



## Legislation Text

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**File #:** 19-091, **Version:** 1

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### Resolution Approving a First Amendment to the Service Plan for the Peak Metropolitan District Nos. 1-3 Allowing Covenant Enforcement and Design Review as Operations and Maintenance Functions

**Presenter:** Carl Schueler, Planning Manager- Comprehensive Planning, Planning & Development Department

**Summary:**

This service plan amendment would allow the Peak Metropolitan Districts Nos. 1-3 (Districts) to perform covenant enforcement and design review as operations and maintenance functions. These districts were recently created to support development within the Airport Business Park. Through its Model Service Plan approach, the City requires metropolitan districts to affirmatively identify those non-administrative operations and maintenance functions that the district(s) are authorized to perform. These Districts are now requesting a limited service plan amendment allow covenant enforcement related to architectural control. No other changes are being made to the authorities and limitations of the existing service plan.

**Previous Council Action:**

On August of 2018, City Council approved a consolidated service plan ("Original Service Plan") for the Districts (Resolution 95-18).

Council has taken various other land use and related actions pertinent to the property including approval of the overall Airport Master Plan in 2011 as well as master plans and concept plan pertaining to the Airport Business Park, last approved in 2006.

This item is being introduced at a City Council Work Session on February 11, 2019.

**Background:**

The 2006 City Special District Policy and the accompanying Model Service Plans require that service plans identify all non-administrative operations and maintenance functions in Exhibit D of their service plans. This Districts and the Airport are requesting this amendment to allow performance of these functions in anticipation of major pending development projects in the Airport Business Park and to accommodate other future development in manner that effectively incorporates and implements an agreed upon design standard. Colorado Revised Statutes allow metropolitan district to perform this function. Colorado Springs has precedents for allowing this function in previously approved service plans. City Council discussion in the past has centered on an interest in assuring property owners have reasonable representation with respect to covenant-related decisions. There have also been questions pertaining to tax and fee implications. Staff suggests that with this amendment, appropriate representation, oversight and communication will be maintained with

property owners, the development team, the Airport and City Council. The cost of this function will either be absorbed within the existing capped operational mill levy, or in the form of an additional fee.

In this multiple district structure, Districts Nos. 1, 2 and 3 (the “Districts”), are planned to have a variety of non-residential uses associated with the Airport Business Park. District No. 1 is the operating district, with Districts No. 2 and No. 3 to be used as two different commercial districts for phasing reasons (but otherwise being similar with respect to purposes and limitations). The maximum combined debt authorization for these districts is \$200,000,000, and would be unchanged by this amendment. Similarly, the Gallagher-adjusted maximum debt service and operational mill levies of 50.0 and 10.0 respectively, would also remain unchanged. The Board of Directors structure for these metropolitan districts is somewhat unique structured to be composed of members of the development team, but with the Airport Director of Aviation or their designee formally included as an *ex officio* member.

Alternatives to not approving this amendment could include not authorizing this function in the service plan, with the probable result being a need to create or otherwise use a property owners association to handle this function.

Procedurally, this amendment would be processed in the form of a limited amendment document to be adopted by resolution. The resolution refers to the original 2018 service plan which will remain in force and effect except as specifically amended by the new document. The complete original service plan is also included as an attachment.

#### **Financial Implications:**

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

#### **Board/Commission Recommendations:**

The Airport Advisory Commission was coordinated with regarding the original request to approve a service plan for these Districts, and has been informed about the most recent economic development projects and initiatives that are or may be pertinent to this decision.

#### **Stakeholder Process:**

The staff-level Special District Committee has been provided with the materials associated with this request (although in an expedited fashion). No comments or concerns have been received as of the date this cover memo was last updated. Updates will be provided at this meeting, if necessary.

#### **Alternatives:**

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

#### **Proposed Motion:**

A Resolution Approving a First Amendment to the Service Plan for the Peak Metropolitan District Nos. 1-3 Allowing Covenant Enforcement and Design Review as Authorized Functions.