- **Widen Highway 30/Gun Club Road** - Fees established by the passage of SB 21-260 are being collected now and will fund projects within CDOT's 10-year plan which includes widening Highway 30/Gun Club Road and delivering multimodal improvements including proper bike and pedestrian facilities and assessing and delivering transit

services that are tailored for this area. The city supports this funding going to complete this project.

- **Funding for the I-225 from Yosemite to DTC Blvd. Braded Ramp System Project.** This project was identified as a solution to the current operational deficiency within this segment of I-225 between Yosemite Street and I-25. A Planning and Environmental Linkages Study was completed that recommended this project solution in 2014 but current CDOT 10 Year Plan does not include any funding and associated steps to advance this project towards construction. The city supports additional funding to complete this project.
- **Regional Transit** - Public transit is a crucial piece of infrastructure for our transit reliant communities. RTD ridership remains below pre-pandemic levels and the resulting farebox and service reductions continue to impact the regional system. The city supports increased state transportation and transit funding that includes an equitable portion of new revenue to cities and other local governments. These resources can serve as a framework for service program development and delivery of transit services as part of the recently developing RTD sub-regional service councils' efforts.
- **Incorporate Transit in Communities** - Transit connects people and their communities to employment and services. It is important that transit be considered at the beginning of development to fully incorporate communities into our regional transportation network.

MUNICIPAL COURTS

- **Court Data Sharing** – The coordination and the sharing of data between state and municipal courts is crucial but under the current system municipal court staff must directly contact individual courts to request copies of relevant files or cases. This results in municipal resources being devoted to a tedious process that can be streamlined with a shared statewide system. The city supports efforts for the buildout of a state database and development of a taskforce to allow for information sharing between municipal and state courts.

PUBLIC SAFETY

Like many cities around the state, Aurora is experiencing an increase in crime that is adversely impacting our community and sense of safety. We support legislation that promotes public safety including:

- **Deterring Street Racing** - Street racing is dangerous and puts our community safety at risk. The city supports legislation that deters street racing activity and removes vehicles from those who are participating.

- **Catalytic Converter Theft** – Increased accountability and enforcement for people who steal catalytic converters.
- **Root Causes of Crime** – The city supports funding for a study to explore the root causes of crime in our communities including poverty, lack of access to education and resources in order to determine solutions and grant opportunities to invest in communities experiencing significant crime.

IMMIGRATION

Aurora is a diverse and international city, welcoming immigrants and refugees from all over the world. To fully integrate our immigrant community, the city supports:

- **Funding for Integration to the Workforce** - The federal Workforce Innovation and Opportunity Act of 2015 seeks to ensure that state and local service providers offer adult education and skills development programs for American workers, including immigrants and individuals with limited English language skills. Specifically, the funds managed by the State of Colorado serve people with barriers to employment, including English language learners, low income people and immigrants and can be used for citizenship and civic education programs.

BROADBAND

In 2022 Governor Polis signed an executive order to provide high-speed internet access to more than 99% of the state in the next four to five years. The City will look at opportunities to partner with the Colorado Broadband Office to expand broadband services and accessibility throughout the community.

- **Funding for Broadband Infrastructure** - The City has a need for broadband infrastructure to support many city operations and functions. Better connectivity between the traffic signals used on the road network will support newer technologies such as Intelligent Transportation Systems (ITS). Additionally, all City buildings currently use carrier-provided services for basic data connectivity and internet access to support their operations. Deploying city-owned broadband will support these current and future needs while positioning the City to support Smart City initiatives in the future. The City will partner with the CBO or directly apply for funding to build out a portion of this infrastructure within high traffic arterials.
- **Increased WiFi Access and Digital Literacy Services** –As the city builds fiber connectivity as noted above, the city can interconnect libraries, recreation centers, and community centers along the path of the fiber as it is being built, allowing the city to expand WiFi access at city facilities. This free access can help underserved or unserved members of the community gain access to digital services such as telehealth, tele-education, job aids, career building services, pay their bills online, and access digital government services. Increased funding for digital literacy services including

instructional courses will help community members update resumes, apply for assistance, attend digital career fairs, and any number of other services that are offered through the modern world wide web.

- **Affordable Connectivity** - The FCC's Affordable Connectivity Program provides assistance to low-income households in the form of a monthly stipend to defray the costs for high speed internet access, as well as a one-time stipend to purchase a laptop, desktop or tablet. The city supports a similar program at the state level to make broadband access more equitable across the community.

CYBERSECURITY

The passage of the Infrastructure Investment and Jobs Act (IIJA) has dedicated a portion of funding to help state and local governments implement or improve specific cybersecurity tools and capabilities.

- **Funding** - The city supports leveraging the available funding to further improve our cybersecurity posture and capabilities and additional funding for ongoing sustainability and expansion. Importantly, the funding can be used to address cybersecurity needs for critical infrastructure, such as water, wastewater, traffic control systems, and public safety systems. The city supports funding that is flexible and allows individual communities to define their cybersecurity needs.

MARIJUANA

As in past sessions, the city will monitor closely any changes the State considers regarding the regulation of recreational and medicinal marijuana consumption. In addition, the city will support local control in the authority to regulate businesses related to the processing, extraction, manufacturing, and sales of consumable and industrial hemp.

DRAFT 2023 CITY OF AURORA FEDERAL PRIORITIES

The Federal Priorities document outlines a number of broad priorities identified by the Mayor and City Council.

HOUSING AND HOMELESSNESS

Subject: Federal programs and grants for homelessness

Congress and Housing and Urban Development (HUD)

The COVID-19 outbreak and associated economic hardships have resulted in an increase in homeless counts in the city. This has forced the city to reevaluate homeless programs and provision of services. To that end, the city supports measures that provide additional funding for the homeless population to shelter in non-congregant shelters including vacant motel and hotel rooms, and alternative sheltering options such as safe outdoor spaces, tiny homes, and pallet shelters.

Requests: The city supports the following principles to be included in in the annual fiscal year (FY) Transportation/HUD Appropriations bill.

- Investments in programs providing permanent housing for people experiencing homelessness.
- Investments in programs that provide non-traditional sheltering options, such as safe parking lots for people who are living in vehicles.
- Increase in funding for the HUD CDBG and Emergency Solutions Grant Programs.

Subject: Federal programs and grants for housing assistance

Congress and Housing and Urban Development (HUD)

Housing assistance is a critical measure to prevent additional renters and homeowners from falling into homelessness.

Requests: The city supports the following principles to be included in the annual fiscal year (FY) Transportation/HUD Appropriations bill.

- **Private Activity Bond Financing Program** - Lower the threshold of required Private Activity Bond financing which would free up more funds for affordable housing projects and allow states to fund nearly twice as many affordable housing developments.
- **The 4% Low-Income Housing Tax Credit** – The Low-Income Housing Tax Credit is a primary tool to produce and preserve affordable housing. However, the requirement that at least 50% of such projects are financed by tax-exempt bonds limits access to the 4% tax credits for the rehabilitation of affordable housing, greatly reducing the number of affordable housing produced. The City of Aurora requests the minimum threshold of tax-exempt bonds needed to receive an automatic 4% Low-Income Housing Tax Credit award be lowered from 50% to 25% to increase the rehabilitation of affordable housing.
- **Housing Choice Vouchers** – The City requests an expansion of the housing choice vouchers program which would sharply reduce homelessness, housing instability, and overcrowding.
- Investments in housing and development programs including rental vouchers and mortgage assistance programs to prevent individuals and families from falling into homelessness.

- Increase in funding for the CDBG and HOME Programs.
- An increase of the HUD maximum income restrictions for the down payment assistance and the rental assistance program in order to stay relevant in the current market.
- Programs that preserve housing for extremely low-income households, including those that address chronic homelessness among veterans, youth, and families.
- Raise the Davis-Bacon project threshold to \$250,000 for non-residential and increase the CDBG housing unit threshold to 12 units to coincide with the HOME program.
- Eliminate the 15% set-aside of HOME funds for Community Housing Development Organizations (CHDOs).
- Safe Parking Lots Programming to address the growing number of individuals and families experiencing homelessness and living in their vehicles.

Requests: The city of Aurora requests Congress and federal agencies support the following:

- The Eviction Crisis Act, sponsored by Senator Bennet (D-CO)
- The Fighting Homelessness Through Services Act
- The Housing is Infrastructure Act, sponsored by Rep. Crow (D-CO-6)
- Repealing the Faircloth Amendment to increase public housing

PUBLIC SAFETY

Subject: Crisis Response Teams

Congress

Supporting Mental Assistance Responder Teams Community Policing Act (SMART Community Policing Act) - The city supports Senator Bennet’s bill that would provide dedicated funds for collaborative partnerships with law enforcement, health professionals, case managers, and outreach teams to improve public safety and connect people with mental health services and community resources. The bill would pair a mental health clinician with a paramedic or emergency medical technician (EMT) to respond to certain low-risk calls to the 911 system; train crisis workers to respond to calls; provide mental health services; and stabilize encounters between law enforcement officers and people experiencing a mental or behavioral health crisis and connect them with appropriate support programs.

Subject: High Intensity Drug Trafficking Areas (HIDTA) program

Congress

High Intensity Drug Trafficking Areas (HIDTA) funding provides training and support to respond to violent crime and drug trafficking in the Rocky Mountain High Intensity Drug Trafficking Area. The RAVEN taskforce, which Aurora is part of and serves as the fiduciary agent, received \$614,000 from this program for 2023 to respond to violent crime in the region. The city supports continued funding for this program.

INFRASTRUCTURE INVESTMENT

Subject: Efficient Permitting for Water Infrastructure Projects

Congress, U.S. Forest Service, Bureau of Land Management, Fish & Wildlife Service, and Army Corps of Engineers

Aurora's water supplies originate in the headwaters of three major basins within Colorado and include portions of the Arapahoe-Roosevelt, Pike-San Isabel, and White River National Forests. Protecting Aurora's watersheds is critical to the success of Aurora Water's mission to enhance and protect the quality of life for Aurora's residents by providing safe, dependable, and sustainable water services. The passage of the Infrastructure Investment and Jobs Act of 2021 (IIJA) is a great step forward in securing needed funding to carry out prevention, mitigation and restoration in our forests and our ability to build other essential water infrastructure projects.

A challenge to creating essential water infrastructure projects is obtaining the necessary permits. Permitting can take decades with associated costs often becoming unnecessarily burdensome. It should not take decades to analyze alternatives and render a decision. The U.S. Forest Service, Bureau of Land Management, and the Army Corps of Engineers have all delayed analyses and decisions on Aurora's requests due to lack of staff expertise and staff time. Aurora has current requests with each of these federal agencies that have been delayed due to lack of federal agency staff time. Congress needs to ensure that the federal agencies are adequately staffed. The ability to hire third party consultants is helpful, but even that work needs to be reviewed by agency staff. Processing permitting requests in a timely manner would significantly increase the affordability of these projects.

Request: The city of Aurora respectfully requests additional staff and streamlining for permitting. Increased legislative support ensuring adequate staff resources for our federal agencies is necessary to enable the agencies to carry out mandates provided in the IIJA. Additional staffing, use of third-party contractors, and efficient permitting at the U.S. Forest Service, Bureau of Land Management, and the Army Corps of Engineers will allow them permit water supply and watershed health projects in a timely and efficient manner.

Subject: Federal Leadership on Climate Change Studies, Planning, and Adaptation Abilities

Congress, U.S. Department of Agriculture, Department of Interior, National Oceanic and Atmospheric Administration, and Environmental Protection Agency

Routinely, at least one area of the Aurora Water System is experiencing drought and reduced water supplies in any given year and the Colorado River system is currently experiencing a prolonged "mega drought." Climate change (or global warming) is increasingly impacting water availability. Statistical trends show this continuing through increasing hydrological variability with impacts to quantity, quality, and reliability of future water supplies. As planning efforts continue on local, regional, and national scales, Aurora Water supports federal agencies' collaborative and integrative approach in yielding the best science and prediction tools. Along with improving accuracy of hydrological and weather system prediction tools and technologies, Aurora Water is interested in promoting efficient energy use, increasing water storage capacity (both surface and underground), and further expanding reclaimed water projects to maintain a reliable drinking water supply. The city of Aurora supports collaborative, affordable approaches to local, regional, and national water resource quantity, quality, and reliability planning and implementation efforts.

Requests: The city of Aurora requests additional federal staffing and funding for weather and climate prediction technologies and research.

Subject: Water Utility Exemption from CERCLA Liability for PFAS

Congress and Environmental Protection Agency (EPA)

It is expected Congress will initiate an effort to list several PFAS (Perfluoroalkyl Substances) chemicals, more specifically PFOA and PFOS, as hazardous compounds under the Comprehensive Environmental Response, Compensation and Liability Act or CERCLA. Doing so could place both drinking water and wastewater utilities in a bit of a quagmire when it comes to disposal of waste products produced as part of their treatment processes. Both drinking water treatment and wastewater treatment facilities produce solids as part of their treatment processes that, more often than not, contain some level of contaminants that were present in the water sources prior to treatment. Due to the ubiquitous nature of PFAS compounds in the environment, the solids produced from these treatment processes are likely to contain some level of PFAS through no fault of the drinking or wastewater utility. The compounds simply accumulate in the solids as a result of the process to clean the water. These solids are often disposed at landfills or put to beneficial use and land applied. If a landfill, where these solids are disposed, were to become a Superfund site and listed on the national priorities list due to PFAS contamination under CERCLA, drinking water and wastewater utilities could be liable for a portion of the clean-up costs even though they were not responsible for the original contamination. These costs could be in the tens of millions of dollars and would have to be passed along to the rate payers.

Request: The city of Aurora supports CERCLA and the need to clean up environmental contamination, but requests Congress to include an exemption from liability for water and wastewater utilities in any legislation that lists PFAS as a hazardous substance under the Act.

Subject: Transportation Infrastructure

Congress and Department of Transportation

The passage of the Infrastructure Investment and Jobs Act (IIJA) is providing an influx of funds to restore and repair transportation and infrastructure services in communities. The city will closely monitor the implementation of grant programs.

Additionally, the city will compete for federal funding administered by Colorado Department of Transportation and Denver Regional Council of Governments (DRCOG) through Department of Transportation (DOT) existing formula programs for important projects. These include mitigating congestion on critical freight corridors through the National Highway Freight Program and expanding the city's EV fleets through the Surface Transportation Block Grant Program and the new Discretionary Grant Program for Charging and Fueling Infrastructure. Finally, systematic development of the city's Bicycle and Pedestrian Master Plan and accompanying funding to prioritize projects will continue to be a priority as the city seeks to improve alternative transportation modes.

The City will also look at programs and funding that will support our regional approach to transportation including surface transportation and transit in order to support job and growth centers to connect people throughout our region to jobs and opportunity.

Requests: The city will be pursuing funding from the IIJA in 2023 for transportation projects and will be looking for congressional and DOT support for those grant applications.

Subject: Broadband Infrastructure

Congress / National Telecommunications and Information Administration

The passage of the Infrastructure Investment and Jobs Act (IIJA) provides an influx of funds to expand broadband access and services throughout the country. The city should advocate for and leverage these funding opportunities in the following areas:

- The city has a need for broadband infrastructure to support many city operations and functions. All city buildings currently use carrier-provided services for basic data connectivity and internet access to support their operations. The city needs federal funding to deploy city-owned broadband to support these current and future needs.
- The city currently provides free Wi-Fi access to the community at its facilities. As the City builds fiber connectivity the City will interconnect libraries, recreation centers, and community centers along the path of the fiber as it is being built. This will allow the city to expand access to computers and free Wi-Fi at all those facilities for underserved residents to gain access to digital services such as telehealth, tele-education, job aids, career building service, pay their bills online; and access digital government services.
- The city will utilize IIJA funding to provide digital literacy services. Many residents have limited or no experience with modern digital services. Dedicated instructors and/or online instruction courses will be provided on a scheduled basis to help community members update resumes, apply for assistance, attend digital career fairs, and any number of other services that are offered through the web.

Subject: Cybersecurity

Congress / Administering Agencies

The passage of the Infrastructure Investment and Jobs Act (IIJA) has dedicated a portion of funding to help state and local governments implement or improve specific cybersecurity tools and capabilities. Importantly, the funding can be used to address cybersecurity needs for critical infrastructure, such as water infrastructure, traffic control systems, and public safety systems.

The city supports leveraging the available funding to further improve its cybersecurity capabilities and funding that is flexible and allows local governments to define their cybersecurity needs.

- Funding - The city supports more discretionary funding for local governments to define what cybersecurity needs.
- The City will monitor further legislative proposals that would impose regulations or requirements related to the reporting or handling of cyber activities and incidents.

IMMIGRANT AND REFUGEE COMMUNITY

Subject: Federal Legislation for Immigrants

Congress

Aurora welcomes immigrants and refugees from all over the world. One in five residents were born outside the US, making the city diverse and international. As such, the city created the Office of International and Immigrant Affairs in 2015 to facilitate the successful integration of immigrants and refugees into Aurora's civic, economic, and cultural life. The office oversees the development and implementation of a strategic citywide plan regarding policy, programs, and initiatives for the local immigrant and refugee populations.

The City of Aurora supports legislation that examines the barriers to employment for newly arrived immigrants and to provide policy recommendations for how to help them secure skill-appropriate employment opportunities in the United States. The city also supports legislation that assists with immigrant integration such grants for citizenship and naturalization programs, English as a Second Language programs, and civics programs.

MILITARY/VETERANS

Subject: Support Buckley Space Force Base and the associated economic development in Aurora

Congress and Department of Defense

The city of Aurora is home to Buckley Space Force Base (SFB), serving more than 100,000 active duty, National Guard, Reserve, civilian, and retired personnel throughout Aurora and the surrounding community. The Base hosts the Buckley Garrison, a unit of the U.S. Air Force Space Command, as well as the Colorado National Guard 120th Fighter Squadron. Since its establishment in 1943, Buckley Air Force Base has served a critical role in the economic vitality of the city of Aurora. In the face of budget cuts and a potential base realignment and closure (BRAC) process, one of the city's highest priorities is the support of the ongoing mission of the Base.

Toward that end, the City supports the Defense Community Infrastructure Program, created in the FY 2020 National Defense Authorization Appropriations Act, which provides critical funding for off-base but adjacent community infrastructure projects that are key to supporting the Buckley mission.

Requests: The city supports the following principles related to Buckley AFB:

- The city of Aurora asks the Colorado Congressional delegation to continue support of Buckley Air Force Base in the annual Defense Appropriations Bill and assist in directing future missions to the base.
- In addition, the city of Aurora seeks support for future requests of the Defense Community Infrastructure Program as the city protects the viability of the Base's operations and defense capabilities.

MARIJUANA

Subject: Cannabis Industry and Banking Regulations

Congress and Department of Justice

In May of 2014, the City Council approved the licensure of retail marijuana establishments throughout the city of Aurora. The Council authorized 24 retail marijuana store licenses, with four licenses allowed

in each of the six Council wards. However, the use, possession, and sale of cannabis remains a federal crime. This conflict in federal and local marijuana laws has made it difficult for legitimate recreational marijuana businesses to access basic banking services. With financial institutions hesitant to provide services to cannabis businesses, the industry has become cash reliant, creating public safety issues and the potential for money laundering to become more prevalent.

Request: The city of Aurora asks the Colorado Congressional delegation to lift the illegality of banking services to the cannabis industry. Toward that end, the City asks for Congress to support the Secure and Fair Enforcement Banking Act that would prohibit penalizing a bank for providing financial services to a legitimate state-sanctioned and regulated cannabis business.

FINANCING

Subject: Tax-exempt financing

Congress, US Treasury, Internal Revenue Service

The Tax Cuts and Jobs Act of 2017 (TCJA) repealed public issuers' ability to advance refund bonds on a tax-exempt basis. This prohibition of tax-exempt advance refundings precluded municipalities from realizing interest savings which could be realized through reduced interest rates. Currently, such advance refundings may only be issued on a taxable basis, which are not as advantageous from a savings perspective. By allowing tax-exempt advance refundings, the City would be able to realize interest savings upon refinancings prior to the call date of the bonds, should interest rates allow.

Request: Support legislation related to tax-exempt advance refundings.

DRAFT 2023 STATE LEGISLATIVE PRIORITIES

The State Legislative Priority document outlines broad priorities and policy principles identified by the Mayor and City Council. The city will identify and respond to individual bills as they are proposed and debated during the state legislative session.

AFFORDABLE HOUSING

Colorado is facing an affordable housing crisis. Many Colorado residents struggle to find affordable housing in the communities where they live and work. Colorado's local governments, including Aurora, can be a key player in finding a solution by identifying opportunities to lower the cost of building homes, remove disincentives for builders to offer multifamily housing, and streamlining processes to ensure more inventory gets to markets, by utilizing their local land authority and supporting housing options across the continuum of housing needs including keep housing affordable, keeping people in their homes, and providing shelter for those experiencing homelessness. The City of Aurora Supports:

Commented [SH1]: Zvonek change

- **Construction Defects reform:** Colorado's housing shortage continues to contribute to the increasing cost of living throughout the state. Current construction defect laws disincentivize building from bringing more high-density multifamily units to market for sale. The City of Aurora should actively work with legislative leaders to address and reform construction defect laws.
- **Preserving Affordability** — As costs in the housing and rental market continue to grow, it is important to preserve the affordability of existing housing stock to keep our community in their homes using tools across the continuum of. This includes supporting legislation that increases rental assistance and prohibits eviction without representation. The city supports removing the prohibition on rent control, so it is an issue of local control and discouraging outside investors for homes stay affordable for Coloradans. The city supports additional funding for rehabilitation programs to maintain the city's housing stock that is already in place.
- **Mobile Home Protections** — Last year, significant progress was made passing legislation that protects those living in mobile homes. However, many residents are still being displaced. The city supports additional protections and financing options for those in mobile home parks to purchase land and build stability and limits on rent increases to ensure residents are able to stay in their homes.
- **Grant Opportunities for a Navigation Center** - In 2022, the General Assembly created grant programs for responding to homelessness. HB22-1377 established \$105M in grant funding and HB22-1378 created a second grant of \$50 million for local governments and non-profits to create navigation centers. These campuses may provide behavioral and mental health, substance use disorder services and treatment; medical care; transitional housing; permanent supportive housing; emergency shelter; recovery-oriented services

Commented [SH2]: Zvonek removed

Commented [SH3]: Zvonek

and care; vocational rehabilitation and employment skill training; assistance to enroll in public benefits; and other supportive services. The city will be pursuing this funding for a navigation center as it becomes available and asks for support to in our application for these resources.

- ~~Funding Accountability~~ – In 2022, the General Assembly passed historic levels of funding for affordable housing. The city supports efforts to increase transparency and accountability on use of these taxpayer funds to ensure funding is used well for our communities.

