

CITY OF FORT COLLINS POLICY FOR REVIEWING SERVICE PLANS FOR METROPOLITAN DISTRICTS

April 20, 2021

Introduction.

This policy establishes the criteria, guidelines and processes to be followed by City Council and City staff in considering and by applicants in submitting to the City service plans for the organization of metropolitan districts or amendments to those plans (“Policy”), as provided in Colorado’s Special District Act in Article 1 of Title 32 of the Colorado Revised Statutes (the “Act”). The Act provides that metropolitan districts are quasi-municipal corporations and political subdivisions (“District”) that can be organized within the boundaries of a municipality provided the municipality’s governing body approves by resolution the proposed service plan for the District. Under the Act, the service plan constitutes the document that delineates the specific powers and functions the District can exercise, including the facilities and services it can provide, the taxes it can impose and its permitted financial arrangements (the “Service Plan”). The Act requires Districts to conform to their Service Plans.

Section 1 – Policy Objectives and Statements.

- A. This Policy generally supports the formation of a District where it will deliver extraordinary public benefits that align with the goals and objectives of the City whether such extraordinary public benefits are provided by the District or by the entity organizing the District because the District exists to provide public improvements.
- B. A District, when properly structured, can enhance the quality of development in the City. The City is receptive to District formation that provides extraordinary public benefits which could not be practically provided by the City or an existing public entity, within a reasonable time and on a comparable basis. It is not the intent of the City to create multiple entities which would be construed as competing or duplicative.
- C. ***The approval of a District Service Plan is at the sole discretion of City Council***, which may reject, approve, or conditionally approve Service Plans on a case-by-case basis. Nothing in this Policy is intended, nor shall it be construed, to limit this discretion of City Council, which retains full authority regarding the approval, terms, conditions and limitations of all Service Plans.
- D. **Policy Objectives for All Districts.**

The City will evaluate any proposed District and its Service Plan based on the District’s ability to deliver public benefits through extraordinary development outcomes, specific examples are provided in **Exhibit A** and generally occur in the following four focus areas:

1. Environmental Sustainability Outcomes: Development of public improvements that deliver or facilitate the delivery of specific and measurable environmental outcomes, including but

- not limited to: (i) reduction of Green House Gases (“GHG”), (ii) conservation of water or energy, (iii) encourage multimodal transportation, (iv) enhance community resiliency – against future environmental events (e.g., flooding, drought, etc.); (v) increase renewable energy capacity; and/or (vi) deliver other environmental outcomes.
2. Critical Public Infrastructure: Development of public improvements that address or facilitate addressing significant infrastructure challenges previously identified by the City, either within or proximate to the District, whether such improvements address a locally-significant challenge or a City-wide challenge.
 3. Smart Growth Management: Development of public improvements that deliver or facilitate the delivery of specific design components that: (i) increase the density of development within the District; (ii) establish, enhance or address the walkability and pedestrian friendliness of the District; (iii) increase the availability of transit and/or multimodal oriented facilities; (iv) create compelling public spaces; and/or (v) encourage mixed-use development patterns.
 4. Strategic Priorities: Development of public improvements that deliver or facilitate the delivery of strategic priorities specified in the City’s existing long-term strategic planning documents, such as City Plan, Affordable Housing Plan, Economic Health Strategic Plan, and applicable Sub-Area Plans. These priorities include, but are not limited to:
 - a. Affordable Housing: Deliver or facilitate the delivery of additional affordable housing units at the City’s defined level of Area Median Income (“AMI”) or below. The City defines Affordable Housing as units affordable to a household earning 80 percent of AMI.
 - b. Workforce Housing: Deliver or facilitate the delivery of workforce housing units in the City’s defined range of AMI. For purposes of this policy, Workforce Housing units shall be defined as units affordable to a household earning between 81 percent and 120 percent of AMI.
 - c. Infill/Redevelopment: Enable the infill or redevelopment of property within the City, especially when such development is consistent with City Plan.
 - d. Economic Health Outcomes: Enable delivery of specific and measurable economic outcomes, such as: (i) job growth; (ii) retention of an existing business; and/or (iii) construction of a missing economic resource.

In determining whether a proposed District delivers extraordinary public benefits, the City may consider: (i) ways in which the proposed improvements exceed the City’s minimum requirements and standards; (ii) ways in which the existence of the District facilitates the extraordinary public benefits and whether the extraordinary benefits are feasible without the District; (iii) ways in which the proposed extraordinary benefits work together as a system to

deliver greater benefit to the community than individually; and (iv) any other factors the City deems relevant under the circumstances.

