

SUBJECT: RESOLUTION NO. 76, SERIES 2025 - APPROVING A PROPOSED 2025 AMENDED AND 2026 OPERATING PLAN AND BUDGET OF THE MAIN STREET LOUISVILLE BUSINESS IMPROVEMENT DISTRICT AND APPOINTING MEMBERS TO THE BOARD OF DIRECTORS

DATE: OCTOBER 7, 2025

PREPARED BY: VANESSA ZARATE, ECONOMIC VITALITY MANAGER

PRESENTED BY: VANESSA ZARATE, ECONOMIC VITALITY MANAGER

SUMMARY:

The Main Street Louisville Business Improvement District (BID) is required to have its annual Operating Plan and Budget approved by the City Council as set forth in the C.R.S. 31-25-1211. The attached resolution amends the BID's operating plan and budget for 2025 and approves an operation plan and budget for 2026 to align with the recently approved agreement with the City for the BID to operate the 2025/2026 Downtown ice-skating rink.

To date, the BID has submitted annual operating budgets of \$0.00, as the BID is currently unfunded. The proposed BID budget for 2025 and 2026 reflects estimated revenues and expenditures for management of the ice rink pursuant to the agreement with the City.

Board Vacancies

The proposed resolution also appoints additional BID Board members. There are several vacancies on the Board, with only one current Board member. New Board members are appointed by the City Council from the "electors" of the BID, defined in C. R.S. § 31- 25- 1209(1)(b). "Elector" is defined in C. R. S. § 31- 25- 1203(4). An eligible elector must meet one of the following;

- Makes their primary dwelling place in the district; or
- Owns taxable real or personal property within the boundaries of the district; or
- A holder of a leasehold interest in taxable real or personal property within the boundaries of the district; or
- A natural person designated by an owner or lessee of taxable real or personal property in the district which is not a natural person to vote for such owner or lessee. Such designation must be in writing and filed with the secretary of the district. Only one such person may be designated by an owner or lessee.

The Board of Directors of the BID is appointed by the City Council after recommendations by the BID. The only current BID member is Erik Hartronft. The recommendations for the Board of Directors from the BID are

- Jennifer Hlawatsch, The Singing Cook
- Stephanie Schlageter, Radiance Med Spa

- Thomas Horst, Crystal Springs Brewing

BACKGROUND:

District Boundaries

The current BID District boundary is included in the Operating Plan document. A few notable properties are not within the district, including the Grain Elevator properties, 500 County Road, 640 Main Street, and DeLo. Should discussions advance in establishing a mill levy, further discussions with property owners both within and outside the district will occur.

Although the election to raise funds for the BID failed (the vote was a tie), the BID will continue to exist until such time as the Board of Directors decides to go through the appropriate dissolution process. At this time, the Board of Directors is planning to continue operation of the BID and for the BID to partner with the City and the Downtown Business Association to operate the 2025-2026 downtown ice-skating rink season. The Board of Directors continues to evaluate whether to seek approval of a mill levy at some future election.

ANALYSIS:

City Council should consider the adoption of the amended 2025 and proposed 2026 operating plan and budgets for the Main Street Business Improvement District. This adoption will align with the passed agreement for the BID to run and operate the downtown ice-skating rink for the 2025-2026 season.

2025 COUNCIL WORK PLAN:

Economic Vitality has been identified as a priority for Louisville City Council's Work Plan. Supporting the operating plan and budget for the BID encourages and supports the BID's economic vitality activities

FISCAL IMPACT:

None.

RECOMMENDATION:

Staff recommend approval of Resolution No. 76, Series 2025

ATTACHMENT(S):

1. Resolution No. 76, Series 2025
2. Louisville Main St. Business Improvement District 2025 Amended and 2026 Operating Plan and Budget

**RESOLUTION NO. 76
SERIES 2025**

A RESOLUTION APPROVING A PROPOSED 2025 AMENDED AND 2026 OPERATING PLAN AND BUDGET OF THE MAIN STREET LOUISVILLE BUSINESS IMPROVEMENT DISTRICT AND APPOINTING MEMBERS TO THE BOARD OF DIRECTORS

WHEREAS, in 2000, the City of Louisville (the “City”) approved the formation of the Main Street Louisville Business Improvement District (the “District”) within the City; and

