



Ordinance 2549 Metro District Regulations

November 13, 2023

Purpose

- Provide necessary background and context
- Review changes to regulations
- Inform Council action





Background

Metro District Regulations

Timeline

- **March 2021** – Developers and Construction Roundtable
- **April 2021** – Preliminary study session to review options, Council gives direction to Staff
- **July 2021** – Additional study session to provide additional feedback and refine options
- **August 2021** – Staff conducts community and stakeholder outreach
- **October 2021** – Presentation of proposed regulations to Metro District Education Coalition
- **October 2021** – Presentation of proposed changes to Council
- **December 2021** – Public comment period on proposed changes
- **February 2022** – Presentation of finalized regulations
- **May 2022** – Council requests changes and continued engagement
- **July 2022** – Staff presents preliminary analysis
- **September 2022** – Public townhall on metro districts
- **September 2022** – Developer roundtable on metro district regulations
- **September 2022** – Staff presents stakeholder feedback and contractor analysis
- **November 2022** – Council considers proposed regulations
- **December 2022** – Council enacts a moratorium on new residential metro districts
- **August 2023** – Metro District Listening Session
- **August 2023** – Study session on draft regulations
- **October 2023** – Study session on revised draft regulations
- **November 2023** – First reading on revised draft regulations





Proposed Regulations

Metro District Regulations

Key Revisions

- Contiguous Borders
- Parent-Child District Prohibition
- Commercial Districts
- O&M Costs
- O&M Mill levy cap
- Independent engineer verification
- Capital appreciation bond prohibition
- Annual elections

Contiguous Borders

- All districts must have contiguous borders and be at least 5 acres in size
 - Ordinance: Art. I Sec. 13-1000(d)(10)

Parent-Child District

- No approval for plans with parent-child relationships
 - Ordinance: Art. I Sec. 13-1000(e)(i) and (ii)
 - Ordinance: Art. III Sec. 13-3101(c)(6)(ii)



Commercial Districts

- Any District with <10% residential property
 - Ordinance: Art. I Sec. 13-1001
- Total mill levy cap of 35 mills
 - Ordinance: Art. II Sec. 13-2100(a)(2)(xii)



O&M Costs

- Administrative O&M vs. Public Improvement O&M
 - Ordinance: Art. I Sec. 13-1001
 - Model Service Plan: I
- Cost types are separated, with separate mill levy caps



O&M Mill Levy Caps

- Administrative O&M: 5 mills
- Public Improvement O&M: 10 mills
 - 20 mills if approved by resident-controlled board
- Total mill levy cap (including debt) still 35/50
 - Ordinance: Art. II Sec. 13-2100(a)(2)(xii)
 - Model Service Plan: VI.D.3



Independent Engineer Verification

- Districts must obtain cost estimates from an independent engineer before:
 - Obtaining materials to construct public improvements
 - Entering contracts for construction of public improvements
- Engineer must be independent of the district
 - Model Service Plan: I
 - Model Service Plan: V.C.2.



Capital Appreciation Bonds

- Districts may not issue capital appreciation bonds
 - Model Service Plan: VI.B.2



Annual Elections

- Once residents have moved in, developers on the board may only serve one-year terms
- Developers may still be elected, but must run each year
 - Model Service Plan: XI.B.





Council Action

Metro District Regulations

Ordinance 2549

- First reading tonight (11/13)
- Enacts new sections of the code
- Outlines Council's policy preferences
- Sets out standards for service plans
 - Does not include model service plan

Further Action

- Second reading 11/27 (conditionally)
 - Special meeting
- Resolution approving new model service plan
- Ordinance to repeal current moratorium (Ordinance 2453)



Questions and Comments?



Staff is available for questions and comments.