| 1  | ORDINANCE O-2020-  |  |
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| 2  | A BILL FOR AN ORDINANCE AMENDING CHAPTER 4.10 OF THE LONGMONT                                |  |
| 3  | MUNICIPAL CODE ON SPECIAL DISTRICTS POLICIES AND PROCEDURES                                  |  |
| 4  |  |  |
| 5  | THE COUNCIL OF THE CITY OF LONGMONT, COLORADO, ORDAINS:                                      |  |
| 6  | Section 1  |  |
| 7  | In this ordinance, ellipses indicate material not reproduced as the Council intends to leave |  |
| 8  | that material in effect as it now reads.   |  |
| 9  | Section 2  |  |
| 10 | The Council amends chapter 4.10 of the Longmont Municipal Code, by adding italicized         |  |
| 11 | material and deleting stricken material, to read as follows:                                 |  |
| 12 | 4.10.010. – Purpose of policies and procedures.  |  |
| 13 | Under appropriate circumstances, financing districts, including special districts            |  |
| 14 | organized under the Special District Act (C.R.S. § 32-1-101 et seq.) ("districts")           |  |
| 15 | provide an alternative means of financing the construction of municipal                      |  |
| 16 | infrastructure.  |  |
| 17 | A. Objectives. The purpose of these policies is to accomplish the following                  |  |
| 18 | objectives:  |  |
| 19 | 1. Have the district pay for finance infrastructure or other public improvements             |  |
| 20 | that the city or developer would normally install.   |  |
| 21 | 2. Identify the types of benefits that are expected to occur to the city and its             |  |
| 22 | citizens generally in the proposed formation of a special district.                          |  |
| 23 | 3. Avoid having indebtedness of special districts affect the credit rating of the city.      |  |

| 1  | 4.3. Preserve the financial integrity of the city and its citizens.                     |
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| 2  | 5.Prevent the shift of development risk to non-developers.                              |
| 3  | 64. Manage Minimize and insulate the city from risks and controversies that may         |
| 4  | arise in relation to special districts.   |
| 5  | 75. Minimize excessive tax burdens upon city residents in special districts.            |
| 6  | 86. Finance and facilitate construction of required improvements and, if possible,      |
| 7  | additional amenities necessary and beneficial for <del>a district's</del>               |
| 8  | development development consistent with the city master plan and vision.                |
| 9  | 97. Impose conditions, restrictions and requirements on the development of              |
| 10 | existing and future districts. Restrictions will apply to additional capital            |
| 11 | infrastructure and the issuance and refunding of indebtedness, in order to preserve     |
| 12 | the public purpose of the district, the financial integrity of the city and the health, |
| 13 | safety, prosperity, security and general welfare of all of the residents and citizens   |
| 14 | of the city, including the residents and citizens of the districts.                     |
| 15 | 108. Provide procedures for the processing and review of proposals for formation        |
| 16 | of new districts, and to define restrictions and limitations the city may impose as a   |
| 17 | condition to the approval of such districts, (consistent with the policy and intent of  |
| 18 | this document).   |
| 19 |   |
| 20 | C. Residential Districts. The city council will not approve the formation of            |
| 21 | districts to fund capital improvements in developments containing residential uses,     |
| 22 | except mixed use residential districts, for the following reasons:                      |

- 1. Creation of a residential district creates a differential property tax structure among similar residential developments, and the district resident would pay significantly more property tax without any commensurate public benefit.
  - 2. Buyers of homes in district projects are often unaware of the higher property taxes in their development and may become upset when property taxes increase. Residents may be surprised to find out the price of their homes did not include the price of streets and utilities in their development and that they must pay for this over 30 or more year period through their property taxes.
  - D. C. Commercial districts. Case by case consideration. In general, the city will consider the formation of *commercial* districts on a case by case basis, if there are demonstrated benefits to the citizens and the city, such as implementing the Envision Longmont Comprehensive Plan and increasing the city's tax base.
  - E. Mixed-use residential districts. Mixed-use developments that include residential uses may present the same or similar issues to those posed by residential districts, outlined above. However, the council finds it in the public interest to promote mixed-use developments. To balance these competing concerns, the city may approve a particular residential district that includes mixed-use development if, after considering the factors listed in the paragraphs below, and after public notice and a public hearing, the council finds the proposed mixed-use residential district at least satisfies the factors listed in the paragraphs below:
  - (1) There is a distinct need for the proposed development and special district, to promote mixed-use development, consistent with the Envision Longmont Comprehensive Plan, including the following:

