

Kestrel Metropolitan District Service Plan and Intergovernmental Agreement

City Council – September 2, 2025

Applicant (District Organizers):

District Counsel:

District Financial Advisor:

District Engineers:

City Staff Representative:

City Metro District Counsel:

City Metro District Financial Advisor:

Boulder Creek 120th & Peoria, LLC

White Bear Ankele Tanaka & Waldron

Piper Sandler & Co.

JR Engineering

Shannon McDowell, Assistant Director of Community Development

Butler Snow LLP

Hilltop Securities, Inc.

Subject Property Location

- The property is generally located at the northeast corner of East 120th Avenue and Peoria Street.



Background

- The approximately 25.833-acre property is currently zoned as the Kestrel Planned Development (PD).
- The Property has been preliminarily platted under the Kestrel Subdivision Plan for a residential neighborhood with a system of trails, parks, and open spaces.

Purpose

- The Applicant is requesting approval of the Kestrel Service Plan (the “Service Plan”).
- The application for the District was submitted and reviewed using the City’s adopted Model Service Plan.

Review Criteria

- Per the Special District Act, Article 1, Title 32 of the Colorado Revised Statutes, service plans must include the following items:
 - Description of services,
 - Financial information,
 - Preliminary engineering or architectural survey showing how the services are to be provided,
 - Map of boundaries,
 - Estimated population at build-out,
 - Estimated assessed valuation at build-out,
 - General description of facilities to be constructed,
 - Estimated costs of land acquisition, engineering, legal and administrative costs, and costs related to the organization and initial operation of the district,
 - Description and form of any proposed Intergovernmental Agreements (IGAs), and
 - Other information set by State Statutes or required by the approving jurisdiction(s)

Review Criteria Continued

- In addition to the requirements of the Special District Act, the City also requires specific items to be included within the Service Plan. These include:
 - Combined Mill Levy Cap of 60 Mills
 - Debt Service Cap of 50 Mills
 - Operation and Maintenance of 10 Mills
 - Debt Service Repayment of no more than 40 years
 - Notice of Inclusion to the District

Annual Tax Levied

Annual Tax Levied on Residential Property with \$525,000 Actual Value Without the District Mill Levy (Assuming a Residential assessment rate of 6.8%, with an Assessed Valuation of \$35,700 ($\$525,000 \times 0.068 = \$35,700$))

Taxing Entity	Mill Levies (2024**)	Annual Tax Levied
	General Fund: 22.655; Road & Bridge Fund: 1.300; Social Services Fund: 2.253; Retirement Fund: 0.314; Developmentally Disabled Fund: 0.257; Abate: 0.165 Total 2024 Mill Levy: 26.944	
Adams County		\$961.90
City of Brighton	6.650	\$237.41
Rangeview Library District	3.667	\$130.92
Central Colorado Water Conservancy District	1.017	\$36.31
Brighton Fire District No. 6	16.793	\$599.51
	General: 35.233; Bond: 20.984; Abate: 0.427; Total 2024 Mill Levy: 56.644	
School District No. 27		\$2,022.19
Urban Drainage South Platte	0.100	\$3.57
Urban Drainage and Flood Control	0.900	\$32.13
TOTAL	112.715	\$4,023.94

Annual Tax Levied on Residential Property with \$525,000 Actual Value With the District Mill Levy (Assuming Maximum District Mill Levy, a Residential assessment rate of 6.8%, and an Assessed Valuation of \$35,700 ($\$525,000 \times 0.068 = \$35,700$))

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District		
Brighton Fire District No. 6	16.793	\$599.51
School District No. 27	56.644	\$2,022.19
Urban Drainage South Platte	0.100	\$3.57
Urban Drainage and Flood Control	0.900	\$32.13
Kestrel Metropolitan District	60.000	\$2,142.00
TOTAL	172.715	\$6,165.94