WHEREAS, as required by Section 31-25-1211, C.R.S., an operating plan (the “Plan”) and proposed budget (the “Budget”) for the year 2026 and an amended Plan and Budget for the year 2025 was filed with the City Clerk; and

WHEREAS, the City Council has determined that the Plan and Budget should be approved; and

WHEREAS, the Plan identifies eight vacant positions on the Board of Directors for the District; and

WHEREAS, a request has been made for appointment of three new members, all of whom are “electors” of the District as defined in C.R.S. § 31-25-1204(4); and

WHEREAS, by this resolution the City Council desires to fill three of the vacant positions on the District Board pursuant to C.R.S. § 31-25-1209(1)(b).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Findings and Determinations. The City Council hereby approves the 2025 Amended and 2026 Operating Plan and Budget of the Main Street Louisville Business Improvement District.

Section 2. Jennifer Hlawatsch, Stephanie Schlageter, and Thomas Horst are hereby appointed to the Board of Directors of the Main Street Louisville Business Improvement District to fill vacancies existing on the Board, to serve at the pleasure of the City.

Section 3. Pursuant to C.R.S. § 31-25-1209(1)(b), within thirty days of the date of this Resolution, such newly-appointed Board members shall appear before the City Clerk to take an oath to faithfully perform the duties of their office as required by law and to support the constitution of the United States, the state constitution, and laws made pursuant thereto.

PASSED AND ADOPTED this 7th day of October 2025.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, Interim City Clerk

2025 Amended and 2026 Operating Plan and Budget

**MAIN STREET
LOUISVILLE
BUSINESS
IMPROVEMENT
DISTRICT**

City of Louisville, Boulder County, Colorado

2025 Amended and 2026
OPERATING PLAN AND BUDGET FOR
THE
MAIN STREET LOUISVILLE BUSINESS IMPROVEMENT
DISTRICT

INTRODUCTION

The Main Street Louisville Business Improvement District ("BID") was organized by City of Louisville Ordinance Number 1342, Series 2000 on August 15, 2000 ("Organizational Ordinance"). A map of the BID is attached as Exhibit 1.

State statute, specifically the Colorado Revised Statutes, C.R.S. Section 31-25-1211, provides that "The operating plan and budget may, from time to time, be amended by the district with the approval of the municipality in substantially the same manner as the process for formulating the operating plan and budget for each year." In addition, the same statute requires the district to file, by September 30 of each year, an annual operating plan and budget with the City for review and approval.

This 2025 Amendment and 2026 Operating Plan and Budget (collectively, the "Operating Plan") is different from the BID's prior Operating Plans and Budgets. The changes are necessary because the City and the BID intend to enter into an "Ice Rink Management and License Agreement 2025-2026 Winter Skate Season" ("Ice Rink Agreement"). In order for the BID to enter into and perform the Ice Rink Agreement, it must have City approval of Operating Plan and Budget authorization for both 2025 and 2026 to do so.

The Ice Rink Agreement was approved by the City Council on September 16, 2025 by Resolution No. 69, Series 2025 - A Resolution Approving an Ice Rink Management and License Agreement with the Main Street Louisville Business Improvement District.

The BID Board of Directors is hereby authorized to approve the Ice Rink Agreement shortly after the City approves this Operating Plan.

OPERATING PLAN CONTENTS

Pursuant to the Business Improvement District Act, C.R.S. Section 31-25-1201, et seq. the Operating Plan is to specifically identify:

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.

Each of these five items is described below. The amended 2025 and the 2026 budgets are attached as Exhibit 2

COMPOSITION OF THE BOARD OF DIRECTORS

Under the Organizational Ordinance, the Board of Directors of the District was appointed by the City Council. All Board members must, by law, be electors of the District as defined in C.R.S. Section 31-25-1203(4)(a). The current member of the Board of Directors is:

Erik Hartronft, Assistant Secretary/Treasurer
There are currently eight vacant positions.

The expanded role of the BID for the Ice Rink has sparked interest in membership on the Board of Directors. The three electors of the BID named below have requested that the Council appoint them to the BID Board of Directors:

Jennifer Hlawatsch, the owner of The Singing Cook, an elector owning taxable commercial property located at 728 Main Street. She is also the Downtown Business Association (“DBA”) President.

