

WATERVIEW METROPOLITAN DISTRICT

ID-21-002

Kari Parsons

PUBLIC INPUT

- If you are watching remotely and have not provided a name and a reliable phone number already, please email that information to Planning and Community Development Department at PCDhearings@elpasoco.com at this time.

REQUEST

- A request for approval of a Colorado Revised Statute Title 32 Special District amended service plan with a maximum debt authorization of \$50 million, a debt service mill levy of 50 mills for residential, 5 mills for special purpose, and an operations and maintenance mill levy of 10 mills, for a total maximum combined mill levy of 65 mills for residential. The statutory purposes of the Districts include the provision of the following:
 - 1) street improvements and safety protection;
 - 2) design, construction, and maintenance of drainage facilities;
 - 3) design, land acquisition, construction, and maintenance of recreation facilities;
 - 4) mosquito control;
 - 5) design, acquisition, construction, installation, and operation and maintenance of television relay and translation facilities;
 - 6) covenant enforcement; and
 - 7) design, construction, and maintenance of public water and sanitation systems.

MANDATORY CRITERIA FOR DISAPPROVAL

The BoCC shall disapprove the draft service plan unless evidence satisfactory to it of each of the following is presented or, in the BoCC 's discretion, the BoCC conditionally approves the draft service plan to cause compliance with these criteria (C.R.S. § 32-1-203(2)):

- There is sufficient existing and projected need for organized service in the area to be served by the proposed special district;
- The existing service in the area to be served by the proposed special district is inadequate for present and projected needs;
- The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries;
- The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

DISCRETIONARY CRITERIA FOR DISAPPROVAL

The BoCC may disapprove the draft service plan if evidence of the following, at the BoCC 's discretion, is not presented (C.R.S. § 32-1-203(2.5)):

- Adequate service is not, or will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
- The facility and service standards of the proposed special district are compatible with the facility and service standards of each County within which the proposed special district is to be located and each municipality which is an interested party as defined in C.R.S. § 32-1-204 and this Code;
- The proposal is in substantial compliance with the El Paso County Master Plan;
- The proposal is in compliance with any duly adopted County regional, or State long-range water quality management plan for the area; or
- The creation of the proposed special district will be in the best interests of the area proposed to be served.

HEARING DATES

- Planning Commission December 02, 2021
 - Recommended Approval
- Board of County Commissioner meeting to set date of hearing on December 14, 2021
- Board of County Commissioner hearing on January 4, 2022

APPLICANT

Waterview Metropolitan District

Representative:

White, Bear, Ankele, Tanaka, & Waldron P.C.

Sean Allen, Esq.

