

INFORMATION REQUIREMENTS

for Special Service District Plans for

Statutory / Elbert County Compliance:

A Special Service District Plan Pre-submittal application may be accepted for an area where a Rezone / Subdivision action is underway, however, approval for service by a particular Service District shall not be finalized until after approval of the associated Rezone / Subdivision.

Upon receiving a letter from Community & Development Services indicating that the pre-submittal process is complete, the Applicant may proceed with formal submittal of the Service District application.

If the Applicant insists, a request to proceed with a formal application prior to satisfying all referral comments, may be submitted to Community & Development Services. As such, the Applicant shall realize that unmitigated referral comments may reflect negatively toward approval of their project.

Following, are the details about information needed for presentation within a Service District Plan.

- A.** Description of proposed services. [C.R.S. 32-1-202{2} {a}, as amended].
1. Metropolitan Districts must provide at least two of the following services and
 2. Any of the following services provided unless such service is provided by another government or quasi government entity.
 - _____ Fire protection
 - _____ Mosquito control
 - _____ Park & recreation
 - _____ Safety protections
 - _____ Sanitation
 - _____ Street improvement
 - _____ Television relay & translation
 - _____ Transportation
 - _____ Water

B. A financial plan illustrating a. – e. and guidelines for evaluation, 1 – 8. [Financial review]. See **ATTACHMENT 1 – RECOMMENDED FORMAT FOR FINANCIAL PLAN information.**

- a. How the proposed services are to be financed
- b. Proposed operating revenue derived from property taxes for the first budget year of the district and each of the following four years which shall not be materially exceeded except as authorized pursuant to C.R.S. 32-1-207 or 29-1-302, as amended.
- c. 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.
- d. The board of directors of the district shall notify the Board of County Commissioners of any alteration or revision of the proposed schedule of debt issuance set for the in the financial plan. [C.R.S. 32-1-202{2} {b} as amended].
- e. When a Special District proposes Tap Fees and PIF revenue,
 - Explain how Tap fees, [not generated until a building permit is issued], will work to fund utilities, [which need to be installed prior to building permits being issued?
 - Describe how financing of infrastructure will be achieved!! & how pay-back will occur.
 - If Developer is to subsidize infrastructure installment,
 - What lending institution will finance?
 - Terms?
 - What Guarantees will the Develop provide that infrastructure bills will be paid, even when buildout does not occur as projected?
1. Guidelines for providing information about Service District Financials. Before the end of December each year, the District shall prepare a detailed budget for the following twelve months. Budget items will be updated through the following four years. [There will always be a five year budget with adequate resources identified]

- a. The interest rates, issuing costs, & other financial data used in calculation shall be provided by a reliable, identified source, such as an investment banking firm, CPA, or otherwise experienced person. Similarly, projected rates & charges should be based upon realistic analyses prepared by qualified sources.
- b. Provide evidence of commitment from a qualified lender or investment banking firm / information toward justifying financial support for your project.
- c. Provide an itemized breakdown of all costs to be incurred & allocation of costs, [developer / applicant, district, private parties]
- d. Background financial information on the developer / applicant & financial relationships between owner, developer /applicant & district.
- e. Evidence that the area to be included in the district has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis. Information about sources of such information shall be required. [Proposed indebtedness should be reasonable, [Mills not to exceed 50] for residents to pay-off at 70% build-out of the subdivision]. [Not ever more than mill levy cap]

- Median income in Elbert County _____.
- Projected valuation / selling price for homes in the subdivision _____
- Subsequent resident income needed for mortgage payment calculated from factors listed below:

- Mortgage payment not to exceed 35% of household income with
- 20% down-payment and
- At least 30 year fixed rate of interest.

Considerations for mortgage payments to exceed 35% of household income and down-payments to be less than 20% must be justified.

- i. Letters / written evidence from financial institutions willing to lend with these parameters?
- ii. Letters from participating financial institutions confirming their willingness to participate.
- iii. What percentage of the buying public falls in these parameters and what numbers do they represent to Elbert County as part of the Denver Metropolitan potential buying number?
- f. A detailed market analysis to demonstrate projected demand and need for services shall be required, if the projected cost for homes is greater than that which could be serviced by mortgage for a family with a household income equal to or less than the mean household income in Elbert County. Detailed information shall be provided about the following criteria.
- Build-out projections when considering forecasts of demographic & economic indicators such as population, employment, & income.
 - Population growth of Metro Denver area
 - Portion of that growth to locate in Elbert County
 - Competition from other subdivisions in Elbert County
 - Similar lot sizes available
 - Similar / comparable amenities available
 - Length of commutes to work
 - Cost of commutes to work
- g. Employment growth / opportunities in Elbert County
- Number of jobs currently providing income needed to purchase a home in the subdivision according to the projected home cost. [2,A,5] _____
 - Number of additional jobs projected during next five years to provide income needed to purchase a home in the subdivision according to the projected home cost. [2,A,5] _____
- h. Employment growth / opportunities Outside of Elbert County