Stephanie Schlageter, the designated elector of Schlageter Properties, LLC, owner of taxable commercial property located at 916 Main Street. She is also currently the DBA Secretary.

Thomas Horst, the designated elector of Crystal Springs Brewing Company, LLC, owner of taxable commercial property located at 604 Main Street. He is also a DBA Board Member.

By approval of this Operating Plan, City Council confirms appointment of the above listed persons to the BID Board of Directors, who will take office upon completing the oath of office.

Director Hartronft has served on the BID Board for many years, and has indicated that he may leave the Board following the appointment of the three new Board members. If he

leaves the Board, and the three new members are appointed and qualified, five vacant positions will remain. Exhibit 3 provides additional information concerning the Directors.

Future appointments shall be made by the City Council in accordance with the previously approved operating plans.

DESCRIPTION OF IMPROVEMENTS AND SERVICES

Historical Background

The BID's organizational petition, first operating plan and budget (dated May 1, 2000) and the Organizational Ordinance (including approval of that operating plan and budget, the ordinance being dated August 15, 2000) contemplated that the BID would promptly hold a TABOR (defined below) financial election. The Board's organizational meeting, following all required notices, was held on August 28, 2000 at which time various administrative tasks were performed. The TABOR election was held in November 2000. However, activity in the BID essentially stopped after the November 2000 election because the authority to levy a tax was not passed by a majority of the electors of the District who voted in the election (the vote was tied, opposition coming from anti-tax sentiment and a property exclusion that was approved prior to the organization of the District). Since that time, the Board, with volunteer assistance, has worked to maintain the BID in the hope that 'someday,' it might come in handy, particularly if it could be funded and operated as an 'enterprise' as defined in TABOR, which does not require an election. 'Someday' has arrived, because the BID can fund and operate the Ice Rink as an enterprise, and can obtain the insurance required by the Ice Rink Agreement.

Ice Rink Enterprise

By approval of this Operating Plan, the City authorizes the BID to enter into and to perform the Ice Rink Agreement as an "Enterprise" as defined in Colo. Const. Art. X, Sec. 20(2)(d)("TABOR"), which states:

"Enterprise" means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.

The first requirement to qualify as an 'Enterprise' is that there be a 'government owned business.' Pursuant to C.R.S. Section 31-25-1207(5), upon organization, "The district shall be a quasi-municipal corporation and political subdivision of the state with all powers and responsibilities thereof." Therefore, the BID is a government. Under C.R.S. Section 31-25-1212, the BID has broad powers to enter contracts, provide services, and operate improvements. The BID is hereby authorized to perform the business of operating the Ice Rink.

The second requirement is for the Enterprise to be 'authorized to issue its own revenue bonds'. The BID Act, in C.R.S. Section 31-25-1221, allows a BID to issue revenue bonds of the district, stating in part: "Bonds payable solely from revenues derived from sources other than the district's general ad valorem tax may be issued without an election."

That statute also says: "Under no circumstances shall any of said bonds be held to be an indebtedness, an obligation, or a liability of the municipality in which the district is located, and bonds issued pursuant to this part 12 [the BID Act] shall contain a statement to that effect." In other words, a business improvement district has statutory authority to issue revenue bonds, and if any bonds are issued by a business improvement district, those bonds are not an obligation of the city.

By approval of this Operating Plan, the BID Ice Rink Enterprise is hereby authorized to issue its own revenue bonds. However, in accordance with the 2025 amended and the 2026 budgets (Exhibit 2), it will not do so.

The third requirement is that the Enterprise 'receive under ten percent of annual revenue in grants for all state and local governments combined.' There is a provision in the Ice Rink Agreement for the City to pay the BID for services to be rendered by the BID. A payment under an agreement for services, such as the Ice Rink Agreement, does not constitute a grant. Under this Operating Plan, the BID is not authorized to apply for or receive grants of 10% or more of its annual revenue from all Colorado state and local governments combined.

Improvements, Services, BID Administration

To the extent that the BID Ice Rink Enterprise is required to provide 'improvements' under the Ice Rink Agreement, it will do so.

The 'services' to be provided by the BID Ice Rink Enterprise are as described in the Ice Rink Agreement.