E. Policy Objectives for Residential Districts:

1. In addition to being evaluated under the applicable policy objectives in Section 1.D. and the evaluation criteria in Section 2.A., those Districts proposed to serve predominately residential development, shall also be evaluated under the Residential Metro Districts Evaluation Points System table attached hereto as Exhibit B and incorporated herein by reference (the “Residential Evaluation Points System”).
2. For purposes of this Policy, a District shall be considered to serve predominately residential development if more than ten percent (10%) of the estimated assessed value of the development to be served by the district will be residential development (“Residential District”).
3. The objective in applying the Residential Evaluation Points System to Residential Districts is to ensure that the developments served by Residential Districts provide certain minimum extraordinary public benefits in the areas of housing, energy conservation and renewables, indoor and outdoor water conservation, and neighborhood livability, in order to help the City achieve its goals set for these areas in the City’s adopted policy plans

F. Policy Statements:

1. Limited Use: The City wishes to exact a high standard of use for Districts thereby limiting their use. An applicant project is expected to deliver extraordinary benefits across multiple City objectives two or more of the objectives described in Section 1.D. of this Policy.
2. Broad and Demonstrable Public Benefit: Districts are expected to provide broad public benefit and the applicant will be asked to demonstrate and provide assurances of those benefits. The City will utilize the Service Plans, development agreements, and other contractual agreements to document and enforce District commitments.
3. District Governance: It is the intent of the City that owner/resident control of Districts occur as early as feasible. Service Plans should include governance structures that encourage and accommodate this. The use of control Districts (also known as “service” or “managing” Districts) that allow developers to control the other Districts that provide the tax revenues beyond the time needed to repay the issued debt, is to be discouraged.
4. Basic Infrastructure Improvements: A District proposing to fund basic infrastructure improvements will not be favorably received except when used to offset higher costs associated with delivering public benefit through extraordinary development outcomes (see **Exhibit A** for examples).

5. Minimum District Size: A District proposed to issue less than \$7 million of authorized debt will not be considered.

Section 2 – Evaluation Criteria

- A. To provide City Council with information and an assessment consistent with this Policy, staff will review and report on all District proposals in the following areas:
 1. Public Benefit Assessment and Triple Bottom Line Scan: To comprehensively and consistently evaluate District proposals, an interdisciplinary staff team, inclusive of representatives from Planning, Economic Health, Sustainability, and other Departments as appropriate, will be formed. This team will rely on the City’s Triple Bottom Line evaluation approach, and other means, to assess a District proposal consistent with this Policy and City goals and objectives more broadly.
 2. Financial Assessment: All District proposals are required to submit a Financial Plan to the City for review. Utilizing the District’s Financial Plan, and other supporting information which may be necessary, the City will evaluate a District’s debt capacity and servicing ability. Additionally, should a District desire to utilize District funding for basic infrastructure improvements, as determined by the City in its sole discretion, staff will assess the value of this benefit against public benefits received in exchange.
 3. Residential Districts: All proposals for a Residential District are required to submit to the City a written report and analysis of how the Residential District and the development it will serve will achieve the minimum points required under the Residential Evaluation Points System.
 4. Policy Evaluation: All proposals will be evaluated by City staff against this Policy and the City’s “Model Service Plan” attached as **Exhibit “C”** for single-district Service Plans and as **Exhibit “D”** for multi-district Service Plans, with any areas of difference being identified, evaluated and reported to City Council.

Section 3 – Application Process

- A. Process Overview: The application process is designed to provide early feedback to an applicant, adequate time for a comprehensive staff review, and the appropriate steps and meeting opportunities with decision makers.
- B. Letter of Interest: Applicant will provide City with a Letter of Interest and pay the Letter of Interest fee (refer to fees below). The Letter of Interest shall contain the following:
 1. Summary narrative of the proposed development and District proposal.
 2. Sketch plan showing: property location and boundaries; surrounding land uses; proposed use(s); proposed improvements (buildings, landscaping, parking/drive areas, water treatment/detention, drainage); existing natural features (water bodies, wetlands, large trees, wildlife, canals, irrigation ditches); utility line locations (if known); and photographs (helpful

but not required).

3. Clear justification for why a District is needed.
 4. Explanation of public benefits, making specific reference to this Policy and other relevant City documents. For Residential Districts this shall include a preliminary analysis of how the proposal will achieve the minimum points required under the Residential Evaluation Points System.
 5. District proposal and Service Plan specifics, including: District powers and purpose; District infrastructure and costs; mill levy rate (both debt and, operations and maintenance); term of District; forecasted period of build-out; proposed timeline for formation; and current development status of project.
- C. Staff Response to Letter of Interest: Staff will provide a written response to a Letter of Interest within thirty (30) days of receipt and payment of the Letter of Interest fee.
- D. Preliminary Staff Meeting with Applicant: Based on an initial review of the Letter of Interest, staff shall meet with the applicant to discuss the District proposal, potential public benefits, initial staff feedback, the evaluation process, fees, and other application elements.
- E. City Council Conceptual Review: Prior to the applicant submitting its formal application to the City for City Council's consideration of a proposed Service Plan, a hearing shall be scheduled before City Council at which staff and the applicant shall present to City Council the applicant's Letter of Interest for the proposed District(s). No later than thirty (30) days before the hearing, written notice of it shall be mailed by the applicant by first-class mail to all fee title owners of real property within the boundaries of the proposed District(s) and of any future inclusion area proposed in the Letter of Interest. The notice shall also be published once in a newspaper of general circulation. In addition to stating the date, time and location of the hearing, the mailed and published notices shall identify the property to be served by the District(s) and generally describe the proposed District(s) and the development it will serve. The purpose of the hearing will be for City Council members and the public to provide preliminary comments in response to the Letter of Interest to be used by the applicant in determining whether to submit a formal application and, if so, the contents of that application. Also, the City Council may consider at the end of the hearing adopting a motion expressing its opinion whether the Service Plan proposed in the Letter of Interest should be brought forward to City Council for its formal consideration. That motion may also include any recommendations City Council may have concerning what should or should not be included in the applicant's formal application for its proposed Service Plan. Any such motion adopted and any comment, suggestion or recommendation made by any City Council member concerning the Letter of Interest shall not bind or otherwise obligate any City Council member or other City decision maker to any course of conduct or decision pertaining to the any subsequent formal application under this Policy.
- F. Formal Application and Service Plan Submittal: After taking into account any motion adopted by City Council in the conceptual review hearing conducted under Section 3.E. and any comments from City Council