Commented [SH4]: Zvonek removed

BEHAVIORAL HEALTH

Colorado is facing a behavioral crisis. Members of our community are in crisis and there are not enough services and workforce challenges to accessing care. The City of Aurora supports efforts to mitigate these challenges and to seek solutions to these behavioral health-related issues, including:

- **Reform Colorado Community Mental health centers:**
- ~~Increased Access to Care~~ – Increased funding and resources to ensure that people can access the care they need across the behavioral health continuum including those with the highest needs get the care they need, including disadvantaged communities, youth, and caregivers.
- **Support for the Behavioral Health Workforce** - Developing a trained, qualified, and diverse workforce that can meet the state’s needs.
- **Co-responders & Medical Alternative Response Models** - Legislation that increases the use of both law enforcement co-responder models and medical alternative response models through and the expansion of crisis services. The City of Aurora currently provides two crisis intervention models that provide trauma informed care through a multidisciplinary partnership between Aurora first responders and behavioral health professionals and supports additional resources for this work.

Commented [SH5]: Zvonek addition. Asked for additional information/direction.

Commented [SH6]: Zvonek removed

TRANSPORTATION

With the passage of the Federal Infrastructure Investment and Jobs Act, the City of Aurora expects an increase in transportation funding to flow into state and city coffers. Senate Bill 21-260 Sustainability of the Transportation System will also impact the funding available for future infrastructure projects. The legislation will raise \$5.4 billion over the next 10 years through a combination of general fund transfers and new fees on gasoline, diesel, electric vehicles, residential deliveries, and rideshare trips to repair roads and bridges, expand transit, and improve air quality. The city supports using this funding and passing legislation to:

- **Widen Highway 30/Gun Club Road** - Fees established by the passage of SB 21-260 are being collected now and will fund projects within CDOT's 10-year plan which includes widening Highway 30/Gun Club Road and delivering multimodal improvements including proper bike and pedestrian facilities and assessing and delivering transit services that are tailored for this area. The city supports this funding going to complete this project.
- **Funding for the I-225 from Yosemite to DTC Blvd. Braded Ramp System Project.** This project was identified as a solution to the current operational deficiency within this segment of I-225 between Yosemite Street and I-25. A Planning and Environmental Linkages Study was completed that recommended this project solution in 2014 but current CDOT 10 Year Plan does not include any funding and associated steps top advance this project towards construction. The city supports additional funding to complete this project.
- **Regional Transit** - Public transit is a crucial piece of infrastructure for our transit reliant communities. RTD ridership remains below pre-pandemic levels and the resulting farebox and service reductions continue to impact the regional system. The city supports increased state transportation and transit funding that includes an equitable portion of new revenue to cities and other local governments. These resources can serve as a framework for service program development and delivery of transit services as part of the recently developing RTD sub-regional service councils' efforts.
- **Incorporate Transit in Communities** - Transit connects people and their communities to employment and services. It is important that transit be considered at the beginning of development to fully incorporate communities into our regional transportation network.

MUNICIPAL COURTS

- **Court Technology Modernization and Information Sharing** – The coordination and the sharing of data between state and municipal courts is crucial but under the current system municipal court staff must directly contact individual courts to request copies of relevant files or cases. This results in municipal resources being devoted to a tedious process that can be streamlined with a shared statewide system. The city supports efforts for the buildout of a state database and development of a taskforce to allow for information sharing between municipal and state courts.

PUBLIC SAFETY

Like many cities around the state, Aurora is experiencing an increase in crime that is adversely impacting our community and sense of safety. We support legislation that [addresses a top concern on our residents and that](#) promotes public safety including:

- **Detering Street Racing** - Street racing is dangerous and puts our community safety at risk. The city supports legislation that deters street racing activity and removes vehicles from those who are participating.
- **Catalytic Converter Theft** – Increased accountability and enforcement for people who steal catalytic converters.
- **Root Causes of Crime** – The city supports funding for a study to explore the root causes of crime in our communities including poverty, lack of access to education and resources in order to determine solutions and grant opportunities to invest in communities experiencing significant crime.
- **Motor Vehicle Theft (MVT)** – So called “misdemeanor” reform made car theft more permissive in Colorado resulting in Colorado now leading the nation in MVT. Stricter penalties for MVT are needed, particularly for repeat offenders. Governor Polis recently suggested that enhanced penalties associated with auto theft, regardless of the value of the vehicle stolen, would improve the safety of our community. We encourage the legislature to make this change.
- **Possession of Weapons by Previous Offenders (POWPO)** – Cities shouldn’t have to enter IGA’s with federal prosecutors to keep their communities safe by prosecuting felons for the possession firearms. State law allows this for drug dealers and those convicted of felony car theft. State law needs to be amended to re-criminalize the possession of weapons by previous felony offenders.
- **Parole Reform** - We need to stop letting violent criminals out of prison early on parole. There should be no early parole for violent offenders, plain and simple. Parole should be reserved for non-violent offenses only. We need a truth in sentencing law that requires a guaranteed time served for sentences related to violent crimes.
- **PR Bond Reform** – The state legislature must reform personal recognizance bonds. Thousands of defendants in felony cases are being released without having to post bond, including people charged with violent crimes and long criminal histories. Far too many of them do not return to court. We cannot release violent criminals back into our community based on little more than a pinky- promise to show up
- **Fentanyl** – Fentanyl is a dangerous poison that is taking the lives of far too many Coloradans. The city supports reversing the decriminalization of fentanyl, possession at any level should be a felony.

Commented [SH7]: Zvonek removed

Commented [SH8]: Zvonek additions

IMMIGRATION

Aurora is a diverse and international city, welcoming immigrants and refugees from all over the world. To fully integrate our immigrant community, the city supports:

- **Funding for Integration to the Workforce** - The federal Workforce Innovation and Opportunity Act of 2015 seeks to ensure that state and local service providers offer adult education and skills development programs for American workers, including immigrants and individuals with limited English language skills. Specifically, the funds managed by the State of Colorado serve people with barriers to employment, including English language learners, low income people and immigrants and can be used for citizenship and civic education programs.

BROADBAND

In 2022 Governor Polis signed an executive order to provide high-speed internet access to more than 99% of the state in the next four to five years. The City will look at opportunities to partner with the Colorado Broadband Office to expand broadband services and accessibility throughout the community.

- **Funding for Broadband Infrastructure** - The City has a need for broadband infrastructure to support many city operations and functions. Better connectivity between the traffic signals used on the road network will support newer technologies such as Intelligent Transportation Systems (ITS). Additionally, all City buildings currently use carrier-provided services for basic data connectivity and internet access to support their operations. Deploying city-owned broadband will support these current and future needs while positioning the City to support Smart City initiatives in the future. The City will partner with the CBO or directly apply for funding to build out a portion of this infrastructure within high traffic arterials.
- **Increased WiFi Access and Digital Literacy Services** –As the city builds fiber connectivity as noted above, the city can interconnect libraries, recreation centers, and community centers along the path of the fiber as it is being built, allowing the city to expand WiFi access at city facilities. This free access can help underserved or unserved members of the community gain access to digital services such as telehealth, tele-education, job aids, career building services, pay their bills online, and access digital government services. Increased funding for digital literacy services including instructional courses will help community members update resumes, apply for assistance, attend digital career fairs, and any number of other services that are offered through the modern world wide web.
- **Affordable Connectivity** - The FCC’s Affordable Connectivity Program provides assistance to low-income households in the form of a monthly stipend to defray the costs for high speed internet access, as well as a one-time stipend to purchase a laptop, desktop or tablet. The city supports a similar program at the state level to make broadband access more equitable across the community.

CYBERSECURITY

The passage of the Infrastructure Investment and Jobs Act (IIJA) has dedicated a portion of funding to help state and local governments implement or improve specific cybersecurity tools and capabilities.

- **Funding** - The city supports leveraging the available funding to further improve our cybersecurity posture and capabilities and additional funding for ongoing sustainability and expansion. Importantly, the funding can be used to address cybersecurity needs for critical infrastructure, such as water, wastewater, traffic control systems, and public safety systems. The city supports funding that is flexible and allows individual communities to define their cybersecurity needs.

MARIJUANA

As in past sessions, the city will monitor closely any changes the State considers regarding the regulation of recreational and medicinal marijuana consumption. In addition, the city will support local control in the authority to regulate businesses related to the processing, extraction, manufacturing, and sales of consumable and industrial hemp.

DRAFT



CITY OF AURORA

Council Agenda Commentary

Item Title: 4th Amendment to 22nd Outfall to Westerly Creek Improvement Plan (Resolution)
Item Initiator: Sarah "Sam" Miller, Stormwater Engineer, Aurora Water
Staff Source/Legal Source: Swirvine Nyirenda, Planning and Engineering Services Manager / Ian Best, Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 3.0--Ensure excellent infrastructure that is well maintained and operated.

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: 10/24/2022

ITEM DETAILS:

Sponsor: Steve Sundberg, Council Member
Swirvine Nyirenda, Planning and Engineering Services Manager / Ian Best, Assistant City Attorney
Estimated time: 5 mins

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 checked="" 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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Water Policy

Policy Committee Date: 9/21/2022

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

- | | |
|----------------------------------------------|------------------------------------------------------|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
|----------------------------------------------|------------------------------------------------------|

Forwarded Without Recommendation

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.)

On March 18, 2013, City Council approved the Westerly Creek (Upstream of the Dam) Master Plan Intergovernmental Agreement as item 10a.

On August 16, 2018, the Water Policy Committee supported forwarding an Amendment to the Intergovernmental Agreement for Improvement to 22nd Avenue Outfall to Westerly Creek to Regular Session.

On September 24, 2018, the City Council of the City of Aurora approved the first Amendment to the Intergovernmental Agreement for Improvement to 22nd Avenue Outfall to Westerly Creek as item 10d.

On June 3, 2019, the City Council of the City of Aurora approved the second Amendment to the Intergovernmental Agreement for Improvement to the 22nd Avenue Outfall to Westerly Creek as item 10d.

On June 24, 2020, the Water Policy Committee supported forwarding the third Amendment to the Intergovernmental Agreement for Improvement to 22nd Avenue Outfall to Westerly Creek to Regular Session.

On July 20, 2020, the City Council of the City of Aurora approved the third amendment to the Intergovernmental Agreement for Improvement to the 22nd Avenue Outfall to Westerly Creek as item 10a.

On September 21, 2022 Due to a lack of Quorum at the Water Policy Committee, Council Member Steve Sundberg supported moving and sponsoring the fourth amendment for Improvement to the 22nd Avenue Outfall to Westerly Creek forward to Study Session.

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

Background:

This project is a resulting recommendation of the Westerly Creek (Upstream of the Dam) Master Plan. This "Amendment to Agreement Regarding Final Design, Right-of-Way Acquisition and Construction of Drainage and Flood Control Improvements for 22nd Avenue Outfall to Westerly Creek" (the Amendment) is the fourth amendment to the agreement between the City of Aurora and Mile High Flood District (MHFD).

Scope:

The project began as an upsizing of the 22nd Avenue stormwater pipe and outlet structure to reduce flooding that is known to occur on Dallas Street near Stanley Marketplace. The scope of the project was expanded to include a water quality project as well as improve the last remaining unimproved section of Westerly Creek.

By improving the last remaining section of Westerly Creek, the floodplain will be reduced from the current floodplain that encroaches on adjacent properties. This project will rehabilitate the eroding areas of the stream and provide for more spaces eligible for open space credit for surrounding properties. The stream will be realigned to provide space for a large water quality detention basin that will improve water quality for the tributary basin which does not have existing water quality benefits. This portion of the project was additionally identified as necessary in the Original Aurora Master Plan (2016). Aurora Parks, Recreation and Open Space has previously contributed to this project to fund the new regional trail along the corridor.

Cost:

The previous three amendments detail MHFD's funding share of \$900,000, Aurora Water's share of \$2,500,000 and Parks Recreation and Open Space's share of \$200,000. This Fourth amendment increases the funding from the District by \$375,000 and Aurora Water by \$1,000,000 bringing the total project total to \$4,975,000.

Aurora's additional \$1,000,000 will be funded from ORG 52364.

The total anticipated project cost is \$10.5M and thus additional amendments and funding contributions are anticipated.

QUESTIONS FOR COUNCIL

Does the City Council support the RESOLUTION of the City Council of the City of Aurora, Colorado, approving the fourth amendment to the Intergovernmental Agreement between the City of Aurora and the Urban Drainage Flood Control District, d/b/a, Mile High Flood District (MHFD) for Drainage and Flood Control Improvements for 22nd Avenue Outfall to Westerly Creek?

LEGAL COMMENTS

City is authorized, pursuant to Article XIV of the Colorado Constitution and C.R.S. 29-1-203 to cooperate and contract with any political subdivision of the State of Colorado, to provide any function, service, or facility lawfully authorized to each of the contracting or cooperating units of government. Section 10-12 of the City Charter authorizes the City by resolution to enter into contracts or agreements with other governmental units, including special districts, for the joint use of buildings, equipment or facilities or for furnishing or receiving commodities and services (Best).

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: Funding for this Project will be from the Capital Improvement Program, Wastewater Fund, in the amount of \$1,000,000.

ORG: 52364 (Westerly Creek Future Phases – SD)

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

RESOLUTION NO. R2022- _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, EXPRESSING THE AURORA CITY COUNCIL’S SUPPORT OF THE AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF AURORA COLORADO ACTING BY AND THROUGH ITS UTILITY ENTERPRISE AND THE URBAN DRAINAGE AND FLOOD CONTROL DISTRICT, d/b/a MILE HIGH FLOOD DISTRICT REGARDING FINAL DESIGN AND CONSTRUCTION OF DRAINAGE AND FLOOD CONTROL IMPROVEMENTS FOR 22ND AVENUE OUTFALL TO WESTERLY CREEK

WHEREAS, the City of Aurora, acting by and through its Utility Enterprise (“Aurora”) and the Urban Drainage and Flood Control District d/b/a Mile High Flood District (“District”) have agreed to fund the design and construction of drainage and flood control improvements for 22ND Avenue Outfall to Westerly Creek; and

WHEREAS, the project costs funded through this amendment to the Intergovernmental Agreement include final design services, delineation, description and acquisition of required easements and rights of way, and construction of improvements for 22ND Avenue Outfall to Westerly Creek (“Project Costs”); and

WHEREAS, Aurora’s additional contribution to the Project Costs through this amendment shall be one million dollars (\$1,000,000.00); and

WHEREAS, the work performed pursuant to the Intergovernmental Agreement and this amendment is necessary for the health, safety, and welfare of the people of the Aurora; and

WHEREAS, the City is authorized, pursuant to Article XIV of the Colorado Constitution and Section 29-1-203 of the Colorado Revised Statutes, to cooperate and contract with any political subdivision of the State of Colorado, to provide any function, service, or facility lawfully authorized to each of the contracting or cooperating units of government; and

WHEREAS, Section 10-12 of the City Charter authorizes the City by resolution to enter into contracts or agreements with other governmental units, including special districts, for the joint use of buildings, equipment or facilities or for furnishing or receiving commodities and services.

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

Section 1. The amendment to the Intergovernmental Agreement between Aurora and the District regarding the design and construction of drainage and flood control improvements for 22ND Avenue Outfall to Westerly Creek is hereby approved.

Section 2. The Mayor and City Clerk are hereby authorized to execute the attached agreement in substantially the form presented at this meeting with such technical additions, deletions, and variations as may be deemed necessary or appropriate by the City Attorney.

Section 3. All resolutions or parts of resolutions of the City 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:

Ian J Best *RLA*

IAN BEST, Assistant City Attorney

AMENDMENT TO
AGREEMENT REGARDING
FINAL DESIGN, RIGHT-OF-WAY ACQUISITION, AND CONSTRUCTION
OF DRAINAGE AND FLOOD CONTROL IMPROVEMENTS FOR
22ND AVENUE OUTFALL TO WESTERLY CREEK
CITY OF AURORA

Agreement No. 18-06.01C
Project No. 107146

THIS AGREEMENT, by and between URBAN DRAINAGE AND FLOOD CONTROL DISTRICT (hereinafter called "DISTRICT") and CITY OF AURORA, acting by and through its Utility Enterprise (hereinafter called "CITY") and collectively known as "PARTIES";

WITNESSETH:

WHEREAS, PARTIES have entered into "Agreement Regarding Final Design, Right-of-Way Acquisition and Construction of Drainage and Flood Control Improvements for 22nd Avenue Outfall to Westerly Creek, City of Aurora" (Agreement No. 18-06.01) dated October 30, 2018; and

WHEREAS, PARTIES now desire to construct improvements for 22nd Avenue Outfall to Westerly Creek; and

WHEREAS, PARTIES desire to increase the level of funding by \$1,375,000; and

WHEREAS, DISTRICT's Board of Directors has authorized additional DISTRICT financial participation for PROJECT (Resolution No.44 Series of 2022); and

WHEREAS, the City Council of CITY and the Board of Directors of DISTRICT have authorized, by appropriation or resolution, all of PROJECT costs of the respective PARTIES.

NOW, THEREFORE, in consideration of the mutual promises contained herein, PARTIES hereto agree as follows:

1. Paragraph 4. PROJECT COSTS AND ALLOCATION OF COSTS is deleted and replaced as follows:

4. PROJECT COSTS AND ALLOCATION OF COSTS

A. PARTIES agree that for the purposes of this Agreement PROJECT costs shall consist of and be limited to the following:

1. Final design services;
2. Delineation, description and acquisition of required rights-of-way/ easements;
3. Construction of improvements;
4. Contingencies mutually agreeable to PARTIES.

B. It is understood that PROJECT costs as defined above are not to exceed \$4,975,000 without amendment to this Agreement.

PROJECT costs for the various elements of the effort are estimated as follows:

<u>ITEM</u>	<u>AS AMENDED</u>	<u>PREVIOUSLY AMENDED</u>
1. Final Design	\$ 1,000,000	\$ 1,000,000.00
2. Right-of-way	\$ -0-	\$ -0-
3. Construction	\$ 3,975,000	\$ 2,600,000.00
4. Contingency	\$ -0-	\$ -0-
Grand Total	\$ 4,975,000	\$ 3,600,000.00

This breakdown of costs is for estimating purposes only. Costs may vary between the various elements of the effort without amendment to this Agreement provided the total expenditures do not exceed the maximum contribution by all PARTIES plus accrued interest.

- C. Based on total PROJECT costs, the maximum percent and dollar contribution by each party shall be:

	<u>Percentage Share</u>	<u>Previously Contributed</u>	<u>Additional Contribution</u>	<u>Maximum Contribution</u>
DISTRICT	25.63%	\$ 900,000	\$ 375,000	\$1,275,000
CITY	70.35%	\$2,500,000	\$1,000,000	\$3,500,000
PROS*	4.02%	\$ 200,000		\$200,000
TOTAL	100.00%	\$3,600,000	\$1,375,000	\$4,975,000

*Parks, Recreations and Open Space (PROS)

2. Paragraph 5. MANAGEMENT OF FINANCES is deleted and replaced as follows:

5. MANAGEMENT OF FINANCES

As set forth in DISTRICT policy (Resolution No. 11, Series of 1973, Resolution No. 49, Series of 1977, and Resolution No. 37, Series of 2009), the funding of a local body's one-half share may come from its own revenue sources or from funds received from state, federal, or other sources of funding without limitation and without prior DISTRICT approval.

Payment of each party's full share (CITY - \$3,500,000; DISTRICT - \$1,275,000; PROS - \$200,000) shall be made to DISTRICT subsequent to execution of this Agreement and within 30 days of request for payment by DISTRICT. The payments by PARTIES shall be held by DISTRICT in a special fund to pay for increments of PROJECT as authorized by PARTIES, and as defined herein. DISTRICT shall provide a periodic accounting of PROJECT funds as well as a periodic notification to CITY of any unpaid obligations. Any interest earned by the monies contributed by PARTIES shall be accrued to the special fund established by DISTRICT for PROJECT and such interest shall be used only for PROJECT upon approval by the contracting officers (Paragraph 13).

Within one year of completion of PROJECT if there are monies including interest earned remaining which are not committed, obligated, or disbursed, each party shall receive a share of such monies, which shares shall be computed as were the original shares; or, at CITY request, CITY share of remaining monies shall be transferred to another special fund held by DISTRICT.

3. All other terms and conditions of Agreement No. 18-06.01 shall remain in full force and effect.
WHEREFORE, PARTIES hereto have caused this instrument to be executed by properly authorized signatories as of the date and year written below.

URBAN DRAINAGE AND
FLOOD CONTROL DISTRICT d/b/a
MILE HIGH FLOOD DISTRICT

By _____

Name Laura Kroeger

Title Executive Director

Date _____

Checked By

CITY OF AURORA, COLORADO,
ACTING BY AND THROUGH ITS
UTILITY ENTERPRISE

Mike Coffman, Mayor

Date

ATTEST:

Kadee Rodriguez, City Clerk

Date

APPROVED AS TO FORM FOR AURORA:

Ian J Best

Ian Best, Assistant City Attorney

8/10/22

Date

22031550

ACS #

STATE OF COLORADO)
) ss
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this ____ day of _____, 202 by Mike Coffman, Mayor, acting on behalf of the Utility Enterprise of the City of Aurora, Colorado.

Witness my hand and official seal. _____
Notary Public

My commission expires: _____

(SEAL)

- ♣ d. **2013-08**
Consideration for ADOPTION OF AN ORDINANCE of the City Council of the City of Aurora, Colorado, authorizing the use of lease-purchase financing to acquire certain equipment during the 2013 fiscal year pursuant to the terms of an equipment Lease Purchase Agreement by and between the Aurora Capital Leasing Corporation, as lessor, and the City of Aurora, Colorado, as lessee; authorizing officials of the City to take all action necessary to carry out the transactions contemplated hereby; and related matters.

Motion by Markert, second by Broom, to approve item 9d.

Voting Aye: Berzins, Broom, Hunter Holen, LeGare, Markert, Mounier, Peterson, Pierce, Roth

- ♣ e. **2013-09**
Consideration for ADOPTION OF AN ORDINANCE of the City Council of the City of Aurora, Colorado, amending Subsection 130-522(b) of the City Code related to the New Job Reward program.

Motion by Roth, second by Hunter Holen, to approve item 9e.

Voting Aye: Berzins, Broom, Hunter Holen, LeGare, Markert, Mounier, Peterson, Pierce, Roth

10. RESOLUTIONS

- ♣ a. **R2013-13**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the Intergovernmental Agreement between the City of Aurora, acting by and through its Utility Enterprise, the City and County of Denver, and Urban Drainage and Flood Control District regarding Westerly Creek.

Motion by Broom, second by Peterson, to approve item 10a.

Voting Aye: Berzins, Broom, Hunter Holen, LeGare, Markert, Mounier, Peterson, Pierce, Roth

11. PLANNING MATTERS

- a. PUBLIC HEARING to consider an appeal of the Planning Commission's decision to deny a conditional use for a fueling station in a Planned Development Zone District for Maverik Country Store.

Mayor Pro Tem Berzins opened the public hearing on the item.

Libby Tart-Schoenfelder, Senior Planner II, Planning, gave a presentation of the item.

Council Member Markert asked if the fire department had reviewed the gate for safety concerns. Ms. Tart-Schoenfelder stated it was technically a private street and was at the prerogative of the neighborhood, however, she noted Life Safety has stated no concerns about the gate.