Revenue from the BID Ice Rink Enterprise will be used for performing the Ice Rink Agreement and the administration of the BID, including the annual audit as required, Board meeting expenses, if any, and the like.

TAXES, FEES, AND ASSESSMENTS.

A prior operating plan had indicated that the BID would be certifying a mill levy to collect taxes in 2001, however, the election that was required to levy the tax failed as discussed above. No BID taxes have been collected to date, nor will be collected in 2025 or 2026.

The BID Ice Rink Enterprise will collect fees for services and goods and other revenues as described in the Ice Rink Agreement.

In a prior year, the BID submitted a proposal to the City/LRC for potential tax

sharing; however, the agreement has not advanced out of the conceptual stage.

The BID does not have the authority to levy assessments or taxes.

ESTIMATED PRINCIPAL AMOUNT OF BONDS TO BE ISSUED BY THE DISTRICT.

Zero.

OTHER INFORMATION.

The BID is aware of the City's potential interest in using it for implementation of the Downtown Louisville Parking & Pedestrian Action Plan and other Downtown programs, and looks forward to working with the City on them if resources allow.

During the course of 2023 and 2024, the LRC expressed interest through its Work Plan in working with the BID on projects of mutual interest, but this interest has not advanced.

ADDITIONAL INFORMATION: CITY OVERSIGHT OF DISTRICT ACTIVITIES

The following is a brief report of BID activities for the past year:

1. District Name: Main Street Louisville Business Improvement District.
2. District Contact Person, address, telephone number, email address: Norman F. (Rick) Kron, Jr., attorney in fact for the District, (volunteer, retired, inactive, affiliated with Spencer Fane LLP), 746 W. Fir Ct., Louisville, CO, 80027. Telephone - (720) 480-5831 (leaving a message is recommended), email: rickkronco@gmail.com.
3. Board of Director names, addresses, telephone numbers, fax numbers where applicable: Please see the text above, and Exhibit 3.
4. District Map: Please see Exhibit 1.
5. Current Budget: Please see Exhibit 2, (all zeros for 2025 year-to-date). The 2025 Amended Budget and the 2026 Projected Budget are in Exhibit 2.
6. Most Recent Audit or Audit Exemption Application: Please see prior operating plans. No money was received or spent by the BID in 2024 or prior to approval of this Operating Plan in 2025, either. An audit is expected to be filed in 2026 for the 2025 fiscal year (same as calendar year), and in 2027 for 2026.
7. Copy of any filing required by or for the State Securities Commissioner: No

bonds have been issued, therefore no filing has been required.

8. A list of all intergovernmental agreements of the District: None prior to the Ice Rink Agreement, which would be considered an intergovernmental agreement.

9. Any alteration or revision to the debt service schedules provided in the operating plan: None.

10. A list of all lease-purchase agreements and a summary of the terms: None.

11. Activities in 2025. Please see the 'Historical Background' section above. In the past, the attorney for the District, Norman F. (Rick) Kron, Jr., (now retired, inactive) has worked with the Board on maintaining the BID. He is providing very minimal volunteer administrative services. Having changed his Colorado attorney registration status to "inactive," he is not providing legal representation or advice. Over the years, Mr. Kron has attended a few LRC meetings where projects of mutual interest have been discussed, however, the BID has lacked the resources to do much more than talk. Since mid September, 2025, he has been working with the City on the Ice Rink Agreement.

The BID is expected to hold a meeting of the Board in October, 2025 to ratify notice of the meeting; welcome the new Board members; approve the Operating Plan; conduct a public hearings, approve the amended 2025 and 2026 budgets, and authorize their filing; enter into the Ice Rink Agreement, undertake other necessary tasks relating to the Ice Rink Agreement and enterprise; and approve other items for the administration of the BID.

The remainder of 2025 will be spent by the BID primarily on performance of the Ice Rink Agreement, most likely through use of independent and other contractors to do the work. The amended budget for 2025 and the budget for 2026 are attached as Exhibit 2.

12. An Operating Plan description of activities to be performed in the next budget year (2026): Activities will include BID administration and continued performance of the Ice Rink Agreement. Assuming the Ice Rink Agreement goes well, the BID will look forward to working on a renewal or revision for 2027, with an amendment to the budget as needed to accommodate the new agreement.