members, the public and City staff, applicant may submit a formal application for consideration following the requirements specified in the City's District Application, including the Service Plan in which the applicant shall highlight the substantive provisions that deviate from this Policy and the applicable Model Service Plan attached as **Exhibit "C"** or **Exhibit "D"**. The formal application and application fees must be received by the City no later than the third Tuesday of December in the preceding year for a spring election (May) or the third Tuesday of May for a fall election (November). The City cannot commit to timely processing of applications submitted after these dates for their respective elections.

- G. Formal Staff Review: An interdisciplinary staff team will review the applicant submittal along with any follow-up documentation that is requested in order to assess the application according to this Policy and other appropriate City policy. Applicants should expect several rounds of feedback and review from City staff.
- H. Council Finance Committee Meeting: The Council Finance Committee will review all formal applications for a District and provide feedback and recommendations.
- I. Public Hearing Notice: The Service Plan Applicant must cause a written notice of the public hearing to be mailed by first-class mail to all fee title owners of real property within the boundaries of the proposed District(s) and of any future inclusion area proposed in the Service Plan and such notice shall be mailed no later than thirty (30) days before the scheduled hearing date. A notice shall also be published once in a newspaper of general circulation in the City no later than thirty (30) days before the scheduled hearing date. The mailed and published notices shall include the following information:
 - 1. A description of the general nature of the public improvements and services to be provided by the District;
 - 2. A description of the real property to be included in the District and in any proposed future inclusion area, with such property being described by street address, lot and block, metes and bounds if not subdivided, or such other method that reasonably apprises owners that their property will or could be included in the District's boundaries;
 - 3. A statement of the maximum amount of property tax mill levy that can be imposed on property in the District under the proposed Service Plan;
 - 4. A statement that property owners desiring to have the City Council consider excluding their properties from the District must file a petition for exclusion with the Fort Collins City Clerk's Office no later than ten (10) days before the scheduled hearing date in accordance with Section 32-1-203(3.5) of the Colorado Revised Statutes;
 - 5. A statement that a copy of the proposed Service Plan can be reviewed in the Fort Collins City Clerk's Office; and

6. The date, time and location of the City Council’s public hearing on the Service Plan.

J. Council Public Hearing: The City Council will conduct a noticed public hearing at a regular or special Council meeting to consider resolution approval of Service Plan. This hearing will occur no later than thirty (30) days prior to the final submittal date to the District Court to order an election. By way of example, for a fall election City Council, which meets on the first and third Tuesdays of the month, must conduct the public hearing no later than the third Tuesday in August.

K. Proceedings at Public Hearing: The hearing shall be conducted under and in accordance with the applicable procedures of the City Council’s adopted “Rules of Procedure Governing the Conduct of City Council Meetings and Work Sessions,” except that the order of the proceedings of the public hearing on the service plan shall be as follows:

1. Announcement of item;
2. Consideration of any procedural issues;
3. Explanation of the application by City staff;
4. Presentation by the applicant;
5. Public testimony regarding the application;
6. Rebuttal testimony by the applicant;
7. Councilmember questions of City staff and the applicant; and
8. Motion, discussion and vote by City Council.

Section 4 –Service Plan

A. Purpose: In addition to the requirements of the Act, a Service Plan should memorialize the understandings and agreements between the District and the City, as well as the considerations that compelled the City to authorize the formation of the District. The Service Plan must also include all applicable information required by the Act.

B. Compliance with Applicable Law: Any Service Plan submitted to the City for approval must comply with all state, federal and local laws and ordinances, including the Act.

C. Model Service Plan: To clearly communicate City requirements and streamline legal review, the City will require the use of the applicable Model Service Plan attached as **Exhibit “B”** or **Exhibit “C”**. With justification, the City may consider deviations in the proposed Service Plan, but generally all Service Plans should include the following:

1. Eminent Domain NOT Authorized: The Service Plan shall contain language that prohibits the District from exercising the power of eminent domain. However, the City may choose to

exercise its power of eminent domain to construct public improvements within the District in which case the District and the City will enter into an intergovernmental agreement concerning the public improvements and funding for that use of eminent domain.

