



Legislation Text

File #: 21-570, **Version:** 1

A resolution approving the Second Amendment to the Service Plan for Upper Cottonwood Creek Metropolitan District Nos. 2-5 to Modify the Maximum Authorized Debt Limits for Each District in Wolf Ranch.

(Legislative)

Presenter:

Carl Schueler, Comprehensive Planning Manager, Planning and Community Development
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Summary:

This service plan amendment ("Second Amendment to the Service Plan") would allow for district-specific reallocations of the maximum authorized debt limits for the Upper Cottonwood Creek Metropolitan District Nos. 2-5 ("Districts")

With the exception of this specific amendment, the remaining provisions of the original 2006 service plan for the Districts, would remain in force and effect, as previously amended in 2016.

This agenda item was introduced at the September 28, 2021 Budget Committee. Questions were asked regarding the related boundary modifications. There was also a request to summarize the existing amounts of debt issued to-date by each district.

Background:

These four metropolitan districts were originally created in 2006 for the approximately 2,000-acre Wolf Ranch project located in the northern part of Colorado Springs. In 2016 an amendment of this service plan was approved to allow the operational mill levy for District Nos. 3-5 (but not District No. 2) to be increased from 10.0 to 20.0 mills. Gallagher adjusted.

These four districts are associated with the original and earlier created Old Ranch and Upper Cottonwood Creek Metropolitan District No. 1.

The 2006 consolidated service plan for District Nos 2-5 contains district-specific authorized debt limits that the Districts desire to reallocate as follows:

District No.	Original Debt Limit	Revised Debt Limit
2	\$25,000,000	\$12,350,000
3	\$35,000,000	\$22,500,000
4	\$30,000,000	\$34,000,000

5	\$ 7,500,000	\$28,650,000
Totals	\$97,500,000	\$97,500,000

The debt issued to date by these districts is as follows:

UCC MD No. 2: \$12,350,000

UCC MD No. 3: \$13,675,000

UCC MD No. 4: \$5,095,000

The remaining authorization for District No. 2 would be shifted to the other districts because it is built out and will not be issuing any debt. The proportional allocation for District No. 5 will be increased significantly because it was originally intended to be a small commercial district and has recently been reconfigured to become a larger last phase residential district for this project. The remainder of the original District No. 5 property has been included in District No. 3. The reconfigured District No. 5 boundaries include about 413 acres in the northeast quadrant of Wolf Ranch.

The overall aggregate debt limit for all four individual districts would be unchanged.

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 2006 service plan, which would remain in force and effect except as specifically amended by the new document.

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

Previous Council Action:

The Wolf Ranch Master Plan was approved in 2001. In 2002, City Council first approved a joint service plan for the Upper Cottonwood Creek and Old Ranch Metropolitan Districts (Resolution 144-02). Council approved a consolidated service plan for the Upper Cottonwood Creek Metropolitan District Nos. 2, 3, 4 and 5 on March 28, 2006 (Resolution 38-06). On March 22, 2016 Council approved an Amendment to Service Plan to increase the Maximum Operating Mill Levy for Upper Cottonwood Creek Metropolitan District Nos. 3, 4, and 5 from 10.0 mills to 20.0 mills for so long as District Nos. 3, 4, and 5 continue to provide their respective current levels of service (Resolution 30-16). One or more debt issuances have been authorized by Council for District Nos. 2, 3 and 4, most recently in 2021.

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:

A resolution approving the Second Amendment to the Service Plan for Upper Cottonwood Creek Metropolitan District Nos. 2-5 to Modify the Maximum Authorized Debt Limits for Each District

N/A