Service Plan

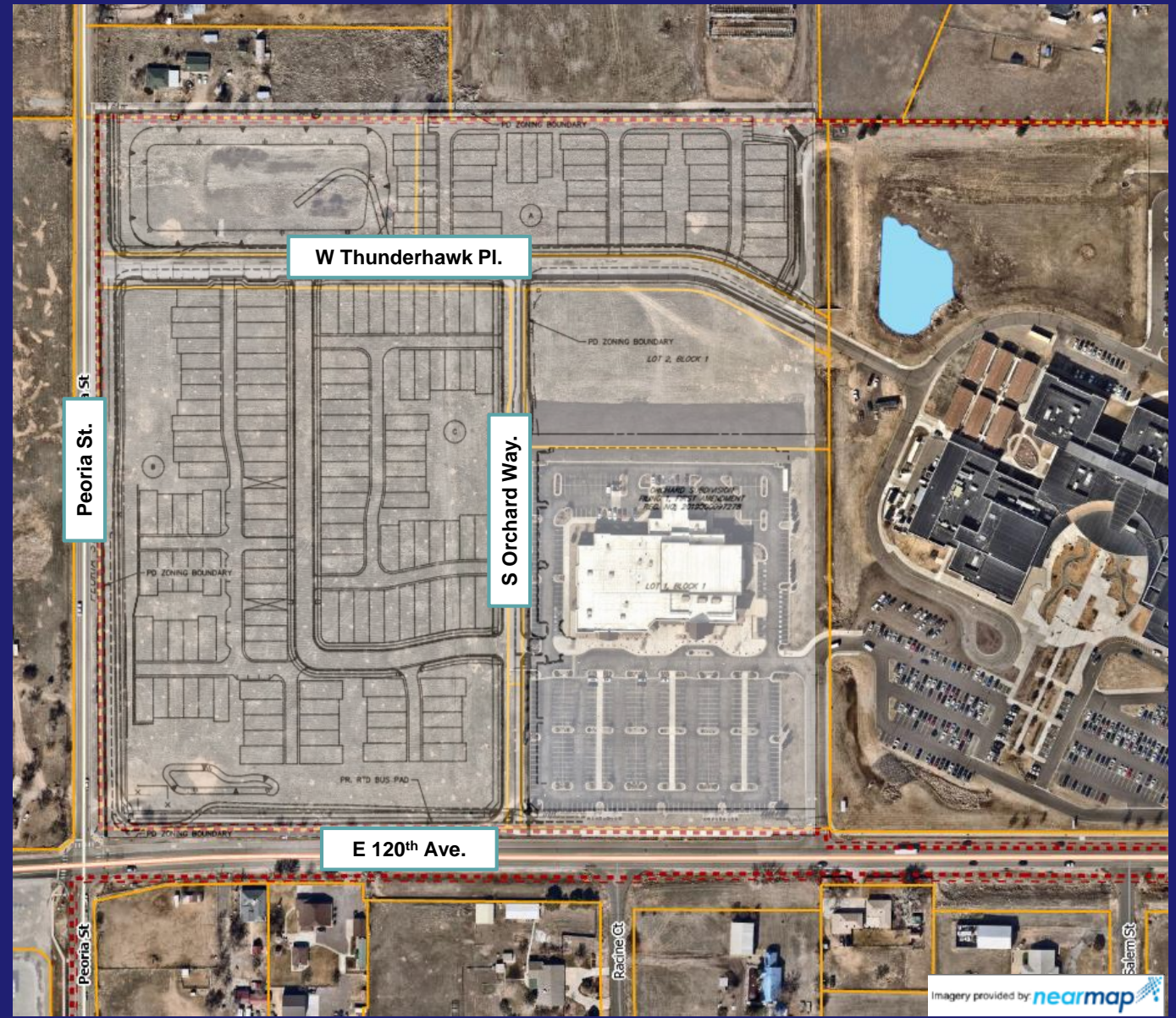
Staff Analysis

Service Plan

- The daytime “population” at build-out is estimated by the Applicant to be approximately 500 people.
- The Service Plan outlines that the District will need to spend approximately \$9,508,679 million for the installation of infrastructure and will need the borrowing authority of \$13 million.
- Includes an updated definition of *Mill Levy Adjustment*, as was discussed at the May 13, 2025 study session with City Council.

Improvements: Roadways

- The developer will be required to design and construct the following roadways:
 - East 120th Avenue
 - Peoria Street
 - West Thunderhawk Place
 - South Orchard Way
 - Internal Alleys
- The developer will contribute to the design and construction costs for upgrading the existing traffic signal at East 120th Avenue and Peoria Street.