2. Maximum Mill Levy: The Service Plan shall restrict the District’s total mill levy authorization for both debt service and operations and maintenance to fifty (50) mills, subject to adjustment as provided below. A portion of the Maximum Mill Levy may be utilized by the District to fund operations and maintenance functions, including customary administrative expenses incurred in operating the District such as accounting and legal expenses and otherwise complying with applicable reporting requirements. No more than ten (10) mills may be used for operations and maintenance (the “Operations and Maintenance Mill Levy”).
 - a. Increased mill levies may be considered for Districts that are predominately commercial in use, at the sole discretion of the City Council.
 - b. The Maximum Mill Levy may be adjustable from the base year of the District as provided for in the Model Service Plan, so that to the extent possible, the actual tax revenues generated by the District’s mill levy, as adjusted, for changes occurring after the base year, are neither diminished nor enhanced as a result of the changes.
3. Debt Term Limit: A District shall be allowed no more than forty (40) years for the levy and collection of taxes used to service debt unless a majority of the Board of Directors of the District imposing the mill levy are residents of such District and have voted in favor of a refunding of a part or all of the Debt and such refunding is for one or more of the purposes authorized in C.R.S. Section 11-56-104.
4. District Dissolution: Perpetual Districts shall not be allowed except in cases where ongoing operations and maintenance are required. Except where ongoing operations and maintenance has been authorized, a District must be dissolved as soon as practical upon:
 - a. The payment of all debt and obligations; and
 - b. The completion of District development activity.

In addition, Districts shall have no more than three years from approval of the Service Plan to secure City Council approval by resolution of an intergovernmental agreement and/or a development agreement documenting the public benefits described in the Service Plan. Staff will inform City Council, in writing, of any Districts that have not obtained this approval ninety (90) days in advance of the expiration of the three-year period. This written notice will provide a status update on the Districts progress towards obtaining Council approval and the other activities of the Districts.

5. District Fees: Impact fees, development fees, service fees, and any other fees must be identified with particularity in the District Service Plan. Impact and development fees must not be levied or collected against the end user – i.e., residents and/or non-developer owners.

6. Notice Requirements: The Service Plan shall require that the District use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the District's existing mill levies, its maximum debt mill levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls and charges. The form of notice shall be filed with the City prior to the initial issuance of the debt of the District imposing the mill levy and shall be substantially in the form of **Exhibit E** attached hereto and incorporated by reference.
 7. Annual Report: The Service Plan must obligate the District to file an annual report not later than September 1 of each year with the City Clerk for the year ending the preceding December 31, the requirements of which may be waived in whole or in part by the City Manager. Details of the Annual Report are included in the Model Service Plan.
- D. Service Plan Requirements: In addition to all other information required in a Service Plan by the Act, a Service Plan must include the following:
1. Financial Plan: The Service Plan must include debt and operating financial projections prepared by an investment banking firm or financial advisor qualified to make such projections. The financial firm must be listed in the Bond Buyers Marketplace or, in the City's sole discretion, other recognized publication as a provider of financial projections. The Financial Plan must include debt issuance and service schedules and calculations establishing the District's projected maximum debt capacity (the "Total Debt Limitation") based on assumptions of: (i) Projected Interest Rate on the debt to be issued; (ii) Projected Assessed Valuation of the property within the District; and (iii) Projected Rate of Absorption of the assessed valuation within the District. These assumptions must use market-based, market comparable valuation and absorption data and may use an annual inflation rate of three percent (3%) or the Consumer Price Index for the preceding 12-month period for the Denver-Boulder-Greeley statistical region as prepared by the U.S. Department of Labor Statistics, whichever is lesser.
 - a. Total Debt Limitation: The total debt authorized in the Service Plan must not exceed 100% of the projected maximum debt capacity as shown in the Financial Plan.
 - b. Administrative, Operational and Maintenance Costs: The Financial Plan must also include foreseeable administrative, operational and maintenance costs.
 2. Public Improvements and Estimated Costs: Every Service Plan must include, in addition to all materials, plans and reports required by the Act, a summary of public improvements to be constructed and/or installed by the district (the "Public Improvements"). The description of these Public Improvements must include, at a minimum:

1. A map or maps, and construction drawings of such a scale, detail and size as required by the Planning Department, providing an illustration of public improvements proposed to be built, acquired or financed by the District;
2. A written narrative and description of the public improvements; and
3. A general description of the District's proposed role with regard to the same.

Due to their preliminary nature, the Service Plan must indicate that the City's approval of the Public Improvements shall not bind the City, its boards and commissions, and City Council in any way relating to the review and consideration of land use applications within the District.

3. Intergovernmental Agreement: Any intergovernmental agreement which is required or known at the time of formation of the District to likely be required, to fulfill the purposes of the District, must be described in the Service Plan, along with supporting rationale. The Service Plan must provide that execution of intergovernmental agreements which are likely to cause substantial increase in the District's budget and are not described in the Service Plan will require the prior approval of City Council.
4. Extraterritorial Service Agreement: The Service Plan must describe any planned extraterritorial service agreement. The Service Plan must provide that any extraterritorial service agreement by the District that are not described in the Service Plan will require prior approval of City Council.

