



ELBERT COUNTY GOVERNMENT

Public Improvement District Policy

Policy# ?

Title: Public Improvement District

- 1. Purpose:** A Public Improvement District (PID) enables property owners within a given area to fund construction and maintenance of public facilities. Public Facilities may include street improvements, storm sewer or sanitary sewer improvement or collection systems, water distribution systems, and parks or recreation areas.
- 2. Applicability:** This policy applies to all subdivisions, and/or individual property owners.
- 3. Proponent:** County Manager.
- 4. General Information:** Persons interested in improving, and maintaining public facilities including, but not limited to, street improvements, storm sewer or sanitary sewer improvements and water distribution systems. Costs will be paid as they are incurred from a mill levy that is collected with property taxes.

5. Definitions

ASSESSED VALUE - The assessed value of a district is the sum of all land values and improvement values within the district boundary. The assessed values for individual properties are determined by the Assessor's office of Elbert County.

PID - Public Improvement District

PID COORDINATOR – An Elbert County Staff member who will assist the property owner/owners in making a request for a district.

PRELIMINARY ENGINEERING - Preliminary Engineering is engineering work done at the outset of a project which is conceptual in nature. It may represent the outcome of an evaluation of several options.

PRELIMINARY ESTIMATE OF COSTS - This is an estimate of the cost of a project which is made at the time of preliminary engineering. It is based on an estimate of bid quantities and prices for a project. It is based on the best information available. Where information is not available, worst case conditions are assumed.

PROJECT BID PRICE - This is the amount bid for a project by the lowest price, responsible and reliable bidder. It is based on bid prices and design quantities.

PUBLIC FACILITY - A facility such as water system, sewer system or street which is dedicated for public use and accepted by the appropriate governmental or quasi-governmental entity.

PUBLIC MAINTENANCE - A publicly maintained facility is one which is maintained by a governmental or quasi-governmental entity.

QUALIFIED ELECTOR - A person who at the designated time or event, is qualified to vote in general elections in this state; and who has been a resident of the district for not less than thirty-two days or who or whose spouse owns taxable real or personal property within the district whether or not they reside in the district.

STATUTORY LIEN - The Mill levy associated with the Public Improvement District constitutes a general tax lien according to Colorado Revised Statutes 30-20-501 et seq.

6. Elbert County Policy for Formation and Administration of Public Improvement Districts.

- a. Elbert County reserves the right to deny formation of any proposed public improvement district based on consideration of benefit and cost after a public hearing.
- b. Each application must be accompanied by a \$100.00 processing fee.

- c. Review of District proposals will be conducted by the Elbert County Engineer prior to a hearing before the Elbert County Commissioners. In preparing its recommendation, the Engineering Department shall take into account the following:
 - 1. Each district recommended for approval shall be for improvement of existing facilities to a higher standard than currently exists.
 - 2. b. Each project recommended for approval shall include a plan for maintenance of the improvement for a period of at least twenty years following the improvement.
 - 3. c. Each project shall include a plan for funding which is adequate to pay the entire cost of the improvement and the projected cost of maintenance for a twenty year period following construction.
- d. Elbert County will proceed to hold a public hearing to consider forming a public improvement district only after receiving a formal legal petition in support of the proposal. By state statutes the petition must be signed by at least 30% of the electors who reside or own taxable real or personal property within the proposed district.
- e. The form of the formal legal petition filed in support of a public improvement district project shall be approved by Elbert County and its legal counsel.
- f. Elbert County will consider proposals for public improvement districts only for facilities that are dedicated to public use. In the case of street improvements, streets must be within the public right- of-way, by deed of dedication or by dedication on a plat to the satisfaction of Elbert County and its legal counsel.
- g. Elbert County is not responsible for landscaping within the Road Right of Way unless a written agreement is obtained prior to construction.
- h. All goods and purchased services, including consultant selection, bidding for construction, and contracting for construction shall be in accordance with Elbert County Policy.
- i. All variances from the above policies will require approval from the Elbert County Board of Commissioners.
- j. Elbert County shall charge a 3% annual administrative fee collected by the Treasurer.

