



## Legislation Text

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**File #:** 21-569, **Version:** 1

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A resolution of the City Council of the City of Colorado Springs, Colorado approving a First Service Plan Amendment for the Reagan Ranch Metropolitan Districts No. 1 through 3 to modify the District Structure and modify the Maximum Authorized Debt Limits for each District in an area located northeast of the Colorado Springs Airport within the Banning Lewis Ranch area.

### **Presenter:**

Carl Schueler - Comprehensive Planning Manager, Planning and Community Development  
Peter Wysocki - Director of Planning and Community Development

### **Summary:**

This service plan amendment ("First Amendment to the Service Plan") would allow the Reagan Ranch Metropolitan District Nos. 1-3 ("Districts") to modify their district structure such that only District No. 1 will operate as residential metropolitan district. District Nos. 2 and 3 will operate as non-residential districts. The amendment also contemplates inclusion of an additional property into District No. 2 contingent upon the annexation of that property.

With the exception of this specific amendment, the remaining provisions of the original 2020 service plan for the Districts would remain in force and effect.

Immediately following this agenda item is a request for authorization to issue debt by Reagan Ranch Metropolitan District No. 1 with a pledge of revenues from District No. 2. Approval of that item would be contingent on prior approval of this item.

This agenda item was introduced at the September 28, 2021 Budget Committee. The Committee asked clarifying questions but did not ask for changes or additional information.

### **Background:**

These three metropolitan districts were created in 2020 for an approximately 240-acre project in the west central area of Banning Lewis Ranch, then at the initial development planning stages. As plans have progressed in the last year, the Districts would like to modify the structure such that all residential development would be included in District No. 1, rather than District Nos. 1 and 2 as originally contemplated. At this point, District No. 2 is proposed to include industrial property with District No. 3 including other non-residential property. The demarcation between District No 1 and the other two districts coincides with the Airport APZ (Accident Potential Zone) zoning overlay boundary. The future inclusion area for District No 2 would be modified to allow inclusion of an additional property now being proposed for annexation.

This new district structure also reflects the completed exclusion of a property located south of Space Village Avenue that had been included in District No. 1. The Districts have represented that this property, which is planned for multi-family uses, will be providing a direct financial payment to the districts to offset its share of the public improvements.

The Amendment also adjusts the maximum debt service mill levy limits for each of the districts as follows with District No. 1 having an increased limit and with decreases for District Nos. 2 and 3.

District No	Original Debt Limit with Inclusion Areas	Revised Debt Limit with Inclusion Areas
1	\$51,000,000	\$65,000,000
2	\$57,000,000	\$36,000,000
3	\$28,000,000	\$20,000,000
Totals	\$136,000,000	\$121,000,000

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 2020 service plan, which would remain in force and effect except as specifically amended by the new document.

District No. 1 would be authorized by the service plan and City Policy to levy up to 40.0 total mills (Gallagher Adjusted) in property tax (30.0 for debt service and 10.0 for operations and maintenance). As commercial districts, Districts No. 2 and 3 would be authorized to levy up to 60.0 mills (50.0 for debt service and 10.0 for operations).

The subject property (with the exception of the property pending annexation), has an approved master plan amendment in place along with zoning. The concept plan for the property remains to be approved pending receipt of a traffic study. A development plan is in process for what would be the first residential phase located north of Space Village Drive.

The City Council Budget Committee considered this request and the corresponding debt authorization item at their September 28, 2021 meeting. There were questions and comments, but no requests for changes or additional information.

**Previous Council Action:**

**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. The petitioner has addressed the comments that were provided.

**Alternatives:**

City Council has the options of approving or denying this service plan amendment. If the amendment is not approved, this would have an impact on the following debt authorization agenda item.

**Proposed Motion:**

Approve a resolution of the City Council of the City of Colorado Springs, Colorado approving a First Service Plan Amendment for the Reagan Ranch Metropolitan Districts No. 1 through 3 to modify the District Structure and modify the Maximum Authorized Debt Limits for each District.

N/A