



Legislation Text

File #: 18-0342, **Version:** 1

A Resolution approving a service plan allowing for the creation of the Chaparral Pointe Metropolitan District

(Legislative)

Presenter:

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Summary:

This is request by Century Communities for approval of a service plan would allow formation of the Chaparral Pointe Metropolitan District. The District would provide financing for local improvements in this small residential development and also own and maintain a small stormwater pond. In lieu of an HOA, the petitioners are requesting authority to administer covenant enforcement and common area maintenance functions through this district.

Previous Council Action:

There have been no prior special district related actions applicable to these properties. Council has approved. Residential land use approval requests are pending for this property, and the proposed service plan contains language addressing his contingency.

This item was discussed the City Council Budget Committee on August 14, 2018 and introduced at an August 27, 2018 Council Work Session, as further described below

Background:

The proposed Chaparral Pointe Metropolitan District (the "District"), would be used to finance local public improvements and provide ongoing operations and maintenance functions.

The Service Plan conforms with the City's Model Service Plan with respect to mill levy caps and other financial limitations. The maximum debt service mill levy will is requested to be 30.00 mills and the maximum operations and maintenance mill levy will be 10.0 mills, both subject to Gallagher adjustments which will be retrospective back to 2006.

The maximum debt authorized to be issued by the District will be limited \$5,000,000, provided that the foregoing shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt. This figure has been calculated based on general per acre public improvements estimates.

This proposal was also presented to and discussed by the City Council Budget Committee on August 14, 2018. Discussion centered primarily on the covenant enforcement function, the very small size of this proposed district, and a conversation about what the legally allowable Gallagher adjusted property tax mill levy should be for this district.

Staff has provided a summary of the Gallagher Amendment and its pertinence to allowances for “Gallagher Adjustments” in the City’s Special District Policy and Model Service Plans.

Discussion at the August 14, 2018 Work Session focused on the impact of the Gallagher adjustment, and direction was provided to revise the draft service plan to retain standard Model Service Plan language pertaining to mill levy caps and to delete any reference to the effective Gallagher adjusted number. Direction was also provided to revise Exhibits D and E to include maintenance of a detention pond as an operational and to modify Exhibit E language to comport with elections timing. These changes have been included in updated attachments.

The property is currently zoned Agricultural (A) as a holding zone. Because proposed Planned Unit Development (PUD) zoning and subdivision actions for this property are pending, specific language has been recommended in this service plan (Section VIII on page 14) to address this contingency. Essentially, the District would be limited in most functions until and unless the land use requests are approved. Ultimately the District would be dissolved in the event the approvals have not occurred on or before two (2) years after City approval

The street that would serve this proposed development from the south is called Integrity Center Point. It is currently maintained privately. In conjunction with the pending development applications for this project, there may be a requirement for off-site maintenance. This District could have a role if created. The service plan includes language that allows this function.

A draft City Council resolution is attached along with a copy of the proposed service plan to be approved with exhibits. Also attached is a “redline” service plan showing text insertions and deletions compared with the City’s Model Service Plan.

Financial Implications:

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

Board/Commission Recommendation:

N/A

Stakeholder Process:

The staff-level Special District Committee has been provided with the materials associated with this request. As of the date of this staff report, there have been no comments or concerns provided.

Alternatives:

City Council has the options of approving or denying the proposed service plan. Council could also approve the service plan with changes.

Proposed Motion:

Move to approve a resolution of the City of Colorado Springs approving a service plan for the Chaparral Pointe Metropolitan District.

A resolution of the City of Colorado Springs approving a service plan for the Chaparral Pointe

Metropolitan District.