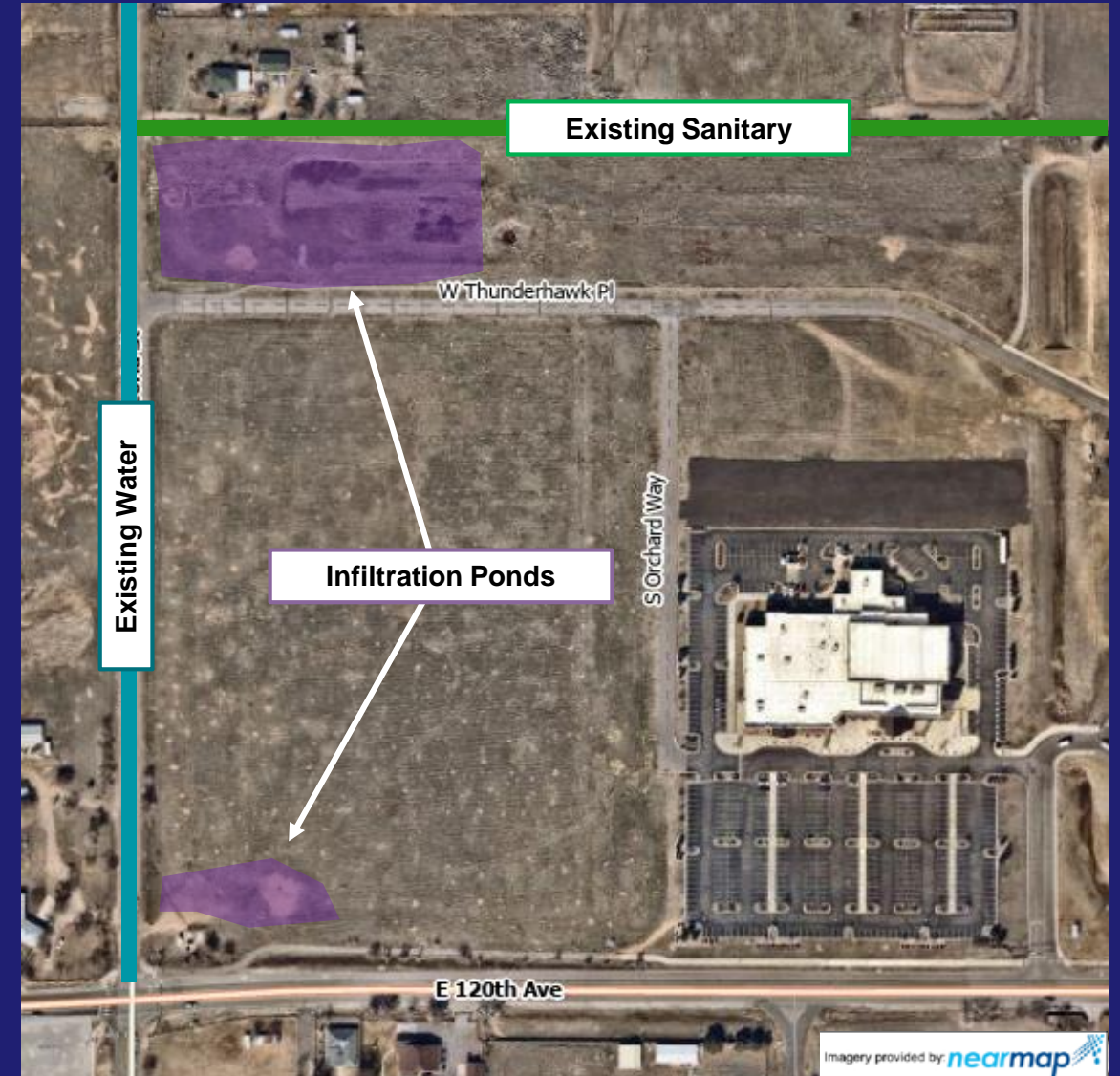
Improvements: Infrastructure

Stormwater

- The developer will modify the existing infiltration pond and construct an additional pond to the southwest portion of the site.
- The developer will be required to design and construct all storm drainage infrastructure (pipes, inlets, etc.)

