



## Colorado Special Financing Districts

	Business Improvement District (BID)	Downtown Development Authority (DDA)	Urban Renewal Authority (URA)	General Improvement District (GID)	Special Improvement District (SID)
<b>Background/Summary</b>	Quasi-municipal organization is a subdivision of the state. All property assessed in a BID must be commercial. Boundary may or may not be contiguous.	Quasi-municipal organization which is intended to halt or prevent deterioration of property values or structures in Central Business District.	Established to eliminate blighted areas for development or redevelopment by purchasing, rehabilitating and selling land for development.	Quasi-municipal organization which is a subdivision of the state. Can provide a wide range of services.	An assessment district which is not a subdivision of the state, nor is it separate from the municipality.
<b>Focus</b>	Management, Marketing, Advocacy, Economic Development. (Can issue bonds for capital improvements)	Real Estate Development, Infrastructure, Operations.	Real Estate Development, Rehab Financing, Infrastructure.	Capital Improvements, Public Facilities, Maintenance.	Capital Improvements, Infrastructure.
<b>Formation Steps</b>	Approval by petition of property owners representing 50% of acreage and 50% of value of proposed district; Council ordinance; TABOR election.	City ordinance subject to vote by affected property owners; TABOR election.	Finding of blight; Petition by 25 electors; Council resolution.	At least 200 or 30% of, whichever is less, electors of the proposed district must sign petitions; If all taxable property owners in the district sign a petition, public hearing can be waived.	Need petitions from property owners who will bear at least 50% of the cost of the improvement; Ordinance forms district.
<b>Assessment Method</b>	Assessment or mill levy on commercial property.	TIF on property and/or sales and 5 mill property tax for operations.	TIF on property and/or sales tax.	Property tax and income from improvements.	Assessments on property.
<b>Pros/Cons</b>	Very flexible entity that can finance improvements and provide services. Can issue bonds.	Ability to finance improvements and provide services; can general mill levy and TIF increment. Needs approval from other county entities to collect increment.	Can generate sales and/or tax increment to finance future development. Increment needs approval from county entities; can be controversial.	Only those in district can authorize and pay for improvements. Requires petition and election.	Equitable: only those who benefit pay. Difficult to form – requires election. City constructs improvements.
<b>Governance</b>	Minimum 5-member board appointed by Mayor or governing body; Can also be elected.	5-11 member board appointed by City Council.	5-11 member commission appointed by City Council.	Governing body is ex-officio board.	City Council
<b>Condemn property?</b>	No	No	Yes	Yes	No
<b>Operate facilities?</b>	Yes	Yes	Yes	Yes	No
<b>Levy property tax with voter approval?</b>	Yes	5 mill property tax for operations	No, but can use TIF	Yes	No
<b>Levy sales tax with voter approval?</b>	No, but may create SID within BID	No, but can use TIF	No, but can use TIF	No	No
<b>Assess costs?</b>	Yes	Yes	No	Yes	Yes
<b>Issue GO bonds with voter approval?</b>	Yes	Bonds secured by property tax	Yes	Yes	No
<b>Issue revenue bonds?</b>	Yes	Increment can be issued by municipality	Yes	Yes	Yes
<b>Issue special assessment bonds?</b>	Yes	No	No	Yes	Yes
<b>Colorado Revised Statue Cite</b>	31-25-1201, <u>et seq</u> C.R.S.	31-25-801, <u>et seq</u> C.R.S.	31-25-101, <u>et seq</u> C.R.S.	31-25-601, <u>et seq</u> C.R.S.	31-25-501, <u>et seq</u> C.R.S.

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