Budget for that year (2026): Please see Exhibit 2 attached hereto.

CONCLUSION

The BID Board would like to take this opportunity to thank the City Council and City Staff for their assistance in the organization and continuation of the BID. Under Section 31-25-1211, C.R.S., the City is to approve or disapprove the Operating Plan and Budget within 30 days of the receipt of required documentation. The Board respectfully requests the adoption of a resolution or ordinance of approval.

Exhibit 1
District Map

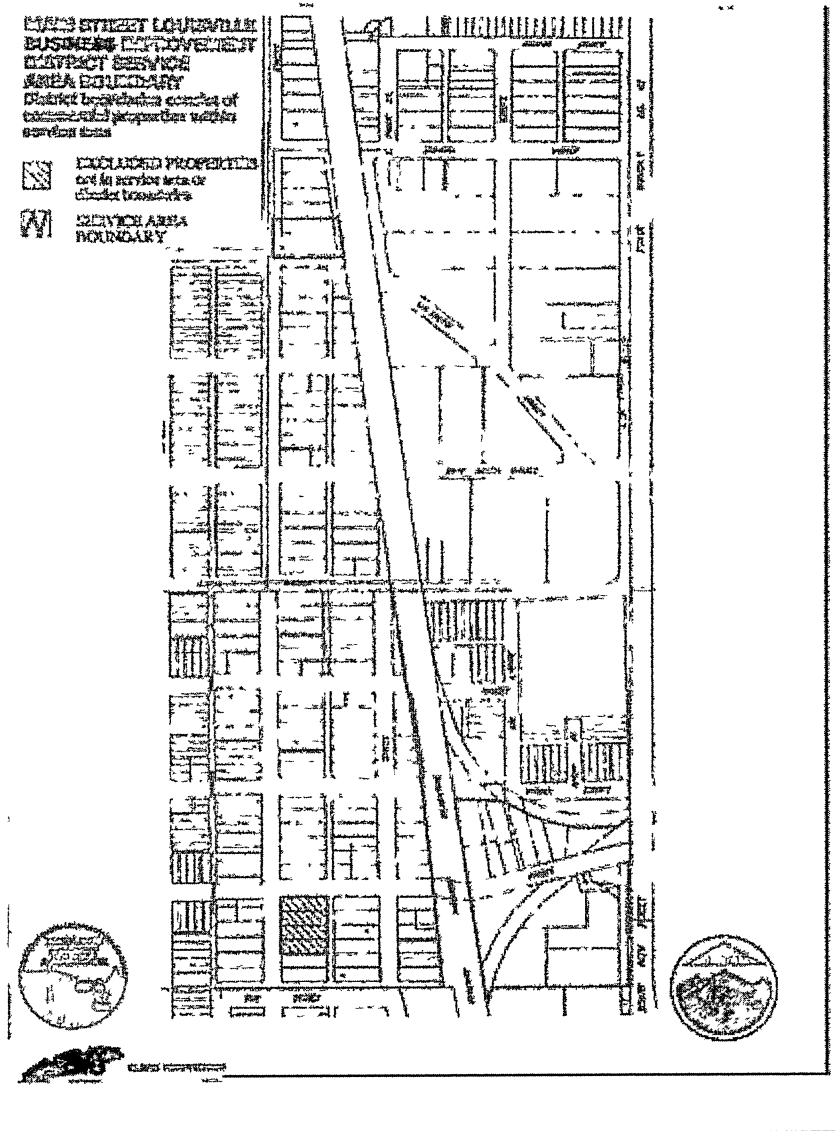


EXHIBIT 2

Main Street Louisville Business Improvement District Amended Budget - 2025 and Budget -2026