Section 5 – Regional Improvements

- A. Purpose: A Service Plan may include a section addressing the planning, design, acquisition, funding, construction, installation, relocation and/or redevelopment of Regional Improvements. Such section is intended to ensure that the privately-owned properties to be developed in a District that benefit from the Regional Improvements pay a reasonable share of the associated costs.
- B. Eligible Improvements: The City, to facilitate transparency, will include a list or exhibit in any Service Plan including a Regional Improvements section that clearly identifies the improvements to be funded, in part or whole, by a Regional Mill to be levied by the District. In selecting improvements to be included in a Service Plan the City will apply the following standards:
 1. Benefit to End User – Regional Improvements should have a clear benefit to the privately-owned properties funding the Regional Mill Levy. The City may establish this connection either through previous identification of the infrastructure need and/or through a technical analysis, such as a traffic impact analysis.
 2. Specificity – When possible, the City should include as much specificity about the Regional Improvements to be included in a Service Plan as possible, while noting that any details are preliminary and may be subject to change as planning, design, acquisition, funding,

construction, installation, relocation and/or redevelopment of the Regional Improvements occurs.

3. No Other Funding Exists – The City will exclude improvements, either in part or whole, for which funding mechanisms exists to support the planning, design, acquisition, funding, construction, installation, relocation and/or redevelopment. By way of example, the City collects Capital Expansion Fees to support street oversizing, however, several bridge structures necessary to facilitate grade separated crossings of railroad infrastructure were not included in the calculation of these Fees; therefore, the bridges would be and eligible Regional Improvement, where the road surface itself would not.

Section 5 – Fees

- A. No request to create a Metro District shall proceed until the fees set forth herein are paid when required. All checks are to be made payable to the City of Fort Collins and sent to the Economic Health Office.
 1. Letter of Interest Submittal Fee: A Letter of Interest is to be submitted to the City’s Economic Health Office and a non-refundable \$2,500 fee shall be paid at the time of submittal of the Letter.
 2. Application Fee: An application along with a draft Service Plan (based on the Model Service Plan) is to be submitted to the City’s Economic Health Office and a \$7,500 non-refundable fee along with a \$7,500 deposit towards the City’s other expenses shall be paid at the time of submittal of the Application and draft Service Plan.
 3. Annual Fee: Each District shall pay an annual fee for the City’s on-going monitoring of each Metro District. This annual fee shall be \$500 or if multiple Districts exist serving a single project, then the annual fee shall be \$500 plus \$250 for each additional District beyond the first (e.g., the annual fee for Consolidated ABC Metro Districts 1 to 7 shall be \$500 plus \$250 times six or \$2,000).
 4. Non-Model Service Plan Fee: A District proposal requesting a substantial deviation from this Policy or the applicable Model Service Plan, shall pay an additional non-refundable fee of \$5,000 at the time of submitting its application; the City shall in its sole and reasonable discretion determine if a draft Service Plan proposes a substantial deviation from this Policy or the applicable Model Service Plan.
 5. Other Expenses: If the deposits paid in subsections 2 and 6 are not sufficient to cover all the City’s other expenses, the applicant for a District shall pay all reasonable consultant, legal, and other fees and expenses incurred by the City in the process of reviewing the draft Service Plan or amended Service Plan prior to adoption, documents related to a bond issue and such other expenses as may be necessary for the City to incur to interface with the District. All such fees and expenses shall be paid within 30 days of receipt of an invoice for these additional fees and expenses.

6. Service Plan Amendment Fee: If a proposed amendment to a Service Plan is submitted to the City's Economic Health Office, it should be submitted with a non-refundable \$2,500 fee along with a \$2,500 deposit towards the City's other expenses and shall be paid at the time of submittal of the application and draft amended Service Plan.

EXHIBIT A PUBLIC BENEFIT EXAMPLES

The following list of examples is meant to be illustrative of the types of projects that deliver the defined public benefits in this policy. Projects that deliver similar or better outcomes will also be considered on their merits.

Category / Sub-Category	Example Projects
Environmental Sustainability Outcomes	
1. Green House Gas Reductions	- See subsequent sub-categories
2. Water and/or Energy Conservation	- District-wide non-potable water system(s) - District-wide renewable energy systems(s) - Delivery of 20% or more rooftop solar - Greywater reuse system(s) - if allowed by law
3. Multimodal Transportation	- Buffered bike lanes - Wider than required sidewalks - Enhanced pedestrian crossings - Underpass(es)
4. Enhance Community Resiliency	- Significant stormwater improvements (previously identified) - Improvements to existing bridges
5. Increase Renewable Energy Capacity	- District-wide renewable energy systems(s) - Set aside land for community solar garden(s) - Utility scale renewable project(s)
Critical Public Infrastructure	
1. Within District Area	- Community Park Land (beyond code requirements) - Regional Stormwater Facilities - Major arterial development - Parking Structures (Publicly Accessible)
2. Adjacent to Proposed District	- Contribution to major interchange/intersection - Contribution to grade separated railroad crossings

(Continued on next page)

