



Legislation Details (With Text)

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Title:	RESOLUTION APPROVING THE REUNION SPORTS, ENTERTAINMENT, AND CULTURAL METROPOLITAN DISTRICT SERVICE PLAN AND THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF COMMERCE CITY AND THE REUNION SPORTS, ENTERTAINMENT, AND CULTURAL METROPOLITAN DISTRICT IN CASE MD-113-19.				

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Indexes:

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Attachments: 1. Resolution, 2. Service Plan - Reunion Sports, Entertainment and Cultural District, 3. Project Narrative, 4. Vicinity Map, 5. Presentation

Date	Ver.	Action By	Action	Result
8/19/2019	1	City Council	adopted	Pass

RESOLUTION APPROVING THE REUNION SPORTS, ENTERTAINMENT, AND CULTURAL METROPOLITAN DISTRICT SERVICE PLAN AND THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF COMMERCE CITY AND THE REUNION SPORTS, ENTERTAINMENT, AND CULTURAL METROPOLITAN DISTRICT IN CASE MD-113-19.

Summary and Background Information:

Clayton Properties Group II, Inc. (d/b/a Oakwood Homes) is proposing a Service Plan to create the Reunion Sports, Entertainment & Cultural Metropolitan District. The proposed district would facilitate the financing and operation of sports, entertainment, and cultural venues and related infrastructure. The district is proposed to exist as part and in coordination with the overall master planned Reunion community and to partner in the future with the City to create a statutory Authority. City Council approval of the Service Plan is required to allow the district to form.

Clayton Properties Group II, Inc. (d/b/a Oakwood Homes) is proposing a Service Plan to create the Reunion Sports, Entertainment & Cultural Metropolitan District. The proposed district would facilitate the financing and operation of sports, entertainment, and cultural venues and related infrastructure. The district is proposed to exist as part and in coordination with the overall master planned Reunion community and to partner in the future with the City to create a statutory Authority. The district's proposed inclusion areas and improvements mirror those of the proposed Reunion Center Metropolitan Districts. As described in the Applicant's narrative, "it is anticipated that the District will coordinate and cooperate with Reunion Center Metropolitan District Nos. 1-5 in relation to the design, acquisition, construction, installation, relocation, redevelopment, maintenance and financing of the Public Improvements within and without the District Boundary, and will enter into such intergovernmental agreements as may be necessary in relation to the same. The exact structure governing the relationship among the same has not yet been finally determined." (See Applicant's Project Narrative, which contains initial submittal information and may not reflect the current state of the Service Plan.)

The Service Plan:

- Proposes an initial District Boundary of .1 acres with a total inclusion area of 432 acres (see Section III, Exhibits A-1 & A-2, C-1 & C-2). The inclusion area is identical to the inclusion area of the proposed Reunion Center Metropolitan Districts.
- Authorizes general powers and authority under Title 32 (Special District Act), subject to limitations in the Service Plan (see Sections II, V.A).
- Permits the district to finance improvements funded by debt to be repaid from fees and mill levies, subject to the limits of the Service Plan:
 - o Total Debt Issuance Limitation of \$0 (see Sections V.A.15, VI.A) until the City and the district create an authority and the service plan is amended. The financial plan (see Exhibit F) and estimated improvements costs of \$72,111,913 (see Section V.B, Exhibit E) are similar to those of the proposed Reunion Center Metropolitan Districts.
 - o A Maximum Combined Mill Levy of 25.00 mills is proposed to promote equalization with existing districts. This consists of a Maximum Debt Mill Levy of 00.00 mills (anticipated to be modified through a service plan amendment) and a Maximum Operation & Mill Levy of 25.00 mills. (See Section VI.C.)
 - o Authorizes a Public Improvement Fee (see Section V.A.16).
 - o Authorizes a Mill Levy Adjustment to reflect changes in in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, as of January 2019.
 - o Limits the term of mill levies for repayment of Debt for residential properties to 40 years, subject to an extension by a resident-controlled board (see Section VI.D).
 - o Actual debt authorization and mill levy authorization requires TABOR-compliant election.
- Identifies organization and initial operating costs of \$150,000 and a first year operating budget of \$50,000 (see Section VI.I).
- Requires increased disclosures and reporting, including annual notice to the City (see Section VII), annual mailed notices to property owners (see Section IX.D), holding board meetings within the City (see Section IX.C), disclosures to initial purchasers and potential residential buyers (see Sections IX.A, IX.B).

Approval Standard:

A new metropolitan district wholly within the City's boundary is subject to approval by the City Council pursuant to C.R.S. 32-1-204.5. The service plan must include all items required by C.R.S. 32-1-202 (2).

The service plan must be disapproved unless satisfactory evidence is presented to establish (C.R.S.

32-1-203(2)):

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

C.R.S. 32-1-202(2) requires that a service plan contain:

- A description of the proposed services (*see Sections II, V.A*);
- A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not be materially exceeded except as authorized pursuant to section 32-1-207 or 29-1-302, C.R.S. All proposed indebtedness for the district shall be displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The board of directors of the district shall notify the board of county commissioners or the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan (*see Exhibit F*);
- A preliminary engineering or architectural survey showing how the proposed services are to be provided (*see Section V.B.1, Exhibit E*);
- A map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special district (*see Sections III-IV.A, Exhibits A-1 & A-2, C-1 & C-2*);
- A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the proposed special district are compatible with facility and service standards of any county within which all or any portion of the proposed special district is to be located, and of municipalities and special districts which are interested parties pursuant to section 32-1-204(1) (*see Section V.A.5, V.B.2, XI.F, Exhibit F*);
- A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the district (*see Section VI.I.1*);
- A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it shall be attached to the service plan (*see Section V.A.15, V.C., X, District Activities IGA*);
- Information, along with other evidence presented at the hearing, satisfactory to establish that

each of the criteria set forth in section 32-1-203, if applicable, is met;

- Such additional information as the City Council may require by resolution on which to base its findings pursuant to section 32-1-203.

Staff Responsible (Department Head): Roger Tinklenberg, Interim Director of Community Development

Staff Member Presenting: Brad Calleder, Planner

Financial Impact: N/A

Funding Source: N/A

Policy Issue:

Whether the proposed service plan should be approved pursuant to C.R.S. 32-1-203(2) and C.R.S. 32-1-204.5.

Recommended City Council Action:

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.

Alternative Motions:

1. Approve the service plan.
2. Approve the service plan with conditions.
3. Disapprove the service plan.