Council Member LeGare asked if the 24 hour operation was in the proposal to follow the Super Target model. Ms. Tart-Schoenfelder answered affirmatively. Council Member LeGare asked if the Super Target were to go to 24 hours and the Maverik store followed, and then the Super Target stopped being open 24 hours, would the Maverik store be required to change their hours as well. Ms. Tart-Schoenfelder answered no. Council Member LeGare noted environmental concerns related to gas and oil running into Piney Creek were expressed in the backup material and asked staff to speak to the extensive environmental regulations the Maverik store would be

- ♣ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Water Policy Committee (WPC) Meeting
August 16, 2018

Members Present: Council Member Bob Roth, Chair; Council Member Francoise Bergan, Vice Chair (called in); Council Member Johnny Watson

Members Absent:

Others Present: Leiana Baker, Marshall Brown, Alex Davis, Steve Fiori, Nancy Freed, Jo Ann Giddings, Pam Hensley, Don Langley (CWAC), John Murphy, Stephanie Neitzel, Kelley Neumann, Gail Thrasher, Sarah Young, Fernando Aranda

1. APPROVAL OF MINUTES

The July 12, 2018, meeting minutes were approved as presented.

2. CONSENT ITEMS

- A. Monthly Water Supply Update
- B. Construction Change Order Summary Report
- C. Quarterly Financial Update

Summary of Issue and Discussion: Council Member Bergan asked, where does the excess water go if we have a really wet season and heavy snowfall? M. Brown replied, in really wet periods we lose out at the bottom end of the system. The Prairie Waters system is ramped up pretty high to protect some of the storage. If there is a lot of water available Prairie Waters can ramp down or offer those water supplies to south metro entities and take more water out of the system/storage, and sometimes we do leases to other entities. J. Murphy added, the reason we are in good shape this year is due to being in good shape at the start of the season.

Outcome: The Consent items were supported as presented.

Follow-Up Action: The Consent items were supported as presented.

3. IMPROVEMENTS TO 22ND AVENUE OUTFALL TO WESTERLY CREEK

Summary of Issue and Discussion: S. Young stated, flooding is known to occur on Dallas St. between E. 22nd and 23rd Avenue near the Stanley Marketplace. This project will mitigate the flooding by collecting excess street flows and conveying them directly to Westerly Creek via an outfall pipe in E. 22nd Avenue. New Type-R inlet and a new 48 inch reinforced concrete pipe (RCP) will convey flows westward to a new outfall at Westerly Creek. Aurora and Urban Drainage Flood Control District will jointly fund the project.

Council Member Watson asked, is the area south of Stanley Marketplace a flood impact area. S. Young replied, there are improvements upstream that would help some of the flooding issues. Council Member Watson asked, how is the amount of rainfall predicted. S. Young replied, there are two things regarding stormwater flooding, how much rain falls over a certain period of time and the duration. An example, is a two-inch, six hour rain storm is what we would consider a one

hundred year rainfall event. It means there is a one percent chance that this amount of rain would fall in that area.

Outcome: The Committee supports the Improvements to 22nd Avenue to Outfall to Westerly Creek, and forwarded the matter to Study Session for consideration.

Follow-Up Action: The Committee supports the Improvements to 22nd Avenue to Outfall to Westerly Creek, and will forward to Study Session for consideration.

4. IMPROVEMENTS FOR ROBINSON GULCH INTERGOVERNMENTAL AGREEMENT AMENDMENT

Summary of Issue and Discussion: S. Young stated, Urban Drainage and Flood Control District (UDFCD) funded the design for the maintenance of drainage and flood control improvements for the Robinson Gulch project in 2015. Final design plans are anticipated this fall and construction is anticipated to begin in 2018. Based on available funds through the UDFCD maintenance program, funding over several years is needed to accumulate this amount. Aurora's share of the \$750,000 was split into three difference IGAs and payments.

Council Member Bergan asked, Aurora Parkway and Arapahoe Road recently flooded, is fixing that part of this project? S. Young replied, it's in the same area as Robinson Gulch, but those flooding issues are Capital Projects whereas this is a maintenance project. M. Brown added, it was a construction project and construction Best Management Practices affected the stormwater drainage. Stormwater quality measures were in place and reduced the storm drain capacity.

Outcome: The Committee supports the Improvements for Robinson Gulch Intergovernmental Agreement Amendment, and forwarded the matter to Regular Session for consideration.

Follow-Up Action: The Committee supports the Improvements for Robinson Gulch Intergovernmental Agreement Amendment, and will forward to Regular Session for consideration.

5. INTERGOVERNMENTAL AGREEMENT TO LEASE WATER TO PARK COUNTY

Summary of Issue and Discussion: A. Davis stated, Park County is currently operating a Substitute Water Supply Plan (SWSP) to replace water that the County takes from the river for road maintenance and dust suppression purposes. The SWSP for 2018 is in need of a small amount of water and the County has requested a temporary lease from the City for this purpose. The lease provides for up to a total of fifteen (15) acre-feet to be delivered from Spinney Mountain Reservoir by December 31, 2018, and the price is \$300 per acre-foot.

Outcome: The Committee supports the Intergovernmental Agreement to Lease Water to Park County, and forwarded the matter to Regular Session for consideration.

Follow-Up Action: The Committee supports the Intergovernmental Agreement to Lease Water to Park County, and will forward to Regular Session for consideration.

Council Member Gruber asked if the City has supported other restaurants located in Ward I. Mr. Gonerka answered affirmatively.

Council Member Murillo asked Mr. Gonerka to speak to the City's restaurant incentive program, noting it was a great program. Mr. Gonerka did so, noting it was a program approved by Council to incentivize restaurants to come into northwest Aurora specifically with the goal of creating restaurant venues in spaces where there were not any. Council Member Murillo reiterated it was a great program and discussed the Transforming Safety Initiative grant funding program that was designed to reduce crime via community development.

Voting Aye: Bergan, Berzins, Gruber, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ b. **R2018-88**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, for the termination of a Drainage Easement to allow for the dedication of a Drainage & Trail Easement over the Bolling Drive Tributary. **(This Item Also Appears on the September 24, 2018 Study Session) (Due to this item being dual listed, the backup is included in item 2a of the Study Session Packet.)**
STAFF SOURCE: Hector Reynoso, Manager Real Property Services, Public Works

Motion by Roth, second by Watson, to approve item 10b.

Voting Aye: Bergan, Berzins, Gruber, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ c. **R2018-89**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the Intergovernmental Agreement between Community College of Aurora and the City of Aurora for Joint use of facilities. STAFF SOURCE: Byron Fanning, Manager of Recreation Services, Parks, Recreation & Open Space

Motion by Gruber, second by Bergan, to approve item 10c.

Voting Aye: Bergan, Berzins, Gruber, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ d. **R2018-90**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the Intergovernmental Agreement between the City of Aurora, Colorado, acting by and through its Utility Enterprise, and the Urban Drainage and Flood Control District, regarding final design, right-of-way acquisition, and construction of drainage and flood control improvements for 22nd Avenue outfall to Westerly Creek. STAFF SOURCE: Sarah Young, Water Planning Services Manager, Aurora Water

Motion by Berzins, second by Roth, to approve item 10d.

Voting Aye: Bergan, Berzins, Gruber, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Voting Aye: Bergan, Berzins, Gruber, Hiltz, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ c. **R2019-36**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving an amendment to the Intergovernmental agreement between the City of Aurora, Acting by and through its Utility Enterprise, and the Urban Drainage and Flood Control District regarding final design, right-of-way acquisition and construction of drainage and flood control improvements for First Creek Detention Upstream of I-70 in the City of Aurora. STAFF SOURCE: Sarah Young, Deputy Director of Planning and Engineering, Aurora Water

Motion by Berzins, second by Murillo, to approve item 10c.

Voting Aye: Bergan, Berzins, Gruber, Hiltz, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ d. **R2019-37**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving an Amendment to the Intergovernmental Agreement between the City of Aurora, Colorado, acting by and through its Utility Enterprise, and the Urban Drainage and Flood Control District, regarding final design, right-of-way acquisition, and construction of drainage and flood control improvements for 22nd Avenue outfall to Westerly Creek. STAFF SOURCE: Sarah Young, Deputy Director of Planning and Engineering, Aurora Water

Motion by Watson, second by Roth, to approve item 10d.

Voting Aye: Bergan, Berzins, Gruber, Hiltz, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ e. **R2019-38**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, for the Agreement Regarding Member Funding Transfers Pursuant to the Aerotropolis Regional Transportation Authority Establishment Agreement. ***(Staff Requests a Waiver of Reconsideration) (This item will also appear on the June 3, 2019 Study Session) (Due to this item being dual listed, the backup is included in item 4b of the Study Session Packet.)*** STAFF SOURCE: Michelle Gardner, Senior Assistant City Attorney, City Attorney

Motion by Gruber, second by Roth, to approve item 10e with a waiver of reconsideration.

Voting Aye: Bergan, Berzins, Gruber, Hiltz, Johnston, Lawson, Murillo, Richardson, Roth, Watson

- ◆ f. **R2019-39**
Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, supporting and declaring June 7, 2019 as national gun violence awareness day. Sponsor: Council Member Johnston

Misty Glover, Aurora Moms Demand Action for Gun Sense in America, discussed her disappointment in the proclamation request denial by Mayor LeGare and the increased and recent gun violence in Aurora. She pointed out victims deserved leadership that supported them and noted her intention to vote for people to do that.

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

Water Policy Committee (WPC) Meeting
June 24, 2020

Members Present: Council Member Marsha Berzins, Chair; Council Member Alison Coombs
Vice Chair; Council Member Francoise Bergan

Others Present: Casey Rossman, Greg Baker, Leiana Baker, Jo Ann Giddings, Rory
Franklin, John Murphy, Dan Mikesell, Marshall Brown, Stephanie Neitzel,
Sarah Young, Alex Davis, Gail Thrasher, Christine McKenney, Nancy
Freed, Fernando Aranda

1. Approval of Minutes

The May 27, 2020, meeting minutes were approved as presented.

2. Consent Items

- A. Monthly Water Supply Update
- B. Construction Change Order Summary Report

Summary of Issue and Discussion: Council Member Berzins asked, how is the water storage? M. Brown replied, it's in a decent place, may not be quite as high as previous years, but in good shape for fall and into the next year.

Outcome: The Consent items were supported as presented.

Follow-Up Action: The Consent items were supported as presented.

3. Westerly Creek at Stanley Intergovernmental Agreement (IGA)

Summary of Issue and Discussion: S. Young stated, his project is a resulting recommendation of the Westerly Creek (Upstream of the Dam) Master Plan. This "Amendment to Agreement Regarding Final Design, Right-of-Way Acquisition and Construction of Drainage and Flood Control Improvements for 22nd Avenue Outfall to Westerly Creek" (the Amendment) is the third amendment to the agreement between Mile High Flood District (MHFD) previously Urban Drainage and Flood Control District UDFCD).

The project began as an upsizing of the 22nd Avenue stormwater pipe and outlet structure to reduce flooding that is known to occur on Dallas Street near Stanley Marketplace. The scope of the project was expanded to include a required water quality project as well as improve the last remaining unimproved section of Westerly Creek.

The project was originally going to be managed by the City of Aurora and thus MHFD contributed funding to the City. However, due to the new complexity of the project, it was determined that MHFD is better suited to lead the design and construction. Aurora Water will return the 22nd Avenue outfall funding and contribute additional funding for the flood prevention, water quality and recreational aspects. The District will contribute an additional \$400,000 to the project, the City of Aurora Parks, Recreation and Open Space Department has

pledged \$200,000, and Aurora Water will return MHFD's original contribution of \$500,000 and contribute an additional \$2,000,000 to the project.

Council Member Bergan stated, if this is not a floodplain will it prevent flooding? S. Young replied, yes. This isn't an actual regulated floodplain. We are aware of flooding in the area and mapping is needed. Council Member Bergan asked, will this help residents with their flood insurance. S. Young replied, this project will help mitigate flooding it's not a regulated floodplain. Because the City is part of the FEMA Community Rating System with a good score (due to our proactive stormwater program), anyone who does purchase flood insurance can receive a discount.

Outcome: The Committee supports the Westerly Creek at Stanley IGA and forwarded to Study Session for consideration.

Follow-Up Action: The Committee supports the Westerly Creek at Stanley IGA and will forward to Study Session for consideration.

4. New Residential Water Rate

Summary of Issue and Discussion: F. Aranda stated, Aurora Water's current residential rate structure was implemented in 2007 (14 years ago). Since then, the rates have increased but the structure has remained the same. The residential water rate structure consists of a monthly fixed service charge and a monthly volumetric charge based on three tiers, Tier 1 is from 0 to 20,000 gallons, Tier 2 is from 21,000 to 40,000 gallons, and Tier 3 is all usage over 40,000 gallons. Aurora Water's Tier 1 is the most generous Tier 1 of all the utilities with a tier rate structure in the region. Staff is proposing a new rate structure that incorporates four Tiers. This will keep low water usage customer bills relatively the same as they are currently. Any increases in 2021 would be minimal and mainly impact high water usage customers.

This item was presented to the Water Policy Committee on May 27, 2020. The Committee asked staff to return to answer further questions. Staff has also presented more specific information on residential customer accounts across the City for Committee consideration.

Council Member Bergan asked, will water usage inside the home contribute to the increase? F. Aranda replied, yes. Council Member Coombs stated, Meadow Hills has larger lots that are required to irrigate. This will impact those residents, who are mostly retirees, and did not know they were facing these increases when they purchased their homes. M. Brown replied, we have had several discussions with the residents of Meadow Hills previously, but additional conversations may prove beneficial especially regarding water conservation and their larger lots. Conservation programs have been modified over the years, which may be more accessible to those residents. M. Brown suggested a separate meeting with Council Member Coombs to discuss these rebates and addressing the residents at their next town hall meeting. If they choose to keep the large areas of turf, the increase will likely affect them. Council Member Coombs agreed that a meeting regarding the water rebates and conservation for large landscaping will be helpful in addressing resident's concerns. Council Member Bergan stated, retirement communities in her Ward are on fixed incomes and would also benefit from a presentation at a town hall meeting for conservation programs and rebates. M. Brown replied, there have been communication with districts regarding conservation landscape and rebate programs and will

look at schedules to coordinate a time for which to meet with both Council Member Coombs and Council Member Bergen to discuss further. Council Member Berzins stated, wastewater keeps going up as well, and changing turf is expensive. Council Member Berzins stated that she is not for water rate increases but does understand the need for them and therefore supports moving the item forward to Study Session.

Outcome: The Committee supports the New Residential Water Rate and forwarded to Study Session for consideration.

Follow-Up Action: The Committee supports the New Residential Water Rate and will forward to Study Session for consideration.

5. Miscellaneous Matters for Consideration

Summary of Issue and Discussion: Council Member Berzins thanked the Citizens' Water Advisory Committee for their service and participation in the meetings.

Council Member Bergan would like a presentation on xeriscape programs for the next Water Policy Meeting. T. York will present at the July 22 meeting.

Water Tour has been cancelled and a one-day water tour is being offered.

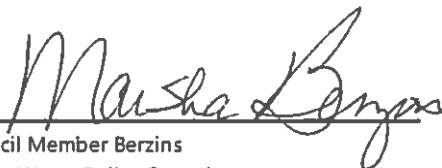
Nancy Freed asked, is the water rate discussion going to Council in August? M. Brown replied, yes in August. J. Giddings added, there are required changes to the ordinance and will be included in the budget in the fall.

Outcome: Informational only.

Follow-Up Action: Informational only.

6. Confirm Next Meeting

The next meeting is scheduled for July 22, 2020, 9:00 a.m. via WebEx.

X 

Council Member Berzins
Chair - Water Policy Committee

MINUTES

**Regular Meeting – Aurora City Council
Monday, July 20, 2020**

CALL TO ORDER – REGULAR MEETING

Mayor Coffman convened the regular meeting of City Council at 4:00 p.m.

ROLL CALL

PRESIDING: Mayor Coffman
COUNCIL MEMBERS PRESENT: Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

COUNCIL MEMBERS ABSENT: None

OFFICIALS PRESENT: City Manager Twombly, City Attorney Brotzman, City Clerk Ruger

COUNCIL MEMBERS ARRIVING AFTER ROLL CALL: None

City Clerk Ruger announced the proposed items for discussion at executive session.

CONSIDERATION TO RECESS FOR EXECUTIVE SESSION

Motion by Gruber, second by Coombs, to recess for executive session.

Voting Aye: Mayor Coffman, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

Abstaining: None

1. **RECONVENE REGULAR MEETING OF JULY 20, 2020 AND CALL TO ORDER**

Mayor Coffman reconvened the regular meeting of City Council at 7:30 p.m.

2. **ROLL CALL** Stephen Ruger, City Clerk

COUNCIL MEMBERS PRESENT: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Murillo, Marcano

3. **INVOCATION/MOMENT OF SILENCE FOR 7/20** Barbara Dahl, City Clerk Analyst, and Mayor Coffman

4. **PLEDGE OF ALLEGIANCE TO THE FLAG** (all standing)

5. **APPROVAL OF THE MINUTES**

No minutes were available.

6. **CEREMONY**

None

♦ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

7. **PUBLIC INVITED TO BE HEARD (non-agenda related issues only)**

Mayor Coffman asked if there were any objections to moving the public comment to the end of the meeting.

Council Member Marcano asked how many comments were submitted.

Stephen Ruger, City Clerk, stated approximately 86.

Council Member Marcano stated his objection to moving the public comment.

Motion by Bergan, second by Gruber, to suspend Council rules to move the public comment to the end of the meeting.

Mayor Pro Tem Johnston estimated the public testimony would take up to four hours and she expressed concerns related to those who wanted to have a discussion on the independent investigation. She pointed out Public Invited to Be Heard was for non-agenda items and she wanted people to testify on agenda items and speak to the City's business. She stated she put it on the study session agenda for the entire Council to discuss and noted that did not happen because of timing. She stated there was interest in what Council Member Lawson was going to do with her proposal, the independent study and more discussion was needed therefore she would support the suspension of rules for this time.

Mayor Coffman clarified the motion was for all Public Invited to Be Heard comments to be moved to the end of the meeting.

Mayor Pro Tem Johnston stated she would only support moving non-agenda items but not agenda items and asked Council Member Bergan to speak to her intention behind the motion. Council Member Bergan asked staff if those comments related to the independent investigation had been sorted from the non-agenda item comments.

Mr. Ruger stated thus far everything in the public comments pertained to non-agenda items.

Council Member Bergan stated her support for moving non-agenda related items to the end of the agenda.

Council Member Coombs stated this was an issue that has been discussed by Council on several occasions that has not yet been settled. She stated her concerns were for staff, particularly those who were present to provide presentations. She noted it was important to be very clear on processes and procedures so the community knew what to expect. She stated those decisions should be made before they were implemented because she had concerns related to making changes on the way the Council operated before alerting the community to those changes. She stated she would not support the motion because she did not feel the community was properly informed.

Council Member Marcano echoed Council Member Coombs concerns. He stated he was a firm believer in public comment periods and he understood that moving to a digital medium changed the dynamic and put more of a burden on staff. He agreed it was an issue that should be discussed at a special study session. He stated it was not fair to change the rules in the middle of the game therefore the issue should be deferred until Council could meet and have a discussion.

Voting Aye: Mayor Coffman, Bergan, Berzins, Gardner, Gruber, Johnston, Lawson

Voting Nay: Coombs, Hiltz, Marcano, Murillo

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

8. **ADOPTION OF THE AGENDA**

The agenda was adopted as presented.

9. **CONSENT CALENDAR**

General Business

- a. Consideration to AWARD A SOLE SOURCE PROFESSIONAL SERVICES AGREEMENT with Brothers Redevelopment, Inc. (BRI) for services to support the City of Aurora Community Development Minor Home Repair Program in providing financial and technical assistance to low- and moderate-income Aurora, Colorado homeowners needing essential home repairs not-to-exceed \$250,000 for this program.
Presenter: Jessica Prosser, Manager of Community Development, Housing and Community Services/Joyce, Tim, Assistant City Attorney II Civil

Motion by Marcano, second by Murillo, to approve item 9a.

Council Member Marcano asked staff to provide a brief overview of the program and to explain why it was a sole sourced item.

Jessica Prosser, Manager of Community Development, Housing and Community Services, did so.

Council Member Murillo gave a shout-out to Brothers Redevelopment founder who graduated from Aurora Central High School in Ward I.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- b. Consideration to AWARD A SINGLE SOURCE CONTRACT to Carollo Engineers, Inc., Littleton, CO in the amount of \$4,208,093.00 for design-build services for the Sand Creek Water Reuse Facility Programmable Logic Controls Conversion and Improvements Project (Phase 2 of 2).
Presenter: Elizabeth Carter, Principal Engineer, Aurora Water/David Lathers, Senior Asst City Attorney
- c. Consideration to AWARD AN OPENLY SOLICITED CONTRACT to Wilson & Company, Inc., Denver, Colorado in the amount of \$128,227.00 for providing Engineering Services for Storm CMP Rehabilitation Task 6, Project No. R-2041.
Presenter: Swirvine Nyirenda, Principal Engineer, Aurora Water/David Lathers, Senior Asst City Attorney
- d. Consideration to AWARD A SINGLE SOURCE CONTRACT to Keesen Landscape Management Inc., Englewood, Colorado in the not-to-exceed amount of \$210,000.00 for Weed Mowing and Trash Removal Services (Abatement Services) as required through December 31, 2020.
Presenter: Nancy Sheffield, Interim Director, Housing and Community Services/David Lathers, Senior Asst City Attorney

Motion by Coombs, second by Bergan, to approve items 9b – 9d.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- e. Consideration to APPROVE THE PURCHASE of 119 share of stock in the Whitney Ditch Company from BCI Waterco LLC and an affiliated water pipeline easement from GWIP

♦ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

LLC, for \$26,881,719.75, by the City of Aurora, acting by and through its Utility Enterprise.

Presenter: Dawn Jewell, S Platte Basin Supv, Aurora Water/ Neitzel, Stephanie, Assistant City Attorney II Civil

Motion by Coombs, second by Johnston, to approve item 9e.

Council Member Coombs requested a staff presentation for the benefit of the public.

Alexandra Davis, Deputy Director Water Resources, Aurora Water, did so.

Council Member Bergan stated her understanding that the City would not pay until the location issue was resolved in water court.

Ms. Davis stated the City would pay for the water rights outright in this instance and would go to court later.

Council Member Bergan asked if it was contingent on the approval. Ms. Davis answered no, noting staff did not believe there was a significant risk in this regard.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

10. **RESOLUTIONS**

- ◆ a. **R2020-64** Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving an Amendment to Intergovernmental Agreement No. 18-06.01B regarding funding the 22nd Avenue outfall to Westerly Creek Improvement Project between the City of Aurora, and the Urban Drainage and Flood Control District D/B/A mile High Flood District.
Presenter: Sarah Young, Deputy Director Wtr Plan/Engin, Aurora Water/ Ian Best, Assistant City Attorney I

Motion by Berzins, second by Johnston, to approve item 10a.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- ◆ b. **R2020-65** Consideration to APPROVE A RESOLUTION by the City Council of the City of Aurora, Colorado for the Agreement Between the City of Aurora and the Colorado Department of Revenue, Division of Motor Vehicles, Regarding Commercial Driver License Testing.
Presenter: Renee Pettinato Mosley, Risk Manager, Human Resources/Gardner, Michelle, Senior Asst City Attorney

Motion by Marcano, second by Berzins, to approve item 10b.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- ◆ c. **R2020-66** Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, approving the Intergovernmental Agreement between the City of Aurora, Colorado, and the Counties of Adams and Arapahoe, Colorado, for the establishment of a Veteran's Service Office.