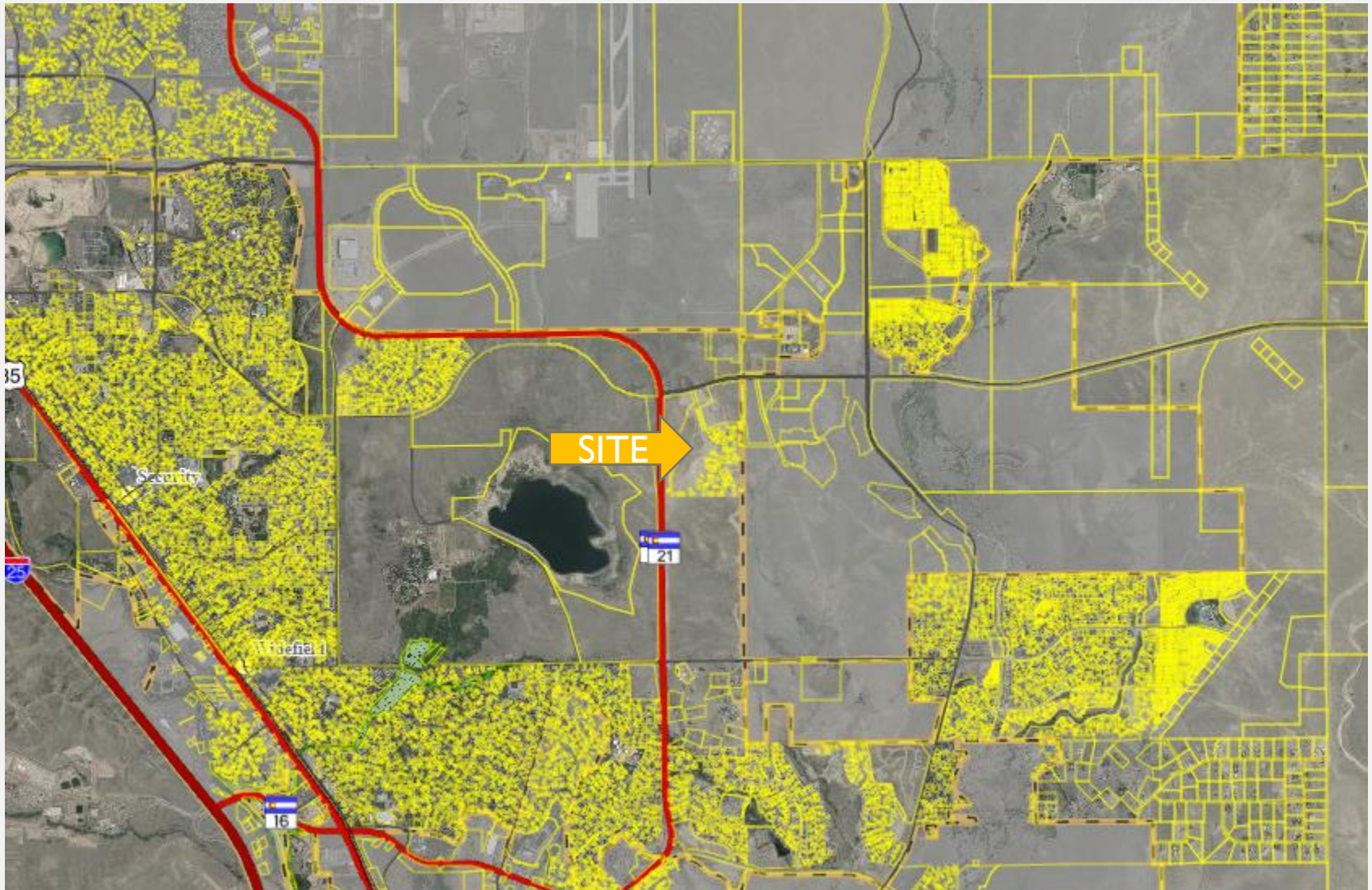
2154 East Commons Avenue, Suite 2000

Centennial, Colorado 80122

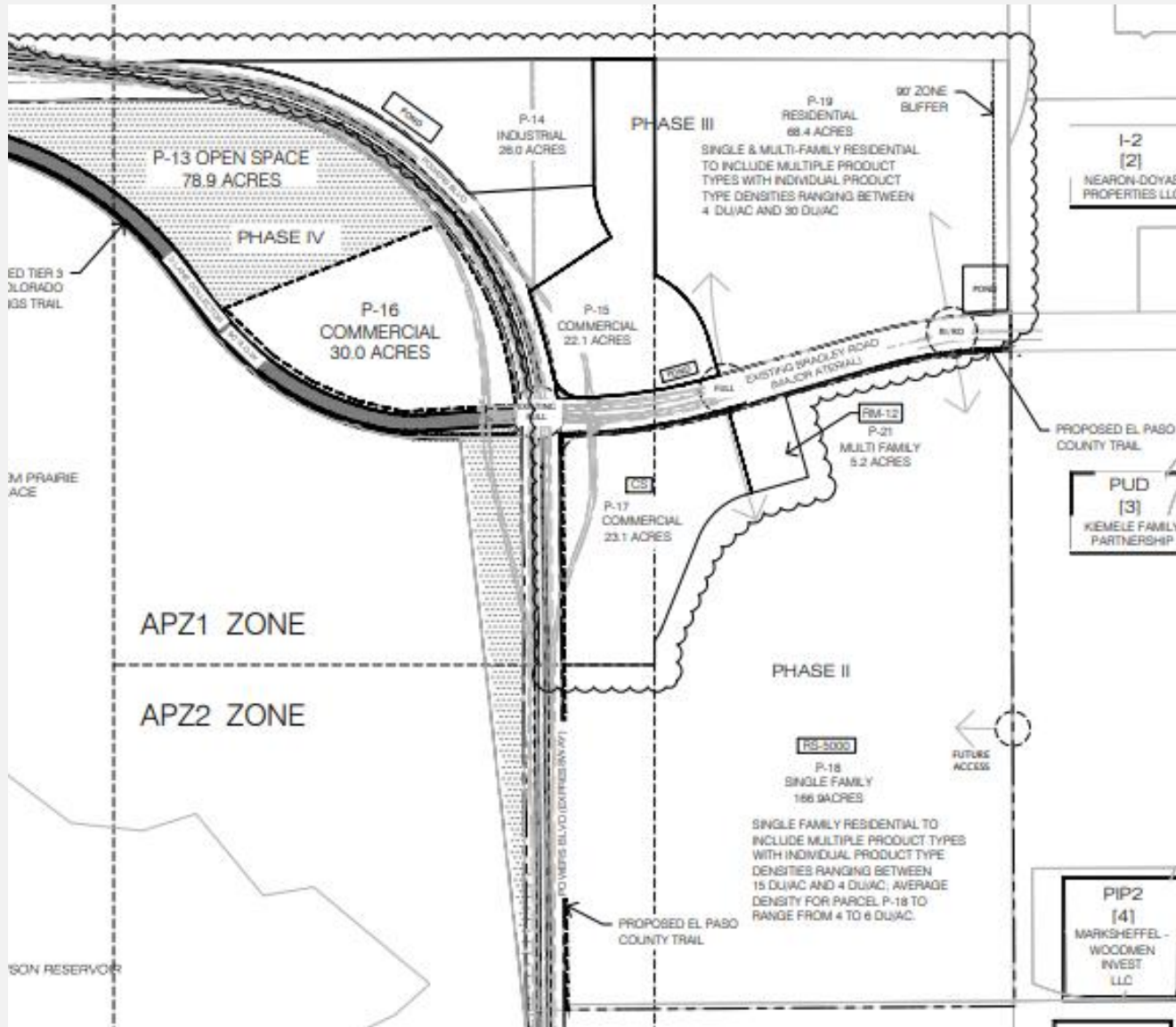
PUBLIC NOTICE

- There are no posting or mailing requirements for hearings before the Planning Commission on Colorado Revised Statutes Title 32 Special District service plans;
- PCD staff did notify 18 adjacent property owners on November 16, 2021.
- However, there are notice requirements for hearings before the Board of County Commissioners.
- The applicant was required to notify all taxing jurisdictions within three (3) miles of the District's boundaries as required by state statute prior to the Board of County Commissioners hearing.
- In addition, published notice provided by County staff in the Shopper Press for the BoCC hearing.

VICINITY MAP



THE AMENDED WATERVIEW SKETCH PLAN



BACKGROUND

- The Waterview Sketch Plan (SKP-00-002) was approved by the Board of County Commissioners on May 10, 2001.
- The Plan identified two (2) phases of development totaling approximately 621.59 acres, which included a maximum of 680 single family dwellings, 330 multi-family dwelling units, 404.14 acres of commercial, 40.56 acres of open space, and 118.29 acres of right-of-way.
- On October 28, 2014, the Board of County Commissioners approved a sketch plan amendment to the previously approved plan.
- The amendment altered the configuration of land uses to allow 107.3 acres of commercial uses, 184.3 acres of single-family residential uses, 39.9 acres of multifamily uses, 107.4 acres of open space, and 81.4 acres of industrial uses.
- On April 2, 2018, an amendment to the sketch plan was approved administratively to allow for an additional 80 single-family residential lots.

