

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE ADVISORY BOARD OF THE RiNo DENVER GENERAL IMPROVEMENT DISTRICT

HELD:

Tuesday, September 25, 2019, at 10:30 a.m. at RiNo Offices, 3525 Walnut Street, Suite 40, Denver, Colorado

ATTENDANCE:

The meeting of the Advisory Board of the RiNo Denver General Improvement District, City and County of Denver, Colorado was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Anne Hayes
Bernard Hurley
Chris Woldum
Larry Burgess
Liam Girard
Jonathan Kaplan
Daniel Flaharty

Also in attendance were: Tracy Weil, Radhika Mahanty, John Deffenbaugh, and Alye Sharp, RiNo Art District staff; and Molly Veldkamp, NDCC.

Directors Jamie Roupp, Karen Good, and Candi CdeBaca were absent, absences excused.

CALL TO ORDER:

Director Hayes called the meeting to order, noting that although a quorum was not yet present, the board will start with non-voting items until a quorum arrives.

PROJECTS UPDATE:

John Deffenbaugh

Design Standards:

Mr. Deffenbaugh noted that this was a BID-funded project, but will benefit the GID significantly due to the continuity issues in the westside design discussed at the previous meeting.

Mr. Deffenbaugh added that these guidelines are for the entire geographical area of the RiNo Art District, highlighting character areas. Director Hayes asked how detailed the document will

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get, e.g. will Chestnut P. become a character area? Mr. Deffenbaugh responded that he thinks it they shouldn't carve it up too much. Director Hayes said we should include the West Streetscape plan in an appendix or elsewhere, or at a minimum, referred to, to which Mr. Deffenbaugh agreed.

Mr. Deffenbaugh also added that these guidelines include streetscape, but also planting standards with a diverse range. Director Hurley asked when it will go into effect, to which Mr. Deffenbaugh said he'd like to get it on the website tomorrow.

Park buildings:

Mr. Deffenbaugh said the renderings are still a work in progress that they should be updated in two weeks' time and will really come to life.

He then presented the schedule, noting that they still hope to commence construction in the beginning of Q2 2020, finalizing in Q4.

Mr. Deffenbaugh reminded the board that they authorized further exploration of a loan for the park buildings to front load the fundraising. Director Girard, who also works for Collegiate Peaks Bank, said they had a good meeting last week to discuss with attorneys from both sides. Director Girard said they're looking at different options and because they can't wait for November 2020 for a vote for a traditional loan, the way to do it is called an 'annual appropriation note', allowing the GID to borrow money, but not a multi-year contractual obligation. He said this will save a lot of money on attorney fees and can they can get it done in a reasonable timeframe. He added that the note would be guaranteed by the revenues that come in from the GID. Director Girard said that monthly payments would just be interest plus whatever was borrowed at that time; Director Hayes clarified that the GID wouldn't pull the money until they need it. Director Girard said he hopes to have a term sheet by the next meeting.

Mr. Deffenbaugh gave a little more backstory on why the loan, noting that the fundraising is going to take longer than the time we have to begin construction. He said that the library has already obtained funding so they need to expedite the timing to stay on track. Director Hayes clarified that this is a way to give certainty to the project.

Director Hurley asked about what's been raised so far, to which Advancement Director Ms. Mahanty said it's been a lot of relationship building to this point and lots of good conversation, but no big commitments besides the GID yet.

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Director Hurley said there might be extra money from his upcoming project, but he's not far enough down the line timing-wise. Director Woldum asked about timing for closing the loan, to which Director Girard noted that the City needs a commitment letter to show that the funds are available. Director Woldum said he's supportive in general, but from a fiduciary responsibility, he wants to know a clear fundraising strategy. Ms. Manhanty reviewed the fundraising strategy and timeline and all the opportunities for funding, reminding the Board that the (c)(3) is also in process and should be finalized by the end of the year.

Mr. Deffenbaugh said they'll look to get approval or not from the board next month. He said they'll ideally have some commitments in place by then and hope to have a compelling proposal to present next month.

Mobility Study:

Mr. Deffenbaugh reviewed that this is another BID-funded study, but will also have impacts on the GID. He added that some are short-term, some are long-term, but recommendations will begin to be implemented soon; he'll keep the GID Board apprised.

Mr. Weil noted that there is now a quorum, so can vote on agenda items.

AUGUST MINUTES:

The board reviewed the minutes from the previous board meeting in August and approved them unanimously.

