



Legislation Details (With Text)

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Title: Approval of an Amended and Restated Service Plan of Allison Valley Metropolitan Districts No. 1 and No. 2 (Legislative).
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Date	Ver.	Action By	Action	Result
9/8/2015	1	City Council	adopted	Pass
7/27/2015	1	Council Work Session	referred	

Approval of an Amended and Restated Service Plan of Allison Valley Metropolitan Districts No. 1 and No. 2 (Legislative).

From:

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Summary:

This is a request to amend the 2006 Service Plan for Allison Valley Metropolitan Districts Nos. 1 and 2 ("Districts") to address errors and oversights all in conformance with the City's Special District Policy and Model Service Plans. This item was introduced at the July 27, 2015 Informal City Council meeting.

Previous Council Action:

The Districts were established by election in November 2006, following approval by Council of a service plan earlier that year (Resolution No. 129-06). In the Spring of 2014, Council approved significant changes to the land use Master Plan for this area, now renamed "THE FARM". Note: the name of this these Districts will remain unchanged.

Background:

Metropolitan districts are created under Colorado Statute and City Policy to finance and/or maintain certain public improvements in commercial and residential areas, primarily utilizing a property tax mill levy as the revenue source. These districts are separate legal entities from the City. However, their

service plans (and amendments thereto), require Council approval. Approval of a service plan provides an opportunity for City Council to establish limits and parameters for operation to the districts beyond those included in State Statutes. City Council adopted a Special District Policy ("Policy") in 2006 and Model Service Plans (which was last modified in 2012). These are used as the standard with which to review new or (as in this case) amended service plans.

This service plan amendment is being requested primarily to correct certain errors and discrepancies in the service plan approved in 2006. In the 2006 service plan, the debt service mill levy caps were erroneously limited to 25.0 mills if an operational mill levy of 10.0 mills is also certified. The correct limits both then and now are no more than 30.0 mills for debt service and 10.0 mills for operations with no interdependence. The other significant change has to do with boundaries. The maximum extent of the boundaries of these Districts ("Inclusion Area Boundaries"), as allowed by Exhibit C-2 in the 2006 service plan do not correspond with the current boundaries of the land use Master Plan of the Districts. Therefore, the Exhibit needs to be amended. Staff notes that in this case, all the property proposed to be added to and included in the Inclusion Area Boundaries by amending Exhibit C-2 is controlled by this developer. However, it is further noted that, inclusion areas can extend beyond properties that have agreed to be included in the district, with the understanding that before those areas could be included in the district that the consent of the owner(s) of that property would need to be obtained.

This is a consolidated service plan for two interrelated districts (No. 1 and No. 2), both of which are now being characterized as residential districts because each will contain at least some residential uses. The primary purpose for having two districts in this case is to allow the developer to phase and sequence improvements, debt and financing. By Policy, compared with commercial districts, residential districts have particular limitations including a lower debt service mill levy caps and an additional stipulation that a debt service mill levy can be imposed for no longer than 40 years (without approval by a resident controlled board). At this point the active developing district is District No. 2. District No. 2 currently certifies a total mill levy of 40.0 mills.

The amended document is consistent with the Policy and the most recent Model Service Plan.

Financial Implications:

Pursuant to the Policy and the service plan, the debt and financial obligations of metropolitan districts do not constitute a financial obligation of the City.

Board/Commission Recommendation:

The City's staff-level Special District Committee has been provided copies of these materials. All comments received have been in support and/or stated no concerns.

Stakeholder Process:

Not applicable

Alternatives:

City Council could choose to approve, deny or modify the proposed amended service plan and resolution. In the event the amended service plan is not approved, the current plan would remain in effect.

Proposed Motion:

Move approval of the resolution approving the Amended and Restated Consolidated Service Plan for Allison Valley Metropolitan District No. 1 and Allison Valley Metropolitan District No. 2

Not applicable.