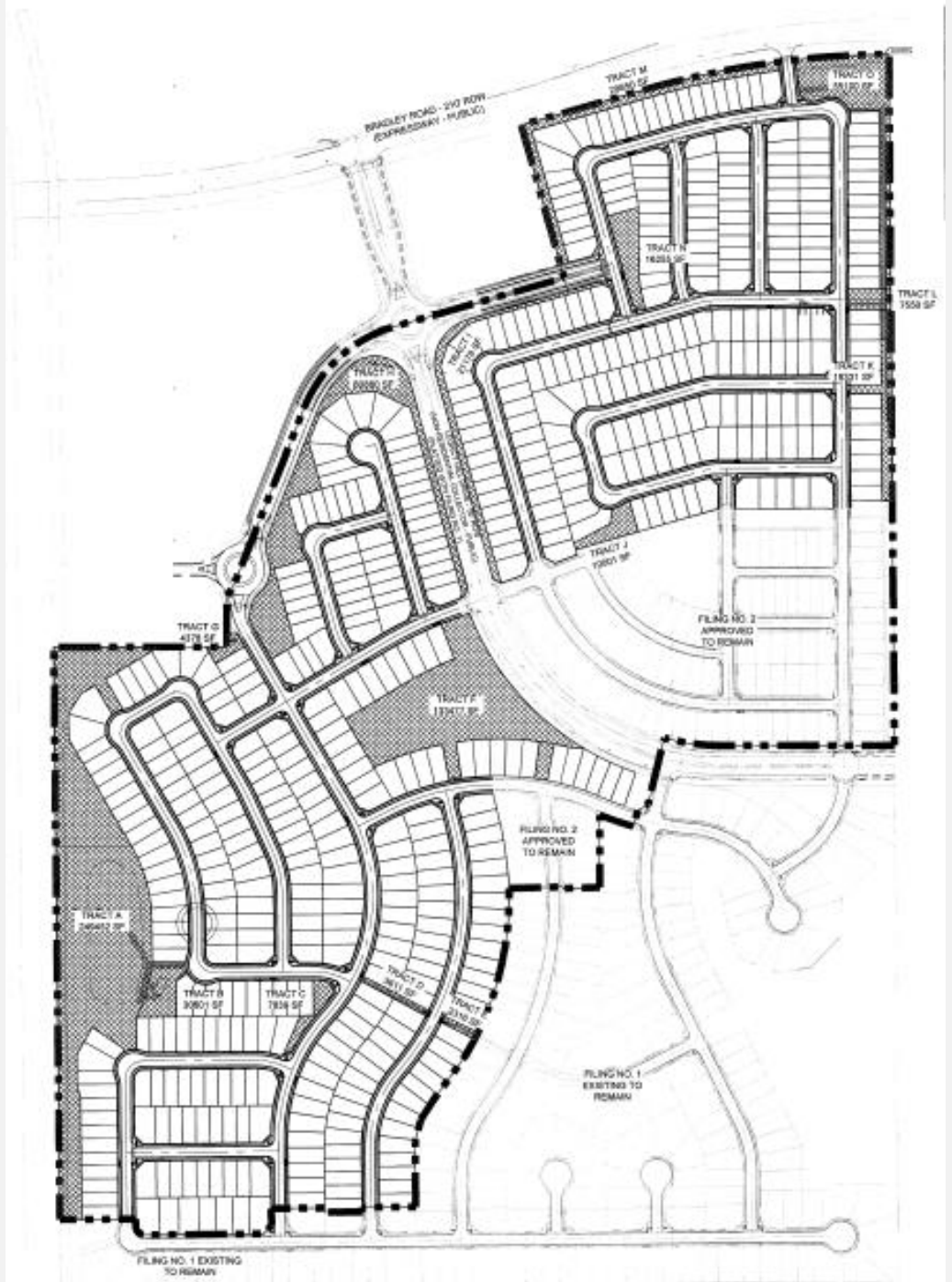
BACKGROUND

- On October 24, 2018, another sketch plan amendment was administratively approved allowing a one (1) acre increase in the amount of commercial acreage within the plan.
- On July 15, 2021, the Board of County Commissioners approved a sketch plan amendment to the previously approved plan.
- The amendment allowed for the reduction of the proposed commercial area from 38.2 acres to 22.1 acres and the industrial area from 78.9 acres to 26 acres to accommodate 1,260 additional single-family and multifamily residential units.
- On February 12, 2019, the Board of County Commissioners approved the Trails at Aspen Ridge PUDSP, which allowed for the creation of 605 residential lots.
- On April 28, 2020, Trails at Aspen Ridge Filing No. 1 final plat which created 181 single-family lots was approved by the Board of County Commissioners. The final plat was recorded on July 14, 2020.

