Title: Regulatory Policy Special Districts	**Policy No**. Part 7, Planning and Land Use Chapter 2, Regulations Section 5
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Policy Custodian Planning and Zoning Division	**Adoption/Revision Date** December 5, 2006

Adopting Resolution(s): CC06-541

References (Statutes/Resos/Policies): Title 32 C.R.S., , Land Development Regulation, Zoning Resolution; CC92-47; CC97-544;CC03-388, CC05-398

Purpose: To review applications for the creation, consolidation and modification of Title 32 Special Districts located wholly or partially in unincorporated Jefferson County in an effort to 1. provide a thorough, efficient and consistent review and assessment process; 2. prevent unnecessary proliferation, duplication and fragmentation of local government; 3. avoid excessive diffusion and application of local taxes; 4. promote a more logical, coordinated and orderly creation and extension of special district services in Jefferson County; and, 5. promote the health, safety, prosperity, security and general welfare of Jefferson County special district residents and property owners.

Policy: Special Districts

A. The policies in this section serve as a guide for use by Jefferson County staff, the Jefferson County Planning Commission, and the Board of County Commissioners in making decisions regarding the creation and consolidation of special districts, and the modification of special district service plans.

   1. The use of special districts as a method of providing needed services to activity areas or centers designated in the county's community plans and to economic development areas or centers designated in other county documents or policies is encouraged.

   2. When possible, the creation of one (1) metropolitan special district in an area of need is preferred over the creation of many single-purpose special districts.

   3. When possible, service provision by agreement with an existing service provider or inclusion into the boundaries of an existing special district or other service provider is encouraged.

   4. Cooperation with other governmental jurisdictions in the planning of special districts and the review of service plans is promoted.

   5. When a special district is proposed to be created, consolidated or modified in conjunction with a rezoning, plat application or other land development application, the service plan application should be coordinated with that land development application and the proposed special district should be identified as the service provider on the rezoning application, the plat application, or other land development application.

   6. For residential developments, the use of special districts solely as a financing mechanism for the construction of improvements listed in the Land Development Regulation is discouraged.

   7. The creation of new or expanded special districts which would have the effect of stimulating more growth or higher densities than those recommended by the relevant community plans is discouraged.

8. Special districts are encouraged to provide information to developers or builders within the district to enable the developers or builders to describe, in marketing materials (e.g. brochures, marketing packets, lot signage, etc.) aimed at prospective homeowners, the amount of mill levy imposed by their particular district and how this translates into an annual cost/tax to homeowners.

B. Service Plan Review

1. All review, notice, hearing, and approval requirements not set forth within this policy shall be governed by the terms of the Special District Act and Title 32 of the Colorado Revised Statutes.

2. Criteria

All service plan applications shall be reviewed using criteria established in §32-1-203(2), C.R.S. and the following. Evidence satisfactory to the Board shall include, but not be limited to:

C.R.S. Reference	C.R.S. Criteria	Evidence
32-1-203(2)(a)	Need	1. The existing zoning authorizes the types, uses, and densities to support the services proposed. 2. Documentation indicating that the area within the proposed special district boundary is currently under-served.
32-1-203(2)(b) 32-1-203(2.5)(a)	Inadequacy	3. Documentation indicating inability and/or unwillingness of all existing adjacent or nearby service providers offering similar services to provide the proposed services. 4. Documentation indicating that the area within the proposed special district boundary is currently under-served.
32-1-203(2)(c) and (d)	Capability and Financial Ability	5. For special districts offering water services, documentation indicating sufficient water supply (both physical and legal) to meet the proposed needs of the district. 6. Documentation indicating that the proposed special district is capable of providing economical service to the area within its proposed boundaries and is able to discharge the proposed indebtedness on a reasonable basis.
32-1-203(2.5)(b)	Compatibility	7. Documentation indicating compliance with applicable standards and application procedures for all facilities proposed and services provided.
32-1-203(2.5)(c)	Master Plan	8. Documentation indicating compliance with the appropriate Jefferson County comprehensive plans, including community plans, transportation plans, mineral extraction plans, and other land use plans, such as they exist.
32-1-203(2.5)(d)	Water Plan	9. Documentation indicating compliance with the most current Denver Regional Council of Governments Clean Water Plan, the Federal Clean Water Act and policies of existing watershed associations that may fall within the special district boundaries. 10. Documentation indicating compliance with Jefferson County water plans, such as they exist.
32-1-203(2.5)(e)	Best Interest	11. Documentation indicating that the total mill levy of

		all taxing entities within the special district boundary is not too onerous for individual homeowners to sustain. 12. Documentation indicating that the proposed special district serves the long term interests of residents within the district.

