



**BACKGROUND PAPER FOR PROPOSED
RESOLUTION**

COUNCIL MEETING DATE: April 11, 2022

TO: President Heather Graham and Members of City Council

CC: Nicholas A. Gradisar, Mayor

VIA: Marisa Stoller, City Clerk

FROM: Scott Hobson, Acting Director of Planning and Community Development

SUBJECT: A RESOLUTION APPROVING THE SERVICE PLAN FOR THE
ANDIAMO METROPOLITAN DISTRICT

SUMMARY:

The proponent for the formation of the Andiamo Metropolitan District, SEA Construction Enterprise, LLC, has submitted a Service Plan to the City for the established of a metropolitan district under Title 32 of the Colorado Revised Statutes. The area where the district would be established is located generally adjacent to and south of Dillon Boulevard, and adjacent to and west of Outlook Boulevard totaling approximately 97 acres. The Northeast of Northridge Annexation was annexed into the City of Pueblo on September 10, 1973, by Ordinance No. 3731. A master plan for the property was approved as the Outlook West Master Plan, Case No. MP-03-05, by the City's Planning and Zoning Commission on September 10, 2003. In accordance with the requirements of Title 32, Section 32-1-204.5, C.R.S., the City Council is required to approve the Service Plan of the districts prior to proceeding with the remaining steps to form the district under state statutes.

PREVIOUS COUNCIL ACTION:

None.

BACKGROUND:

City Council's approval of the Service Plan for the Andiamo Metropolitan District ("Service Plan") is the initial step in creating a metropolitan district under Title 32 of the Colorado Revised Statutes. The proposed metropolitan district is contained within the area that is located generally adjacent to and south of Dillon Boulevard, and adjacent to and west of Outlook Boulevard in the City and County of Pueblo. The Service Plan contains the finance, construction, operation and maintenance of the facilities and improvements described within the service area.

The metropolitan district is proposed to be formed as a separate distinct legal entity from the City with their own elected board of directors under the Colorado Special District Act. The District will have the authority, subject to voter approval, to impose a mill levy on properties in the District for the specific purposes, including the operation of the District's authorized services and debt payments, as described in the Service Plan. The proposed metropolitan district may not deviate in a material manner from the requirements of the Service Plan.

The Service Plan consists of a description of the proposed services, financial analysis and general engineering plans showing how proposed facilities and services will be provided and financed. The plan provides a general description of the facilities to be constructed, general estimated costs, and the standards of such construction, including a statement of how the facility and service standards of the District are compliant with facility and service standards of the City. The approval of the Service Plan by City Council does not imply any approval by the City of any development or improvement plan that is utilized or described in the Service Plan.

Andiamo Metropolitan District will be organized to finance, construct, own, manage and operate the public improvements throughout the development area, along with providing administrative services. The District will be responsible for financing the improvements and associated operations and maintenance costs, as described in the Service Plan. The District may own, operate and maintain the public facilities and improvements within the Development that are not otherwise dedicated or conveyed to the City, the County, or other public entity or owners' association.

The Service Plan provides for the design, acquisition, construction, installation and financing of certain water, sanitation, street, safety protection, park and recreation, transportation, mosquito control, security, and fire protection improvements and services within and without the District's boundaries. The City is not obligated to own, operate, or maintain any of the improvements provided by the district. Although any of the improvements that will ultimately be accepted by the City will be required to be designed and constructed in compliance with City Standards and provisions of the Municipal Code. Those improvements not dedicated to City for ownership, operation, and maintenance may be owned, operated, and maintained by the district or other appropriate entities.

To finance both the on-site and off-site improvements, the Financial Plan provides for a maximum mill levy the Districts may impose for the payment of principal of and interest on Debt at fifty (50) mills.

FINANCIAL IMPLICATIONS:

The approval of the Service Plan does not impose any liability on the City nor create any responsibility or liability on the part of the City for any of the District's obligations.

BOARD/COMMISSION RECOMMENDATION:

Not applicable.

STAKEHOLDER PROCESS:

The notice of the filing of the Service Plan with the City Clerk has been distributed to all existing taxing districts within the service area of the proposed district. The notice of the hearing on the proposed Service Plan has been advertised in the Pueblo Chieftain and provided to the taxing districts.