BACKGROUND

- On June 8, 2021, the Board of County Commissioners approved the Trails at Aspen Ridge PUDSP Amendment, which increased the number of single-family residential lots from 606 to 680 residential lots.
- It should be noted that the Waterview II Metropolitan District's service plan modification is limited to a residential mill levy. The commercial and industrial areas depicted on the Waterview Sketch Plan are excluded from the District's service area.
- The Planning and Community Development Director approved the Trails at Aspen Ridge Filing No. 2 final plat on July 28, 2021, which created 98 single-family lots. The final plat was recorded on August 2, 2021.
- In 2006, the Board of County Commissioners approved the creation of a Colorado Revised Statute Title 32 Special District service plan, Waterview II Metropolitan District (ID-20-002). That District included a boundary area of 441-acres, and the following: a maximum debt authorization of \$35 million, and a debt service mill levy of 40 mills without adjustment.
- The Plan didn't specify residential or commercial mills. The Waterview II Metropolitan District was created prior to the adoption of the June 2007, Special District Policies.

THE TRAILS AT ASPEN RIDGE PUD PLAN



BACKGROUND

- On June 28, 2021, El Paso County District Court issued a “An Order For Exclusion” which removed 143-acres from the original 441-acre District boundary for a remaining total of 298 acres of land within the District. The District, totaling 298- acres of land, requests the subject service plan modification.
- Additionally, there are two areas, totaling 129.4 acres, that are depicted as future exclusion areas on page A-3 of the requested service plan modification. If these areas are excluded, the District would be reduced to 168.8 acres.
- The financial plan summary, in the proposed service plan does not include the future exclusion areas and is based on residential development only. The remaining 168.8 acres are anticipated to be developed as the Trails at Aspen Ridge development, which is proposed to include 861 single-family lots.
- The Waterview II Service Plan Modification request includes a maximum debt authorization of \$50 million, a debt service mill levy of 50 mills for residential, a debt service mill levy of 5 mills for special purpose, and an operations and maintenance mill levy of 10 mills, for a total maximum combined residential mill levy of 65 mills.

EXISTING MILL LEVIES 2021

• El Paso County	7.755
• El Paso County Road and Bridge	0.330
• Widefield School District No. 3	56.164
• SE Colorado Water Conservancy	0.942
• Central Colorado Conservation	0.0 (zero)
• Security Fire Protection District	10.002
• El Paso County PID No. 2	10.000
• Waterview II Metropolitan District	40.000

TOTAL: **125.193**

PROPOSED NEW DISTRICT TOTAL: **150.193 (Residential)**

STAFF REPORT

- **Staff report includes analysis of mandatory criteria, and**
 - **Sufficient existing and projected need**
 - **Existing service is inadequate for present and projected needs**
 - **District is capable of providing economical and sufficient service**
 - **Financial ability to discharge proposed indebtedness**
- **Discretionary criteria**
 - **Adequate service is not or will not be available through other sources**
 - **Facility and service standards compatible**
 - **Compliance with the Master Plan**
 - **El Paso County Water Master Plan**
 - **Your New El Paso County Master Plan**
 - **Compliance with water quality management plan**
 - **In the best interests of the area to be served**

FINANCE DEPARTMENT ANALYSIS

- “The proposed metro district would assess a 10 mill levy on assessed properties in the district from 2022-2058. Over the 37 years, the effect of collecting property taxes for the district will decrease El Paso County’s Specific Ownership Taxes by an average of \$6,896 a year.
- In year 1 (2022), EPC collections will be reduced by approximately \$103 and growing to \$3,870 at completion of the project in 2026 (year 5). During the same time-period, El Paso County’s property taxes are expected to grow approximately \$3,870 in 2022 to \$175,496 in year 5.
- Over the 37-year course of the project, we estimate total SOT collections will be reduced by \$255,149 while property tax collections should increase by \$11,570,249.”

