



SPECIAL DISTRICT POLICY

A DRAFT FOR CITY COUNCIL CONSIDERATION

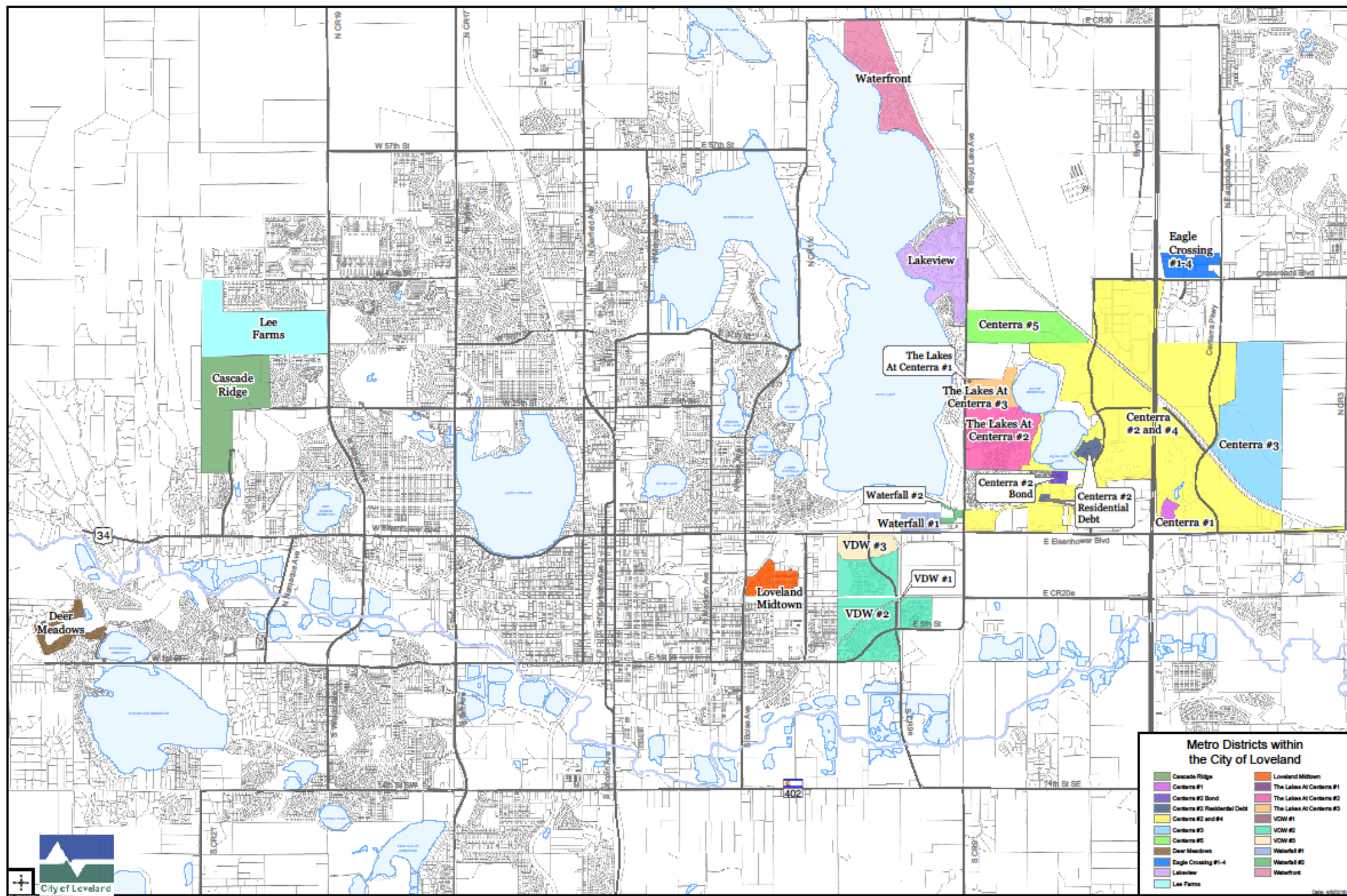
STATUTORY POWERS & DUTIES OF METROPOLITAN DISTRICT

- ▶ Special districts are governments that are created to construct and maintain public improvements, subject to Title 32 of the Colorado Revised Statutes, the City Code, land use regulations, development agreements, and service plans
- ▶ A special district can address local infrastructure needs while allocating the costs of that infrastructure and public improvements to those directly benefiting
- ▶ Metro District election questions addressing revenue and spending are voted upon by taxpayers directly impacted by the outcome of the election
- ▶ Districts may own, operate, and maintain public improvements not otherwise dedicated to the City
- ▶ Public infrastructure can be financed over time at tax exempt interest rates
- ▶ Service Plans are subject to approval by City Council and City Council can place restrictions on the metro district as it deems necessary for the health, safety and welfare of the City or the district