FINANCIALS:

Director Woldum presented:

Director Woldum noted that most of the property taxes in, so total account balance is now about \$700-\$750K cash on hand. He noted that everything is tracking well, although the GID is a tiny bit over on professional services. He said that he's meeting tomorrow with treasurers from the RAD and BID to figure out allocations for staffing into 2020.

Director Woldum also noted that he got the RAD/GID "loan"/clerical error situation figured out with Jonathan Power from the RAD and they confirmed that it is indeed a bookkeeping error, and that it was booked as a loan instead of expenses. He said he's comfortable figuring out a way to retire that from the books, added that it seems they'll also need to go back to 2017/2018 and do some revisions to the books to figure this out.

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The Board is in agreement that this can come off the books however it needs to and to fix the error.

OXPECKER BALL UPDATE:

Ms. Mahanty informed the Board that they have about \$30,000 in sponsorships for the Ball so far and that the final goal is \$125,000. She added that the entertainment is set and that they've sold about \$700 in tickets so far. Director Hayes said it seems that this could become an annual event.

BOARD COMMITMENT FORM:

Ms. Mahanty said that as part of grant fundraising, they ask what the ground base is, and that usually means board support. She said this can even be a few dollars, but would like to show that the boards are all in first.

2020 GID BUDGETING:

Director Hayes reminded the Board that after board discussion of the budget, the public hearing will take place.

Mr. Weil informed the Board that the State has approximated that \$916K and change will be coming through the mill levy in 2020.

Mr. Weil said that the staff has already gone through the projects to take an initial stab at the budget; he said they can always add more, but presented the basis of projects for 2020.

For today, Mr. Weil said that they just need to allocate the \$916K into high level buckets. He noted the GID is pretty simple because there are only a few buckets, presenting the budget in the format that they need to submit to the city outlining those particular buckets. He noted that he worked with accounting to get to the budget presented, adding that these are the preliminary assessments, and best guess at DURA and special taxes based on previous years since don't have these yet.

Mr. Weil noted that tomorrow, the finance committee will meet and go through everything with a fine-toothed comb, but that the goal for today is to get the larger buckets solidified and voted on; they can fine tune that until the end of the year.

Director Girard asked about the funds sitting in the bank account and thought a better use would be to put toward projects with a slush fund so that the funds are actually going to use.

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Director Hayes noted that the Brighton Blvd. special assessment payment and Brighton Blvd. loan payment should be called out specifically on the budget so it's clear they offset each other. Director Hayes asked about the difference between reserve and capital reserve, to which Director Girard said he thinks the loan had its own separate reserve, but that's full now and they don't need to add anything more. Director Hayes noted that she thinks that some of the current funds should be transferred to the capital reserve. Director Hayes said she thought they should do some sort of public art installment this year, to which Mr. Weil said they talked about art-focused bus stops. Director Woldum asked when the Brighton Blvd. maintenance obligation is set to kick in, to which Mr. Deffenbaugh said in May. Director Woldum asked if that's fully accounted for in here, to which Mr. Deffenbaugh said it's included in the infrastructure budget, but isn't called out specifically, adding that they don't have an estimated dollar figure from the city *yet* on what the amount will be for maintenance, but he's working on it.

Mr. Deffenbaugh then presented the schedule of accountabilities for Brighton Blvd. and who will own maintenance of specific items between the City/County, GID, and owners of property.

Director Hayes moved to put \$500,000 in the capital reserve from the ending fund balance. She added that these dollars are unallocated and need to be allocated somewhere. She said these dollars can be moved out later once an appropriate project comes online. This motion was voted on and approved unanimously.

Mr. Weil said today they just need to vote on the general buckets – administrative, infrastructure, loan payments (a given) and that he and Mr. Deffenbaugh will sit down and go through the list and do rough estimates and bring that to the boards to massage for 2020.

Mr. Weil noted that they're discussing hiring a controller to replace the contract accountants and that this would be a CFO-type position, with the goal to get the amount spent on this down a bit. A controller will help with the money management portion.

The meeting was then adjourned, and the public hearing was opened. With no members of the public being present, the public hearing was closed and Director Hayes called the Board meeting back into order.

There was then a motion and unanimous vote to approved the budget as presented:

25% toward administrative costs

58% infrastrucutre

17% to loan payments on Brighton Blvd. based on linear frontage

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There was then a vote to keep the mill levy at 4 mills for 2020, which was approved unanimously.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the RiNo Business Improvement District.

Secretary to the Board