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Presenter: Lucas "Luke" Palmisano, Intergovernmental Rltns Mgr, General Management/Hernandez Perez, Hans, Assistant City Attorney II Civil

Motion by Bergan, second by Gruber, to approve item 10c.

Council Member Gruber provided background on the item.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- ◆ d. **R2020-67** Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, to Open an Independent Investigation into the Death of Elijah McClain

Presenter: Jason Batchelor, Deputy City Manager/Daniel Brotzman, City Attorney

Motion by Marcano, second by Hiltz, to approve item 10d.

Council Member Coombs asked staff to speak to the study session discussion on the issue.

Jim Twombly, City Manager, did so.

Council Member Murillo asked Mr. Twombly to speak to the process of how those being recommended were chosen. Mr. Twombly did so. Council Member Murillo discussed her disagreement with the process. She stated she wished all of Council could have had the same conversations rather than just the committee. She pointed out Council Member Lawson was not included in the discussion even though she sat on the committee. She stated two out of ten council members qualifying the candidate was not a preferable process and she reiterated her wish that all of Council had the opportunity to connect with them before the meeting.

Council Member Hiltz confirmed the call-in information was provided to all committee members and all council members were invited to the Public Safety meeting. She stated to her knowledge there were not any questions or comments from other council members. She welcomed scrutiny from other council members because this has been discussed several times and council members could have requested a conversation. She stated it was not too late to have that discussion particularly about the final two persons for the panel who have not yet been identified. She stated that call information could be shared with the rest of Council.

Council Member Murillo stated she was happy all of the Council was invited which was different than ensuring everyone had the opportunity to participate in the conversations. She stated her comment was to the City Manager in terms of process. She agreed it would be wise for other council members to join in on the conversation considering the importance of the decision. She suggested consolidating how information was filtered and who was and was not a part of the conversation should be considered. She stated the City's policy committee structure did not always invite full participation from the rest of Council and she would like to see that happen moving forward.

Council Member Lawson confirmed Council Member Hiltz invited her to speak with the person who was selected after the fact which was by then a moot point. She stated Council Members Gardner and Hiltz spoke with the individual and as a committee member, she would have appreciated a summary of their thoughts. She pointed out she might have had some concerns that she wanted to discuss at the committee meeting. She agreed the process should include all council members. She stated she was inclusive in her policy meetings and she felt everyone else should be also.

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

Council Member Bergan asked staff to speak to their opinion on what Council was allowed to state on the investigation.

Daniel Brotzman, City Attorney, stated there were several ongoing investigations at this point and he recommended City Council allow those investigations to play out and then gather all of the information from all sources. He stated any statements by Council at this point were premature and that was why the City was pursuing a comprehensive investigation.

Council Member Gruber stated he had concerns related to the issue raised by Council Member Bergan. He stated the City Manager hired an investigator in February to review the issue. He stated three council members then sent a letter requesting an independent investigation which prompted the firing of the person hired by Mr. Twombly. He expressed concerns related to those council members who were actively promoting the idea that Elijah McClain was murdered. He suggested those council members may have compromised the selection process and he pointed out going into it with the notion that Elijah McClain was murdered would make that the only accepted outcome. He saw this as a major problem and recommended that Council stop using the word 'murder' until an evaluation was completed by the independent evaluator.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

Council Member Bergan asked the timeline on the item. Mr. Twombly stated it was moving forward as soon as possible.

- ◆ e. **R2020-68** Consideration to APPROVE A RESOLUTION of the City Council of the City of Aurora, Colorado, to renew the City Manager's Disaster Declaration
Presenter: James Twombly, City Manager/Isabelle Evans, Assistant City Attorney II

Motion by Gruber, second by Bergan, to approve item 10e.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

Mayor Coffman pointed out there was a mistake on the agenda as the Tri-County order item was not listed and the City had until July 24, 2020 to make a decision whether or not to opt out. He stated he would like to garner a sense of the Council without having to call a special meeting. He stated his opposition to the Tri-County order because he felt they should have rescinded it when there was a state-wide order in place. He stated if there were five other council members who agreed to opt out of the Tri-County order then that was what the City would do and they would have a special meeting prior to July 24, 2020 to do that. He stated his support of the state-wide mask order which applied to individuals age 10 and up, was for 30 days although the governor could extend it and applied to indoors only. He stated the Tri-County order was for 90 days, over age 10 but also applied to outdoors when someone was within six feet of another individual. He stated his opposition related to the fact that the outdoor requirement was unenforceable. He confirmed the City has never used law enforcement to enforce a public health order and he did not see the City doing that now. He stated enforcement relied on the City's Tax & Licensing and Code Enforcement Divisions that really had no leverage outside of a public or private building. He stated the governor's order was sufficient and that while he believed wearing masks outside should be encouraged, he did not feel something should be mandated that could not be enforced.

Council Member Bergan concurred. She agreed it would be problematic to enforce it indoors so enforcing it outdoors would certainly be more so.

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Council Member Coombs pointed out Tri-County's position was strong encouragement and education and what changed was evidence that mandates actually encouraged greater compliance with mask wearing coupled with the uptick in cases. She stated it was demonstrated that the '*strongly encourage*' language was unsuccessful.

Mayor Pro Tem Johnston asked staff to clarify the state-wide executive order. Mayor Coffman stated his understanding that the governor set the minimum guidelines through the Department of Public Health and Environment and then the local health departments were allowed to go beyond what the governor stated.

Isabelle Evans, Assistant City Attorney, concurred.

Mayor Pro Tem Johnston expressed concerns about enforcement and asked if the City could state the police would not be handing out fines or arresting people who violated the order. Ms. Evans stated enforcement was delegated through the Disaster Declaration similar to that which just passed related to the enforcement of the state-wide order. She confirmed that could also be done in this instance as a matter of policy.

Mayor Coffman stated it was widely understood that transmission was much less of an issue outdoors than indoors.

Council Member Coombs stated her understanding the opt-out of the order item was not on the agenda and asked if any of the public comments related to that issue.

Stephen Ruger, City Clerk, answered no.

Council Member Coombs pointed out her question related to the fact that the item was not on the agenda and yet Council was discussing it.

Mayor Coffman stated Council was having an informal discussion to determine if there were six members who were willing to put it on another meeting held prior to the deadline to vote to formally opt out. He confirmed Council would not be making a decision at this time.

Council Member Coombs expressed concerns that Council was not following procedure and asked staff if there was somewhere this type of tangent of an item where Council was deciding whether to call a special meeting on a topic should go in the agenda.

Mayor Coffman pointed out he could make the decision himself but was having the informal discussion with Council as a courtesy to them.

Daniel Brotzman, City Attorney, stated this item was originally on the agenda and he was uncertain what happened to it. He stated this was an ancillary item to item 10e that just passed. He confirmed Council could give direction to the City Manager rather than have Council vote therefore now was an appropriate time to determine if there should be a special meeting.

Mayor Coffman stated he discussed this with Dr. John M. Douglas, Executive Director, Tri-County Health Department, prior to Dr. Douglas writing the order and the intent of Tri-County was to require a public discussion prior to a vote to opt out.

Council Member Berzins stated she was glad Council was discussing this because many of the council members listened to Dr. Douglas discuss the issue. She reminded Council the vote was not unanimous at 5 to 4 and Dr. Douglas' issue was enforcement. She stated she would not support Tax & Licensing and Code Enforcement enforcing the issue as they were currently overextended. She stated it would also be a mistake for the police to enforce the item. She stated she has seen posts on social media of people asking who they called to

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

report those who were not in compliance. She stated the executive order from the governor should trump anything else as he held the highest office and he would provide another order as he saw fit. She noted those who would wear a mask were currently wearing them and while this executive order might push more to do so, there were still people who would never do it. She stated enforcement was a huge issue. She noted there were those who stated masks were necessary and yet they were also at the protests and vigils. She stated she wore a mask except when she was out walking.

Council Member Murillo clarified the last Council discussion on the issue related to a similar expectation that the police would not be called upon to enforce the order. She asked if that had changed. Mayor Coffman answered no.

Mr. Twombly stated not relying on the police department was the purpose of the disaster declaration.

Council Member Gruber referenced Council Member Berzins' comment regarding the online photos of some of the people who were carrying the banner for the Party for Socialism and Liberation on the City's Great Lawn who were not wearing masks. He expressed concerns related to the City citing businesses that did not enforce the order but not those who did not comply on the City's own property. He asked staff if the City would send out anyone from the Parks Department to cite the socialists for not wearing a mask. Mr. Twombly stated the City's approach was through a complaint process and he further explained the process.

Mayor Pro Tem Johnston referenced stated a previous discussion where she stated she was opposed to people being given fines or being arrested and was told staff was '*working that out.*' She stated that was not good enough. She stated her understanding it could be stated in the disaster declaration and she wanted to be sure that was very clear and not something that was determined later. She pointed out the executive order referenced local law enforcement.

Ms. Evans concurred, noting the order stated the failure to wear a mask and failure to comply with the business' request to wear a mask on that businesses premises could be considered a trespass and that would be enforceable through police action. She pointed out however, delegating enforcement in the Manager's declaration could be done through any department based on how the Council wanted to proceed.

Motion by Mayor Coffman, second by Gruber, to call a special meeting on Thursday, July 23, 2020 at 5:00 p.m. to vote on opting out of the Tri-County order.

Voting Aye: Mayor Coffman, Bergan, Berzins, Gruber

Voting Nay: Coombs, Gardner, Hiltz, Johnston, Lawson, Marcano, Murillo

11. ORDINANCES FOR INTRODUCTION

- ◆ a. **2020-23** Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, authorizing the Imposition of Capital Impact Fees on residential development in the City as approved by the Uniform Development Ordinance.
Presenter: Terri Velasquez, Director of Finance, Finance/Hernandez Perez, Hans, Assistant City Attorney II Civil

Motion by Hiltz, second by Johnston, to introduce item 11a.

Council Member Bergan stated her understanding that the transportation fees were not increased and would be determined at a later date.

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Terri Velasquez, Director of Finance, Finance, concurred, noting the fees would be updated along with the Capital Plan.

Council Member Berzins noted Council has not discussed the item since June 2019.

Ms. Velasquez concurred.

Council Member Berzins noted that was a long time ago and this was a new Council. She stated she would like the item be moved to study session for review of the current Council.

Council Member Bergan stated this was on the *(inaudible)* index.

Ms. Velasquez concurred, noting it was a correcting ordinance.

Council Member Coombs stated she did not feel any council members were uninformed on the issue simply because they were not on the Council at the time the item went through.

Council Member Hiltz stated it was up to the majority of Council to decide if the item should have more discussion. She stated if the justification for revisiting the item was that not everyone was on Council then all similar items should be revisited.

Voting Aye: Bergan, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

Voting Nay: Berzins

12. **ORDINANCES FOR FINAL**
THE SPONSOR OF ITEM 12a WISHES TO POSTPONE IT UNTIL THE SECOND MEETING IN FEBRUARY 2021

- ◆ a. **2020-09** Consideration of AN ORDINANCE FOR FINAL of the City Council of the City of Aurora, Colorado, amending Chapter 26 by creating a "Non-Sugary Default Beverage Option on Children's Menus" under Article IX of the City Code.
Sponsor: Council Member Lawson
Presenter: Trevor Vaughn, Manager of Tax and Licensing/Hernandez Perez, Hans, Assistant City Attorney II Civil
Outside Speakers: Naomi Amaha, American Heart Associations and Kathy Staats, Tri-County Health Department

Council Member Lawson stated the reason she was postponing the item to February was due to COVID and the uncertainty of when the Council would be back on the dais. She pointed out all of the stakeholders had a right to speak on the issue. She stated her disappointment at Council Member Gruber's social media posts on the item and addressed Council Member Gruber to that end, stating once again, he put out misinformation. She stated her plan to no longer allow him to change her narrative, noting she would continue to call him out when he did so.

Mayor Coffman asked staff if a sponsor could unilaterally decide to postpone an item.

Dan Brotzman, City Attorney, stated that was allowed upon first reading which took place in August. He stated therefore it was the second reading and would require a vote tonight.

Motion by Coombs, second by Murillo, to approve the postponement of item 13a.

Council Member Gruber disagreed with Council Member Lawson's assertions about him posting misinformation. He pointed out there would not be any changes in votes as those who supported it would continue to do so. He pointed out that while he appreciated Council Member Lawson's theatrics, it was a dumb idea in the first place and this was just a delay

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

tactic. He stated Dr. John Douglas, Executive Director, Tri-County Health Department, stated pre-COVID that it would be illegal to order anything other than water or milk on a children's menu.

Mayor Coffman stated his appreciation for all sponsors of legislation that were not time sensitive or controversial to be delayed so that people could come forward to testify.

Council Member Coombs stated it was apparent that Council was going to discuss the facts of the ordinance regardless of the motion to delay. She stated there was nothing in the ordinance requiring businesses to upcharge. She noted it was just a default listing on the menu and was not outlawing anything. She stated it was completely disrespectful to Council Member Lawson and the stakeholders to state otherwise.

Council Member Murillo stated it was exhausting and a waste of the public's time to go back and forth to correct misinformation. She stated she was hard pressed to support the item because of her concerns related to small businesses among other things and noted the sponsor and stakeholder did as much as they could to come up with realistic ways to implement it. She pointed out the point of the conversation was not to rehash the policies of the item and noted speaking calmly about a lie did not make it any less of a lie. She stated that tone of voice and way of speaking did not equal the truth and it was a certain level of privilege that people got to wield and play on stereotypes about black women. She stated it was disrespectful in so many ways and was gas lighting the public when things were spoken about in a certain way. She stated this was not the top priority given the challenges of keeping small businesses afloat right now and she felt it was smart and demonstrated a level of perspective to postpone the item to a later time.

Council Member Gruber reiterated it was a dumb bill in the first place and it remained so. He stated the previous council member comments were just backpedaling and trying to state that the ordinance did not state what it clearly stated. He pointed out those council members were attempting to justify something that could not be justified. He stated calling him a liar was disgusting.

Council Member Murillo stated facts were facts.

Mayor Coffman suggested the Council stick with the issue and refrain from personal attacks.

Mayor Bergan asked if the discussion related to postponing the item. Mayor Coffman answered affirmatively. Council Member Bergan stated her understanding that City Charter did address a quorum.

Mayor Pro Tem Johnston stated she found Council Member Lawson to be accessible to discuss many issues and asked Council to pick up the phone rather than address the issue on social media. She noted it was disappointing when the latter happened because Council Member Lawson did not operate in the same manner of attacking others on social media.

Council Member Gruber stated once again it was those on the left; the socialists and progressives who were talking against him. He stated the facts were the facts; it would have made it illegal. He stated Council heard public comments and therefore knew what the people wanted and what the majority of Council wanted. He suggested it would be more fruitful to have the vote and show the people what the Council thought of business and just how anti-business they were.

Council Member Lawson stated she put in a year and a half investment with the stakeholders and they had a right to have a voice. She addressed Council Member Gruber and stated she found it interesting that he would call her theatrical considering he continued to lie and tell

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

false things about her. She stated she would not allow him to continue to take her narrative. She pointed out those who did not like it did not have to vote in favor of it.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

Mayor Coffman requested the Council be more courteous to one another and to be mindful if they have a controversial issue that they wanted to put forward that was not time sensitive to delay it until such time as people could come in person to testify for or against the item.

13. **ANNEXATIONS**

- ◆ a. **R2020-69** Public Hearing and Consideration of A RESOLUTION of the City Council of the City of Aurora, Colorado, making certain findings of fact regarding the proposed annexation of a parcel of land located in the Northeast Quarter of Section 11, Township 4 South, Range 66 West of the Sixth Principal Meridian, Arapahoe County, Colorado. (Colorado Christian Fellowship Annexation 9.2 acres)
Presenter: Jacob Cox, Senior Dev Project Manager, General Management/Brian Rulla, Assistant City Attorney I Civil

Mayor Coffman opened the public hearing on the item.

Motion by Berzins, second by Bergan, to approve item 13a.

Council Member Coombs requested a staff presentation for the benefit of the public.

Vinessa Irvin, Manager, Office of Development Assistance, did so.

Mayor Coffman closed the public hearing on the item.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- ◆ b. **2020-24** Public Hearing and Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, annexing a parcel of land located in the Northeast Quarter of Section 11, Township 4 South, Range 66 West of the Sixth Principal Meridian, Arapahoe County, Colorado. (Colorado Christian Fellowship Annexation 9.2 acres)
Presenter: Jacob Cox, Senior Dev Project Manager, General Management/Brian Rulla, Assistant City Attorney I Civil

Mayor Coffman opened the public hearing on the item.

Motion by Bergan, second by Coombs, to approve item 13b.

Council Member Coombs asked staff to provide clarification of the location of the item.

Vinessa Irvin, Manager, Office of Development Assistance, did so, noting it was located at the southwest corner of Stephen D. Hogan Parkway and Piccadilly and west of E-470.

Mayor Coffman closed the public hearing on the item.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

- ◆ c. **2020-25** Consideration of AN ORDINANCE FOR INTRODUCTION of the City Council of the City of Aurora, Colorado, finding and determining that certain real property located in an Unincorporated area of Arapahoe County is an enclave under applicable law; making certain other findings in accordance with the "Municipal Annexation Act of 1965"; and annexing certain parcels of land located in the East half of the East half of Section 8, Township 4 South, Range 65 West of the 6th principal meridian, County of Arapahoe, State of Colorado. (XCEL ADONEA) 25.651 ACRES.
Presenter: Jacob Cox, Senior Dev Project Manager, General Management/Brian Rulla, Assistant City Attorney I Civil

Motion by Marcano, second by Johnston, to introduce item 13c.

Council Member Marcano requested staff provide clarification on the location of the item.

Vinessa Irvin, Manager, Office of Development Assistance, did so, noting it was located north of 6th Avenue along Powhaton Road.

Voting Aye: Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

14. **RECONSIDERATIONS AND CALL-UPS**

- ◆ a. RECONSIDERATION OF RESOLUTION R2020-24 - to Suspend Certain Council Rules.
Staff Source: Stephen Ruger, City Clerk, General Management/Isabelle Evans, Assistant City Attorney II

Motion by Gruber, second by Bergan, to approve item 10a.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

15. **GENERAL BUSINESS**

- a. Consideration of the reappointment of five (5) youth members and the appointment of two (2) new youth members to the Aurora Youth Commission.
Presenter: Stephen Ruger, City Clerk, General Management/Lathers, David, Senior Asst City Attorney

Motion by Coombs, second by Marcano, to reappoint five (5) youth members and the appointment of two (2) new youth members to the Aurora Youth Commission.

Voting Aye: Mayor Coffman, Bergan, Berzins, Coombs, Gardner, Gruber, Hiltz, Johnston, Lawson, Marcano, Murillo

16. **REPORTS**

- a. Report by the Mayor

Mayor Coffman stated Governor Polis called the Mayor and City Manager to discuss the Governor's desire for the City to have a medium-sized COVID testing facility because there was too much pressure on Denver's COVID facility. He stated the City would be working with the Colorado Department of Public Health to do so.

- b. Reports by Council

- ◆ *The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.*

Council Member Hiltz discussed her experience listening to the Jeffrey Moore, Manager, Oil & Gas Division, City of Aurora, Webex talk on Oil & Gas regulations. She stated he did a good job and those who called in were appreciative of the opportunity to have direct contact with Mr. Moore. She announced she and Council Member Lawson were hosting a joint Town Hall meeting scheduled for Thursday, July 23, 2020 at 6:30 p.m., noting further information could be found on Facebook and the City website. She stated trash collection services and the upcoming budget shortfall would be topics of discussion. She announced the Public Safety Committee would meet twice a month simply because of the sheer volume of items to be reviewed therefore the next meeting was scheduled for Thursday, July 30, 2020. She reminded everyone Public Safety would be bucketing topics with regards to police reform.

Jim Twombly, City Manager, stated the City was planning a call with the Colorado Department of Public Health & Environment (CDPHE) and the governor later in the week to discuss the particulars in moving forward with a COVID testing site in Aurora. He pointed out it made sense to help out the Metro District in this manner.

Mayor Pro Tem Johnston announced the first meeting of the Community Police Task Force would be virtual and was scheduled for Tuesday, July 28, 2020 at 6:30 p.m. She stated the Task Force would meet every second and fourth Tuesday of the month.

Council Member Coombs announced the Ward V Town Hall meeting was scheduled on Webex and Facebook Live for Tuesday, July 21, 2020 at 6:30 p.m. where a presentation from Aurora Water on rate changes and conservation would take place and Fire and Police representatives would be present to answer constituents' concerns.

Council Member Marcano announced the next Ward IV Town Hall meeting was scheduled for Thursday, August 20, 2020 at 6:30 p.m. on Webex and Facebook Live and the next Oil & Gas Town Hall meeting was scheduled for Tuesday, July 28, 2020 at 6:30 p.m. which could be joined via auroragov.org.

Council Member Gruber updated everyone on the Space Command team's efforts in that regard.

Council Member Bergan announced the Ward VI virtual Town Hall meeting was scheduled for Wednesday, July 22, 2020 at 6:00 p.m. on Webex where the topic would be the High Line pipeline alignment and South Metro Water Authority representatives would be present.

Council Member Berzins announced the Ward III meeting was scheduled for Wednesday, August 12, 2020 at 6:30 p.m. and noted she would announce whether it would be virtual or not shortly.

Council Member Murillo acknowledged the anniversary of the Aurora theater shooting and the lives lost that day. She discussed her perspective of the event as someone who grew up in Aurora and noted the trauma experienced by both individuals and the community as a whole. She announced the Ward I Town Hall meeting was scheduled online for Thursday, July 30, 2020 at 6:00 p.m. on Facebook Live and Webex, where public banking would be discussed. She discussed her appointment to the RTD Accountability Board and how she looked forward to serving the City and being the Aurora representative and advocate in that regard.

Mayor Coffman called for a short recess prior to the public comment.

- ◆ ***The City Charter prescribes the Mayor may vote on resolutions and ordinances only to create or break a tie vote of Council Members present. The Mayor Pro-Tem is always permitted to vote on all items.***

17. **PUBLIC INVITED TO BE HEARD**

Council Member Marcano stated it was unfair for two people to read so many comments and asked if it was possible for the comments to be sent to Council to share in the reading.

Stephen Ruger, City Clerk, stated there were many less than previously and many of them were voicemails. He expressed appreciation to Council Member Marcano for his offer and agreed staff would share the load with Council should it become necessary.

Stephen Ruger, City Clerk, and City staff read and played voicemail public comments submitted to publiccomment@auroragov.org into the record up to the first three minutes and attached the comments to the minutes.

18. **ADJOURNMENT**

Mayor Coffman adjourned the regular meeting of City Council at 10:55 p.m.



