GID Creation Guide

(GID statutes outlined in CRS 31-25-601 through 25-633)

This is a not a complete review of the relevant statutes, and is not to be construed as legal advice. If you are considering the organization of a district, we recommend obtaining professional legal advice.

A General Improvement District (GID) is a quasi-municipal corporation and political subdivision of the state, in which property owners elect to make a collective contribution to the maintenance, development, and operation of their public improvements. The contributions create a steady and reliable funding source for enhanced services and programs. Certain advantages can result from this partnership including a cleaner, safer, and more attractive neighborhood.

GIDS are created to provide a higher level of service to a specific area such as cleaning streets, providing security, making capital improvements, construction of pedestrian and installation of unique streetscapes, and maintenance of improvements. These services are supplemental to those already provided by the City and County of Denver. GIDs are funded through additional taxes, rates, fees, tolls, or charges on properties within the district.

Forming a GID should be a grassroots effort originated by the property owners. Since it involves property owners voting to tax themselves for additional services, the City does not mandate a GID be created. GIDs are typically created by engaged property owners with a strong desire and need for GID activities. The need for a GID typically arises out of the limitations of the property owner’s ability to construct public improvements and a desire to provide greater services. In the City and County of Denver, GIDs have been used to provide enhancements and perpetual maintenance to large City funded projects.

Statutory Steps to Form a GID:

1. Petition filed with the Clerk and Recorder
   a. Petition thresholds:
      i. Shall be signed by signed by not less than thirty percent or two hundred electors of the proposed district (whichever is less).
   b. Petition shall set forth:
      i. Name of the proposed district.
      ii. A general description of the proposed improvements to be acquired, constructed, installed, operated, or maintained or the services to be provided within and for the district.
      iii. The estimated cost of the proposed improvements or the estimated annual cost of providing the proposed services.
      iv. A general description of the boundaries of the district.
      v. The names of three persons to represent the petitioners, who will have the power to enter into agreements relating to the organization of the district.
      vi. A request for the organization of the district.

2. Public Hearing at City Council
   a. City Council will hold a public hearing for the creation of the GID
   b. After public hearing is held, City Council will vote on approval of GID
3. If mills are to be imposed in the year following creation, then notice of the GID’s intent must be filed with the City and County of Denver Assessor’s Office by July 1st.

4. GID holds a special election to approve the organization of the district
   a. If GID will assess a mill levy, raise revenue by a rate charge, or issue debt a TABOR election must be held.

**Practical Steps for GID Creation:**

1. Building the right team to champion a district’s creation.
   a. Applicant
      i. Identify who will initiate and manage the creation process, usually is a nonprofit, community based organization (like a merchant’s association or 501c3).
   b. Local Property Owners and Electors
      i. Gather support of local property owners and electors in the district
   c. Proposed district’s Councilperson
      i. Since City Council approval for GID creation is required, engaging the proposed district’s council person is crucial.
   d. Consultant
      i. Typically, a consultant is hired to prepare district documents, host public meetings, and coordinate community engagement.
   e. Attorney
      i. Attorney to prepare legal paperwork, governing documents, special election, and ordinance creation.

2. Identify what the GID’s purpose and vision will be
   a. This is crucial as it will answer the question of why a GID is needed.

3. Identify the boundaries of the GID
   a. This will determine who the GID electorate will be
   b. Boundaries should be closely tied to the GID’s purpose and vision.
      i. For instance, a proposed GID’s vision could be to install and maintain public infrastructure along Main St. The properties along Main St. would then become the district boundaries.

4. Engage the City’s Capital Planning and Programming Division to inform them about proposed plans.

5. Begin community outreach
   a. Engage property owners and electors to define what services and improvements a district could provide.

6. Prepare petition document
   a. Petition should outline what the GID will accomplish, how it will pay for the accomplishments (i.e. revenue and debt) and identify the statutorily required information.

7. Start petition efforts
   a. District organizers obtain signatures from electors to meet the statutory thresholds

8. Engage with City to review draft Creation Ordinance
9. Submit signed petitions to City Clerk
   a. District organizers should work with City’s Capital Planning and Programming Division to accomplish this step.

