

Loretto Heights Metropolitan Districts

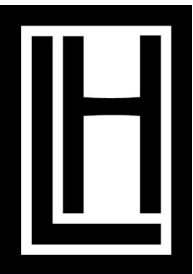
Finance & Governance Committee

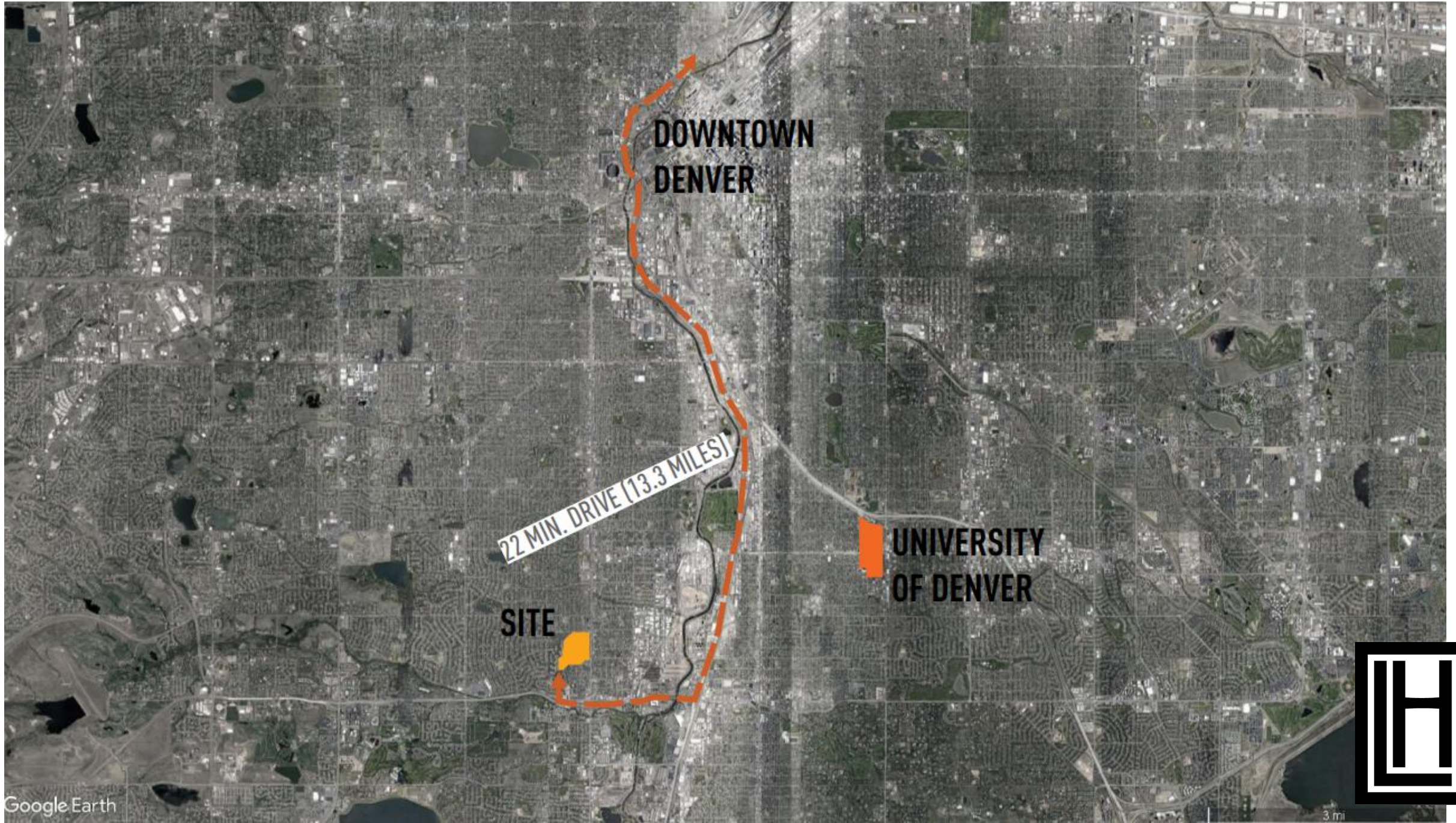
July 30, 2019



METROPOLITAN DISTRICTS

- **Legal authority:** Colorado Revised Statutes Sections 32-1-101 through 32-1-1807. **Metro Districts are separate political subdivisions of the state.** District has a perpetual life.
- **Creation:** Service Plan approval by City Council, district court order, and election question passing.
- **Service Plan:** The governing document which outlines the purpose, organization, powers, and financing plan for the District. Service Plan is reviewed by City staff
- **Powers:** To provide services for the district: fire protection, parks and recreation, safety protection, sanitation, street improvements, television relay and translation, transportation and water improvements, and mosquito control.
 - Acquire, construct, finance, install, operate, and maintain improvements.
 - They have the power to issue general obligation bonds as allowed by a debt election.
- **Revenues Derived:** Through levy of ad valorem tax, special assessments, rates, fees, tolls, or charges.
- **Board of Directors:** 5-member Board of Directors voted by the electors