MIKE COFFMAN, MAYOR

ATTEST:





New Legacy
Charter
School

Westerly Creek Trail

EASTERLY CREEK



CITY OF AURORA

Council Agenda Commentary

Item Title: Occupational Privilege Tax Repeal
Item Initiator: Jeffrey Edwards, Manager of Tax
Staff Source/Legal Source: Jeffrey Edwards, Manager of Tax / 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
- 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

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 checked="" 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
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 checked="" 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 Management and Finance Committee reviewed the ordinance and, with a majority vote, approved the item to move forward to a study session.

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.

QUESTIONS FOR COUNCIL

Does City Council want to forward the item for formal consideration?

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)

PUBLIC FINANCIAL IMPACT

- YES NO

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

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

Item Title: Proposed Modifications to Moral Obligations Policy and Review of Existing Moral Obligations
Item Initiator: Teresa Sedmak, City Treasurer
Staff Source/Legal Source: Teresa Sedmak, City Treasurer/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: 10/3/2022

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

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
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)

Recommends Approval

Does Not Recommend Approval

Forwarded Without Recommendation

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.)

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 referral 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 27th 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 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:

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.

City of Aurora

Policies With Regard to Moral Obligation ~~Pledges~~Support for Financial Obligations

Moral Obligation Defined

~~1. A moral obligation pledge should be viewed as a financial obligation of the city~~

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 ~~considered~~viewed by both potential creditors and rating agencies to be a type of financial commitment (albeit non-binding) by the city to support debt. The city should view it in the same manner. ~~A~~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 ~~normally be viewed by the city~~be treated as a commitment that ~~must~~would need to be honored by the ~~city~~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~~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 ~~pledge~~.

1. ~~2. Moral~~The moral obligation ~~pledges~~ 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~~City's financial strength and ~~to the budget associated with moral obligation pledges and the their potential~~ impact on the ~~city's~~City's financial standing, moral obligations should ~~only rarely~~ be used rarely and only after thorough ~~research and~~ 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. ~~Moral obligations should not be used for private projects (a project owned and operated by a for-profit entity), even if there is a public purpose or for normal public infrastructure associated with the private project.~~ or show substantial projected coverage based on conservative assumptions

~~In any event, the city should limit the cumulative amount of all outstanding moral obligations in order to limit the risk to the city's budget and limit the adverse impact on the city's bond rating and financial flexibility. The total amount of the anticipated expected worst case budget impact should not be more than City Council considers tolerable to the budget and to financial reserves. In addition, the impact of all outstanding moral obligations should not change or come close to changing the city's underlying rating. Leeway in the rating should be left for the normal ups and downs of the city's financial status and for additional bond issuance, all without causing a change in the city's rating.~~

~~Projects that do not meet the basic criteria should not be brought forward for consideration by City Council.~~

2. ~~3.~~The ~~city~~City should be willing to adjust its budget and/or use reserves should it become necessary to honor any of its moral ~~obligation pledges~~ obligations.

~~Before entering into~~The City may or may not have any control of the circumstances triggering a

moral obligation, ~~City~~. 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.

3. 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.

~~Each successive outstanding moral obligation becomes an additional potential impact and a new moral obligation should be viewed as having a cumulative impact. The likelihood of the level of obligations should be taken into account, but the City Council should also consider that the full cumulative obligation is a possibility, although very unlikely. The potential budgetary impact should be analyzed on a case-by-case basis, including possible work-out scenarios and their impacts. This analysis will be valuable not only for a decision on whether or not to use a moral obligation for a project, but also to develop risk mitigation approaches as a financing structure and agreement is developed and negotiated. As part of an analysis of the potential impact on the budget, the city should tentatively identify sources of funds and actions it would take in support of a call on its outstanding and proposed moral obligations. If it approves a moral obligation, the city should be prepared, if necessary, to take those actions.~~
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.

4. A proposed moral obligation should be fully analyzed

~~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 ~~pledge~~. 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.

- The moral obligation ~~pledge~~ 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 ~~pledge should~~ is generally attached to a long-term financial obligation of some kind and would not normally be ~~used~~ appropriate to solve a temporary financing problem. There should be an independent analysis that shows a proposed project requires ~~a~~ the moral obligation ~~pledge~~ in order to be financed (or in any case financed at an interest rate that is or on terms critical to meeting ~~city~~ City goals ~~anytime) in the reasonable future~~.
- The moral obligation ~~pledge has~~ should have a very low risk of being called — ~~This is another basic condition of a moral obligation pledge.~~ 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 in concert together toward ensuring that a moral obligation call does not occur ~~or whether their concerns are~~ potentially disparate. Any issues will help determine overall risk and may also identify approaches to risk mitigation in any final agreement.
- There should be no impact on bond ~~rating~~ 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~~ City's financial strength, bond ~~rating~~ 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 — ~~There~~ To the extent possible there should be ~~an~~ a quantitative analysis ~~and assessment that compares~~ comparing the benefits to the adverse impact on the ~~city~~ City and the associated risks. ~~The benefits and risks may or may not be fully quantifiable. The benefits may relate to achieving a major city goal that is considered of paramount importance but cannot be quantified. The risks may be difficult to put into hard dollars and still make sense. In such a case, as much quantification as feasible should be done along with a clear description of the qualitative benefit or qualitative risk for Council to have as clear a comparison as possible of the overall benefits and the overall costs and risks.~~

~~5. The structure of a moral obligation should be designed to minimize the risk to the city, minimize the impact on the city's finances and budget, and potentially provide a benefit designed to compensate for the city's risk~~

~~The details of a moral obligation pledge should be designed to minimize the risk to the city and minimize the potential annual and long term impact on the city's finances and budget. This includes both the likelihood of having to make payment under the moral obligation, and, if payment is necessary, minimizing the impact on the city. Experts should be utilized as necessary to develop approaches to minimize the risk and assist in any negotiations that may be necessary. Much of the analysis suggested in these policies to help make a go/no go decision for a moral obligation can also be used to help identify ways to reduce risk to the city.~~

~~With support of any for-profit project, consideration should be given to providing a specific benefit to the city in order to offset the risk and adverse impact on the city's bond rating and financial strength. Some kind of profit sharing should be considered, where feasible.~~

~~5. 6. Outstanding moral obligations should be reviewed by staff and Council~~

Because of the potential financial impact of moral ~~obligation pledges~~obligations and because they ~~are often~~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. ~~As a due diligence process, the city should provide resources for and staff should actively monitor any moral obligation transactions/projects that are large or whose status is changing. Projects should be actively monitored if there are non-stable or poorly performing~~ Underperforming projects in particular need to be closely monitored. The results of the annual review and any ongoing ~~reviews~~surveillance of projects should be presented to the Management and Finance Committee along with any staff recommendations ~~and then forwarded~~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

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: 2023 Ward Redistricting
Item Initiator: Kadee Rodriguez, City Clerk / Daniel Krzyzanowski, Planning Supervisor
Staff Source/Legal Source: Kadee Rodriguez, City Clerk / Dave Lathers, Senior Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 4.3--Be responsive to citizen's concerns and questions to create a shared sense of community

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: 10/24/2022 and 11/14/2022

ITEM DETAILS:

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, ADOPTING AN UPDATED MAP OF WARD BOUNDARIES PURSUANT TO THE MANDATE OF SECTION 54-5(B) OF THE CITY CODE
Kadee Rodriguez, City Clerk / Dave Lathers, Senior Assistant City Attorney
Estimated time: 30 mins

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

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <input type="checkbox"/> Approve Item and Move Forward to Study Session | <input checked="" type="checkbox"/> Approve Item as proposed at Study Session |
| <input checked="" 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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 9/27/2022

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

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

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.)

March – May	Initial meetings were held with the Election Commission, M&F Policy Committee, and Ward Council Members. The timeline, criteria, and requirements outlined in City Code and Charter were reviewed.
June - August	Public meetings were held in each ward to receive comments, input and questions from the public. There was also a survey available on EngageAurora.
August 17 th	The Election Commission voted to recommend Scenario 5.
September 27 th	The M&F Policy Committee reviewed the Election Commission’s recommendation and decided to move all scenarios forward for further discussion.

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

Overview

Ward boundaries are reviewed for election years ending in “3” and “9” to ensure wards are contiguous, compact, and have approximately the same number of residents. The Election Commission reviews the ward boundaries and makes recommendations to City Council for approval. The new boundaries must be approved no later than 180 days prior to the next regular municipal election.

Population Estimate

402,961 (total population estimate) / 6 (wards) = 67,160 (target ward population)

The Planning Department calculated the current estimated population using the Census Bureau’s Redistricting Count (April 1, 2020) and the certificates of occupancy issued by the City (April 1, 2020 to March 31, 2022).

The six (6) wards should contain approximately the same number of residents; therefore, the total estimated population was divided by six (6) to obtain the target ward population.

Scenarios

Different mapping scenarios were created to achieve balance by moving voting precincts. The scenarios were designed to contain approximately the same number of residents, impact as few residents as possible, and maintain whole county precincts where possible.

There are a total of four (4) scenarios drafted for Council’s review (the Election Commission did not see merit in Scenario 3 so a map was not drafted). The Election Commission recommended Scenario 5. The M&F Policy Committee recommended moving all of the scenarios forward for further discussion by Council.

QUESTIONS FOR COUNCIL

Does Council wish to approve one of the drafted scenarios updating the ward boundaries?

LEGAL COMMENTS

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 the wards are contiguous, compact, and have approximately the same number of residents. (Section 54-5(b), City Code) (Lathers).

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

ORDINANCE NO. 2022- ____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, ADOPTING AN UPDATED MAP OF WARD BOUNDARIES PURSUANT TO THE MANDATE OF SECTION 54-5(B) OF THE CITY CODE

WHEREAS, Article 2-3 of the City Charter empowers the Election Commission to “make recommendations to city council on all matters pertaining to elections, including but not limited to, the creation of new ward boundaries”; and

WHEREAS, Section 54-5(b) of the City Code mandates that ward boundaries shall be reviewed for election years ending in “3” and “9”, and if necessary to maintain wards which are of approximately the same number of residents said boundaries shall be redrawn to approximately balance ward populations while keeping wards contiguous and compact; and

WHEREAS, the Election Commission has engaged in a public process to seek resident input on ward boundaries, has reviewed U.S. decennial census data indicating the number of residents in each ward, has consulted with the City Planning and Building Departments to receive data on housing starts and population trends within each existing ward of the City, and has made recommendations to City Council as to new proposed ward boundaries to be effective prior to the 2023 elections; and

WHEREAS, City Council has received the recommendations of the Election Commission as to realignment of ward boundaries to comport with the requirements of Section 54-5(b) of the City Code and has considered those recommendations as well as having considered the current disparity in ward populations as reflected in the best information available to the City;

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

Section 1. City Council does hereby adopt for the 2023 election, and beyond until changed, the ward boundaries indicated in the map and accompanying text in Exhibit A presented with this ordinance which exhibit is attached and appended hereto and made a part hereof.

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

DAVE LATHERS, Senior Assistant City Attorney

City of Aurora

2023 WARD BOUNDARY CHANGES

Table of Contents

OVERVIEW	1
CRITERIA	1
WARDS	1
BOUNDARIES	1
CALENDAR	2
PUBLIC COMMENT	3
PUBLIC COMMENT MEETINGS	3
ENGAGE AURORA	3
PUBLIC OUTREACH	3
CURRENT POPULATION ESTIMATE	4
CALCULATING THE WARD POPULATION	4
DEVIATION FROM TARGET POPULATION	4
CITY CODE SECTION 54-5	5

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

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

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

Public Comment

Public Comment Meetings

June 1, 2022	Moorhead Recreation Center (Ward I) – Patio View Room
June 15, 2022	Beck Recreation Center (Ward II) – Ponderosa Room
June 29, 2022	Central Library (Ward III) – Large Community Room
July 13, 2022	Colorado Early Colleges (Ward IV)
July 27, 2022	Central Recreation Center (Ward V)
August 3, 2022	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	+/-	%
Ward I	61,520	1,205	3,410	64,930	-2,230	-3.3%
Ward II	65,192	2,268	6,418	71,627	4,467	6.7%
Ward III	64,026	721	2,040	66,066	-1,094	-1.6%
Ward IV	65,553	81	229	65,782	-1,378	-2.1%
Ward V	59,457	58	164	59,621	-7,539	-11.2%
Ward VI	70,571	1,546	4,375	74,933	7,773	11.6%
Total	386,319	5,879	16,638	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.

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 & PRECINCT 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 V	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	+/-	%
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	66,391	-769	-1.1%
Ward V	69,624	2,464	3.7%
Ward VI	64,633	-2,527	-3.8%

Target Ward Population: 67,160

Total Population: 402,961

Precinct Population

Wards	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 IV to Ward V	2,114	258
Ward V to Ward II	2,412	315
Ward VI to Ward V	1,668	265
Ward VI to Ward V	2,187	309
Ward VI to Ward V	1,878	266
Ward VI to Ward V	1,668	267
Ward VI to Ward V	1,243	316
Ward VI to Ward V	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



CITY OF AURORA

Council Agenda Commentary

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

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: 10/24/2022

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: 10 minutes

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

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

PREVIOUS ACTIONS OR REVIEWS:

The matter was presented at the September 27th Management and Finance Policy Committee meeting.

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 matter was presented at the September 27th Management and Finance Policy Committee meeting. 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 23rd, 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 Rodriquez 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.

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)

PUBLIC FINANCIAL IMPACT

YES NO

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 (15th) 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 (15th) 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

MF POLICY COMMITTEE MEETING

September 27, 2022

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

Others present: Council Member Jurinsky, Council Member Marcano, S. Day, D. Sisneros, K. Claspell, D. Lathers, W. Sommer, T. Hoyle, T. Velasquez, J. Ehmann, G. Hays, K. Rodriguez, B. Levine, C. Argentar, N. Wishmeyer, D. Wilson, T. Sedmak, C. Horiuchi, M. Bryant, C. Toth, M. Crawford, T. Vaughn, M. Murphy, J. Edwards, J. Twombly, S. Newman, J. Heckman, D. Brotzman, J. Schneebeck, M. Stamp, J. Orozco, J. Bajorek, D. Hudson, M. Parnes, H. Hernandez, G. Koumantakis, C. Dancy, R. Lantz, A. Jamison, M. Noble, R. Venegas, Laiba Saqib, C. Atkinson, M. Rogers, R. Goggins, C. Zapata, A. Wool, M. Barrett, N. Peykov

INTRODUCTIONS AND MINUTES

August 23, 2022 minutes were approved.

AUGUST 2022 SALES TAX CHART

Summary of Issue and Discussion

Bill Levine presented the August 2022 Sales Tax Chart. The sales tax increased by 10.5% in August. This can be interpreted in two ways. One is as a revenue number with August about \$360,000 over the projection. With this, the city looks to be on track to meet or beat the projection for the year. The sales tax can also be representative of how business is doing in the city. In this regard, the 10.5% increase appears to be misleading. In August 2022, there was a large amount received from a foreign online retailer making payments for over two years of taxes owed to the city from October 2019 to April 2022. This was due to the passing of the Economic Nexus Ordinance and the Sales and Use Tax System (SUTS) only being set up in August. If this one-payment growth is not taken into account, the sales tax growth for August would only have been 9.6%.

The variable sales tax payments grew by 85% in August, meaning that a lot of the 10.5% growth is due to big one-time payments. These variable payments were for large construction projects including storm, drainage, and decking systems. If the variable sales tax payment only grew at a neutral rate equal to the inflation rate of 8.3%, the growth for August would only be 7.2% instead of 10.5%. This number is more reflective of the consistent taxpayers and the business community in Aurora.

Committee Discussion:

CM Gardner: Makes sense. Thanks for that analysis. That's helpful. Council Member Zvonek, any questions?

CM Zvonek: I don't have any now. Thanks.

CM Gardner: All right. Thank you. Okay. Council Member Murillo, do you have any questions on that?

CM Murillo: No. I think I logged in just right at one. Did we start the presentation earlier?

CM Gardner: No. It was 1:00 when we started. You might have just been a couple of seconds late. We just have a really crowded agenda, so I just wanted to get started on it.

CM Murillo: That's fine. No questions here.

CM Gardner: All right. I appreciate that. Thanks, Bill, for your presentation.

B. Levine: Thank you, Council. I appreciate it.

Outcome

Information only.

Follow-up Action

No follow-up needed.

OCCUPATIONAL PRIVILEGE TAX REPEAL

Summary of Issue and Discussion

Council Member Jurinsky and Jeff Edwards presented this ordinance that will repeal the occupational privilege tax (OPT) that was implemented in 1986. Aurora is one in five cities in Colorado that has this. This is a \$4 tax per employee with half being withheld from the employee, and half being matched by the employer per paycheck once a month. CM Jurinsky noted that there is a surplus in the budget and there is no reason to figure out what to cut out of the budget to make the tax cut work.

Once the repeal is implemented, it would have to go through the voters to be reinstated. The fiscal impact would be \$5.9 million for 2023. There would be no cuts to the police, fire, 911, courts, transfers, and other mandates. This leaves \$170 million of people and supplies that would need to be cut by 5% from the 2023 budget. Nine entities received OPT revenue of \$590,000 in 2021. In addition, some of the revenues are used by the Aurora Urban Renewal Authority

(AURA) for incentive and development projects. About 72% of the city's revenue is dependent on sales and use tax.

Committee Discussion:

CM Jurinsky: Now, I actually have a question because I asked thoroughly about this when I was on the CABC and I asked where these funds go, and I was told by Greg Hays that all of these funds go into the general fund. That's really concerning to me if the AURA is using some of these funds, because just last night I was told that none of those funds come out of the general fund, specifically regarding our parking lot structure.

T. Velasquez: And I would address that Council Member basically when we have a TIF area, any of the revenues that are generated from the specific project, including OPT, would go back to the project. I think on Jeff's slides, it's just acknowledging that the revenue that's generated from specific projects is then shared back as a part of incentive agreements that were approved by previous city councils. So, it would definitely change the revenue flow to some of those projects. And I also have Greg online to answer any budgetary-related questions. I know from an almost \$6 million budget perspective it does have some larger impacts. And maybe, Greg, you can put it a little bit into perspective from a standpoint of what that reduction would mean.

G. Hays: I sure can. Thank you very much. If you're looking at \$5.9 million, it's the equivalent of about 80 people. We do have a balanced budget for 2023, and if you take \$6 million out, it would not be balanced. We would have to go find that money from somewhere. It is a significant amount of money. It's larger than six different budgets, general fund budgets. Aurora Water, City Council, Communications, General Management, HR, Planning. Their entire budgets are actually less than that. And what's more, 2024 is not -- it's close to being balance. We don't need to have a balanced budget for the future but taking on another \$6 million of ongoing funds would make that harder for the 2024 budget as well.

CM Gardner: All right. Thank you. Greg and Jeff. Council Member Murillo, questions, or comments for either staff or the sponsor?

CM Murillo: Thanks, Council Member Gardner. I think a few comments. Yes, I think that coming into the conversation and just saying that "Oh, we have a surplus and therefore I don't really need to look for the accompanying piece of where this ongoing revenue would come from" is concerning to me to the staff's comments around this does make it more challenging to balance our budget in the future. There will be budget implications. I think that was the biggest concern for me and I would like a better understanding of where the city management would take those ongoing funds because it's not just funds that would be taken out of this year's budget or whenever this comes into effect, but it is ongoing. That's just my biggest comment and request before this moves forward on my end.

CM Gardner: Council Member Zvonek, questions, or comments?

CM Zvonek: I would just say we haven't set a 2023 budget. As far as I know, we're going to do that at the budget workshop, and I think that will give us plenty of opportunity to identify what reductions we need to make in order to make this happen. But I think in terms of a signal that we want to continue to be the most business-friendly city in the state, and we are getting rid of a privilege tax of working in Aurora. We have to, I think, try to change our mental model, and recognize that it's actually a privilege for us to have employees here and it's not a privilege for them to work here. And I think this is one of the ways we can do that.

J. Twombly: And I just wanted to check with Jeff. It seems like I saw in the original ordinance that fire, police, and road maintenance were cited as reasons for instituting this tax in the first place. The funds weren't dedicated for those purposes, but I think those were cited as reasons why the council voted to approve that tax. Jeff, do you have any information on that?

J. Edwards: Correct. Thanks, City Manager Jim Twombly. Appreciate that question. That is correct. This was essentially a way for us to distribute the tax burden for the city to those that are coming into the city to work. And it pointed out that it was for police, fire, road maintenance, those types of costs, and other municipal services.

J. Twombly: Okay. Thanks.

CM Jurinsky: Yes. I asked repeatedly on CABC if these funds were dedicated for anything in particular and I was told numerous times, "No, they're not earmarked for anything. They just go into the general fund and that's where they are at in the general fund." And as Council Member Zvonek just said, the fact that we have a tax on businesses and workers in the city of Aurora states that it's their privilege to do business in this city or to be a worker in this city. I can't believe this has never been brought up before, but I think that we absolutely need to change our mindset on that and realize that it is actually the city's privilege. It is our privilege for businesses to come here and for workers to want to work in Aurora. And as Council Member Zvonek just pointed out, the budget is not set and that's exactly what we are going to go to the Budget Committee meeting to do. And the fact that we have any additional tax on people in Aurora, I think that those should be eliminated. And just as other taxes, on menstrual products and on diapers in this city have been eliminated, I look at this tax repeal as actually a more equitable tax cut, because it will be for anybody, regardless of gender, regardless of race. I mean, if you work in Aurora or have a business in Aurora, this tax is on you, and this will be a tax saving to all those who wish to do business here and work here.

CM Gardner: Any other questions or comments from the committee?

CM Murillo: Yes, I guess just the fact that we're not acknowledging that for months staff has put together our budget, essentially line item by line item. We've had public presentations at town halls, and we've had specific budget presentations. Suddenly to say that we're not essentially almost at the end and that we don't have a budget, sure, it's not yet confirmed. But let's be clear

that this would be a last-minute change that hasn't been incorporated into this current budget as it's been written. I just want to be very clear that when we say it's not yet been finalized, that's because we haven't yet made the final approval. But a last-minute change is what this would be. I just want to be very clear that that's where we're at in the budget process for this year.

CM Jurinsky: Council Member Gardner, I'd like to respond to that.

CM Gardner: Go ahead.

CM Jurinsky: The budget is created every single year. I'm not sure there's really a good time or a bad time to bring forward a tax cut. But I had some things that I needed to look into. Obviously, I wanted to come to this committee. It would be my prerogative to have brought this straight to a council meeting and to rush this process. But as I heard from my colleagues that don't always agree with me on much of anything, they would prefer me to follow the standard process that we have in place. I went about it that way this time, and I'm not sure that you can consider any kind of tax cuts on our citizens and our businesses to be something that's last minute. I find it to be something that's necessary.

CM Gardner: All right. Thanks, everybody, for comments and feedback. Council Member Murillo, would you like this to move forward?

CM Murillo: Not at this time. We were just talking about understanding fiscal notes and larger impacts last night. For it to be at the 11th hour, I think that's not something that I would prefer, but obviously, we'll talk about it if the committee approves it going forward. But like I said, I just wanted to be very clear on the rhetoric and the shaping of the conversation. So that's why I made my comments.

CM Gardner: Council Member Zvonek?

