

# **Service Plan for Eberly Place Metropolitan District**

City Council

Public Hearing – June 6<sup>th</sup>, 2022



# Proposed New District

- Proposal for 1 New District:
  - Proposed District will be formed within City Limits
  - Estimated Public Improvements Costs –
  - Total Debt Issuance Limit –
- In this presentation, we will:
  - Review the purpose of Metropolitan Districts
  - Review the Contents of this Metropolitan District
  - Applicant will have a presentation following the staff presentation



# Purpose of Metro Districts and Service Plans

- Metropolitan districts are government entities created to provide services for an area, typically financing and constructing infrastructure needed for development and operations and maintenance.
- Service plans define and limit district functions, powers, and revenue
- Districts must comply with TABOR, the Colorado Open Records Act and Open Meetings Law as well as Title 32
- District revenue is derived from property taxes and fees, subject to the service plan. District debt is not an obligation of the city and does not impact the city's budget.
- Commerce City uses a model service plan that has been modified to address applicant requests and other updates.



# Council Action on Service Plans

- City Council action is needed to proceed with formation of districts.
- City Council may approve, approve with conditions, or disapprove of the service plan.
- City Council must disapprove of a service plan unless satisfactory evidence is presented showing:
  - Sufficient existing and projected need for organized service
  - Existing service is inadequate for present and projected needs
  - Proposed district is capable of providing economical and sufficient service
  - Area to be included has or will have financial ability to discharge the proposed indebtedness on a reasonable basis(CRS 32-1-203(2), 204.5)



# Vicinity Map

## EXHIBIT B

### Commerce City Vicinity Map



VICINITY MAP

# Eberly Place Metropolitan District

- Proposed service plan included:
  - Approximately 34 acres for residential uses
  - Estimated build-out – 385 residents, 2.5 persons per residence
- Estimate improvements cost – \$9,700,288.55
- Debt Issuance Limit - \$9,700,288.55
- Maximum Combined Mill Levy – 60 Mills
  - Maximum Debt Mill Levy – 50 Mills
  - Maximum Operations and Maintenance Mill Levy – 10 Mills
  - Subject to Adjustment with 2022 as base year
- Organizational costs and First year operating budget – \$50,000, developer to not receive in excess of \$25,000 in reimbursement for organization
- Applicant's Financial Plan finds sufficient property tax and other revenues to discharge proposed indebtedness.



# Service Plan Elements

- Establishes general powers, including constructing improvements (V.A)
- Debt issuance limit based (V.A.15)
- Mill levy caps (with adjustment (VI.C)
- Allows imposition of fees (V.A.16-17)
- Reimbursement agreements cannot include compounding interest; fairness opinion on interest rate (V.A.8, 23)
- Requires City Council approval for modifications, use of eminent domain, and inclusions/exclusions outside of boundaries (V.A.9,11-12)
- Authorizes District Activities IGA (XII)



# Service Plan Elements

- Public Benefit (II.C)
  - Contributions towards the completion of Blackhawk Street
  - Financing a regional detention pond
  - Contributions towards offsite traffic signal
  - Provision of road connections for future development sites
  - Regional waterline extension identified by the City as critical public infrastructure





# Service Plan Elements

- Other Components
  - Restriction on IGAs with other Entities (V.A.28)
  - 45 Day Notice for Material Modification and petition for Service Plan Amendment (V.A.24)
  - Issuance of an Annual Report submitted to staff by July 1st of each year (VII, CRS 32-1-207(3))
    - Narrative Summary
    - Budget
    - Financial Statements
    - Capital Expenditures
    - Financial Obligations
    - Board Contact Information
    - Reporting of Significant Events
  - Additional Transparency Measures (IX)
    - Disclosure to Purchasers
    - Disclosure to Potential Residential Buyers
    - Annual Notices (CRS 32-1-809)
    - Maintenance of Website
    - All Meetings will include remote participation (X.A.2)



# Metro District Review Criteria

To approve the Service Plan, Council must find:

- A. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.
- B. The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.
- C. The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries.
- D. The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis



# Staff Review

- The proposed service plan appears:
  - To contain the information required by C.R.S. 32-1-202(2); and
  - To support a determination that the requirements of C.R.S. 32-1-203(2) are met, based on the applicant's submissions.
- Applicant will present additional supporting information and financial analysis.