Category / Sub-Category	Example Projects
High Quality and Smart Growth Management	
1. Increase density	<ul style="list-style-type: none"> - Alley load construction - Smaller Lot Size - Increased multifamily development
2. Walkability & Pedestrian Friendliness	<ul style="list-style-type: none"> - Wider than required sidewalks - Enhanced pedestrian crossings - Underpass(es) - Trail system enhancements
3. Increase availability of Transit	<ul style="list-style-type: none"> - Improved bus stops - Restricted access guideways for bus operations - Transfer facilities
4. Public Spaces	<ul style="list-style-type: none"> - Pocket Parks - Neighborhood Parks (beyond code requirements)
Strategic Priorities	
1. Affordable Housing	<ul style="list-style-type: none"> - Units permanently affordable to 80% Area Median Income - Land dedicated to City's land bank program
2. Attainable Housing	<ul style="list-style-type: none"> - Units permanently affordable to 81 to 120% Area Median Income
2. Infill/Redevelopment	<ul style="list-style-type: none"> - Address environmental contamination / concern - Consolidate wetlands or natural area (positive benefits)
3. Economic Health Outcomes	<ul style="list-style-type: none"> - Facilitate job growth (at or above County median income) - Retain an existing business

FORT COLLINS RESIDENTIAL METRO DISTRICTS EVALUATION POINTS SYSTEM

Required Number of Points:

- Housing - 5 points
- Energy Conservaton and Renewables - 10 points *
- Indoor Water Conservation - 3 points
- Outdoor Water Conservation - 7 points
- Neighborhood Livability - 5 points

* At least one Enhanced Energy Performance option must also be selected

NOTES		Points
HOUSING		
1. Housing Supply, Diversity, and Choice		
A. 10% Home Ownership at <120% AMI	10% deed restricted, for-sale, single family units not to exceed 120% AMI *Point multiplier: If all housing units meet DOE Zero Energy Ready (ZER) standard, 1 additional point received	4/5*
B. Limit Unit Size for 20% single family homes	A combination of Attached or detached, single family units based on at least 2 of the following breakpoints: 5% less than 800 SF 5% between 800 to 1,100 SF 5% between 1,100 to 1,300 SF 5% between 1,300 to 1,600 SF 5% between 1,600 and 2,200 SF **Option for Point multiplier: If 3 of the following breakpoints are selected, 1 additional point OR If all housing units meet DOE Zero Energy Ready (ZER) standard, 1 additional point received	2/3**
C. Accessory Dwelling Units (ADU's)	Detached or attached Accessory Dwelling Units between 300 and 800 SF in size for a minimum of 10% of the units within the development plan.	2
2. Affordable Rental Housing		
A. 10% Affordable Rental Housing	10% rental units serving an income average not to exceed 60% AMI	2
B. 10% Affordable Rental Housing that does not utilize competitive funding sources	10% rental units serving an income average not to exceed 60% AMI that does not utilize competitive funding sources, i.e.- local limited Private Activity Bonds, Low Income Housing Tax Credits (LIHTC) and City competitive grant process funding (CDBG/HOME/Affordable Housing Fund), or a development that otherwise demonstrates it contributes net-new units of affordable housing into the Fort Collins community.	3
Required number of Housing Points		5

NOTES		Points
ENERGY, RENEWABLES & WATER		
1. Enhanced Energy Performance		
<p>A. DOE Zero Energy Ready (ZER) Home Performance Path Certified with balanced mechanical whole dwelling ventilation</p>	<p>Very similar to current code, but with more rigorous 3rd party inspection. Studies show incremental cost of building to ZER ranges from only 0.9-2.5%, with Fort Collins likely be on lower end with existing stricter building code. ZE and ZER levels of efficiency could be achieved without aggressive or cutting-edge envelope and HVAC solutions.¹</p> <p>Local example - REVIVE: Total Marginal Cost for Zero Ready (4.8%) - Increase monthly mortgage payment=\$84, Monthly savings=\$138. Projected monthly utility energy bill=\$20.²</p> <p>1. Peterson, Gartman, Cordivae, The Economics of Zero Energy Homes, Rocky Mountain Institute, 2019 https://rmi.org/wp-content/uploads/2018/10/RMI_Economics_of_Zero_Energy_Homes_2018.pdf</p> <p>2. McFaddin, Economics of Energy Performance – REVIVE Properties, 2019 https://www.fcgov.com/greenbuilding/files/mcfaddin_green-finance-2019.pdf</p>	4
<p>B. OR HERS index of 47 or less without solar and single family detached and attached dwellings must achieve 2.0 or less ACH50 and provide balanced mechanical whole dwelling ventilation</p>	<p>Building records confirm new homes in Fort Collins built to code are delivering scores of 58-62. Proficient builders are capable of achieving a HERS in the mid 40's resulting in an average annual energy cost savings of \$350-400 over a code built home.³ For Multifamily development, the HERS score shall be in accordance with RESNET Guidelines for Multifamily Energy Ratings</p> <p>3. https://www.hersindex.com/</p>	4
<p>C. OR Energy Rating Index (ERI) path single family detached and attached dwellings must achieve 2.0 or less ACH50 with balanced mechanical whole dwelling ventilation</p>	<p>Energy Rating Index (ERI) of 40 or lower. ERI as a metric has a backstop to prevent builders from a reduced envelope performance. Must also achieve 2.0 or less ACH50 and</p>	3
<p>D. OR Net Zero Energy Home Performance Path - HERS of 0 or less with balanced mechanical whole dwelling ventilation</p>	<p>Optional compliance paths that would replace all of the above requirements.</p>	7