CM Zvonek: I think that now is actually the perfect time to move it forward as the elected officials who were elected by the people of Aurora to set the budget will be having a conversation about the budget for next year. It means we'll have to do some work, but that's okay. That's what we were elected to do.

CM Gardner: All right. And I'm fine with it moving forward as well.

Outcome

The Committee supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

WARD REALIGNMENT RECOMMENDATION DEADLINESummary of Issue and Discussion

CM Marcano presented the proposed ordinance which sets a deadline of no later than October 15th for rewarding recommendations to be before the Council. This preserves the existing timeline for the rewarding process to begin.

Committee Discussion:

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

CM Zvonek: No, I think that makes sense. I know that earlier, Council Member Marcano, when we were having these discussions at the beginning of the year, there was some concern because the initial timeline, I think didn't have us finishing until into next year. As a committee, we decided to do that. I think creating some sort of guidelines going forward that keeps us on track is appropriate and I would support that moving forward.

CM Murillo: I don't have any questions. Similar to the comments just made, we intentionally moved it up so that there was less ambiguity later into next year. I think this is in line with the actions that we've taken on this committee this year. I support moving it forward.

CM Gardner: All right. And as both council members pointed out, we intentionally changed the original schedule that was presented to us to avoid this very problem where the maps wouldn't have been finalized until late spring or early summer next year for folks running, which could create some confusion. I am okay with it moving forward as well. Thank you for the presentation.

CM Marcano: All right, great. Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

UPDATE ON E-DISCOVERY IN COURTSSummary of Issue and Discussion

Julie Heckman presented an update on e-Discovery in courts. The City Attorney's Office Case Management System will help transition to an electronic case management system from the fully-paper file status. This would provide the ability to give e-discovery out electronically for any defendant in the municipal court regardless of representation. All body-worn cameras, videos, and pictures will be downloaded to a disk.

This issue was brought about at a Public Safety meeting on October 14th, 2021. The interim court administrator, Mike Ritter, at the time had asked for two additional FTEs to address the case management system and e-discovery software tool. Court IT asked city IT to be present in the next meeting to discuss buying versus building the software. Judge Shawn Day, Doug Wilson, Court IT, City IT, and other staff have been discussing how to move the court to transition electronically. It has been agreed upon that the City Attorney's Office must be the beginning of this and get case management into an electronic system. Following this would be eDiscovery then the court accepting all electronic filings. It was previously confirmed by the former interim court administrator that following the two FTEs that the work would be completed by Q1 of 2022. However, it is currently still not in place.

The city has since hired Ms. Candice Atkinson as the new court administrator and has continued conversations regarding this. City staff has gone back to CDAC about looking at the e-Discovery tool that they have which is a statewide system for all prosecutors. APD Records, the Crime Lab, and A911 package all the evidence to be sent to the state CDAC system. Due to this, there have been discussions of having other Aurora agencies package things the same way and having a system mirrored to the CDAC system. CDAC has provided a general quote of what they think it would take to look at their system, redesign it, and tweak it to Aurora's court system which currently does not have data sharing between courts. There are other municipalities that are also trying to switch to electronic and may be interested in getting onto the CDAC system.

The staff has also looked at several outside vendors that do prosecution-type case management systems which include e-Discovery. There is also one that works closely with Axon that provides body-worn cameras. They were contacted to present to City and Court IT and other city staff. The need for this implementation is past due given the inefficiencies created by the labor-intensive utilization of the files. Given that there is only one paper file, only one person or department can work on it at a time. This would then delay getting the evidence to APD and other preparations.

Committee Discussion:

CM Gardner: Appreciate that update, Julie. And I think the only comment that I have, and I had said this last year in public safety is my preference is to go with standard software, not creating our own. And it sounds like we're looking into some options like that. And those are my concerns. I have that concern because of when you have somebody who designs a program in-house and that person leaves, you create some issues there. And so, for ongoing and support purposes, I always prefer to use something standard. And I can't imagine that Aurora is that unique, that there isn't software out there that won't meet our needs. So that's just my thought or my input. But again, really appreciate the update. Obviously, it's a project that's been going on for a while and certainly something that we need to get implemented. Council Member Murillo, any questions or comments?

CM Murillo: None for me. Thanks for the update.

CM Gardner: Council Member Zvonek?

CM Zvonek: No, I would just echo what you just said. I think that to the extent that we can find a product that not only because of the reasons you pointed out but if there is some collaboration or any sort of data that can be shared across different jurisdictions, having that software would seem to make a lot of sense. I also just hope that this is a part of the broader conversation that we're continuing to have with IT in general and moving toward a capability model for the entire city. This isn't just related to courts or even prosecution, but generally across every department, I think that having a standalone IT department doesn't make a lot of sense. I think having people embedded there, but ultimately coming back to one shared capability makes a lot more sense. I hope we integrate this conversation with that broader one.

CM Gardner: Appreciate that. Thanks again, Julie.

J. Heckman: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

FITZSIMONS BUSINESS IMPROVEMENT DISTRICT – NEW BOARD MEMBER APPOINTMENT

Summary of Issue and Discussion

Chad Argentar presented this item. The Fitzsimons Business Improvement District (BID) is looking to expand their existing board as they only have two out of five filled seats. The nominee for the position is interested in serving and contributing to the businesses in the BID.

Committee Discussion:

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

CM Murillo: None here.

CM Gardner: Council Member Zvonek?

CM Zvonek: No Questions.

CM Gardner: All right. And I assume both of you are okay with it moving forward.

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: All right. Thanks, Chad.

C. Argentar: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

2023 WARD REDISTRICTING REVIEW

Summary of Issue and Discussion

Kadee Rodriguez presented this item. Staff is requesting for the M&F Policy Committee's decision to finalize which scenario to move forward to full Council.

Committee Discussion:

CM Gardner: And can you remind me which was the map that was recommended or put forward by the Election Commission?

K. Rodriguez: Scenario five.

CM Gardner: Okay. Council Member Zvonek, any thoughts, comments, or questions?

CM Zvonek: I guess my one question maybe, Kadee, is that can we have more than one recommendation from our Committee go forward to the full council? Or are you just looking for one?

K. Rodriguez: There's nothing that states you can't move forward more than one recommendation. So, I think it would be up to this Committee on how you'd like to do that.

CM Zvonek: I guess my suggestion would be to have these go forward to the full council to have a conversation with more of our colleagues about these scenarios and have maybe a presentation from the Election Commission at a Study Session. I think that's what the next step is. It would come to a Study Session. So have it come to a Study Session and a presentation as to why the Election Commission chose that map and then also lay out the other scenarios because I can imagine that some of our colleagues might ask why we chose this one, why the Election

Commission chose that one, and what were the other scenarios so that they can have eyes on them too. So that's my recommendation for moving it forward.

CM Murillo: Yes, something similar on my end. I would prefer to not narrow it down at this point since this impacts the full council and have the broader discussion at a Study Session where we can all talk about it. All the options.

CM Gardner: Okay. Well, it sounds like that's what the will of the Committee is. Kadee, is that going to be the next available study session? Is that what our schedule was?

K. Rodriguez: It's actually the second study session in October. So, it's not the one this Monday, but the next one.

CM Gardner: The next one, yes. Okay, sounds good. Well, we will get a presentation at the second Study Session in October. And Kadee, thank you. And I don't think Daniel is on the phone but thank you both for all your work this year with our committee and the presentations and all that. Really appreciate you guys working through the process.

K. Rodriguez: Okay. Thank you. And we'll work with the Election Commission to get them on the Study Session for the last study session in October.

CM Gardner: All right, thanks.

K. Rodriguez: Thank you.

Outcome

The Committee decided to have the Election Commission present all scenarios, including the recommended scenario, in the second October Study Session.

Follow-up Action

Staff will coordinate with the Election Commission regarding their presentation for the second October Study Session.

ANNUAL REVIEW OF INVESTMENT POLICY

Summary of Issue and Discussion

Teresa Sedmak presented this item. The investment policy of the city is reviewed to incorporate any changes in the state statute or other required changes. For the recent review, city staff made two non-substantive changes. One is to define the nationally recognized statistical rating organizations; namely Moody's, S&P, and Fitch. The other change made was to reformat the section related to general obligation bonds and revenue bonds to improve clarity. The revisions

were presented to the Investment Advisory Committee on August 4th. Legal counsel has advised that there is no action necessary due to the non-substantive matter of the changes.

Committee Discussion:

CM Gardner: All right. Thank you. Council Member Murillo, questions or comments?

CM Murillo: I do not have any questions.

CM Gardner: Council Member Zvonek?

CM Zvonek: No.

CM Gardner: All right. Thank you for the presentation, Teresa.

T. Sedmak: Sure.

Outcome

Information only.

Follow-up Action

No follow-up needed.

PROPOSED MODIFICATIONS TO MORAL OBLIGATIONS POLICY AND REVIEW OF EXISTING MORAL OBLIGATIONS

Summary of Issue and Discussion

Teresa Sedmak presented this item. The city has existing moral support transactions with the Hyatt Regency Conference Center and Parking Garage and FRA Bioscience III Building. Recently, City Council has approved the continuance of the moral obligations support on Hyatt refinancing which is going to close next week. The rate was locked based on a 3.81% rate on the ten-year US Treasury rate plus a spread of 25 basis points bringing the rate on the new loan locked at 4.06%. The moral support for this transaction takes the form of a debt service reserve equal to a one-year debt service at \$1.7 million. Should the debt service be depleted, it must be replenished. This would then have to go to Council for an appropriation if the funds are not available. AURA has been providing support in the form of capital advances from other TIF revenues generated within the Fitzsimons Urban Renewal Area. No draw has been made on the debt service reserve since it could be a reportable event to investors and may have negative connotations. The need for additional support is not expected until 2024.

The Bioscience III Building moral obligation support is also in the form of a debt service request of \$2.5 million. If depleted, it must be replenished. The building was completed in 2020 and most of the space has been leased out. There are approximately 25% or 30,000 square feet yet to

be leased. A possible tenant is holding off on a decision until Q1 of 2023 due to economic uncertainty. Despite this, there are other potential tenants in the pipeline. The moral obligation terminates in December 2024. The FRA has adequate liquidity to satisfy its debt service obligations and doesn't foresee a draw on the debt service reserve.

In 2021, Council Member Gruber requested a review of the moral obligation policy. Staff has been working with Bond Council to do a thorough review and recommend modifications. One of the notable changes is the change in wording from moral obligation "pledge" to moral obligation "support." This is because "pledge" implies a binding financial obligation and a pledge of collateral. A definition of what a moral obligation is was added to the policy. The new policy explicitly prohibits substantive changes in the financing and proposed financing subsequent to its presentation to M&F, unless allowed by the authorizing resolution. The evaluation criteria were also strengthened and now include the presentation of timing and frequency related to the moral obligation and the likelihood of repayment over time.

Committee Discussion:

CM Gardner: All right. Thank you for the presentation. And yes, I agree with the changes that were made. I think just clarifying some things, tightening up some language, and then even just having a description of what moral obligations are for members of the public or people who are less familiar. I think all those changes are good. So, I would support moving it forward. Council Member Murillo, any questions or comments? And then do you support moving forward as well?

CM Murillo: Yes, I was just going to ask for the red-line version, if you don't mind. And I do support adding more clarity and practical usefulness to the policy. So, I do support moving it forward.

T. Sedmak: Thank you.

CM Gardner: Council Member Zvonek?

CM Zvonek: No questions. And I do support moving forward.

CM Gardner: All right. Thank you. Thanks, Teresa.

T. Sedmak: Thank you.

Outcome

The Committee unanimously supported moving the item forward.

Follow-up Action

Staff will move the item forward to Study Session.

**SUMMARY RESULTS - SALE AND CLOSING OF CITY OF AURORA 2022 COPS
(ROAD IMPROVEMENTS PROJECTS)**Summary of Issue and Discussion

Teresa Sedmak presented this item. On August 24th, Aurora priced its Series 2022 Certificates of Participation (COPs) to finance various roadway improvements. There was a par amount of \$31.9 million to offer to investors and the city received orders for \$102 million, which is a 3.2 times oversubscription. This allowed staff to reprice several maturities for interest rate reductions. Some longer-term maturities were repriced with a higher yield. The all-in-interest cost, including the underwriting and cost issuance on the deal, was 3.685%. The closing on the COPs occurred on September 7th and were sold to RBC and Stifel. They were packaged with a rating of AA1 from Moody's which is the highest rating afforded to an appropriation credit.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No questions. That's great news. I'm happy to hear that we were able to lock in the lower rate and move this forward. I know this is ultimately going towards a much-needed road maintenance repair. So, I'm just happy to hear that we're moving forward and saving the taxpayers a little bit of money along the way.

T. Sedmak: Thank you.

CM Gardner: Council Member Murillo?

CM Murillo: Nothing on my end.

CM Gardner: All right. Thank you for the presentations, Teresa.

T. Sedmak: Thank you.

Outcome

Information only.

Follow-up Action

No follow-up needed.

2023 BID OPERATING PLANS AND BUDGETS

- 5a. 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
- 5b. 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
- 5c. 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
- 5d. 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
- 5e. 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
- 5f. 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
- 5g. 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
- 5h. 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
- 5i. 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
- 5j. 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

Summary of Issue and Discussion

Carol Toth gave an overall presentation for items 5a through 5j regarding the 2023 Operating Plans and Budgets of ten business districts organized within the city. The state statute requires that each BID organized within a municipality file their upcoming budget with the City Clerk for review and approval by the City Council by December 5th.

Committee Discussion:

CM Gardner: Okay. I think since they were included in the backup, we don't need individual presentations. But to give council members an opportunity to ask questions. Council Member Murillo, any questions on 5a through 5j?

CM Murillo: No.

CM Gardner: Council Member Zvonek?

CM Zvonek: I don't have any.

CM Gardner: And are you both okay with moving these forward?

CM Zvonek: Yes.

CM Murillo: Yes.

CM Gardner: Thank you. These will move forward. Thank you for the presentation.

Outcome:

The Committee unanimously supported moving items 5a through 5j forward.

Follow-up Action:

Staff will move items 5a through 5j forward to the October 17th Study Session.

2023 GID OPERATING PLAN AND BUDGETS

- 6a. General Improvement District 1-2007 (Cherry Creek Racquet Club) 2023 operating budget
- 6b. General Improvement District 2-2009 (Pier Point 7) 2023 operating budget
- 6c. General Improvement District 2-2011 (Aurora Conference Center) 2023 operating budget
- 6d. General Improvement District 1-2016 (Cobblewood) 2023 operating budget

- 6e. General Improvement District 1-2008 (Peoria Park) 2023 operating budget
- 6f. General Improvement District 3-2008 (Meadow Hills Country Club) 2023 operating budget

Summary of Issue and Discussion

Andrew Jamison gave an overall presentation for items 6a through 6f regarding ordinances to approve the Operating Plans for the General Improvement Districts (GIDs) within Aurora. Generally, they authorize a mill levy to collect a property tax within the district to pay debt service for certain capital improvements that the districts had elected to improve. This is with the exception of the Aurora Conference Center which uses a direct funding model to pay for improvements.

Committee Discussion:

CM Gardner: Council Member Zvonek, any questions?

CM Zvonek: No.

CM Gardner: Council Member Murillo?

CM Murillo: No questions for me.

CM Gardner: And are you both okay with moving these forward?

CM Murillo: Yes.

CM Zvonek: Yes.

CM Gardner: All right. Thanks, Andrew.

A. Jamison: Thank you.

Outcome:

The Committee unanimously supported moving items 6a through 6f forward.

Follow-up Action:

Staff will move items 6a through 6f forward to the Budget Workshop and the Regular Council Meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

ADJOURNMENT

The next meeting is tentatively scheduled for Tuesday, October 25, 2022 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: Update on the Potomac Campus
Item Initiator: Jessica Prosser, Director of Housing and Community Services
Staff Source/Legal Source: Jessica Prosser, Director of Housing and Community Services / Tim Joyce, Assistant City Attorney
Outside Speaker: Debbie Stafford, Kelly Phillips-Henry, Kathie Snell and Nazen Wolfe from Aurora Mental Health and Craig Marosky
Council Goal: 2012: 1.0--Assure a safe community for people

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: N/A

ITEM DETAILS:

Jessica Prosser, Director, Housing and Community Services / Tim Joyce, Assistant City Attorney
Estimated Presentation/Discussion time: 15 minutes

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
Reason for waiver is described in the Item Details field. | |

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Housing, Neighborhood Services & Redevelopment

Policy Committee Date: 7/7/2022

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

- | | |
|-----------------------------------------------------------|---------------------------------------------------------|
| <input checked="" 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 Potomac Campus was part of the Community Investment Funding application rounds that took place in the winter of 2021 and awarded for \$1M. The Potomac Campus was also awarded for \$7M as part of the City Council winter workshop in January of 2022.

ARPA funds were signed into law on March 11, 2021 to provide additional financial relief in the wake of the COVID-19 pandemic. The funds may be used for the following purposes: (1) To respond to the public health emergency or its negative economic impacts, including assistance to households (such as affordable housing, job training, and childcare), small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (2) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers; (3) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year to the emergency; and, (4) To make necessary investments in water, sewer, or broadband infrastructure.

This use of the ARPA funds will address issues of housing instability through the construction of affordable housing by the Aurora Housing Authority (AHA). The AHA will construct a 60-unit, affordable housing project that will provide homes to Aurora residents at or below 30 percent of the area median income (AMI). This is an important goal of the [Housing Strategy](#), which was passed in December 2020.

The Potomac Campus – Permanent Supportive Housing (PSH) project was presented to the HoRNS on July 7, 2022.

Aurora Mental Health has been working hard to compile funds and partners to get the other components of the project started in late 2022. These services include community health center, detox and crisis services.

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

The Aurora Housing Authority is the developer of this 60-unit, low-income, permanent supportive housing (PSH) project set to serve residents at or below 30 percent of the Area Median Income (AMI).

The project is located at 1290 S. Potomac Street. There is currently real estate on this site that has served as a drug and alcohol rehabilitation center. An Environmental Assessment was completed on this property and a publication regarding the demolition of the current building was published in the Sentinel on June 16, 2022. The city is currently awaiting an approval of the Request for Release of Funds submitted to the U.S. Department of Housing and Urban Development (HUD).

The \$1M in ARPA funds is being utilized for pre-development costs on the new project, and the Aurora Housing Authority (AHA) has indicated that they will apply for additional federal funding from the city in 2023. ,

The presentation from Aurora Mental Health will cover updates on the other portions of the campus including a community health center, detox and crisis services.

QUESTIONS FOR COUNCIL

Information only.

LEGAL COMMENTS

This item is informational only. No formal council action necessary. The City has the powers that are necessary, requisite, or proper for the government and administration of its local and municipal matters. (City Charter, art. I, sec. 1-3). Council has the authority to do what is deemed necessary and proper to promote the prosperity, improve the order, comfort and convenience of the City and its inhabitants. (City Code sec. 2-32). (TJoyce)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: \$1M in American Rescue Plan Act Funds

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

AURORA MENTAL HEALTH CENTER

SAFETY NET CAMPUS AND ACUTE CARE CENTER UPDATE

OCTOBER 17, 2022



AURORA MENTAL HEALTH CENTER

- Private non-profit serving the community since 1975
- Licensed by Colorado Department of Human Services as the Community Mental Health Center dedicated to serve the City of Aurora per statutory authority (PL-88-164 & CRS 27-66-101)
- As part of the safety net, our license *requires* a broad continuum of care and service to all, regardless of circumstances

THE SAFETY NET

Safety net services provide critical care to individuals with the most severe illnesses

The **safety net population** includes individuals below 300% FPL, the uninsured, those enrolled in public insurance, and those who experience cultural, language, or other social barriers. More than 90% of our clients fit this definition, and 70% of our clients have incomes below 100% of FPL.

Both **mental health and addictions are more common among the safety net population-** and include most individuals with serious mental illness (SMI). This population often does not receive adequate services- **this is especially true for those who are homeless.**



Gaps in the continuum of care for individuals with SMI include the absence of specific services, or services only offered in brick-and-mortar facilities, when the population may be more responsive to services provided in informal settings.

Specific gaps include targeted case management, intensive outpatient care such as ACT, involuntary treatment (27-65), transitional housing, and physical health services to address health disparities and the mortality gap.

Source: Colorado Behavioral Health Needs Assessment 2020
(<https://cdhs.colorado.gov/2020-behavioral-health-needs>)

THE PROBLEM:

- Challenges with our 2206 Victor Street location
 - Difficult to find
 - Unable to remodel for effective use
 - **“Unwelcome” on the Anschutz campus**
- First responders must choose where to access services from multiple locations
- Detox capacity demand
- Lack of access to opioid interventions
- Difficulty in service access



THE SOLUTION:

Aurora Mental Health Center Safety Net Campus & Acute Care Facility Plan

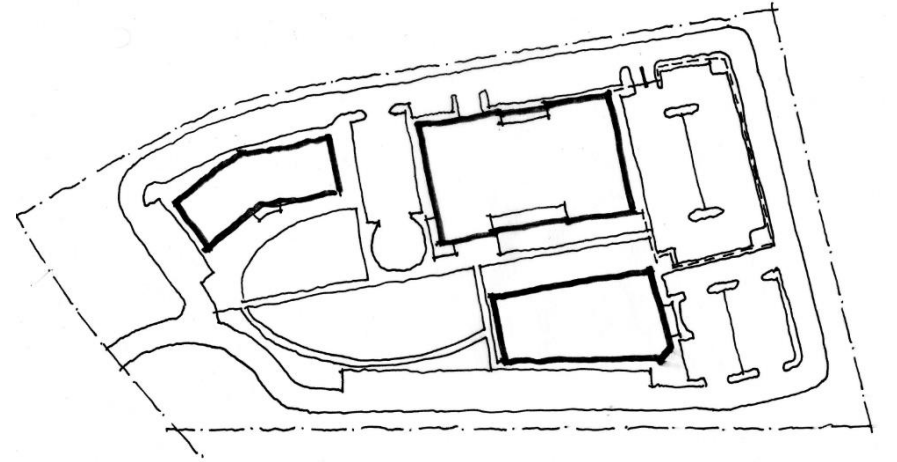
Phase 1:

- Brings together Crisis Walk-In, Crisis Stabilization, Detox, Connect2Care, Respite, and enhanced substance use treatment services including MAT to one location.
- Eliminates first responder and public questions about where to go: all needs, one stop.
- Addresses the homeless population through acute care services, access to short-term respite, and access to targeted case management for connection to services including housing.

