



Legislation Text

File #: 19-705, **Version:** 1

A resolution approving an Amended and Restated Service Plan for The Sands Metropolitan District Nos. 1-3.

Presenter:

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Summary:

This amended and restated service plan will have the effect of bringing the existing Sands Metropolitan District Nos. 1-3 under the authority of a City Council-approved metropolitan district service plan. This proposed amended and restated service plan is generally consistent with the City's Model Service Plan other than with respect to mill levy caps and other provisions agreed to as part of an IGA executed between the City and the Sands Metropolitan Districts Nos 1, 2 and 3, in June of 2018.

On October 8, 2019, Council voted to deny a request to approve an amended and restated service plan for these districts with the inclusion of separate property as a non-contiguous district in consolidated plan. This updated request removes that property from this service plan, but otherwise retains the same information and limits, as they apply to District Nos. 1-3.

This agenda item was introduced at a Council Work Session on November 25, 2019.

Background:

The existing Sands Metropolitan District Nos, 1-4 were originally created in unincorporated El Paso County in 2016, under the approving authority of the Board of County Commissioners. Consistent with the above-referenced 2018 IGA, the petitioners are filing an amended and restated service plan for the Sands District Nos. 1-3 using the City's Model Service Plan. These properties have now been annexed into the City. The properties in Sands District No. 4 remain in the unincorporated County, and the original County service plan will remain in force and effect only for that district.

Pursuant to the 2018 IGA, the Gallagher-adjusted debt service mill levy caps for Districts Nos. 1 and 2 will be 40 mills compared with the normal cap of 30 mills as currently included in the Colorado Springs Special District Policy and Model Service Plans. The debt service mill levy cap for District No. 3 (the commercial district) will be 50 mills which is consistent with the City Special District Policy. The maximum combined authorized debt for all three districts is proposed to be \$28,540,103. The original estimate of approximately \$ 16,252,083 in total costs for District Nos. 2 and 3 was submitted to the County with their 2016 service plan. Staff notes that this approximately \$28.5 Million amount has been included as an overall maximum authorization in previously denied 4-district service plan. Councilors Avilla, Gaebler, Geislinger, Murray and Knight voted to deny the prior service plan that included the added non-contiguous district. Councilors Pico, Skorman, Stand and Williams voted in

favor of that service plan.

Attached to support this agenda items are the following documents:

- Draft City Council resolution
- Transmittal letter/ executive summary from the petitioner
- Original County service plan adopted by the Board of County Commissioners by Resolution No. 16-349 (this includes the improvements costs estimates for Districts 1-3)
- 2018 IGA
- Redline version of the Amended and Restated Service Plan
- Final version of the Amended and Restated Service Plan

At the November 25, 2019 Council Work Session at which this item was introduced, there was discussion of the 2018 intergovernmental agreement and the extent to which it may obligate this City Council to approve this amended and restated service plan with a higher than typical residential metropolitan district debt service mill levy. Staff notes that in Paragraph 4 of this attached agreement the Parties agreed to a Gallagher adjusted debt service mil levy cap of 40.0 mills.

Previous Council Action:

On April 10, 2018 Council received an informational briefing regarding issue and options concerning the Sands Metropolitan Districts as they were creating in the unincorporated County and their relationship the then pending Sands annexations. On July 10, 2018 City Council approved an IGA with the Sands District Nos. 1, 2 and 3 by Resolution 76-18. On July 10, 2018, Council approved the annexation of properties in the Sands District Nos, 1-3 (The Sands Addition Nos. 1, 2, 3 and 4) by Ordinances 18-58, 18-59, 18-60, 18-61, 18-62, 18-63 and 18-64, and also approved zoning and development plans for those properties. On October 8, 2019 Council voted to deny an Amended and Restated Service Plan for the Sands Metropolitan District Nos. 1-3 and District No. 5 (aka the Ridge at Sand Creek).

Financial Implications:

There are no direct implications to general City taxpayers and ratepayers outside of the boundaries of these applicable metropolitan districts.

City Council Appointed Board/Commission/Committee Recommendation:

N/A

Stakeholder Process:

The staff-level Special District Committee has been provided with the materials associated with this request, and no comments or concerns have been provided.

Alternatives:

City Council has the options of approving or denying this amended and restated service plan. Council could also continue the item with specific direction provided to staff and the petitioners.

Proposed Motion:

Move to adopt a resolution approving an Amended and Restated Service Plan for The Sands Metropolitan District Nos. 1-3

N/A