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| 1  | IV. Parking buffered by landscape plantings behind buildings and                     |
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| 2  | supplemented by parking along the streets;   |
| 3  | (5) The proposed mixed-use development will provide a large-scale regional           |
| 4  | retail and mixed-use project that will provide significant sales tax revenues to the |
| 5  | city and will include high quality residential products integrated into the regional |
| 6  | retail area using exceptional architectural design;                                  |
| 7  | (6) The proposed mixed-use development will provide a unique new urbanism            |
| 8  | project that incorporates a retail commercial area, office buildings, retail space   |
| 9  | and a variety of housing types, including single-family detached and attached        |
| 10 | products along with recreational amenities (pool, clubhouse, etc.), private and      |
| 11 | public parks, and common open space; or  |
| 12 | (7) The cost of the proposed necessary infrastructure or additional amenities        |
| 13 | is extraordinary or would otherwise prevent or limit construction of the proposed    |
| 14 | mixed-use development and to pay for elements of added infrastructure and            |
| 15 | amenities that are needed to achieve and meet the high standards of mixed-use        |
| 16 | developments;  |
| 17 | (8) A mixed-use district should not consist of more than 50 percent by square        |
| 18 | footage of residential gross floor area.   |
| 19 | 4.10.020 Definitions.  |
| 20 |  |
| 21 | Commercial means any development that does not include, or is not planned to         |
| 22 | include, residential units.  |
| 23 |  |

| 1  | Mixed use means a single building containing more than one principal permitted      |
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| 2  | land use or a single development of more than one building containing more than     |
| 3  | one principal permitted land use. In a mixed-use development, the different types   |
| 4  | of land uses are in close proximity, planned as a unified complementary whole, and  |
| 5  | functionally integrated to the use of vehicular and pedestrian access and parking   |
| 6  | areas.  |
| 7  |   |
| 8  | Residential means any development in which the residential units currently exist or |
| 9  | are planned to exist.   |
| 10 | •••   |
| 11 | 4.10.050 Application process.   |
| 12 | The city council will use certain criteria in determining whether to accept a draft |
| 13 | service plan to review for any given district:                                      |
| 14 |   |
| 15 | B. The proposed development shall include commercial property and shall             |
| 16 | conform to the Envision Longmont Comprehensive Plan and applicable city             |
| 17 | development code provisions.  |
| 18 |   |
| 19 | 4.10.070 Service plan contents—See Appendix A for an illustrative service plan      |
| 20 | outline.  |
| 21 | •••   |
| 22 | A. Contents of proposed plan  |
| 23 |   |

| 1  | 9. For a mixed-used residential district that could include residential development,                 |
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| 2  | a requirement that the district inform residential buyers of the additional tax burden               |
| 3  | to be imposed  |
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| 5  | 11   |
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| 7  | b. The city council will determine what change constitutes a "material                               |
| 8  | modification" of the service plan. Any significant change material modification in                   |
| 9  | the service plan shall be submitted to the city and shall first be subject to approval               |
| 10 | by the city council in accordance with the provisions of the Special District Act and                |
| 11 | the Longmont Municipal Code.   |
| 12 |  |
| 13 | 4.10.080 – Annual report required and reviewed.  |
| 14 | A The annual report shall include the following:   |
| 15 |  |
| 16 | 6. A summary of mixed-use residential and commercial development (whichever                          |
| 17 | is appropriate) which has occurred within the district for the report year.                          |
| 18 |  |
| 19 | Section 3  |
| 20 | To the extent only that they conflict with this ordinance, the Council repeals any conflicting       |
| 21 | ordinances or parts of ordinances. The provisions of this ordinance are severable, and invalidity of |
| 22 | any part shall not affect the validity or effectiveness of the rest of this ordinance.               |

|   | day or | , 2020. |
|---|--------|---------|
| Passed and adopted this _   | day of | , 2020. |
|   | MAYOR  |         |
| ATTEST:   |        |         |
| CITY CLERK  |        |         |
| NOTICE: THE COUNCIL WILL 7:00 P.M. ON THE THE LONGMONT CITY COUN APPROVED AS TO FORM: | DAY OF |         |
| DEPUTY CITY ATTORNEY  | DATE   |         |
|   |        |         |
| PROOFREAD   | DATE   |         |
|   | DATE   |         |