Phase 2:

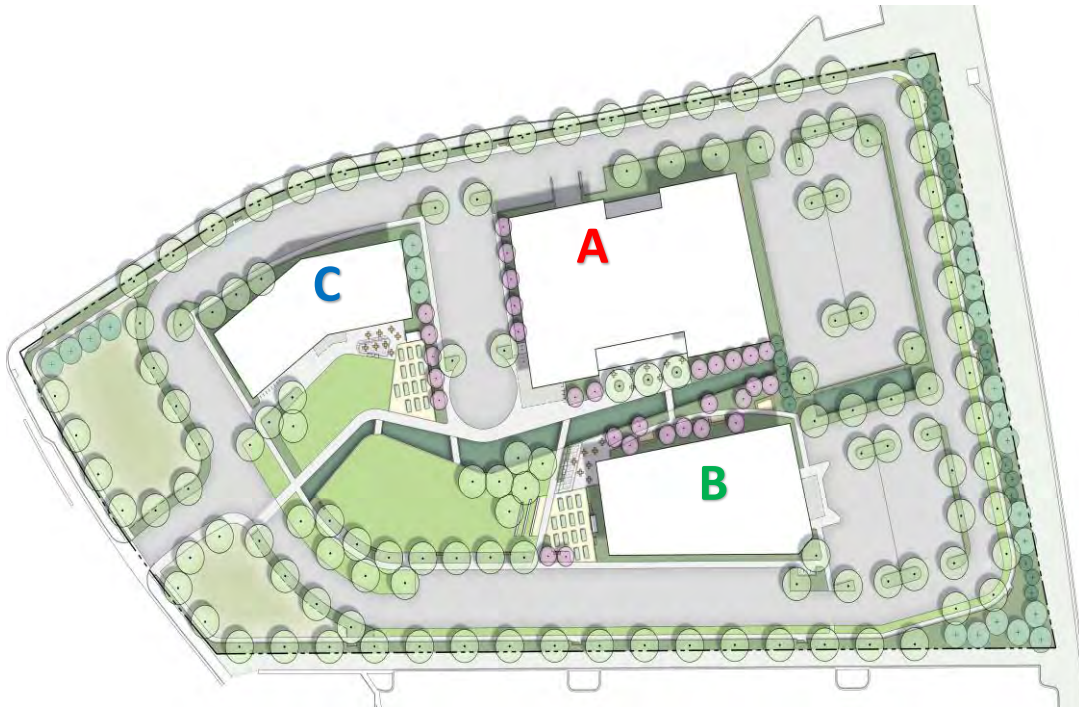
- Adds access to primary care and dental care services as well as integrated behavioral health.
- Adds permanent supported housing targeted to meet the needs of homeless or unstably housed individuals in our treatment continuum

Project Goals



- Demolish existing building and prep site (overlot grading) for future phases/buildings
- Develop infrastructure to 3 parcels on 7-acre site
- Build out new AuMHC Acute Care Center
- Work in tandem with housing & medical development of adjacent parcels

Aurora Mental Health Center Safety Net Campus & Acute Care Facility Plan



1290 South Potomac

- A** • A new facility bringing together our acute care services with room for SUD expansion
- Will take approximately 2 years to complete
- Estimated Cost is **\$38,400,000**
- B** • Planning to partner with STRIDE to include primary care safety net services on the campus
- C** • Partnering with Aurora Housing Authority who will build 40-60 units of permanent supported housing



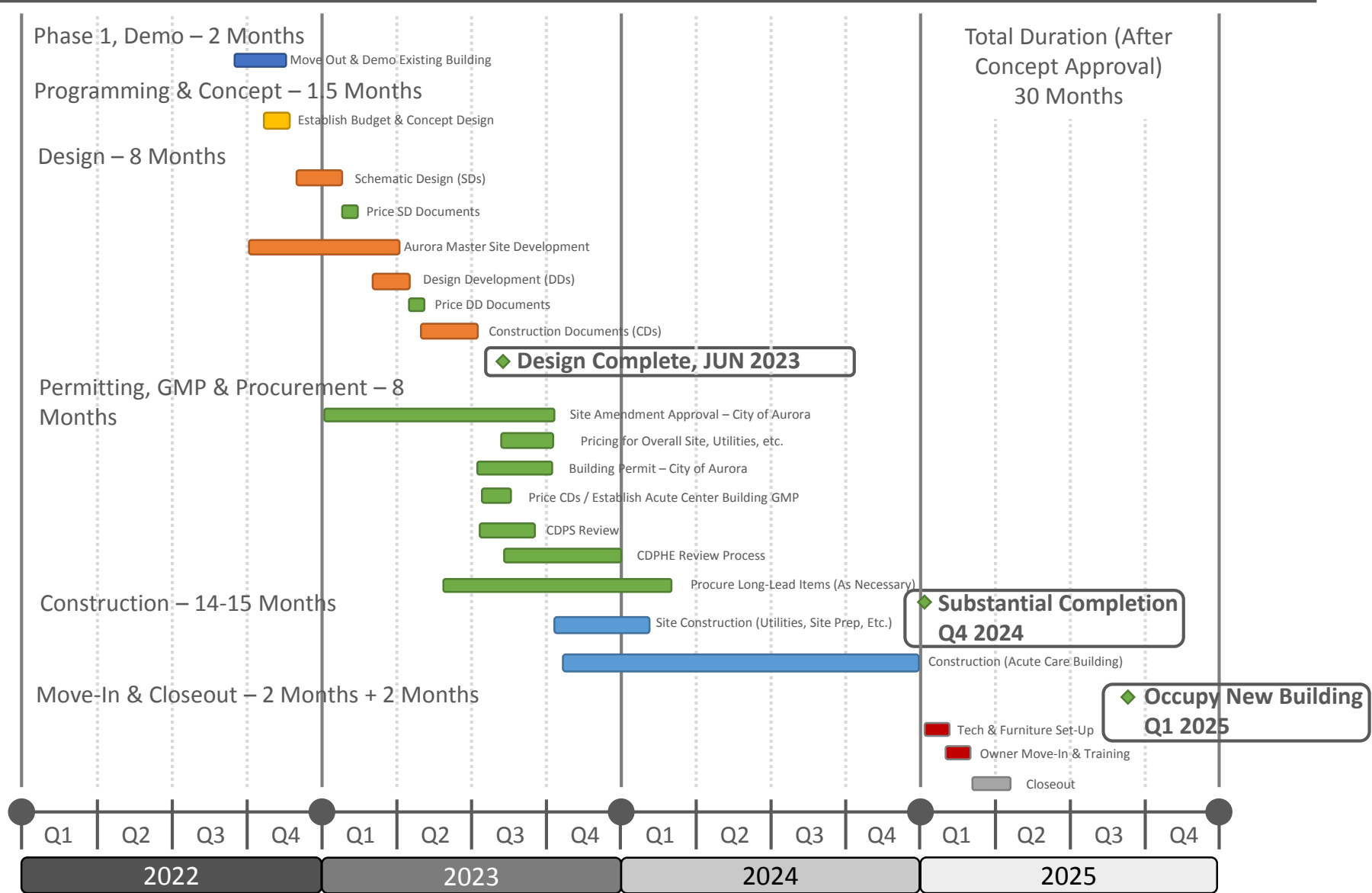
48,000SF Building



Reference Images



Schedule

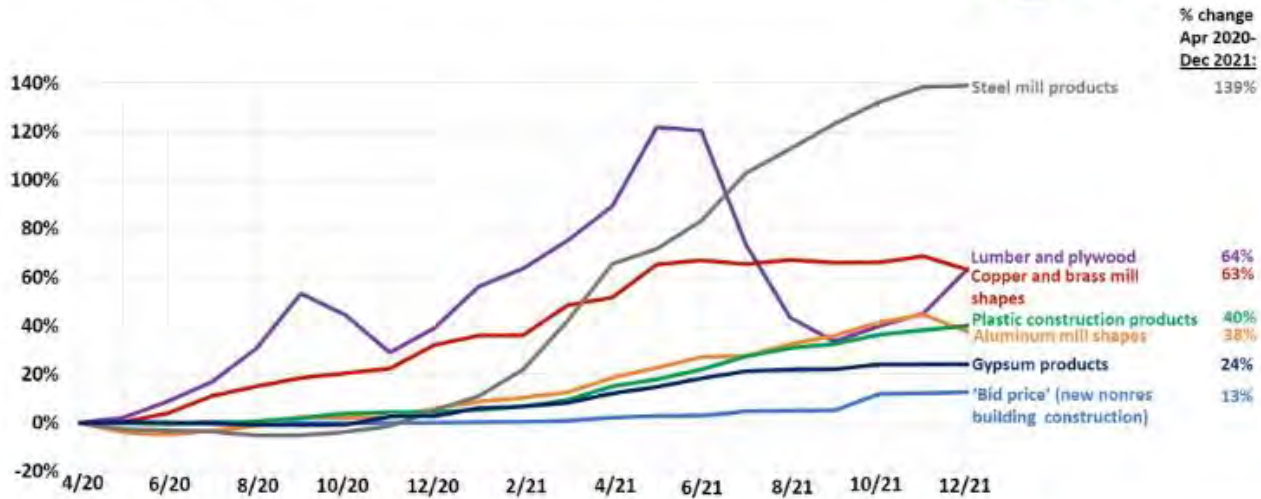


Overall Project Budget

March 2021	December 2021	Jan - Mar 2022	July - Aug 2022
\$29.35M	\$31.8M	\$31.8M	\$38.4M
Initial Budget <ul style="list-style-type: none"> Procure Site Constrained Site Development 50K sf Acute Care Building with 35,000 SF interior finish 	Initial Budget + Phased Demo <ul style="list-style-type: none"> Procure Site Constrained Site Development 50K sf Acute Care Building with 35,000 SF interior finish Partial Demo + Renovation Initial Site Plan to City of Aurora 	Master Site Plan <ul style="list-style-type: none"> Procure Site City of Aurora input into Master Site Plan Requirements 50K sf Acute Care Building with 35,000 SF interior finish Partial Demo + Renovation Construction Escalation Info Hitting Market 	Adjusted for Escalation <ul style="list-style-type: none"> Programming of spaces Initial City of Aurora input into Master Site Plan Requirements Full build out of 48K sf Acute Care Building Full Demo – Phase 1

PPIs for construction and selected inputs

cumulative change in PPIs, April 2020 – December 2021 (not seasonally adjusted)

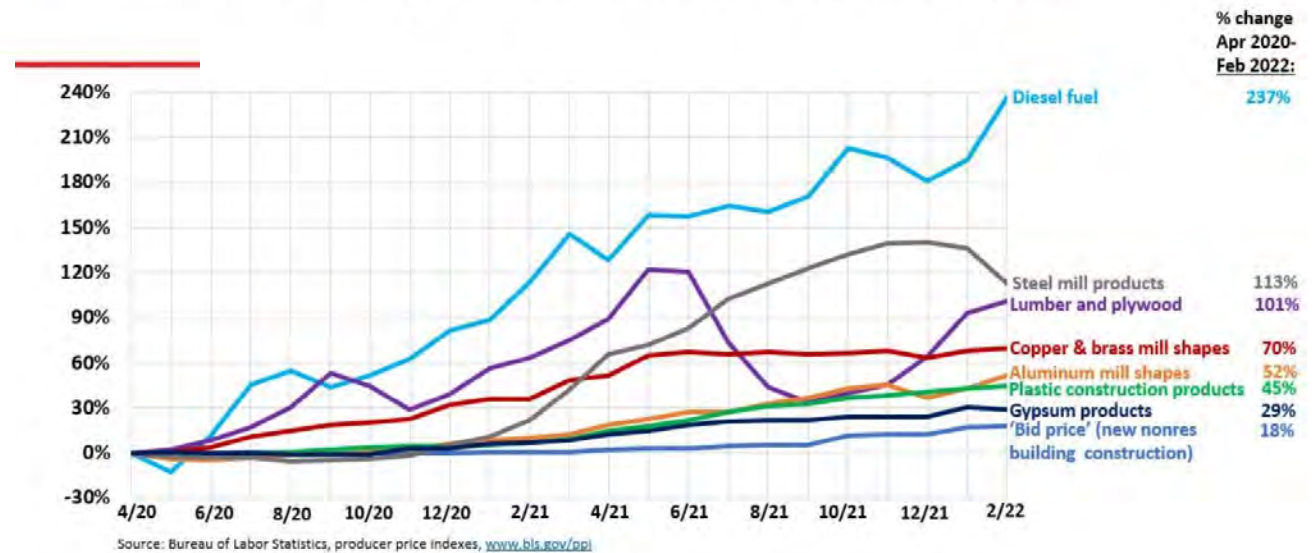


Unprecedented Cost Escalation

Figure 1

PPIs for construction bid prices and selected inputs

cumulative change in PPIs, April 2020-February 2022, not seasonally adjusted



CONSTRUCTION COST INDEX (January 2009 = 100)



The Mortenson Cost Index is showing a single quarter increase of 2.9% nationally and 4.5% in Denver. Over the last twelve months, costs increased 19.2% nationally and 20.8% in Denver.



Funding Summary

Funding Organization	Funding Program	Capital Component	Award
Arapahoe County	ARPA/SLFRF	Development, Construction, and Finishing. Demolition is allowable	\$5,000,000
HRSA	FY22 Congressionally Directed Spending	Design Only	\$1,000,000
Signal Behavioral Health Network	SB202 FY22	Planning, Development, Design	\$55,000
Signal Behavioral Health Network	SB202 FY23	Planning, Development, Design	\$400,000
City of Aurora	ARPA	Development, Construction, and Finishing	\$7,000,000
Adams County	ARPA	Development, Construction, and Finishing	\$1,341,864
Representative Crow	FY2023 Community Project Funding	Planning, Construction and Finishing	<i>PENDING</i>
			Notification expected fall 2022
TOTAL FUNDING RECEIVED TO DATE			\$14,796,864

Next Steps

- Demolition of Current Building
 - Target demolition date of Nov 1, 2022
 - We need environmental release from HUD before demo can begin
- Begin Schematic Design
 - Create clearly defined feasible design concept
- Detailed phase called Design Development

Next Steps (cont.)

- Contingency Plan
 - Raised Almost 40%
 - Capital Campaign
 - Pending ARPA Funding
 - Pending Opioid Settlement Dollars
 - Sale of Existing Properties
 - 1390/1400
 - Victor Street



Thank You!

shutterstock.com • 1153070891



CITY OF AURORA

Council Agenda Commentary

Item Title: city of San Antonio Homelessness Response Briefing
Item Initiator: Roberto Venegas, Deputy City Manager
Staff Source/Legal Source: Roberto Venegas, Deputy City Manager/Jessica Prosser, Director Housing & Community Services
Outside Speaker: N/A
Council Goal: 2012: 2.0--Serve as leaders and partners with other governments and jurisdictions

COUNCIL MEETING DATES:

Study Session: 10/17/2022

Regular Meeting: N/A

ITEM DETAILS:

Sponsors: CM Zvonek
Roberto Venegas, Deputy City Manager / Jessica Prosser, Director, Housing and Community Services
Estimated time: 20 mins

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
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.)*

The City Council has been discussing and deliberating around a variety of policy issues related to the cities homelessness response. Several members have visited other jurisdictions, including Colorado Springs and Houston, Texas to learn about those cities efforts at addressing homelessness.

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

Mayor Coffman and Councilmembers Zvonek, Lawson, Bergan, Jurinsky, Marcano, and Sundberg visited Haven for Hope in San Antonio, Texas on October 4th on a fact-finding mission to understand how that organization and its many partners address homelessness.

During the October 17th Study Session, CM Zvonek and his colleagues will brief the entire Council on the trip and takeaways from their visit. In particular, the discussion will focus on the Haven for Hope model and lessons their approach might have for Aurora.

An agenda and detailed information regarding Haven for Hope is attached to this backup.

QUESTIONS FOR COUNCIL

Does the City Council have any questions regarding the delegation trip to Haven for Hope in San Antonio?

LEGAL COMMENTS

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: Travel costs related to airfare, hotel, ground transportation, and meals for Aurora officials were paid by the city.

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

San Antonio Haven for Hope Travel Agenda

Tuesday, October 4, 2022

- | | |
|-----------------|----------------------------------------------------------------------------|
| 9:40am | UA Flight 1131 DEN – SAT |
| 1:45pm | CTA Transportation pick-up at SAT airport, drive to Haven for Hope |
| 1:45pm – 2:30pm | Lunch at Haven for Hope in Volunteer Room |
| 2:30pm – 4:30pm | Walking tour starts |
| 4:45pm | CTA Transportation pick-up to The Westin Riverwalk San Antonio |
| 5:00pm | Register/Sign in with hotel |
| 7:00pm – 9:00pm | Group dinner at El Rincon de Maria conference room at the Westin Riverwalk |
| 9:00pm | On own |

Wednesday, October 5, 2022

- | | |
|-----------|-----------------------------------------------------------|
| Breakfast | On own |
| 7:00am | CTA Transportation pick-up at hotel, drive to SAT airport |

Contacts:

Westin Riverwalk: Brittany Perera – 210-444-6105, 420 W. Market St. - San Antonio 78205
Haven for Hope: Aja Leija, EA to CEO – 210-220-2182 – 1 Haven for Hope Way, San Antonio 78207



President & CEO, Kim Jefferies

Kim Jefferies has worked in the nonprofit industry for the past 22 years. She has served as a community leader for The Nonprofit Council, United Way, Headstart, Autism Lifeline Links, as a mentor for the San Antonio Area Foundation and various other roles over the years. Kim was also named as a Top 40 Under 40 (2012), a Woman of Impact (2020), and a Top CEO (2021) by the San Antonio Business Journal.

Kim holds a B.A. in Interdisciplinary Studies from the University of Texas at San Antonio with a specialization in Reading and a Minor in Business Administration. She holds an M.S. in Nonprofit Leadership from Our Lady of the Lady University. Kim recently achieved an Executive Certificate in Nonprofit Leadership from Harvard's Kennedy School for Executive Education. She has is a Certified Parent Trainer in the Nurturing Program curriculum, and a Licensed Director with the Department of Family and Protective Services. Kim holds her Balanced Scorecard Professional (BSP) certification and Performance Measure Process (PuMP) certification both from George Washington University College of Professional Studies. She has also served on numerous committees and in various roles at her church, Our Savior Lutheran. In the fall of 2014, Kim fulfilled a lifelong dream of completing a mission trip in Malawi, Africa. In Africa, she conducted a comprehensive assessment of the current educational system environment for children with disabilities to inform future program and mission planning for the Kingdom Workers agency.

Kim is married to her husband, Cory, and they have two daughters. Kayleigh (24), graduated in 2020 from the University of Oklahoma with a B.S. in Biology and in Dec 2021 with her MBA from Texas Tech University and is currently working in Dallas with Clearsulting. Kamryn (20) is a junior at Texas Tech University and is studying speech therapy. Kim enjoys the outdoors, including hiking, horseback riding, raising chickens, and loves to garden. The Jefferies spend their summers on the lake or at the beach and their winters in the mountains. The Jefferies have a dog in addition to their seven chickens.



HOW YOU CAN HELP

1 GIVE

Help Haven for Hope provide life-saving programs and services with a monetary donation. No donation is too small to make a lasting impact!

Visit: www.Havenforhope.org/donate to make a donation today!

2 DONATE

Help us provide for the basic needs of individuals and families being served by Haven for Hope by donating in-kind items such as clothing, bedding, hygiene and other needed items.

Visit: www.Havenforhope.org/donate for a complete list of in-kind needs.

3 VOLUNTEER

Haven for Hope relies on volunteers to help us provide programs and services to individuals and families who are experiencing homelessness. Volunteers assist with a variety of projects and can be on-going or one-time service opportunities.

Visit: www.havenforhope.org/volunteer to learn more about giving your time to Haven for Hope.



VISIT US



The best way to learn more about Haven for Hope and our unique approach is to come and take a tour of our campus.

To schedule a tour. Please visit Havenforhope.org/tour



1 Haven for Hope Way, San Antonio, TX 78207
www.havenforhope.org



Photo Credit: © Marie Langmore Photography



RADICAL COMPASSION

SERVANT LEADERSHIP

DRIVEN BY HOPE

PURSUIT OF EXCELLENCE

1 Haven for Hope Way
 San Antonio, TX 78207
 210-220-2100

www.havenforhope.org



WHO WE ARE

Our mission is to offer a place of hope and new beginnings. We do this by providing, coordinating and delivering an efficient system of care for people experiencing homelessness in Bexar County.

- In 2006, business and civic leader Bill Greehey along with City leaders, began the effort to create Haven for Hope.
- The Haven for Hope “one stop” design was born after 18 months of research of over 200 homeless shelters across the country.
- Haven for Hope is a 22-acre campus for people who are experiencing homelessness.
- Our one of a kind approach brings multiple service providers to a single location thus increasing accessibility and efficiency of resources.
- The Haven for Hope campus has been in full operation since June 2010.



WHAT WE DO

- Approximately 1,700 people are served daily on our campus.
- Haven for Hope serves over 700 people daily through our low barrier, emergency shelter program, The Courtyard.
- The Courtyard offers guests a safe place to sleep, hot meals, a place to shower, laundry services, and outreach services such as mental health care and housing services.
- Our Transformational Campus provides more intensive services for single men, women and families with children.

Services on our Transformational Campus include:

- Short-term residential housing on-campus
- Substance abuse and mental health treatment
- Employment Services
- Education Services
- Life-Skills Training
- Legal Services
- Childcare
- Health Care
- Animal Kennel
- Housing
- And much more!



HOW WE DO IT

- The individual is at the center of all our services. We meet them where they are.
- **We are Trauma Informed.** We recognize and understand the role trauma plays in the lives of those we serve.
- **We are Recovery Oriented.** We work with our clients to help them recover from conditions associated with mental health, substance abuse and trauma.
- **We are Peer Supported.** We recognize the importance of lived experience in those we serve.
- **We Collaborate.** We work with 140 partner organizations to provide over 300 comprehensive services.





