



Legislation Text

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Special Districts Overview- Session No. 3

Presenters:

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Summary:

This is the third of what are now anticipated to be seven Work Sessions requested by Council as an overview of City special districts and policy. Today's areas of focus will be limited follow-up metropolitan districts along with background on the overall district application submittal, processing review, and decision processes. If time permits, staff will also provide a brief overview of GIDs (general improvement districts).

An updated schedule for future special district overview sessions is also presented.

Background:

Please refer to the attached PowerPoint presentation. Supporting materials are attached, including the following:

- Colorado Revised Statutes Title 32 District Legislative Declaration
- Colorado Revised Statutes findings (criteria) for metropolitan district service plan approval
- Special District Committee membership and distribution list
- Summary of district applications 2009 to present
- Special district submittal item matrix
- Descriptions of submittal items
- Colorado Springs Staff Overview of GIDs

Follow-up on Statutory Findings for Approval of Metropolitan District Service Plans

At the October 21, 2019 Session, Council requested additional focus on the statutory criteria for which findings either must be made, or may be made. The Legislative Declaration and the criterial from Colorado Revised Statutes § 32-1-203 are attached and highlighted in the PowerPoint. There are 4 (four) criteria for which evidence satisfactory to City Council must be presented, and an additional 5 (five) upon which Council may base a disapproval.

Staff notes that all nine criteria are included in Section X of City's Model Service Plan, and the four

required criteria are included in the form of the Council resolutions used to approve service plans. However, up to this point staff have not routinely requested specific evidence and responses from petitioners, and presented this with the staff reports. Going forward, the expectation is that this will be made part of submittal requirements and be highlighted for City Council in staff reports.

District Application Submittal, Processing Review, and Decision Processes.

Based on a combination of statutory requirements and City Council direction, review and processing of essentially all special district-related petitions and applications includes a staff level Special District Committee followed by City Council action. Unlike with certain County district formation actions, the Planning Commission does not have a formal role in the special district review and recommendation process.

Although this is a matter of preference and not a formalized requirement, the typical process for Council action on most major and non-recurring district items includes three steps:

- 1) Discussion at a City Council Budget Committee meeting
- 2) Introduction at a Council Work session
- 3) Formal action at regular Council hearing (two hearings for an ordinance).

As further described in attached materials, the primary categories of special district-related petitions or applications that are regularly considered by City Council are the following:

Petitions or applications

- Resolution approving a service plan for creation of a new metropolitan district
- Resolution approving an amendment of an existing metropolitan district service plan
- Ordinance creating a business improvement district (BID)
- Ordinance including or excluding property from a business improvement district
- Resolution authorizing issuance of formal debt by a metropolitan district or BID

Less common petitions or applications include but are not limited to the following:

- Temporary appointments to district boards
- Off-cycle amendments to BID Operating Plans and Budgets
- Intergovernmental agreements with districts
- Dissolution of an existing general improvement district (GID)
- Ordinance creating a new GID
- Issuance of debt by a GID
- Ordinance creating a new special improvement maintenance district (SIMD)
- Resolutions pertaining to creation of a local improvement district (LID)
- Other actions

A spreadsheet summarizing total district-related Council actions by year since 2009, is attached. There has been an increase on overall agenda items in the last few years, particularly in the category of debt issuance authorizations.

Annual/regular City Council Actions

- Motions approving BID Operating Plans and Budgets
- Motion approving DDA budget
- Appointments to Downtown BID and DDA boards
- Appointments to SIMD advisory boards
- Approval of SIMD budgets as part of overall City budget
- Certification of GID* and SIMD mill levies
- Adoption of GID budgets*

*- as GID board

In early 2019, by Resolution, Council adopted a revised district fee resolution. Concurrent with this, the details of the staff level and operational aspects of the application and review processes are no longer governed by a Council resolution

General Improvement Districts (GIDs)

GIDs are a district option allowed for in C.R.S. Title 31. There are currently three (3) existing GIDs in the City. Others have been dissolved over the years, following pay-off of their bonds. Although GIDs have many of the same powers and uses as metropolitan districts, their governance structure is quite different. Metropolitan districts need to have independently elected boards. Conversely, City Council acts as the board for GIDs.

Most Colorado Springs GIDs have been created at the request of developers or a limited number of property owners, as a mechanism of reimburse major public infrastructure costs associated with larger master planned projects.

Going forward, GIDs could be a potential option for special purpose public financing or maintenance functions including conversion of special improvement maintenance districts (SIMDs).

A staff-generated description and overview of GIDs is attached.

Future Session Topics

The following is the most current summary of the overall City Council special district overview session schedule, including prior sessions. This schedule is subject to modification going forward, depending on refinements to desired areas of focus and scheduling considerations.

Session 1- (September 23, 2019)

- General district overview
- State and County-wide district context
- 2006 Special District Policy

- BIDs
- Review of future sessions, topics and proposed schedule

Session 2- October 21, 2019

- Metropolitan Districts

Session 3- November 7, 2019

- Metropolitan district follow-up- statutory findings
- Special district submittal, review and approval processes
- GIDs

Session 4- November 25, 2019

- LIDs and SIDs
- Mill levies and Gallagher adjustments

Session 5- December 9, 2019

- SIMDs
- Special district financial obligations, debt authorizations and debt issuances

Session 6- January 13, 2019

- District powers and functions in addition to debt issuance
- District boards and elections/ TABOR

Session 7- January 27, 2019

- Contacts, annual reports, audits, data and disclosure
- District dissolution, or conversion to resident boards
- Suggestions for staff follow-up

Previous Council Action:

This is an overview and Council discussion item only.

Financial Implications:

N/A for this agenda item

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A for this agenda item

Alternatives:

N/A

Proposed Motion:

N/A

N/A