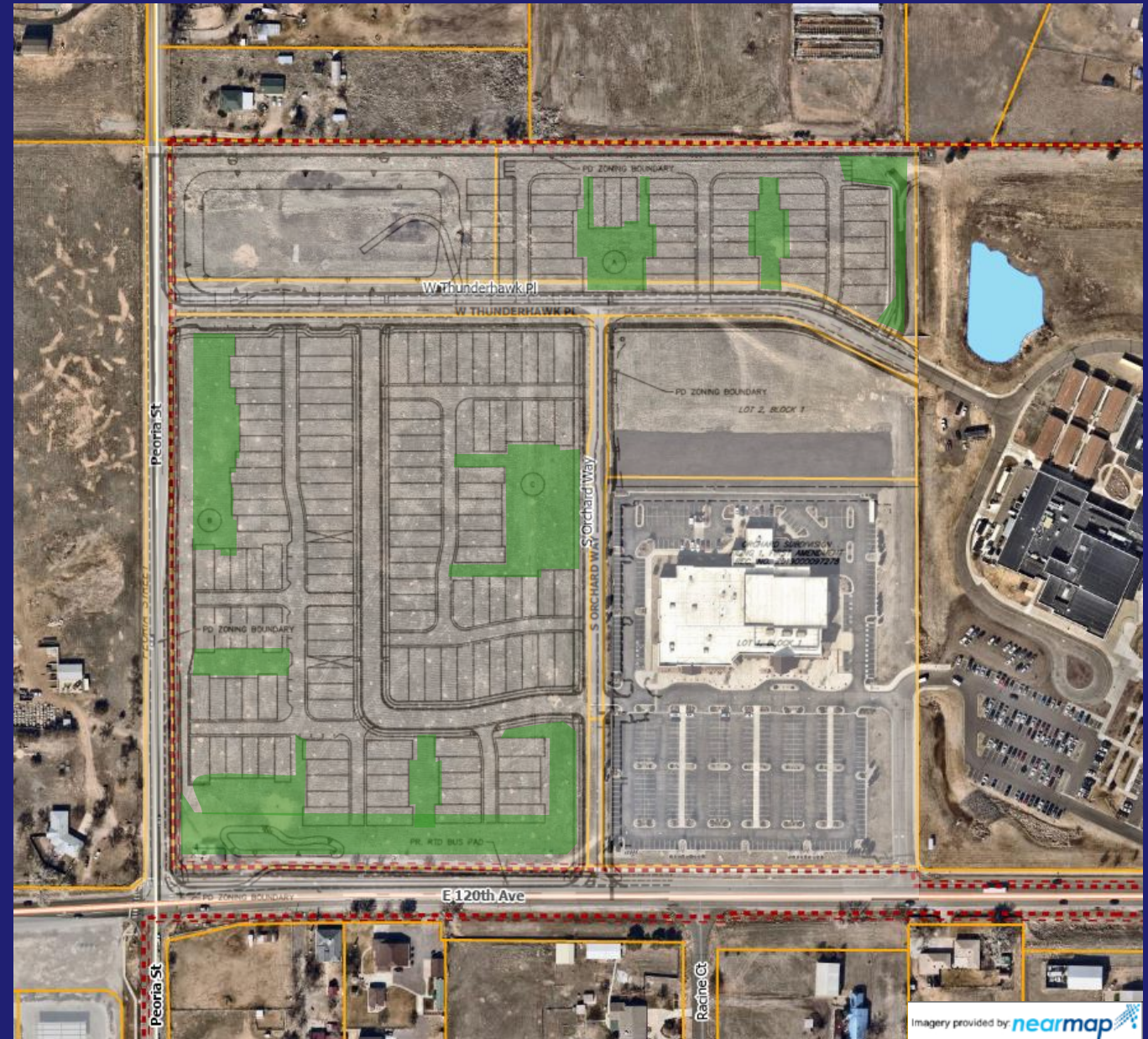
Water and Sewer

- The developer will connect to the existing water and sewer infrastructure that is adjacent to the property and extend services throughout the site.



Improvements: Parks and Open Space

- The Developer shall construct all parks.
- The District shall maintain all landscape tracts, open space areas, and parks.



Intergovernmental Agreement "IGA"

Staff Analysis

IGA

- Addresses notice and enforcement requirements, amendments to the IGA, assignability, successors and assigns, etc.
- Discusses the maintenance of parks, landscape tracts, trails, and utility infrastructure.
- Discusses and exhibits the ownership and maintenance responsibilities of both the City and District.
- Contains notices of inclusion and property tax estimates that will be provided to future property and homeowners.
- The IGA includes a provision to allow the use of Special Assessments to establish one or more Special Improvement Districts in order to finance public improvements. The imposition of a Special Assessment and lien against each individual residential lot shall be paid in full prior to transfer of such lot to a homeowner.

Summary

- ✓ The Service Plan provides:
 - Description of services, financial information, preliminary engineering survey, map of boundaries, estimates on build-out populations and assessed valuations, estimated costs of development and district operation, the description of facilities to be constructed, financial information related to those facilities, and an associated Intergovernmental Agreement (IGA).
- ✓ The submitted service plan aligns with the Model Service Plan adopted by City Council.
- ✓ The IGA discusses and exhibits the necessary information and requirements concerning the construction and maintenance of certain public improvements.
- ✓ City staff finds that in the area of the proposed District, there is sufficient existing and projected need for organized service, the existing service is inadequate for present and projected needs, the proposed District is capable of providing economical and sufficient service, and it has the financial ability to discharge the proposed indebtedness on a reasonable basis.

Public Notice and Comment

- **On August 7th:**
 - ✓ *Written notice was published in The Brighton Standard Blade, in accordance with the CRS.*
- **On August 12th:**
 - ✓ *Notice was published on the City's Website.*
 - ✓ *City staff posted information for the public hearing on Facebook and Next Door.*
- Planning staff has not received any formal comments in advance of this hearing.

Staff Analysis and Findings

- City staff and the City's outside reviewers have reviewed the proposed Kestrel Metropolitan District Service Plan and found that it meets minimum State requirements.
- A draft resolution that approves the proposed Kestrel Service Plan and Intergovernmental Agreement has been included in the packet if City Council chooses to move to approval.

Options for City Council

- ☐ Approve the Resolution as drafted;
- ☐ Approve the Resolution with modifications;
- ☐ Deny the Resolution with specific findings to justify the denial; or
- ☐ Continue the item to be heard at a later, specified date if the City Council feels it needs more information to make a determination.