3.Submittal Requirements

a. The application for prefiling or formal filing shall not be deemed complete by the county until all of the Submittal Requirements and the requirements of 32-1-202(2) C.R.S., in the quantity specified by the Planning and Zoning Division, have been submitted.

b. The Director of Planning and Zoning may waive or vary the submittal requirements specified if the Director finds that such waiver or variation does not conflict with requirements specified in Colorado Revised Statutes and does not create a substantial detriment to the public good nor harm the intent of this chapter.

c. Descriptions and Maps

(1) A written general summary describing the services proposed.

(2) A vicinity map (on paper no larger than 8.5x11 inches in size) indicating, within a 3-mile radius of the proposed special district boundaries, the general location of the special district in relation to primary streets/roads and section lines, names of adjacent subdivisions, unsubdivided parcels, public lands, and other existing special districts.

(3) A boundary map (on paper no larger than 24x36 inches in size) indicating the proposed special district boundaries in heavy lines. Within the special district boundaries, this map shall show existing contour lines, proposed parcels, and approximate 100-year floodplain (where applicable). Immediately abutting and adjacent to the proposed special district boundaries, this map shall show existing parcels, and the name and location of all existing special districts immediately abutting and/or overlaying the proposed special district.

(4) Legal Description: The legal description of the entire area to be included in the proposed special district shall be designated by the current legal description of the parcel(s) to be included. Platted subdivisions or any part thereof (lot, block or tract) shall be noted with reception number. Additional information, such as copies of documents called for or made reference to in the legal description, or current deeds for all parcels included in the legal description shall be provided if requested by the Planning and Zoning Division.

(5) List of Contacts:
A list of all persons or organizations responsible for each section of the service plan including names of persons and organizations, addresses, telephone numbers, and professional stamps or seals (where applicable).

(6) Ownership: A list of residents and owners of real property within the proposed district complete with a map indicating the location of their property.

d. Financial Plan

(1) A written statement indicating the source and assumptions for each category of numbers presented (including but not limited to interest rates, buildout rates, and mill levies) plus all calculations performed.

(2) A development anticipation section which describes development projections in amount, time, type, value, including an estimate of the population and valuation for assessment of the proposed special district. These projections shall be supported by a report from an independent market analyst, which report provides sufficient background information supporting the growth rates utilized in the financial alternatives, or a market study to support the alternative financial scenarios.

(3) A year by year listing for the period of expected indebtedness beginning with the expected date of special district formation, including a detailed description of all funding mechanisms to be employed by the district; a list of individual yearly totals for bond issues, debt service, operating and maintenance expenses, legal and administrative expenses, capital expenses, buildout rate, assessed valuation, mill levy, facility fees, development fees, tap fees, and other fees; and all other costs and revenues. Any extraordinary or one-time expenses shall be explained.

(4) Maximum bonded indebtedness proposed to be incurred by the special district and assumptions supporting that amount of indebtedness. Because the issuance of bonds by one entity may adversely affect the bond rating of another entity due to overlapping debt, the plan shall contain a list of indebtedness for all cities, counties, and special districts within which any part or all of the proposed special district will be located.

(5) A description of the relationship between the scheduling and phasing of improvements and the financial stability of the special district.

(6) A description of the percentage of improvements to be financed.

(7) If the financial plan identifies any contributions by the developer to the special district, a copy of any agreement between the developer and the proposed special district explaining the developer's financial participation shall be included.

(8) A description of the flexibility that has been built into the financial plan, including alternative means of repaying the debt, if the estimated revenue stream is not realized.