NOTES		Points
ENERGY, RENEWABLES & WATER		
2. Energy Components		
A. Heat homes with efficient electric heat	Efficient electric heat is defined as a Geothermal Heat Pump or Cold Climate Air Source Heat Pump (ccASHP) with a COP of 1.9 or greater at a heating design temp of 5° F. Product list of qualifying ccASHP's: https://neep.org/high-performance-air-source-heat-pumps/ccashp-specification-product-list	2
B. Build to Passive House Standard	5% of homes built to either International Passive House Association (IPHA) or Passive House Institute US (PHIUS) standard.	3
C. Build air tight homes with balanced whole dwelling ventilation with heat or energy recovery	Build homes to ≤ 1.5 ACH50 air tightness. Balanced mechanical whole dwelling ventilation via Heat Recovery Ventilator (HRV) or Energy Recovery Ventilator (ERV).	1
D. District Heating and Cooling for Neighborhood	Utilize electric-based centralized heating and cooling systems such as a neighborhood scale ground source heat pump. Usually more cost effective for commercial and mixed use and not residential SF.	3
E. Install qualifying connected thermostat	Install qualifying connected thermostat from Fort Collins Utilities Peak Partners demand response (DR) program. This bolsters the utilities DR effort by increasing the number of homes that can opt-in to the program. https://peakpartnersfortcollins.com/	1
F. Install air source heat pump electric water heater	Fort Collins Utilities Peak Partners connected air source heat pump water heaters get the additional point (up to 3 pts). https://peakpartnersfortcollins.com/	2-3
G. Provide EV-Installed charging for buildings containing R-1 or R-2 occupancies.	Provide EV-Installed charging for 7% of the total parking spaces for buildings containing R-1 or R-2 occupancies. Single family detached and single family attached are excluded as current code requires all new single family homes have EV ready conduit installed from the panel to a junction box located in a garage or carport. https://www.swenergy.org/transportation/electric-vehicles/building-codes#who	1
3. Renewable		
A. Install % of total energy need in solar (50/75/100%)	Installations may be on individual rooftops or in shared as in "solar gardens" and will be virtually net metered. These additional points cannot be used toward total if Enhanced Energy Performance item D - Net Zero Energy Home above is utilized.	1 - 3
B. Smart storage and grid interactivity	Install interactive grid storage system that allows owners to optimize renewable energy storage and energy utilization through smart grid technologies. Points are differentiated by size of battery, and capability of export to the grid (3 pts)	1 - 3
Required number of Energy Saving & Renewable Points		10

NOTES		Points
ENERGY, RENEWABLES & WATER		
4. Indoor Water *		
A. WaterSense fixtures performing above code	New construction provides fixture efficiencies surpassing code standards and must all be WaterSense Certified. <ul style="list-style-type: none"> • 1.0 GPF/600 gram MaP score toilets (dual flush code def) & • 1.5 gpm showerheads 	2
B. Install leak detection and notification system	Each home or unit must be water shutoff valve enabled and installed by a licensed plumber. Flo by Moen and Phyn Plus Smart Water Assistant are two examples.	1
C. Sub-metering	Privately owned and maintained sub-metering is provided for individual units within multi-family development to help with water management and leak detection.	1.5
D. Efficient plumbing design	Meet Section 3.3 of the WaterSense New Home Specification, which requires that hot water distribution systems store no more than 0.5 gallons of water between the source of hot water and the furthest existing fixtures and provides inspection and compliance methods and details. This is also the standard used in DOE's Zero Energy Ready program.	0.5
E. Indoor Water Use Innovation	The project demonstrates indoor water use innovation and pursuit of building certifications. Points are achieved when applied to all applicable buildings within the development.	1
Required number of Indoor Water Points		3

NOTES		Points
ENERGY, RENEWABLES & WATER		
5. Outdoor Water *		
A. Efficient Residential irrigation systems **	Install efficient irrigation systems for all residential sprinkler systems, WaterSense Certified (WS), where available: <ul style="list-style-type: none"> ☑️ Pressure reducing heads (WS) and high efficiency nozzles ☑️ Weather-based irrigation controller (WS) ☑️ Flow sensor ☑️ Master valve 	2
B. Water efficient landscaping for residential front yards	Front yard - Create waterwise, plant friendly landscapes, including a water budget on a 10 gallon or less per SF basis within residential front yards. Consider plant selection, tree protection/selection, mirroring water budget table requirements on the commercial side, but less than 10 gpsf	2
C. Separate drip system for trees within parkways and medians	Establish separate drip systems for trees in common areas to support urban forest health and resiliency, especially during water shortages.	2
D. Common area water use performing above code	12 gallons per sq. ft. max or sliding scale (e.g. – 3 pt for 8 gpsf or less, 2pts for 9-11gpsf, 1pt for 12-14 gpsf or something similar). Align metrics to ELCO water budget table	1 - 3
E. Stormwater Innovation	Uses innovative stormwater techniques such as Low Impact Development (LID) or Green Infrastructure to capture and treat runoff at the source as defined and illustrated in the City's LID Implementation Manual. https://www.fcgov.com/utilities//img/site_specific/uploads/fcscm-appendix-c.pdf?1549566344	1 - 2
F. Rain barrels	0.5 pt for every two, 100-gallon barrels. 1 pt maximum (CO State Law - 2 x100 gallons per residential unit on units 4 or fewer)	0.5 - 1
G. Outdoor Water Use Innovation	The project demonstrates outdoor water use innovation and pursuit of building certifications. Points are achieved when applied to all applicable buildings within the development: <p>For single family and duplex homes: HERS H20 (No minimum score, but certification required)</p> <p>WERS (No minimum score, but certification required)</p> <p>Net Blue – offset 25% or more water use from new developments with water efficiency upgrades/retrofits to existing and/or the new development(s), per the Net Blue program</p>	1 1 2
Required number of Outdoor Water Points		7