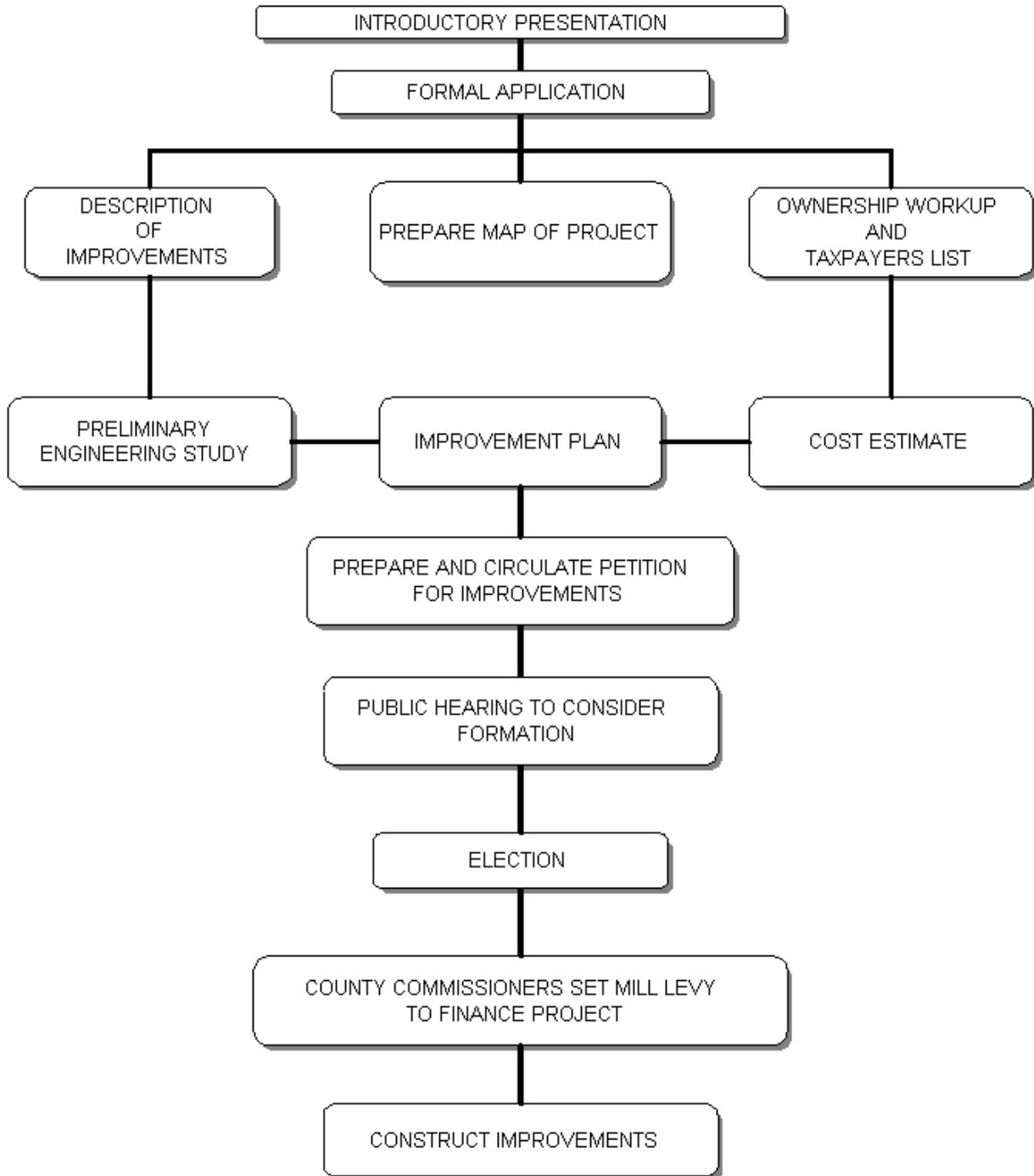
7. Procedure for Formation of Public Improvement District

- a. The formation process for a Public Improvement District begins after the County Engineer receives a completed application and the application fee from a group of property owners.
- b. A proposed Improvement plan and a Preliminary Engineering Study must be completed. They may be prepared by interested property owners from the area or County Engineer will prepare the Improvement Plan and the Preliminary Engineering Study if they receive a written letter of request from the property owners. The letter must represent at least 60% of the property owners in the area to be improved. See sample letter
- c. The Improvement Plan must state what is being improved, the nature of the improvement, and the extent of the improvement. The plan must include an estimate of the cost of construction, the cost of administration, as well as the cost of maintenance of the improvements for a period of no less than twenty years following construction.
- d. The County Engineer will conduct a Preliminary Engineering Study of each proposed project. The full range of choices for construction of each project will be considered, including do nothing, repair of the existing facility, and total reconstruction of the facility. The study will consider how long each choice might last, and the cost of each. The least expensive alternative which meets the design requirements will be recommended. For example, an asphalt mat paved street would be designed to last twenty years. The study would determine what type of construction would last twenty years with the least cost for construction.