* Information provided by Nikki Simmons, CPA

El Paso County Financial Services

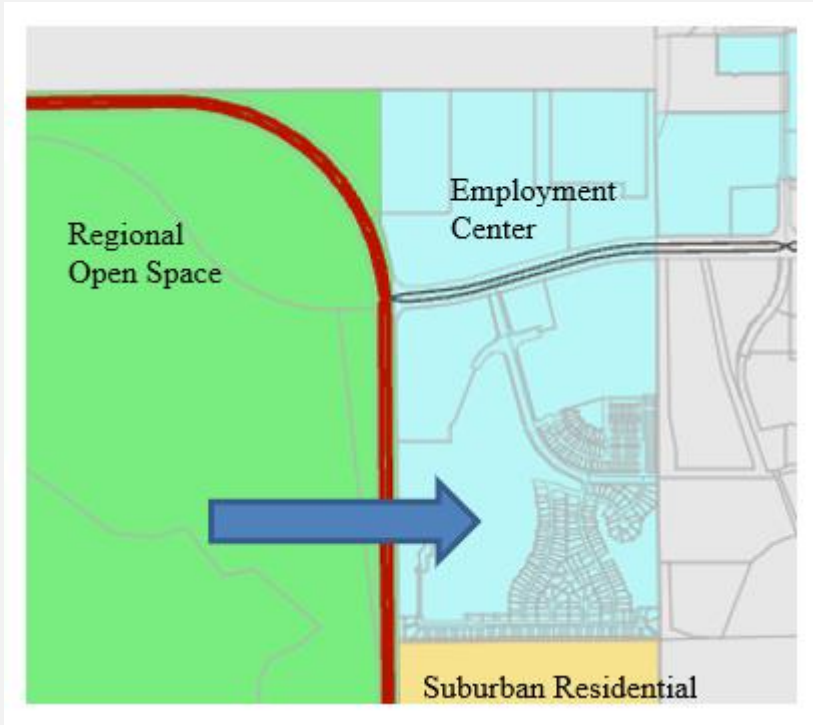
STAFF ANALYSIS

- The service plan modification to allow for an increased maximum debt authorization from \$35 million to \$50 million and an increase from 40 mills to a combined maximum of 65 mills isolates the financial obligation of the costs of the necessary infrastructure for the Trails at Aspen Ridge development to the Waterview II Metropolitan District.
- Annexation into the City is not feasible at this time.
- Colorado Springs Utilities does not have service available at this time in the subject area.
- Widefield Water and Sanitation District currently provides services to the existing development within the Waterview II Metropolitan District.
- Widefield Water and Sanitation District is proposed to provide water and wastewater services to future development within the District.
- Not be financially feasible for another district to finance construction of the public improvements needed to serve the Trails at Aspen Ridge development due to the additional debt the districts would incur and their limited debt capacity.

STAFF ANALYSIS













- The District's financial plan indicates that the District would have the ability to discharge the proposed indebtedness pursuant to the densities set forth in the Amended Waterview Sketch Plan approval.
- The plan relies upon a development build-out schedule beginning in 2021 and ending in 2026.
 - “The residential development is anticipated to be comprised of 861 single-family homes projected to be completed between 2021 through 2026. Estimated home prices range from \$375,000 to \$425,000 per unit with an overall average of approximately \$393,000 per unit. Home prices are estimated to appreciate 2 percent per year.”
- The applicants' anticipated build-out schedule and absorption rate appear to be consistent with the current market trends.
- The projected biennial inflation rate of six (6) percent is higher than most service plans submitted to El Paso County.
 - Most of the other service plans project one (1) to two (2) percent biennial inflation on existing assessed values within El Paso County

YOUR EPC MASTER PLAN (2021) PLACETYPES



- The parcels are designated as Employment Center. The Employment Center placetype is the County's primary location for large-scale, nonretail businesses that provide significant employment and economic development opportunities.
- The development pattern that has occurred within the Waterview II Metropolitan District and in the surrounding area to the west indicates a demand for additional residential uses in this area. The subject property is zoned for residential land uses.

Placetypes

 Rural	 Employment Center
 Large-Lot Residential	 Regional Open Space
 Suburban Residential	 Mountain Interface
 Urban Residential	 Military
 Rural Center	 Utility
 Regional Center	 Incorporated Area

YOUR EPC MASTER PLAN (2021) AREAS OF CHANGE



- “These areas will be significantly transformed as new development takes place on lands currently largely designated as undeveloped or agricultural areas. Undeveloped portions of the County that are adjacent to a built-out area will be developed to match the character of that adjacent development or to a different supporting or otherwise complementary one such as an employment hub or business park adjacent to an urban neighborhood.”

WATER MASTER PLAN (2018)

Goal 1.1 – Ensure an adequate water supply in terms of quantity, dependability and quality for existing and future development.

