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September 29, 2014

Ms. Wendy Heffner
Littleton City Clerk
2255 West Berry Avenue
Littleton, Colorado 80120

**Re: Aspen Grove Business Improvement District
2015 Operating Plan and Budget**

Dear Ms. Heffner:

Enclosed with this letter please find a proposed 2015 Operating Plan and Budget for the Aspen Grove Business Improvement District ("BID"), which is filed pursuant to Section 31-25-1211, C.R.S., together with a Petition asking for approval of the 2015 Operating Plan and Budget by City Council. Pursuant to the above-referenced statute, the BID's 2015 Operating Plan and Budget should be approved by the City Council no later than December 5, 2013.

I would appreciate it if you would let me know in writing when City Council is scheduled to consider approval of the BID's 2015 Operating Plan and Budget.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,



Timothy J. Flynn

/cs
Enclosure
cc w/ Encl: Kristin Schledorn
Board of Directors

TO: THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO

PETITION FOR APPROVAL OF 2015 OPERATING PLAN AND BUDGET

IN RE THE MATTER OF THE ASPEN GROVE BUSINESS IMPROVEMENT
DISTRICT, LITTLETON, COLORADO

Comes now the Aspen Grove Business Improvement District ("BID"), by and through its undersigned attorney, and pursuant to §31-25-1211, C.R.S., hereby petitions the City Council to approve by appropriate motion or resolution BID's Operating Plan and Budget for 2015.

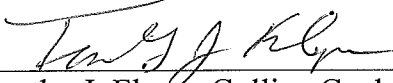
AS GROUNDS THEREFORE, Petitioner states as follows:

1. The BID was established by City of Littleton, Colorado, Ordinance No. 24 Series 2000 as finally passed on the 15th day of August, 2000.

2. Pursuant to §31-25-1211, C.R.S., the BID is to file a proposed operating plan and budget for the next fiscal year with the Clerk of the City no later than September 30th of each year. The same is to be approved by City Council no later than December 5th of each year. Attached hereto is the proposed Operating Plan and Budget for the BID for calendar year 2015.

WHEREFORE, Petitioner respectfully requests that the City Council hear this Petition at a duly called public meeting and that an appropriate Resolution or Motion approving the BID's 2015 Operating Plan and Budget be duly adopted by City Council.

Respectfully submitted this 29th day of September, 2014.



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2015
Operating Plan and Budget
for
Aspen Grove Business Improvement District
In the City of Littleton, Arapahoe County, Colorado

September 2014

TABLE OF CONTENTS

Article I. BACKGROUND	1
Article II. 2014 BID ACTIVITIES	1
Article III. 2015 SERVICES	2
Article IV. BUDGET	2
Article V. CONCLUSION	2

2015 OPERATING PLAN AND BUDGET
FOR
ASPEN GROVE BUSINESS IMPROVEMENT DISTRICT

ARTICLE I.
BACKGROUND

The Aspen Grove Business Improvement District ("BID") was formed for the purpose of financing the public improvements and services necessary for the development and continued operation of the Aspen Grove Lifestyle Center ("Lifestyle Center"), and in connection therewith, to acquire, construct, install and in certain instances, own, operate and maintain various public improvements. The Aspen Grove Lifestyle Center is owned by DDR Aspen Grove Lifestyle Center Properties, LLC, a Delaware limited liability company. The Lifestyle Center is managed and operated by DDR Corp., an Ohio corporation.

Pursuant to Section 31-25-1211, C.R.S., by September 30 of each calendar year, the BID is to submit an annual Operating Plan and Budget for the next calendar year to the City Council for review and approval on or before December 5 of the calendar year, but in no event later than thirty (30) days after final submittals have been received by the City. This Operating Plan and Budget for 2015 ("2015 Operating Plan") may be amended in the future, but only with the approval of the City Council.

ARTICLE II.
2014 BID ACTIVITIES

The BID did not construct improvements during 2014. The BID's 2014 activities focused on maintaining the BID owned public improvements and servicing the debt incurred by the BID to finance the public improvements that were necessary for the development of the Lifestyle Center.

In 2008 City Council excluded Lot 2, Block 3, Aspen Grove Subdivision ("Lot 2") from the BID's territorial boundaries so that Lot 2 could be developed into residential apartment units. Even though Lot 2 was excluded from the BID's territorial boundaries, it remains subject to the BID's debt service mill levy for the bonds that were in place at the time of the exclusion. The development that has occurred within Lot 2 has helped to increase the BID's assessed valuation. The 2014 preliminary assessed valuation for the BID is \$16,551,884 as compared to a 2013 assessed valuation of \$14,741,940. As a result of the increase in assessed valuation, the BID's debt service mill levy will remain constant at 60.000 mills.

ARTICLE III.
2015 SERVICES

The BID has no plans to construct any improvements during 2015.

In 2015, the BID's focus will be to service the BID's outstanding bonds and to maintain the public improvements the BID currently owns. The BID has sufficient funds to make its next debt service payment due December 1, 2014 in the amount of \$638,606. Further, based on the BID's contemplated 2015 budget, the BID will have sufficient funds to make all scheduled 2015 debt service payments in the aggregate amount of \$832,463.