- e. The County Engineer will prepare an estimate of the cost of construction. The cost estimate is normally based on a preliminary estimate of quantities and an estimate of construction bid prices. The cost estimate at this stage is not based on an investigation of site conditions. For this reason, the County Engineer will assume worst case conditions for estimation of quantities. Prior to formation of a district property owners may choose to pay for site specific investigations such as soils tests, surveying, etc. to eliminate uncertainty in the cost estimate. If property owners elect not to pay for further engineering at this stage, the estimate of cost produced in the preliminary engineering study will be utilized in the formal legal petition requesting the County form the district.
- f. The County Engineer will review the proposed Improvement Plan and the Preliminary Engineering Study. The Department will consider whether the proposed level of funding is sufficient to improve the facility and maintain the facility in its improved condition over a period of not less than 20 years. The staff will prepare a recommendation to the Board of County Commissioners. The recommendation may be for approval, approval with modifications, or denial of the proposed public improvement district. If the proposed level of funding is determined to be insufficient to accomplish the improvement and the intended maintenance, the County Engineer staff may recommend that the Board of Commissioners not approve formation of the proposed district.
- g. If the staff recommendation is for denial or approval with modification, the applicants may, in writing make a request for review before the Elbert County Board of Commissioners.
- h. A formal legal petition requesting formation of the District must be prepared. The petition must state the legal description of the proposed district, a description of the proposed improvements, the estimated cost, and the names of three electors who will represent the district during the process of formation. At the request of the property owners, Elbert County will prepare the petition requesting formation of the public improvement district. The applicant will be responsible for circulation of the petition among property owners of the proposed district. Once Elbert County receives and verifies the petition, signed by at least 60% of the qualified electors of the proposed district, the public hearing process will be initiated.
- i. Legal notice of a public hearing before the Elbert County Commissioners will be published in a newspaper of general circulation. Notices will be mailed to all property owners of record within the proposed district. At the public hearing the Board of County Commissioners will hear concerns and comments from property owners and interested citizens regarding formation of the proposed district.
- j. The Board of Commissioners may approve formation of the proposed district if it is shown that the proposed improvements will benefit the district, and the cost of the improvements is not excessive as compared with the value of property within the district. If the Board of Commissioners denies the formation of a district the petitioners may resubmit their plan with modifications.
- k. An election must be held in November for electors to approve a mill levy.
- l. The County Commissioners, acting as a district board, will establish a mill levy to be applied to the assessed value of real property in the district to generate funds to repay the debt and for district operations.
- m. The Treasurer's office will send an annual tax notice. At the time the property owner receives the tax notice there will be an additional amount for the mill levy included in the notice. Property owners may elect to pay their property taxes in halves, with one half due in February and one half due in June, or they may elect to pay the whole amount prior to April 30th.
- n. Final Engineering design of the improvements will normally be developed after formation of the district. Once the design is complete the improvements will be advertised for public bid. The

construction contract will be awarded to the lowest price, reliable and responsible bidder. Design and construction are supervised by the County Engineer and staff.

8. Public Improvement District Flowchart of Events



9. Adopted: MMM DD, YYYY. Previous versions of policy regarding this subject are rescinded.

10. Reservation of Authority: The Board of County Commissioners reserves the right to alter, amend, add to, and/or revoke all or part of this policy at any time.

ADOPTED BY MOTION ON THE ___ DAY OF _____, 2017.

DANNY WILLCOX, CHAIRMAN

AYE

CHRIS RICHARDSON, VICE CHAIRMAN

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GRANT THAYER, COMMISSIONER

AYE

ATTEST: DALLAS SCHROEDER
COUNTY CLERK

BY: _____
DEPUTY, CLERK TO THE BOARD

