

Special District for Parks & Recreation Overview

City Council Worksession
January 25, 2022



Background

- **Title 32 of CO State law sets out provisions that allow for the creation of “Special Districts” as an economic alternative to the development of municipal infrastructure (the Special District Act).**



Context

Allows an additional mill levy to be added to properties within a district to support a specific service or capital improvement

Special District functions as a quasi-municipal corporation and political subdivision

Requires an affirmative vote by landowners in the district to be created



- **Examples of Special Districts:**
 - Ambulance District
 - Fire Protection District
 - Health Services District
 - Parks and Recreation District
 - Sanitation District
 - Tunnel District
- **Metro Districts are also a type of Special District that provide at least two services from a defined list**

Special Districts: Greeley

- **Examples:**
 - **Union Colony Fire Protection District (dissolved)**
 - **Various Metro Districts (Residential, Commercial)**
- **Municipal Code: Metro Districts**
 - **Alternate financing mechanism for infrastructure**
 - **Developer initiated**
 - **Typically adds 50-70 mills to property tax levy**



Formation of Districts

- **State law sets out standards by which a District may be created;**
- **Government entities may enact provisions that include additional conditions or criteria for the establishment of a Special District**

A District must include a service plan that describes the improvements and rationale for the property mill levy and election of landowners within the proposed district

Some communities require Metro Districts to contain a greater number of amenities than a typical development to warrant the additional mill levy



Proposal

- **Landowner desires to create a Special Parks and Recreation District east of US Hwy 85 adjacent to the Cache la Poudre River and capture property tax and oil/gas tax revenues* in order to create a greenway corridor with natural area amenities, extension of the Poudre Trail and features complementary to the flood plain area (e.g. wetland bank, water features, etc).**
 - * **initially considered a Metro District but oil/gas revenues cannot be reserved or retained for use in such districts**
 - * **no examples of such independent districts could be found in other CO municipalities (though such services can exist w/in a Metro District)**



General area for possible Special Parks & Recreation District

City Process to Advance District

- **Amend code to allow for establishment of such a special district consistent with state statutes**
- **Model after existing Metro District provisions in GMC**
- **Define limited powers of the Special District, e.g. eminent domain, application for grants that compete with City interests, etc.**
- **Define means by which land can be added to the District and any expectations of a time the District would be dissolved or improvements transferred or assumed by City**
- **Service Plan provisions and any special conditions or approval criteria**



Time Frame

- **Landowner seeks opportunity to take advantage of a May election cycle**
- **Ordinance would need to be drafted and presented within the month**
- **If ordinance is approved, the application could be filed, and the District service plan and analysis prepared for Council**
- **Council would consider proposal and, if acceptable, allow the special district election to proceed.**

Direction Requested

- **Council direction to staff to :**
 - **Prepare municipal code amendment to allow consideration of a Parks and Recreation District; and/or**
 - **Provide more information on specific areas of interest; or**
 - **Suspend work on a code amendment to allow such a District to be formed in Greeley at this time**