MEMBER PARKING

SECURE PARKING

THE TERRACES AT HAVEN FOR HOPE

FAMILY ACTIVITY CENTER

FAMILY & WOMEN'S RESIDENTIAL

CHILDCARE CENTER

TRANSFORMATIONAL SERVICES

SECURE PARKING

CHAPEL

KENNEL SECURITY

FOOD SERVICES

SICK BAY

INTAKE

MEDICAL VISION DENTAL

VOLUNTEER CENTER

MEN'S RESIDENTIAL

DONATION CENTER & WAREHOUSE

RESTORATION CENTER

THE COURTYARD

FUTURE EXPANSION

AMERICAN G.I. FORUM

NORTH
BEXAR COUNTY JAIL

UNIVERSITY HEALTH SYSTEM
ROBERT B. GREEN CAMPUS



Haven for Hope – Current Data

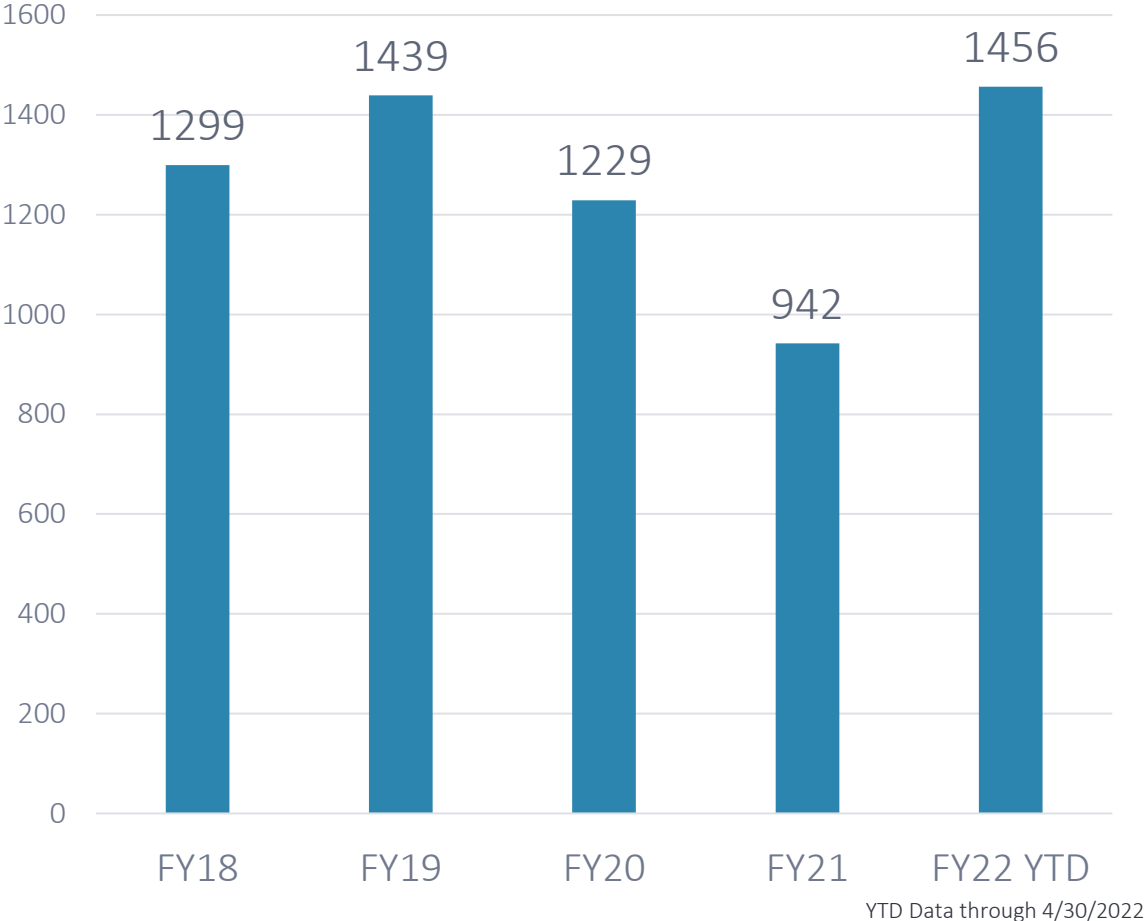
Kim Jefferies, President & CEO

Haven for Hope – Current Enrollment Snapshot

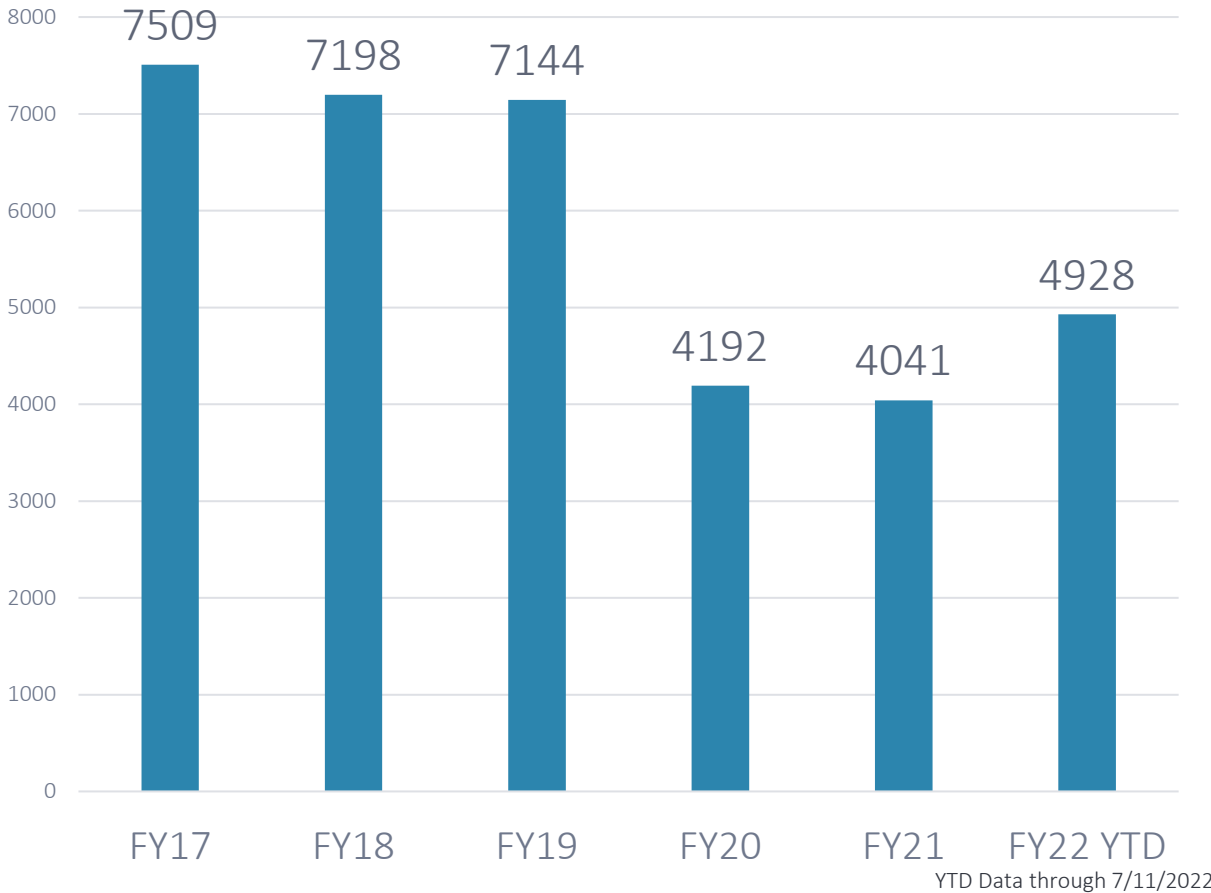
- At 104% of design capacity (1450) currently (includes partners).
 - With overflow capacity Haven can sleep 1,746 clients (includes ITP, PIF, Thrive).
 - Increased demand in families this summer - Family dorm full plus 46 families in Family Emergency Services.
 - Transition from hotel to campus is going well (included in capacity numbers).
 - Beginning overflow sleeping in Resource Center this week for women in the Courtyard.
- 1,517 staying at Haven daily
 - 1,384 on campus today
 - 133 currently in the hotel awaiting transition
 - Numbers of Note:
 - 280 Children
 - 81 Veterans
 - Partner capacity on campus:
 - Pay it Forward – 83% capacity
 - CHCS/ITP – 49% capacity
 - Thrive – 71% capacity

Haven for Hope – Data that Matters

Avg # of Clients on Campus

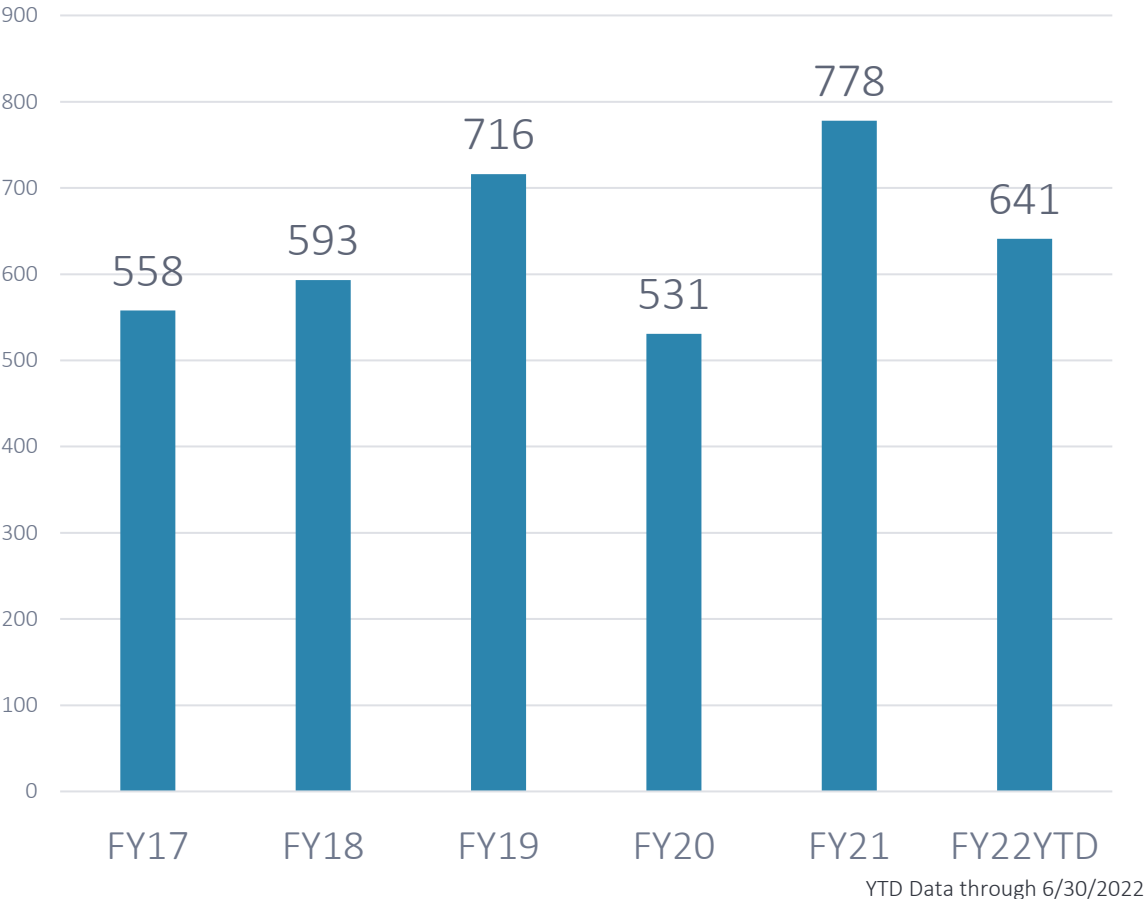


Unduplicated Number of Clients Served

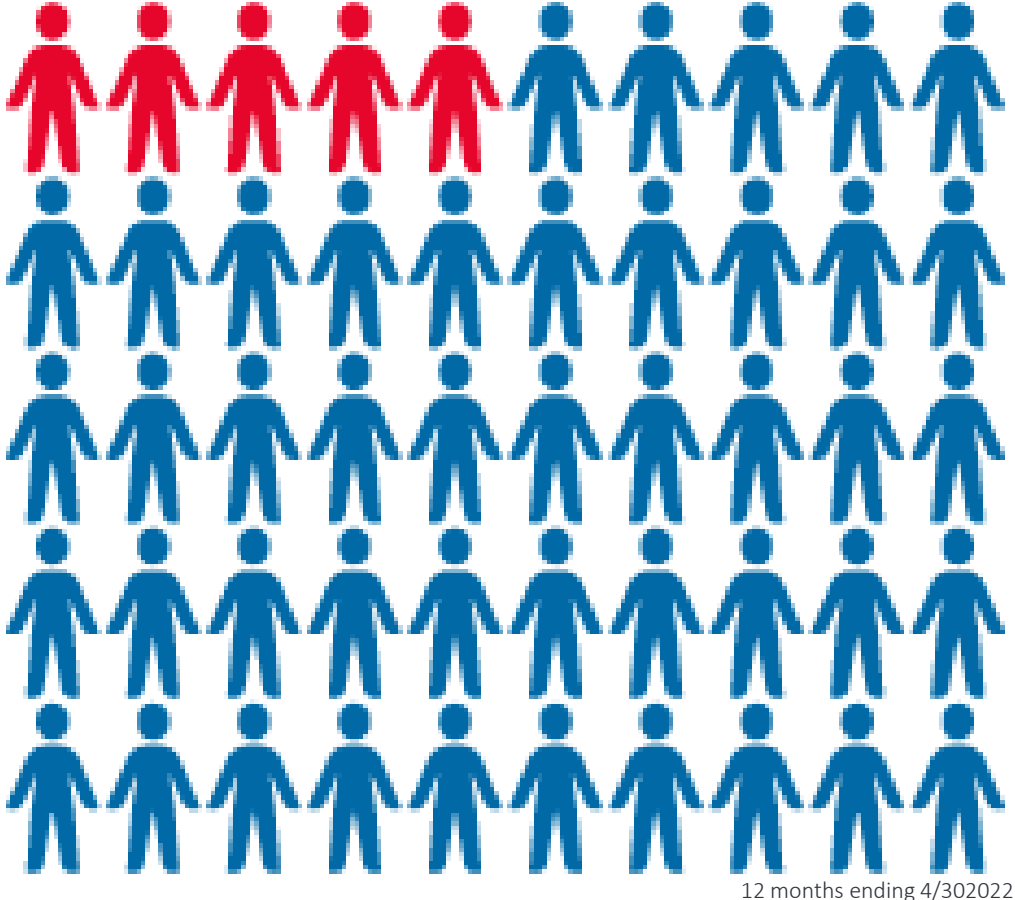


Haven for Hope – Data that Matters

Clients Placed in Permanent Housing (HUD Defined)

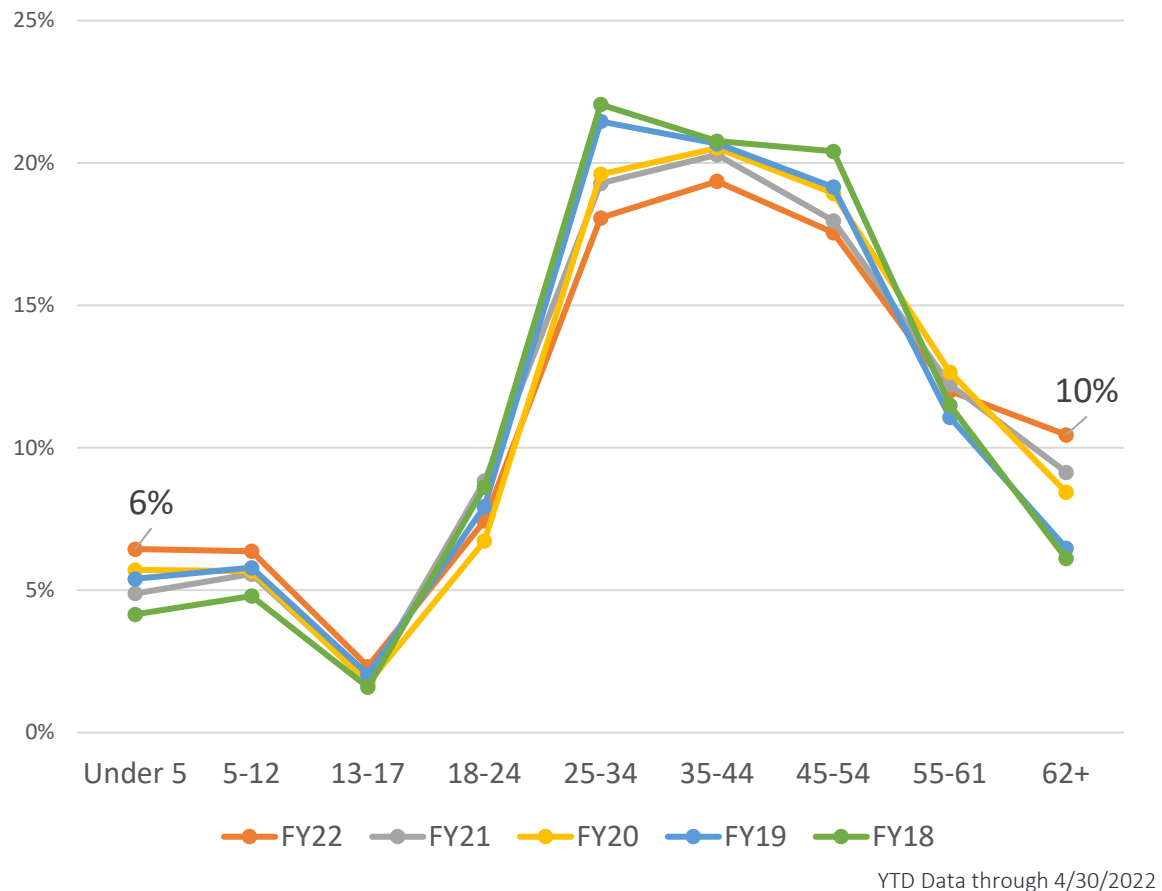


92% Client Housing Retention

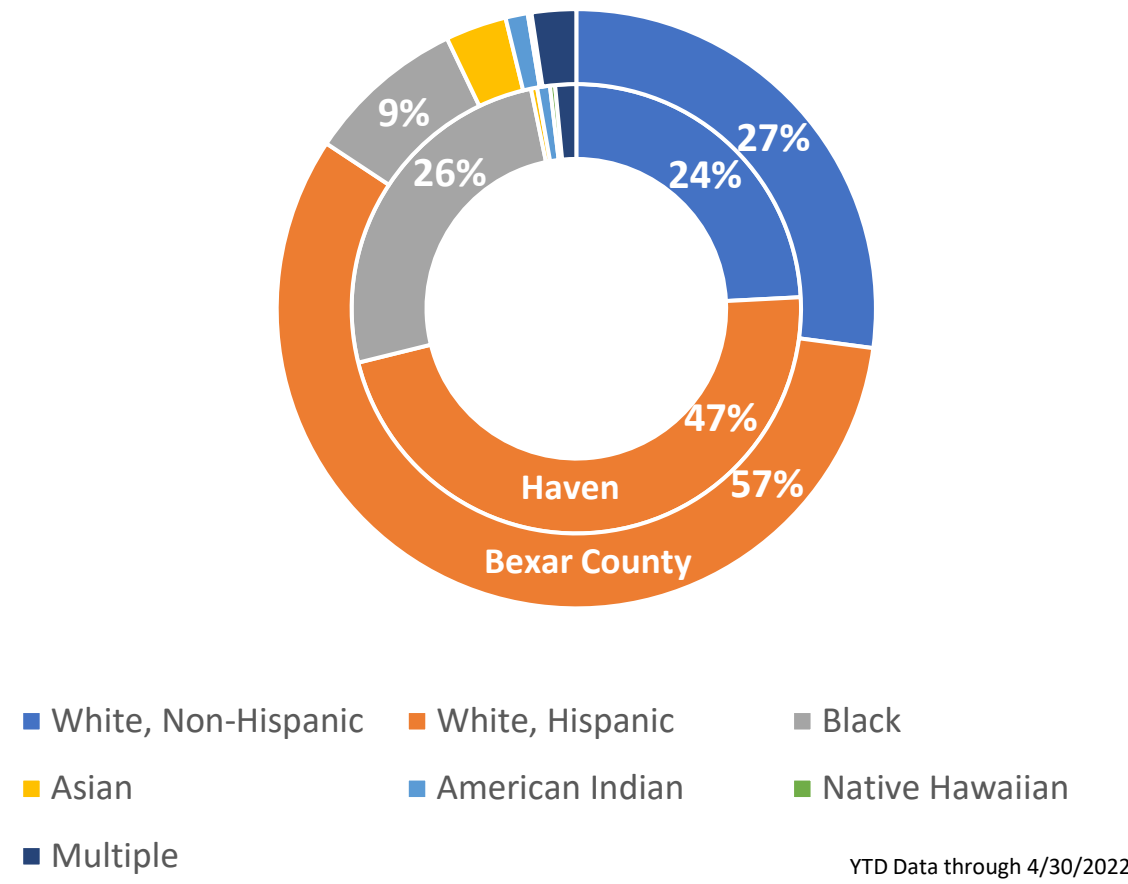


Haven for Hope – Interesting Data

Age of Clients Over the Years
(By Percentage of All Clients)



Haven's Demographics Compared to Bexar County
(Race/Ethnicity)



City of Aurora NAVIGATION CAMPUS FOR HOMELESSNESS SERVICES

The city of Aurora is looking to build a **regional navigation campus** to support those experiencing homelessness and provide homeless prevention services.



SERVICES ARE NEEDED

Aurora's 2021 Point-in-Time (PIT) Report shows a steady increase in people experiencing homelessness in the city. The report indicates close to 600 individuals sought emergency shelter due to experiencing homelessness in Aurora, with only 150 emergency shelter beds available in the city.

A COLLABORATIVE APPROACH

The site would benefit the region, and the city would work collaboratively with the surrounding counties to provide quality homeless services.

LOCATION

Northeast Aurora (Near 32nd and Chambers Road)



CAMPUS FEATURES

Navigation Center

- 20,000 sq. ft.
- 2 Floors
- Kitchen, Dining, Multipurpose & Laundry Facilities
- Provides Day Services

Transitional Housing

- 30,000 sq. ft. // 96 Beds
- 3 Floors
- 6-Month Stay

7-Day Emergency Housing & Medical /Crisis Support

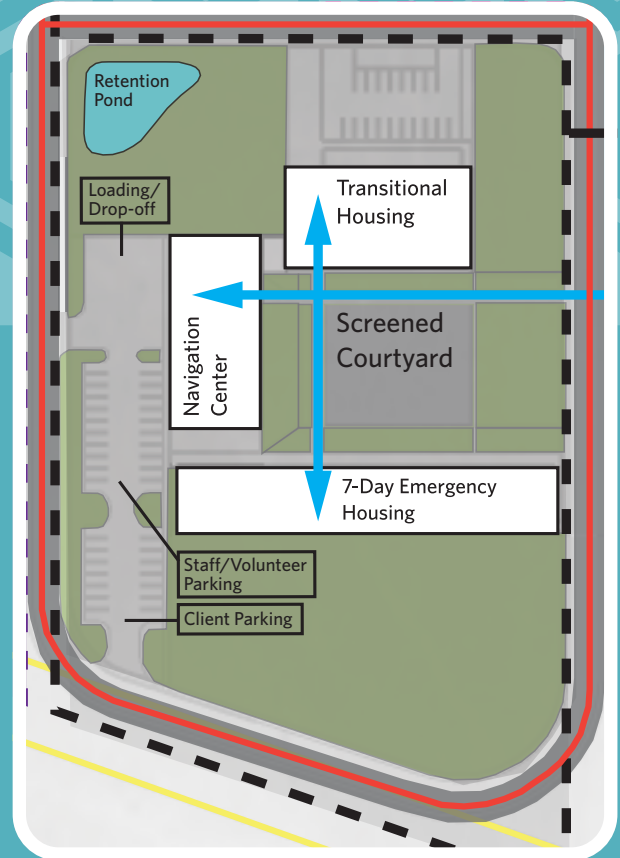
- 40,000 sq. ft. // 390 Beds
- 4 Floors
- Up to 7-Day Stay
- Utilized for winter emergency sheltering

POTENTIAL SERVICES INCLUDE:

- Transitional housing
- Employment services
- Workforce development
- Case management
- Day shelter/navigation services
- Emergency shelter
- Medical clinic
- Addictions counseling
- Mental health services
- Medical respite beds
- And more

Pets would be allowed on this campus

The city will follow a formal Request for Proposal public procurement process to select service providers.



This project will take many partners and leveraged funds. We welcome the opportunity to discuss how your agency can participate in making this project happen.

CONTACT US

Emma Knight
Manager of Homelessness
eknight@auroragov.org
303.323.4788

Jessica Prosser
Director of Housing and
Community Services
jprosser@auroragov.org
303.739.7061