Policy 5.2.4 – Encourage the locating of new development where it can take advantage of existing or proposed water supply projects that would allow shared infrastructure costs.

Policy 6.0.3 – Encourage water and wastewater infrastructure projects to be sited and designed in a manner which promotes compatibility with adjoining uses and provides reasonable mitigation of any adverse visibility and other environmental impacts.

Goal 6.0.11 - Continue to limit urban level development to those areas served by centralized services.

Figure 5.1 - El Paso County Current Demand by Planning Region

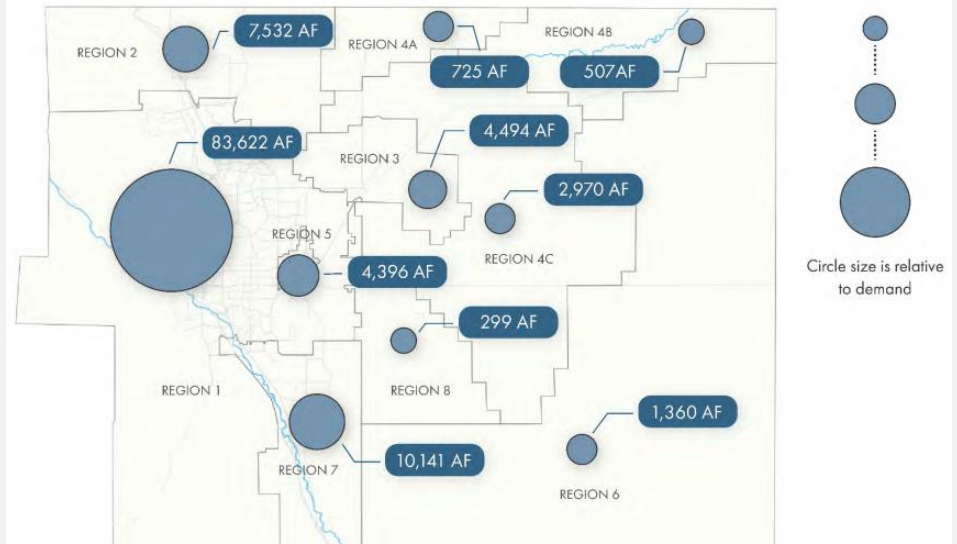
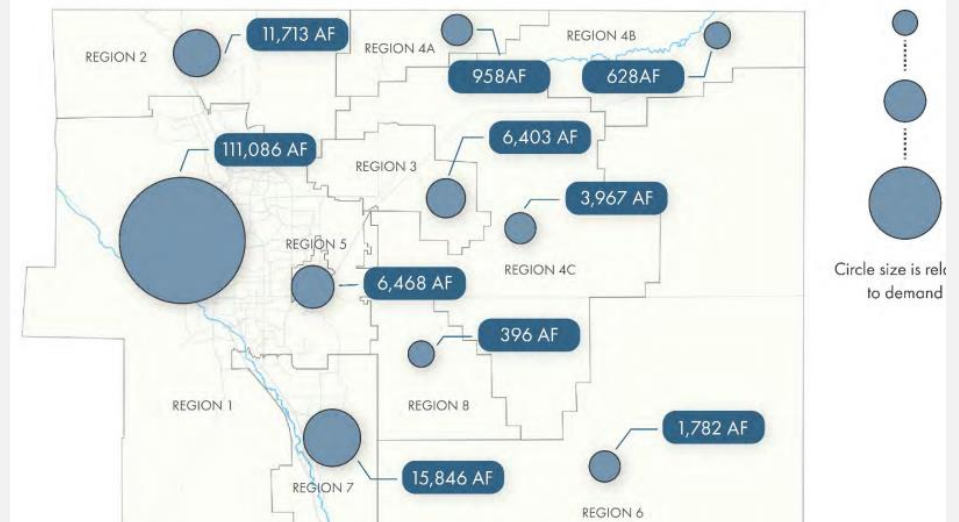


Figure 5.2 - El Paso County Future (2040) Demand by Planning Region



DISCLOSURE

- Standard Disclosure will be required
 - Exhibit to service plan
 - Will be required with subsequent plans
 - Updates required annually thereafter
 - To be posted on County web site

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END