- Number of jobs providing income needed to purchase a home in the subdivision according to the projected home cost. [2,A,5] _____
 - Number of jobs projected during next five years to provide income needed to purchase a home in the subdivision according to the projected home cost. [2,A,5] _____
2. Justify how / why residents would be attracted to **this** subdivision.
 3. When development does not begin as proposed by the Development plan, an update of financials shall be required to account for inflation and market changes and justify the Development as planned.
 4. Identify plans to mitigate any shortfalls in a district's ability to meet financial obligations
 - Insurance,
 - guarantees,
 - bonds – By Whom? Necessary to cover Metro District revenue shortfalls because subdivision is not achieving build-out together with revenue from build-out that was part of Developer's original forecast.
 5. History of property tax payment on all properties to be included in the district.
 6. Existing or pending financial difficulties of the applicant, including insolvency, bankruptcy, or foreclosure proceedings
 7. Any existing tax delinquency by the applicant, developer, developer's representative, or other parties involved with the project or in any other project in the County or elsewhere, must be paid in full prior to the project review process going forward.
[At least a signed statement from all applicants & initial potential District Board members confirming that they have no tax owed for any current or past project or personal situation]
 8. Standards upon which cost estimates are based [e.g., county transportation department, State Health Department, etc.] Estimates should be costs at time of construction.

- C.** A preliminary engineering or architectural survey showing how the proposed services are to be provided. [[Engineer Review](#)].
- D.** A map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed district. [[Financial Review](#)].
1. Evidence of final land use approvals, such as zoning or subdivision, may be necessary, but **not sufficient** conditions for approval
 2. Population estimate at build-out
 3. Comparison of revenue to Special District expenses
 - a] Valuation at
70% build-out, _____
80% build-out, _____
90% build-out _____
 - b] Revenue generated by mill levy at
 - 1] 70% build-out, _____
 - 2] 80% build-out, _____
 - 3] 90% build-out _____
 - c] District expenses estimated at
 - 1] 70% build-out, _____
 - 2] 80% build-out, _____
 - 3] 90% build-out, _____
- E.** 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 the Elbert County. [[Engineer Review](#)].
- F.** A general description of the estimated cost of: [[Financial Review](#)].
1. Acquiring land,
 2. Engineering services,
 3. Legal services,
 4. Administrative service,
 5. Initial proposed indebtedness and
 6. Estimated proposed maximum interest rates and discounts, and
 7. Other major expenses related to the organization and initial

operation of the district.

- G.** A description of any arrangement of 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; [\[Legal Review\]](#).
- H.** Information, along with other evidence presented at the hearing, satisfactory to establish that each of the criteria set forth CRS 32-1-203, if applicable, is met; [\[Legal Review\]](#).
- I.** Such additional information as the Board of County Commissioners may require **by resolution?** on which to base its findings, pursuant to CRS 32-1-203. [\[Legal Review\]](#).
1. Submission of an annual report with contents to include, but be not limited to:
 - a. Major changes in the financial status of the district.
 - b. Boundary changes.
 - c. Intergovernmental agreements.
 - d. Changes in district policies.
 - e. Personnel changes.
 - f. Other events that affect a district's operations.
 2. A emergency clause to address financial despair of the District in the event that development activity occurs at rate such that the mill levy from property values become insufficient to fund the District's services within the mill levy cap and revenue from fees becomes an unreasonable burden to the property owners.

[Mortgage payments including insurance and any District mill levy / service fees shall not exceed 35% of Household income.]
 3. A sunset clause to **address dissolution** of the District in the event that development activity ceases or the district fails to provide services. [Need a definition for "activity ceasing."]
[\[Legal assistance / review\]](#)
 4. Such a sunset clause should make reference to **statutorily prescribed dissolution procedures**. Any such dissolution

procedures would have to be carried out accordingly. [[Legal assistance / review](#)]

5. Specificity regarding what is to be considered a “material modification,” as described in C.R.S. [[Legal assistance / review](#)]
6. Information about the district’s policies for inclusion, including criteria to be employed in extending services.
7. Such additional information as the Board of County Commissioners may require by **resolution**? on which to base its findings pursuant to C.R.S. 32-1-203. {C.R.S. 32-1-202{2}{i}}, as amended}.
8. Exhibit A – Vicinity Map.
9. Exhibit B – Legal Description.
10. Exhibit C – District Boundary Map.
11. Exhibit D – Cost of Improvements.
12. Exhibit E – Map of Improvements.
13. Exhibit F – Financial Plan.
14. Exhibit G – Resolution of Approval.