EXAMPLES OF PUBLIC IMPROVEMENTS THE SPECIAL DISTRICTS CAN FINANCE

- ▶ Street Improvements (Drainage)
- ▶ Safety Protection Improvements
- ▶ Parks and Recreation Improvements
- ▶ Water Improvements
- ▶ Sanitary Sewer Improvements (Drainage)
- ▶ Transportation Improvements
- ▶ Mosquito Control Improvements
- ▶ Television Relay and Translation Improvements
- ▶ Fire Protection Improvements
- ▶ Covenant Enforcement and Design Review
- ▶ Security Services

Map of Metropolitan Districts in the City of Loveland



City of Loveland: Metro District Summary + Non-Metro Adjacent Mill Levy

District	Date	Service Type	Debt Outstanding	Mill Levy						Non-Metro District Adjacent Neighborhood Mill Levy (Range)
				Authorized Mill Levy Cap			Amount of mill levy used for Model/Plan			
				O & M	Debt Svcs	Cap Total	O & M	Debt Svcs	Current Total	
Cascade Ridge	7/18/2007	Residential	\$75,063	5	40	45	5	40	45	72.741 - 80.275
Centerra [#1 through #4]	1/20/2004	Mixed-use	\$137,640,266	0	50	50	10 (declining to 4.5 in 2024)	35	35	72.741 - 95.84
Centerra No. 2						72 (in combination with Districts 1-4)	10 (declining to 4.5 in 2024)	35	45	72.741 - 74.717
Centerra No. 3						50	5	45	50	71.893 - 84.431
Centerra No. 4						72 (in combination with Districts 1-4)				72.741 - 74.717
Centerra No. 5	3/24/2009	Mixed-use				25 (O&M & Debt combined)			10 (O&M + Debt)	72.741 - 74.717
Deer Meadows	9/20/2007	Residential	\$5,539,812	10	50	60	5	35	40	71.893 - 72.741
Lakes @ Centerra MD #1, 2, & 3	9/4/2007	Mixed-use	\$16,261,887	0	70	70	10	50	60	71.893 - 72.741
Lakeview	8/19/2009	Mixed-use	\$5,337,621	10	50	60	10	40	50	73.217 - 74.717
Midtown (map)	3/1/2005	Residential	\$1,884,365	0	40	40	10	30	40	72.741
Van De Water (VDW)	3/20/2002	Mixed-use	\$3,700,000	0	40	40	Assumed	40	40	71.893 - 72.741
Waterfall	4/1/2008	Commercial	\$3,999,971	0	45	45	0	35	35	71.893 - 72.741
Waterfront at Boyd Lake	10/7/2003	Residential	\$4,912,539	5.747	40.232	45.979	5.75	40.23	45.98	73.393 - 72.241
Eagle Crossing (#1 through #4)	7/21/2014	Commercial	\$0	10	29	39	4	29	34	73.217 - 74.717
Lincoln Place - Dissolved Feb.2008	4/26/2005	Mixed-use	0	0	50	50	0	25	25	-
Average	-	-	-	3.42	47.25	50.60	6.34	38.66	44.18	72.55 - 76.43

Elements of Draft Metro District Policy

- ▶ Draft policy requires \$5,000 application fee for internal review costs & \$10,000 deposit for payment of any financial consultants or attorneys the City hires to review service plan & associated pro forma
- ▶ Policy includes a model service plan
- ▶ Policy requires a disclosure agreement
- ▶ Other limitations in the Metro District Policy include no exercise of eminent domain without approval of City Council, and that it will not compete with City for grants or water rights
- ▶ Staff will develop an internal review process to vet draft service plans that includes review and comments from all impacted departments like Development Services, City Attorney's Office, Public Works, Finance, Water & Power, Parks & Recreation

Key Model Service Plan Requirements

- Allowable public improvements
- Mill levy cap
- Operations & maintenance mill levy cap
- Estimated costs of public improvements
- Location map of public improvements
- Limitations on powers

REQUIREMENTS OF DISCLOSURE AGREEMENT

- ▶ Requires form of disclosure of mill levies and associated property taxes, including existing mill levies and the new special district mill levy & taxes
- ▶ Requires that chart on the next slide disclosing mill levies and taxes be supplied to all purchasers in advance of closing
- ▶ Requires that the developer who purchases lots from the original developer make the same mill levy disclosures

ESTIMATE OF PROPERTY TAXES

**Annual Tax Levied on Residential Property With
\$300,000 Actual Value Without the District**

<u>Taxing Entity</u>	Mill Levies (year)	Annual tax levied
Insert entity	Insert amount	\$ Insert amount
Larimer County	Insert amount	\$ Insert amount
City of Loveland	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
TOTAL:	Insert total	\$ Insert amount

**Annual Tax Levied on Residential Property With \$300,000 Actual
Value With the District (Assuming Maximum District Mill Levy)**

<u>Taxing Entity</u>	Mill Levies (year)	Annual tax levied
Insert District Name	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
Larimer County	Insert amount	\$ Insert amount
City of Loveland	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
Insert entity	Insert amount	\$ Insert amount
TOTAL:	Insert total	\$ Insert total

QUESTIONS