10. Attend City Council public hearing to create GID
    a. District organizers should work with City’s Capital Planning and Programming Division to accomplish this step.

11. If applicable, hold special election to approve revenue and debt questions (typically done in a November TABOR elections).
    a. If GID will assess a mill levy, raise revenue by a rate charge, or issue debt a TABOR election must be held.

**Key GID Features:**

- Statutorily includes commercially and residentially assessed property
  - Typically exclude personal property
- Revenues typically generated by additional mill levy or a rate charge (requires voter approval via a district wide special election)
- GIDs can issue debt to pay for capital projects (requires voter approval via a district wide special election)
- GIDs are statutorily required to be administered by a board of directors made up of City Council.
  - The City and County of Denver has historically approved GIDs with a District Advisory Board (DAB). The DAB typically performs the day to day management of the district and is granted certain powers by the GID board of directors.
- GIDs can provide services and capital improvements within the district, for example:
  - Consulting, maintenance, security within the district, snow removal, refuse collection, acquire, construct, finance, install, operate, and maintain improvements in public right of way such as specialty sidewalks, crosswalks, curbs, gutters, trash cans, signs and wayfinding, lighting, etc.
Guidelines to achieve a November election. Please consult an attorney your circumstances may differ:

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<thead>
<tr>
<th>NOVEMBER ELECTION GUIDELINE</th>
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<tbody>
<tr>
<td><strong>Prior to May 1st</strong></td>
<td>Gather petitions meeting statutory thresholds from district electors.</td>
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<tr>
<td>Advise 42 days (6 weeks) prior to Public Hearing date</td>
<td>Deadline to start City Council ordinance process to hold public hearing and approve creation ordinance</td>
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<tr>
<td>A max of 40 days before and a min of 20 days before Public Hearing date</td>
<td>Submit petitions to City Clerk and to meet Public Hearing deadline (public hearing must be completed not less than 20 days nor more than 40 days after petition submission).</td>
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<tr>
<td>Advise to be 2 weeks prior to July 1st</td>
<td>Public Hearing deadline for City Council to hold Public Hearing and approve creation ordinance for BID.</td>
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<tr>
<td>Prior to July 1st and after Council approval of Creation Ordinance</td>
<td>Deadline to hold first board meeting and pass a resolution regarding Assessor notification of intent to levy mills and a resolution calling the November election.</td>
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<tr>
<td><strong>July 1st</strong></td>
<td>Deadline to notify Assessor of intent to levy mills for next calendar year.</td>
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<td><strong>July through early November</strong></td>
<td>Nominate a Designated Election Official (DEO), DEO performs duties related to ballot questions and TABOR and election notices.</td>
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<tr>
<td><strong>First Tuesday in November</strong></td>
<td><strong>ELECTION DAY</strong></td>
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<tr>
<td>No later than Election Day plus 14 Days</td>
<td>Board of Canvassers’ meet to canvass election returns (<em>Must occur no later than the 14th day following the election.</em>)</td>
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<tr>
<td>No later than Election Day plus 30 Days</td>
<td>Certify results of elections to Division of Local Government, Denver County Treasurer, Denver County Assessor Denver County Clerk and Recorder, Denver City Council and the State Division of Securities. (<em>Must be certified no later than 30 days following the election.</em>)</td>
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Examples of Financial Impact due to GIDs:

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<thead>
<tr>
<th>GID</th>
<th>Tax/Assessment Revenue*</th>
<th>GID Contact Information</th>
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<tbody>
<tr>
<td>Denver 14th St. GID</td>
<td>$575,953</td>
<td>Beth Moyski, 303-571-8226</td>
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<tr>
<td>Gateway Village GID</td>
<td>$619,914</td>
<td>Jeffrey Erb, 303-770-2700</td>
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<tr>
<td>RiNo Denver GID</td>
<td>$849,070</td>
<td>Alye Sharp, 720-443-3202</td>
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* Based on 2018 Budget Approved by Council