



Legislation Text

File #: ID-171-17, **Version:** 1

Department of Community Development

Reference: Metro District Model Service Plan

To: Mayor Richard N. McLean and Members of City Council

Through: Clint Blackhurst, Acting City Manager

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Date Prepared: April 4, 2017

PURPOSE

The purpose of this Study Session item is to review the City's current Metro District Service Plan Guidelines and Policies and consider a proposal to adopt a Model Service Plan for Metropolitan Districts to be used as a 'template' when the City receives applications for the formation of new districts.

BACKGROUND

Metro Districts, also known as Special Districts, are a common tool used by developers to fund infrastructure improvements in new mid-size to large developments. These districts can issue bonds to fund the costs associated with the improvements and, in turn, levy mills on the property within the district boundaries to recover those costs. District formation is sought by developers as a way to "make the numbers work".

In order for the Metro District to be formed, the organizers must submit a Service Plan to the City for review and eventual approval by the City Council. Districts are at first governed by the developer, as the property owner, and then by the individual property owners within district boundaries as development occurs. The formation and requirements for a Special District are governed by the Special District Act in the State statutes which also mandates that certain items are included in the Service Plan. No district can form within the City limits until a Service Plan has been approved by City Council.

More than ten years ago, when the City was receiving a number of requests for the formation of Metro Districts, the City of Brighton adopted certain Policy Guidelines to be used in reviewing proposed Service Plans. Each proposed Service Plan was reviewed on a case by case basis. As Metro Districts began to proliferate, the trend was to develop a 'model service plan' so that both the City and the developer had similar expectations of what would be required, and provide a level of consistency in the review process.

Sally Tasker, an attorney at the law firm of Butler Snow LLP has been a legal advisor to the City for many years in the area of Special Districts and has advised the City Council during that time regarding proposed Service Plans. When a recent discussion occurred about a new Metro District preparing to submit an application to the City, the City consulted with Ms. Tasker about reviewing the City's current Policies and considering moving to a 'model service plan' approach.

Attached is a Memorandum from Ms. Tasker outlining ten major issues from the existing Policy Guidelines

about which the Staff is requesting input from the City Council. Staff would like to focus the majority of the Study Session on discussion and receiving input on these ten policy areas, with the expectation that they will form the framework for finalizing a Model Service Plan. The second attachment is a copy of the existing Policy Guidelines. Third, is an initial draft of the Model Service Plan. The forth attachment is a Comparison Chart showing the differences and similarities between the current Guidelines and the proposed Model Service Plan draft.

ATTACHMENTS

- Memorandum from Butler Snow LLP (April 3, 2017)
- Existing Guidelines
- Initial draft of a proposed Model Service Plan
- Comparison Chart