*Compliance with these indoor and outdoor water standards do not alter a project's responsibility to satisfy water supply requirements of ELCO, FCLWD, Fort Collins Utilities or other governing water service district. To receive listed points, measures must be applied to all applicable areas, properties and buildings within the development.

**For water sources other than potable, additional requirements shall be included, such as water filtration, purple pipe and valve box, no cross contamination with potable supplies, and no drip irrigation on non-potable systems.

NOTES		Points
NEIGHBORHOOD LIVABILITY		
1. Transportation		
A. Off-site Trail Connection	Direct connections to off-site bicycle and pedestrian facilities, including but not limited to the regional paved trail system, the low-stress bicycle network and other local paved trail systems.	1
B. Exemplary Bicycle and Pedestrian Improvements	Provide pedestrian and bicycle circulation improvements exceeding Larimer County Urban Areas Street Standards (LCUASS) requirements. e.g. - buffered bicycle lanes, concrete crosswalks, enhanced intersection paving design, enhanced streetscape design, and pedestrian-oriented lighting.	1
C. Level 3 EV Charging Stations	Publicly-accessible Level 3 EV charging stations provided in convenient locations.	1
D. Trail Connection provided to a School	An off-site and off-street trail connection is provided to a neighboring public or private school.	1
E. Transportation Innovation	The project provides innovative transportation improvements.	1
2. Neighborhood Amenities		
A. Access to Essential Neighborhood Services	Includes at least two neighborhood-serving retail or service uses, e.g.- recreation facilities, childcare, daycare, and healthcare facilities in the project (1 point) , or three or more uses (2 points), and 3 points for a grocery store or supermarket.	1 - 3
B. Vertical Mixed-Use Buildings	A mixture of uses are provided in the same building. Lower floors typically include more public uses with private uses on the upper floors. Examples include ground floor retail or services, with remaining floors including residential units.	2
C. Community Gathering Spaces	Provides a plaza, public square, park or other similar public open space within the project that exceeds requirements of Section 4.5.	1
D. Community Workspace	Provide common neighborhood workspaces; (e.g., workshops, maker spaces, over/under live workspaces).	1
E. Common Areas Food Production	Provisions for community gardens, edible landscapes, and/or on-site urban agriculture.	1
F. Innovative Neighborhood Amenities	The project provides innovative neighborhood amenities.	1

NOTES		Points
NEIGHBORHOOD LIVABILITY		
3. Natural Environment		
A. Access to Parks & Open Spaces	Each resident is within 1,320 feet of a park and/or open space, including areas of respite (i.e., places that are quiet, beautiful, naturalistic).	1
B. Enhanced Habitat	Integrate pollinator corridors in design, create and/or enhance wildlife habitat/corridors, ecological restoration of degraded systems using native and adaptive landscaping in common areas.	1
C. Expansion of Adjacent Natural Habitat	If the site is contiguous or adjacent a natural area or natural habitat or feature, creates internally contiguous habitat opportunities a minimum of ten (10) percent greater than the requirements specified in 3.4.1.	1
D. Innovation in Natural Environment Protection	The project provides innovative measures to protect or enhance the Natural Environment.	1
4. Health, Culture & Education		
A. Universal Design	Create interior spaces that are accessible to people with diverse ability levels and that support lifelong living (1 point), e.g.- doorways that provide 32 inches of clearance and a ground floor bathroom accommodating future installation of grab bars . Provide zero step entryways (2 points)	1 - 2
B. 0.5% for Arts & Culture	The amount equal to one half (0.5) percent of the total capital infrastructure construction costs of the Metro District for the planning, design and construction of public art, including “functional art” in community spaces, parks, plazas, playgrounds, or other areas viewable to the public.	1
C. Sustained Educational Programming	Provide long-term funding in infrastructure for ongoing community engagement and educational programming that support learners of all ages (e.g. High Plains Environmental Center, library branch, community college branch).	1
D. Excellence in Community Engagement	Community engagement process follows the National Charrette Institute (NCI) standards that engage diverse constituents in participatory design processes designed to understand and accommodate community aspirations and priorities for the specific site.	1
E. Health, Culture or Education Innovation	The project provides innovative techniques to promote health, culture or education.	1
Required Number of Neighborhood Livability Points		5

EXHIBIT C
MODEL SERVICE PLAN