



## Legislation Text

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**File #:** 17-1390, **Version:** 1

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**Title:**

A Resolution to allow the Tuscan Foothills Village Metropolitan District to include a property outside the inclusion area in their approved service plan.

**Presenter:** Conrad Olmedo, Comprehensive Planner II, Planning & Community Development Department  
Carl Schueler, Planning Manager- Comprehensive Planning, Planning & Community Development Department

**Summary:**

The subject area is located along the west side of Centennial Boulevard, south of Chuckwagon Road. This Resolution would allow inclusion of approximately 8.07 acres directly northwest of the existing District boundary into the Tuscan Foothills Village Metropolitan District ("District") that is outside the inclusion area in their approved service plan.

**Previous Council Action:**

City Council approval of creation of the Tuscan Foothills Village Metropolitan District on September 27, 2016 (Resolution 97-16). This item was introduced at a December 11, 2017 Council Work Session.

**Background:**

This district was created in 2016 to primarily finance public localized improvements benefiting development in this small development area. At the time of creation, City Council addressed the issue of local public improvements, particular limits on the maximum authorized indebtedness, and a required phase-in of the operational mill levy. The current service plan allows for a maximum debt service mill levy of 30.0 mills, and a maximum authorized debt of \$1,100,000. There are uniquely imposed operational mill levy caps, requiring no operational mill levy in 2017 and 2018 and only 5.0 mills thereafter until and unless the board of the District is over 50% controlled by resident property owners. These limits would all remain in place if this request is approved.

This request would allow the inclusion of property into the District that is outside the inclusion area in their approved service plan. In the City's Model Service Plans, the petitioner establishes the initial boundaries of the district as Exhibit C-1. They have the option of providing a second exhibit (Exhibit C-2) depicting any additional areas they may desire to include in the future. In 2016, the petitioners chose not to provide this exhibit.

Inclusion of property outside of the service plan requires prior written consent of City Council. Colorado Revised Statutes otherwise allow metropolitan districts to include or exclude any property at the discretion of the districts as long as there is a nexus to the purpose of the districts and their financial obligations. The reasoning behind having an Exhibit C-2 in service plans is to provide City

Council some certainty in control of future metropolitan district boundaries.

In this case, the District desires to exclude a planned multi-family property currently within the District because it will not significantly benefit from District-funded public improvements (this step does not require City Council approval). The District desires to include a property planned for single-family development (approximately 43 single-family lots) in order to use the District to partially finance public infrastructure for that subdivision (this step does require prior City Council written approval). The public improvements eligible for District mill levy include streets and utilities, streetscape features, and possible connections to future open space to the west.

A graphic exhibit depicting the planned exclusion and inclusion is attached.

Staff has no objection to this request. Had the subject property been included in an Exhibit C-2 originally, no City Council action would have been needed at this time.

At the December 11, 2017 Work Session introducing this item, Councilors primarily asked questions pertaining to the anticipated exclusion of the multifamily property and the justification for that action. Mr. Ray O'Sullivan answered those questions, noting that the property would not be served substantially by District-financed facilities or services.

#### **Financial Implications:**

There are no direct implications to the City budget. The required mill levy caps effectively limit the financial tax exposure of property owners to no more than a combined total of 40.0 mills, Gallagher-adjusted.

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

The Tuscan Foothills Village Metropolitan District Board heard this request for petition of inclusion on November 6, 2017. At that hearing no written objection was filed by any person, and the Board desires to grant the petition and approve the inclusion.

#### **Stakeholder Process:**

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

#### **Alternatives:**

City Council has the options of approving or denying this request or approve the request with changes.

#### **Proposed Motion:**

Adopt a Resolution to allow the Tuscan Foothills Village Metropolitan District to include a property outside the inclusion area in their approved service plan.