(9) A mill levy and fees comparison of proposed, operating and overlapping mill levies and fees with at least two other special districts in Colorado supplying similar services for a similar market.

(10) A mill levy statement listing all of the taxing entities within the special district boundaries and their respective mill levies, complete with an estimate of the total taxes that can be expected by a resident of the proposed special district.

(11) A cost estimate 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.

e. Engineering Survey
A detailed written description of the improvements proposed to be constructed, listing local and regional infrastructure improvements, the standards of such construction (including a statement of how the facility and service standards of the proposed special district are in compliance with standards of the county and other permitting agencies), materials and labor costs, a preliminary or potential siting of the infrastructure improvements, and the scheduling and phasing of the construction.

f. Statement of Compliance with Water Plans:

For proposed special districts offering water or sanitation services, a written statement from the Denver Regional Council of Governments indicating compliance or noncompliance with their most recent Clean Water Plan; a written statement from the Board of existing watershed associations within the boundaries of the special district indicating compliance or noncompliance with their plans or policies; and a written statement indicating compliance or noncompliance with the Clean Water Act. If water is proposed by another entity, a letter shall be provided from that entity showing agreement with the proposal, adequate capacity and willingness to serve.

g. Other Agency Reviews and Agreements:
For proposed special districts offering sanitation services, information regarding the wastewater treatment facility, including any existing local and state reviews of the facility plan for wastewater treatment facilities and copies of all written arrangements and agreements relating to wastewater treatment and effluent disposal. If treatment is proposed by another entity, a letter shall be provided from that entity showing agreement with the proposal, adequate capacity and willingness to serve.

h. Mosquito Control Report:
For special districts proposing mosquito control services, a report shall be submitted by an entomologist indicating the need or lack thereof for an Integrated Mosquito Management (IMM) program within the special district and extending outside the special district to the average flight distance of indigenous mosquitoes. This report shall include, as appropriate, but not be limited to: the basis of the recommendation; the nature of the threat in nuisance and public health terms; a mapping of potential mosquito harborages/hatching areas; ongoing surveillance and monitoring data of the mosquito populations and mosquito borne public health threats; any type of control proposed; and the estimated cost of the IMM program. This report shall be coordinated with Jefferson County Health and Environment, Environmental Health Services prior to prefiling of the Service Plan application.

i. Inclusion Policy:
An explanation of the proposed special district's policy for inclusion which provides objective procedures for the determination of costs, standards and criteria to allow the orderly extension of services to adjacent lands.

j. Maintenance/Operational Plan: A 10-year maintenance/operational plan, including costs, for the improvements proposed within the special district and a description of who will be responsible for maintenance of the proposed improvements.

k. Fees: Each formal service plan filed shall be accompanied by a processing fee of $500.00, which shall be utilized to reimburse the county for reasonable direct costs related to processing such service plan and the hearing including, but not limited to the costs of notice, publication, and recording of testimony. A fee of $250.00 shall be paid to the county for review of any material modifications of the service plan as defined by § 32-1-207 (2), C.R.S.

C. Service Plan Review Process

1. Prefiling Application: The purpose of the prefiling application review is to identify concerns as early as possible and to more efficiently and effectively evaluate the feasibility of the proposed service plan.

a. Persons proposing organization of a special district, including modifications to existing service plans, shall file a Prefiling Application.

b. The petitioner shall submit a complete prefiling application, including all Submittal Requirements, to the Planning and Zoning Division a minimum of eight (8) weeks prior to formal service plan filing.

c. After review by various divisions/departments within Jefferson County and/or professionals and agencies outside the county, the Planning and Zoning Division case manager shall provide a copy of all referral comments to the applicant no later than eight (8) weeks after receipt of the complete prefiling application.