ALTERNATIVES:

If the Service Plan is not approved or not approved in the timeframe to meet the State Statutory requirements for the proponents to conduct an election to form the District, the proponents will not be able to hold another election, per state statutes until November 2022.

Applicant states that financial conditions are projected to be substantially less favorable by November and will likely adversely affect the terms of the Financing Plan. Applicant has requested an accommodation to allow it to file its petition to form the district and participate in the election with the District Court prior to final approval of the Service Plan.

Section 32-1-204.5(1), C.R.S. gives City Council discretion to give “preliminary approval” of a service plan, or approval with or without conditions. Accordingly, staff and the City’s attorney have stated no objection to Applicant filing its petition with the District Court in order to meet the election deadlines so long as District Court approval is conditioned on receipt of a final Resolution Approving the Service Plan.

RECOMMENDATION:

Approval of the Resolution.

Attachments:

Services Plan - Andiamo Metropolitan District
Service Plan Review Application Letter, January 13, 2022
Legal Notice for Public Hearing on Service Plan
Certificate of Publication and Mailing

RESOLUTION NO. 14843

A RESOLUTION APPROVING THE SERVICE PLAN FOR
THE ANDIAMO METROPOLITAN DISTRICT

WHEREAS, a proposed Service Plan for the Andiamo Metropolitan District was filed with the City Clerk (the "City Clerk") of the City of Pueblo, a municipal corporation (the "City"), pursuant to Sections 32-1-204.5, C.R.S.; and,

WHEREAS, the City Council of the City (the "Council") held a public hearing on said Service Plan on April 11, 2022; and,

WHEREAS, notice of said public hearing was duly published in the "Pueblo Chieftain," a newspaper of general circulation within the boundaries of the Andiamo Metropolitan District (the "District"), on March 24, 2022; and,

WHEREAS, a notice of the date, time and location of the public hearing was mailed on March 30, 2022, to the governing body of the existing municipalities and special districts which have levied an ad valorem tax within the next preceding tax year and which have boundaries within a radius of three miles of the proposed boundaries of the Districts and, on March 30, 2022, to the petitioner and to the property owner; and,

WHEREAS, Council has considered the Service Plan in reference to the information and criteria required and set forth in Section 32-1-202(2) and Section 32-1-203(2), C.R.S., and in light of testimony and other evidence presented to it at said public hearing; and,

WHEREAS, the Council hereby finds that the Service Plan should be approved as provided herein, pursuant to Section 32-1-204.5, C.R.S; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The information contained within the Service Plan for the Andiamo Metropolitan District satisfies the requirements of Section 32-1-202(2), C.R.S.

SECTION 2.

Evidence satisfactory to the Council of each of the following was presented, as provided in Section 32-1-202(2) and 32-1-203(2), C.R.S.:

- a. There is sufficient existing and projected need for organized service in the area to be served by the proposed District; and,
- b. The existing services in the areas to be served by the proposed District are inadequate for present and projected needs; and,

c. The District is capable of providing economical and sufficient services to the areas within its proposed boundaries; and,

d. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

SECTION 3.

The requirements of Section 32-1-204.5, C.R.S., and of the applicable provisions of the Pueblo Municipal Code, if any, relating to the contents and standards for approval of the Service Plan, have been fulfilled.

SECTION 4.

Council hereby approves and authorizes the attachment of this Resolution to the Petition for organization of the District to be filed in the District Court in accordance with Section 32-1-205, C.R.S. and Section 32-1-301, C.R.S. and, to the extent necessary, consents to the filing of the Petition prior to the date of this Resolution as a preliminary approval pursuant to Section 32-1-204.5(1)(c), C.R.S. *nunc pro tunc* to the date of filing.

SECTION 5.

The officers and staff of the City are authorized to perform any and all acts consistent with the intent of the Resolution to implement the policies and procedures described herein.

SECTION 6.

This Resolution shall become effective immediately upon final passage and approval.

INTRODUCED: April 11, 2022

BY: Dennis E Flores
MEMBER OF CITY COUNCIL

APPROVED: 
PRESIDENT OF CITY COUNCIL

ATTESTED BY: 
CITY CLERK