ARTICLE IV.
BUDGET

A proposed 2015 budget for the BID prepared in accordance with the Local Government Budget Law, Section 29-1-101, C.R.S., et seq., is attached hereto as Exhibit 1 (consisting of three pages). The 2015 budget was prepared by the BID's budget officer, Roberta Stake. The BID's 2015 budget as finally adopted, is expected to be substantially in accordance with the proposed budget as attached hereto, subject to whatever changes may be necessary as a result of the final certification of assessed valuation received from the Arapahoe County Assessor's Office in December 2014.

ARTICLE V.
CONCLUSION

The BID would like to take this opportunity to thank the City Council and the City staff for their continued assistance with the ongoing operations of the BID. To enable the BID to comply with the provisions of Section 31-25-1211, C.R.S., the BID respectfully requests that City Council adopt a Resolution approving the BID's 2015 Operating Plan and Budget as submitted.

EXHIBIT 1

ASPEN GROVE BUSINESS IMPROVEMENT DISTRICT

**CITY OF LITTLETON
COUNTY OF ARAPAHOE
COLORADO**

PROPOSED 2015 BUDGET

September 2014

BUDGET MESSAGE

The modified accrual basis of accounting for governmental funds was used in the preparation of this budget. Revenue is recorded when susceptible to accrual and expenditures are recorded when the liability is incurred.

The Aspen Grove Business Improvement District ("BID") was formed pursuant to City of Littleton Ordinance No. 24, Series 2000, adopted on August 15, 2000 pursuant to Section 31-25-1201, et seq., C.R.S. for the purpose of financing the public improvements and services needed for the Aspen Grove Lifestyle Center, a commercial business area located within Arapahoe County, and entirely within the City of Littleton, Colorado. By way of explanation and not limitation, the initial approved Operating Plan for the BID provided for the BID to construct, install and/or acquire street improvements, including bicycle paths, curbs, gutters, traffic safety control devices, sidewalks, pedestrian malls, street lights, drainage facilities, water and sewer facilities, and landscaping of common areas.

In 2007, the BID refunded its \$9,100,000.00 Limited Tax General Obligation Bonds, Series 2001 through the issuance of \$9,100,000.00 in Limited Tax General Obligation Bonds, Series 2007 and the issuance of \$1,605,000.00 (maturity amount) of Supplemental B interest registered coupons dated June 4, 2007.

The primary function of the BID during 2015 will be to service the debt on the BID's outstanding Limited Tax General Obligation Refunding Bonds, Series 2007.

The BID has not entered into nor does it contemplate entering into any lease purchase contracts during 2015. Accordingly, no lease purchase contract transactions are contemplated in the proposed 2015 budget.

ASPEN GROVE BUSINESS IMPROVEMENT
DISTRICT
Proposed Budget
General Fund
2015

	<u>2013 Actual</u>	<u>2014 Estimated</u>	<u>2015 Proposed</u>
BEGINNING FUNDS AVAILABLE	<u>324,003</u>	<u>330,389</u>	<u>370,039</u>
REVENUE			
Specific ownership taxes	19,830	50,000	50,000
Interest income	825	650	600
Total revenue	<u>20,655</u>	<u>50,650</u>	<u>50,600</u>
Total funds available	<u>344,658</u>	<u>381,039</u>	<u>420,639</u>
EXPENDITURES			
Accounting	2,074	1,700	1,700
Audit	4,000	4,000	4,000
Legal	7,997	5,000	5,000
Maintenance	0	0	0
Miscellaneous	198	300	300
Developer reimbursement	0	0	0
Emergency reserves and contingency			350
Total expenditures	<u>14,269</u>	<u>11,000</u>	<u>11,350</u>
ENDING FUNDS AVAILABLE	<u><u>330,389</u></u>	<u><u>370,039</u></u>	<u><u>409,289</u></u>

ASPEN GROVE BUSINESS IMPROVEMENT
DISTRICT
Adopted Budget
Debt Service Fund
2014

	<u>2013 Actual</u>	<u>2014 Estimated</u>	<u>2015 Proposed</u>
BEGINNING FUNDS AVAILABLE	<u>778,733</u>	<u>801,990</u>	<u>843,042</u>
REVENUE			
Property taxes	832,174	884,515	993,113
Specific ownership taxes	37,482	0	0
Interest	97	200	200
Total revenue	<u>869,753</u>	<u>884,715</u>	<u>993,313</u>
Total funds available	<u>1,648,486</u>	<u>1,686,705</u>	<u>1,836,355</u>
EXPENDITURES			
Bond interest	400,863	377,213	352,463
Bond principal	430,000	450,000	480,000
Trustee/Paying agent fees	3,150	3,150	5,000
Treasurer's fee	12,483	13,300	13,300
Total expenditures	<u>846,496</u>	<u>843,663</u>	<u>850,763</u>
ENDING FUNDS AVAILABLE	<u><u>801,990</u></u>	<u><u>843,042</u></u>	<u><u>985,592</u></u>

ASPEN GROVE BUSINESS IMPROVEMENT
DISTRICT
Property tax summary
2015

	<u>2013 Actual</u>	<u>2014 Estimated</u>	<u>2015 Proposed</u>
Assessed valuation - Arapahoe County	13,979,680	14,741,920	16,551,884
Mill levy	<u>60.000</u>	<u>60.000</u>	<u>60.000</u>
Property tax revenue	<u><u>838,781</u></u>	<u><u>884,515</u></u>	<u><u>993,113</u></u>