2. Formal Service Plan Filing

a. Persons proposing organization of a special district shall file copies of the formal service plan with the Clerk to the Board section of the Clerk and Recorder's Office.

b. The Clerk to the Board section of the Clerk and Recorder's Office will notify the Planning and Zoning Division that a service plan has been formally filed and will transmit copies of the service plan to the Planning and Zoning Division.

c. The Planning and Zoning Division will send copies of the service plan to the Assessor's Office to determine all municipalities and special districts that have levied an ad valorem tax within the next preceding tax year and which has boundaries within a radius of three (3) miles of the proposed special district boundaries.

d. Upon receipt of the information from the Assessor's Office, the Planning and Zoning Division will provide written notice to the entities listed of the date, time, and location of the Board of County Commissioner's hearing.

e. Within five (5) days after filing of the service plan, the Planning and Zoning Division will report to the Division of Local Government in the Department of Local Affairs the name and type of the proposed special district for which the service plan has been filed, and the Board of County Commissioner's hearing date, time and location.

f. All service plans for special districts and material modifications to service plans, except as noted below, shall be referred to the Planning Commission to consider and make a recommendation thereon pursuant to the requirements of § 32-1-202 and 32-1-203, C.R.S.

(1) Material modifications to an approved service plan that are limited to an increase in the authorized indebtedness or other change in the financial plan shall not be required to be reviewed by the Planning Commission prior to hearing by the Board of County Commissioners.

g. At the next regular meeting of the Board of County Commissioners that is at least ten (10) days after final planning commission action on the service plan, the Board of County Commissioners shall schedule the matter for hearing. The hearing must be within thirty (30) days of such meeting.

h. The Planning and Zoning Division will cause notice of the date, time, location, and purpose of the Board of County Commissioner's hearing on the proposed special district to be published, the first of which publication shall be at least twenty (20) days prior to the hearing date. The notice will include a general description of the land contained within the boundaries of the proposed special district and information outlining methods and procedures for exclusion of territory.

i. It is the petitioner's responsibility to send notification of the hearing to the property owners within the proposed special district as listed on the records of the county assessor unless the

petitioners represent one hundred percent (100%) of the property owners. Such notice must be sent not more than thirty (30) days nor less than twenty (20) days prior to the hearing.

3. Special Review Procedures

   a. At the time of prefiling or formal filing, the county may require special review of the service plan for any special district when the proposed bonded indebtedness exceeds $5,000,000. If the county requires special review, it shall notify the petitioner within ten (10) days of prefiling or filing of the service plan.

   b. Special review shall be used to examine the adequacy of the proposed mill levy or other debt repayment mechanism, the reasonableness of the estimated costs of providing the proposed services, the ability of the property to sustain the proposed level of indebtedness, and any other factors necessary to enable county staff, the Board and Planning Commission to make the findings required by § 32-1-203, C.R.S. The results of the review shall be presented to the Planning Commission and the Board of County Commissioners during the regular hearing on the service plan.

   c. An additional fee as specified by § 32-1-202(3) C.R.S shall be paid to the county if the county requires special review of a service plan. Such fee represents the estimated direct costs related to such review by county staff and/or professional services that may be contracted in order to undertake special review of a service plan application. If special review is requested, the special review fee shall be due and payable no later than the date set for Planning Commission review of the service plan.

4. Quinquennial Finding of Reasonable Diligence

   a. Any special district required by the Board of County Commissioners pursuant to § 32-1-1101.5 C.R.S. to file an application for a quinquennial (occurring or being done every 5 years) finding of reasonable diligence shall file an application containing, at a minimum, copies of audited financial statements for the previous three (3) years. Such application shall also contain such additional documents as may be necessary to establish whether the service plan and financial plan of the special district are adequate to meet the debt financing requirements of the authorized and unissued general obligation debt based on conditions within the district at the time of such application.

   b. The Board may review the application for quinquennial finding of reasonable diligence at a public hearing. The applicant shall provide published notice of such hearing at least twenty (20) but no more than thirty (30) days prior to the hearing and, during that same period of time, shall mail notice of the hearing by first class mail to all property owners within the special district as listed on the records of the county assessor at the time the notice is mailed.

   c. At the close of the hearing, the Board shall make a finding as authorized by § 32-1-1101.5, C.R.S.

D. Post Election Action:

1. If the organization of the special district is approved by the voters, then one copy of the court-approved service plan shall be submitted to the Clerk to the Board section of the Jefferson County Clerk and Recorder's Office and three copies to the Jefferson County Planning and Zoning Division.