MSLBID Ice Rink Enterprise Budget	2025-Amended	2026
Beginning Fund Balance	\$ -	\$ 29,000.00
Revenue		
Skate Admissions and Rentals	\$ 80,000.00	\$ 120,000.00
Group Rentals	\$ 15,000.00	\$ 20,000.00
Concessions	\$ 22,000.00	\$ 30,000.00
City Contract Revenue	\$ 30,000.00	\$ 40,000.00
Sponsorships	\$ 20,000.00	\$ 20,000.00
Total Operating Revenues	<u>\$ 167,000.00</u>	<u>\$ 230,000.00</u>
TOTAL AVAILABLE RESOURCES	\$ 167,000.00	\$ 259,000.00
Expenses		
Installation		
Installation and Removal	\$ 15,000.00	\$ 20,000.00
Total Installation	<u>\$ 15,000.00</u>	<u>\$ 20,000.00</u>
Operations		
POS System	\$ 3,000.00	
Management	\$ 20,000.00	\$ 40,000.00
Staffing	\$ 40,000.00	\$ 60,000.00
Cost of Goods Sold	\$ 10,000.00	\$ 15,000.00
Total Operations	<u>\$ 73,000.00</u>	<u>\$ 115,000.00</u>
Rentals		
Chiller (100T w/Integral pumps)	\$ 30,000.00	\$ 50,000.00
Ice Resurfacer	\$ 5,000.00	\$ 10,000.00
Toilets	\$ 1,000.00	\$ 2,000.00
Total Rentals	<u>\$ 36,000.00</u>	<u>\$ 62,000.00</u>
Marketing		
Marketing	\$ 5,000.00	\$ 5,000.00
Total Marketing	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>
General & Administrative		
Professional Services	\$ 2,500.00	\$ 5,000.00
Audit	\$ 3,000.00	\$ 3,000.00
Insurance	\$ 2,500.00	\$ 5,000.00
Licenses and Permits	\$ 1,000.00	\$ 2,000.00
Total General & Administrative	<u>\$ 9,000.00</u>	<u>\$ 15,000.00</u>
TOTAL EXPENSES	\$ 138,000.00	\$ 217,000.00
Ending Fund Balance	\$ 29,000.00	\$ 71,000.00

Notes to Budget:

1. The Boulder County Assessor's August 22, 2025 Certification of Value for the BID shows an increase in the net total assessed valuation from last year to this year: from \$15,953,942 last year to \$16,457,236 this year. Only \$134,457 of the net total assessed valuation is due to new construction. The Assessor, however, included a standard cover letter instructing that the Certification Letter only contains preliminary values. Notwithstanding the foregoing, the District lacks voter-approved authority to levy a mill levy at this time, therefore, a mill levy of "zero" will be certified on or before December 15, 2025 regardless of any changes to the preliminary certification.

BUDGET MESSAGE
(Pursuant to 29-1-103(1)(e), C.R.S.)

Main Street Louisville Business Improvement District
(MSLBID) Name of Local Government

(INSTRUCTIONS: Pursuant to section 29-1-103(1)(e), C.R.S., the budget must include the Budget Message. Fill in blank spaces and check any items that are applicable.)

The attached ²⁰²⁵~~2024~~ Budget for the MSLBID includes these important features:*

1. The District Ice Rink Enterprise will operate the Old Town Skate Rink pursuant to a contract with the City of Louisville. The Enterprise will enter contracts with vendors.
2. The BID does not collect taxes, but will collect fees for services, ~~and~~ sponsorships, and other revenues.

* "important features" are not defined in statute; however, important features of the budget would include starting/ending a service; increases or decreases in levels of services, increases/decreases to revenues (taxes/rates) and/or expenditures; acquisition of new equipment; start or end of capital project; etc.

The budgetary basis of accounting timing measurement method used is:

- ☒ Cash basis
- ☐ Modified accrual basis
- ☐ Encumbrance basis
- ☐ Accrual

The services to be provided/delivered during the budget year are the following:

Operation of a public Ice Rink.

EXHIBIT 3
Board of Directors Contact Information

Erik Hartronft, Assistant Secretary/Treasurer
Hartronft Associates, P.C.
950 Spruce Street, Suite 2C
Louisville, CO 80027
Term: Appt 8/15/2000
Phone: 303-673-9304
Fax: 303-673-9319
Email: erik@hapcdesign.com

New Members:

Jennifer (Jenni) Hlawatsch
The Singing Cook
728 Main Street
Louisville, CO 80027
Phone: 720-484-6825
Email: jenni@singingcookstore.com

Stephanie Schlageter
Radiance Medspa
916 Main Street
Louisville, CO 80027
Email: stephanie@radiancemedspa.com

Tom Horst
Crystal Springs Brewing Company
657 S. Taylor Ave. Unit E
Louisville, CO 80027
Email: tom@crystalspringsbrewing.com