Post Board of County Commissioners Hearing:

- a. Applicant shall transmit certified copies of the findings and the Order of the District Court organizing the Special District to the Clerk and Recorder and the Division of Local Government.
- b. Clerk and Recorder shall record certified copy and retain a copy of the approved Service Plan as a public record of public inspection. Special District provides recording fee prior to recording.
- c. Special District shall file map of the District with County Assessor no later than May 1 of the year in which mill levy is to begin.

ADOPTION OF A SERVICE PLAN:

J. Service Plan Appendix Contents

The service plan appendix may include the following:

1. Proposed dates for service plan review by the Planning Commission and the Board, and notification of any [proposed election deadlines.
2. Sufficient background information supporting the growth rates utilized in the financial alternatives or a market study to support the alternative financial scenarios. [[Financial Review](#)].
3. Community & Development Services, {CDS}, may request that the applicant submit an additional financial plan using assumptions provided by CDS.
4. A mill levy comparison of proposed operating and overlapping mill levies with at least five other similar districts in the County. [[Financial Review – if included](#)].
5. Evidence that the proposed service plan is in compliance with the Clean Water Plan. [[Elbert County Water Board Review](#)].
6. If the district is proposed to provide wastewater treatment, additional information regarding the wastewater treatment facility is to be provided,. Including any existing local and state reviews of the facility plan for wastewater treatment facilities and arrangements and agreements relating to wastewater treatment and effluent disposal. If treatment is proposed by another entity, a letter should be provided from that entity showing agreement with the proposal, capacity and willingness to serve, and compliance with the Clean Water Plan including any phosphorous allocation requirements. [[Engineer Review](#)].
7. A separate analysis addressing how each of the approval standards set forth in the Control Act have been met. When development does not begin within two years of approval of Zoning & Subdivision, the supporting valuations, financing and services to be provided by any Service District approved to service development, shall be subject to review and updated approval by the County. [[Legal Review](#)].
8. Community & Development Services may request additional information to assist in the evaluation of the service plan as

related to criteria listed in C.R.S. 32-1-203 {2} & {2.5}.

K. Post Election Action

- a. Applicant shall transmit certified copies of the findings and the Order of the District Court organizing the Special District to the Clerk and Recorder and the Division of Local Government.
- b. Clerk and Recorder shall record certified copy and retain a copy of the approved Service Plan as a public record of public inspection. Special District provides recording fee prior to recording.
- c. Special District shall file map of the District with County Assessor no later than May 1 of the year in which mill levy is to begin.

L. Public Notice Requirements

See Regulation, Attachment 2.

M. Consolidated Districts

Any proposed consolidated special district which is subject to the Control Act shall comply with the following procedures [C.R.S. 32-1-602 {2}{c} and 607 {6}]:

1. The procedure and submittal requirements shall be the same as for a new service plan.
2. Copies of existing service plans for all districts that are proposed to be consolidated should also be submitted.
3. Upon request, the Director of Community & Development Services may waive submittal requirements determined by the County not to be necessary for review.
4. Notice requirements shall be the same as an application for a new district.

N. Modifications to Service Plans

1. Material modifications shall include changes of a basic or

essential nature, including reductions or increases in service and service areas and changes set forth in C.R.S. 32-1-207{2}, as amended.

2. The Board may determine that a major modification is required for changes proposed to district boundaries to include territory located in Elbert County if the district in question is currently located outside the unincorporated County boundaries. [See C.R.S. 32-1-207 {2}, as amended].
3. Proposed material modifications of a service plan shall be processed in the same manner as an application for a new district as described previously including pre-application procedures.
4. Service plan and appendix contents are the same as for a new district. The appropriate fee shall be paid to the Clerk and Recorder.

A copy of the existing service plan must also be submitted. Upon request, the Director of Community & Development Services may waive submittal requirements determined not to be necessary for the review of the material modification by the County. Notice requirements shall be the same as an application for a new district.