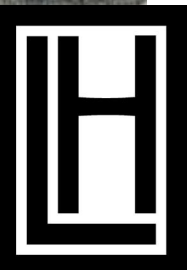


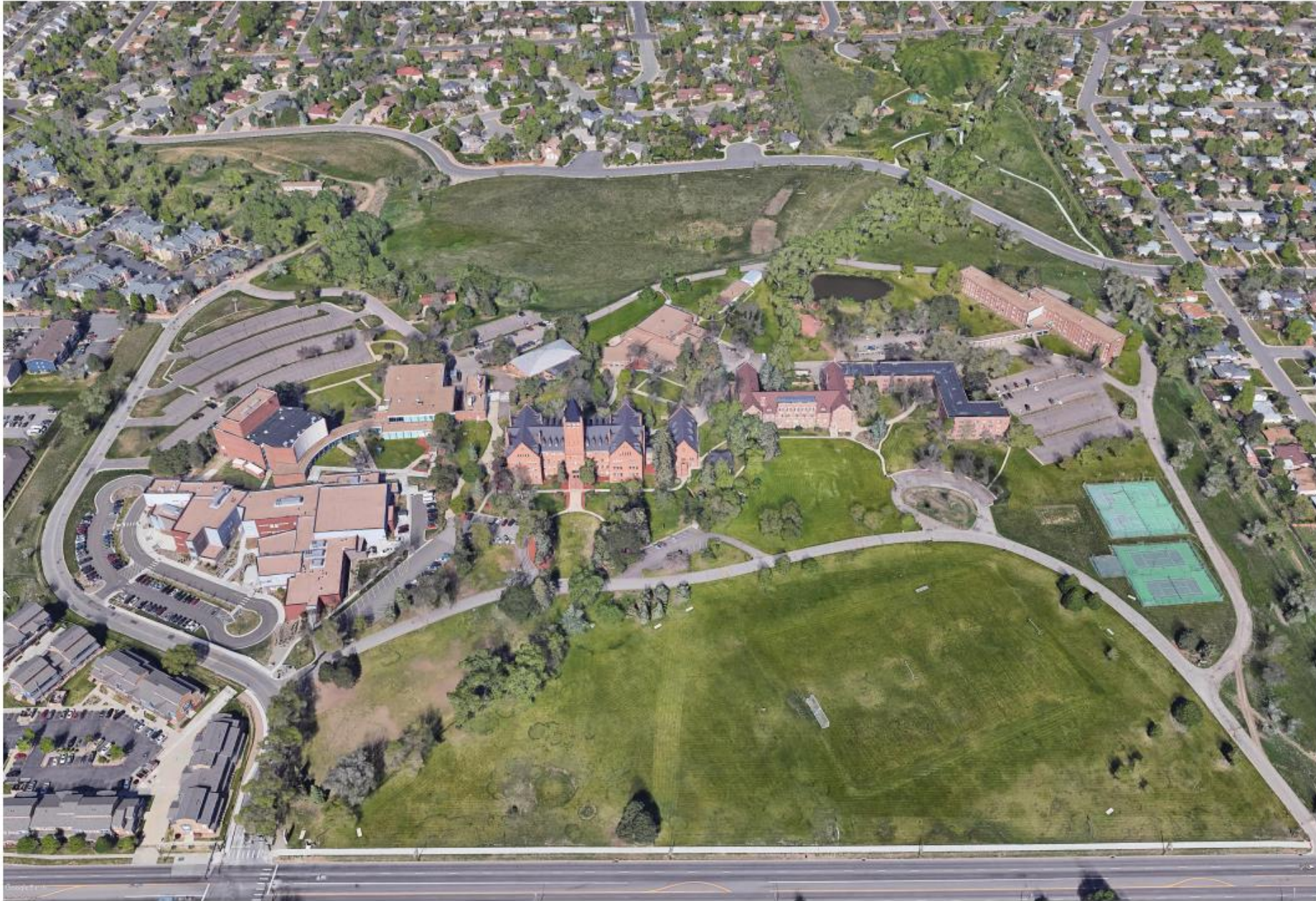
**DOWNTOWN
DENVER**

22 MIN. DRIVE (13.3 MILES)

SITE

**UNIVERSITY
OF DENVER**





COMMUNITY OUTREACH

- Community Planning and Development (CPD) is working with local residents, neighborhood groups, and other stakeholders to create the Loretto Heights Area Plan, a community vision for the 72-acre campus in Southwest Denver.
 - The plan is a community-driven public process
 - From October 2018 to July 2019, CPD held ten (10) steering committee meetings
 - Four (4) community meetings, including one full Spanish-language community meeting.
 - Two (2) online surveys with 750 participants and 2,300 comments
 - Total of 1,300 people from the community have participated
- The current draft plan references the importance of strategic partnerships and the option for Metropolitan Districts to support capital and maintenance costs for community & open spaces, a theatre, increased tree canopies, infrastructure, ped/bike mobility improvements and more.

APPROVAL PROCESSES AND SCHEDULE

	1 Oct'18	2 Nov'18	3 Dec'18	4 Jan'19	5 Feb'19	6 March'19	7 April'19	8 May'19	9 Jun'e'19	10 July'19	11 Aug'19	12 Sept'19	13 Oct'19	14 Nov'19	15 Dec'19	16 Jan'20	17 Feb'20	18 March'20	19 April'20	20 May'20	21 June'20	22 July'20	23 Aug'20	24 Sept'20	25 Oct'20	26 Nov'20	27 Dec'20				
Area Plan Amendment	Visualization			Strategic			Realization			Council Adoption																					
Infrastructure Master Planning					Concept Meeting	Prepare Plan			Submit Plan / City Review																						
Master Development Agreement ¹									Draft / Negotiations						Council Approval																
Rezoning / Design Standards								Prepare			Submit / Review			Council Approval																	
Subdivision Plat										Prepare			Council Approval																		
Infrastructure CD's											Submit/Review/Approval																				
Theater Market Study - Keen				Inventory/Analysis/Workshops/Demand/Cost/Profoms					Planning & Structure																						
DURA Approval					Conditions Report		Submit Application		Negotiations					DURA Approval																	
District Formation				Pre-Meetings		Prep / file	Submit LOI	Service Agreement	Council Approval	Pre-Election		Election																			
Public Financing Bonds										Market Study			Organize	Bonds																	
Abatement & Demo																Abatement & Demo Work															
Project Construction																Project Development Work															

Notes:

1. Development Agreement to include at a minimum property vesting, affordable housing requirements, open space requirements and historical preservation plan.



PROJECT CHALLENGES

- 70-acre property originally master planned as a school campus
- Remediation of existing structures
 - Environmental remediation of historical building materials
 - Preserve/repurpose significant historical structures (Theater, Administration Building, Pancratia Hall)
 - Demolish structures not being preserved/repurposed
- Extend and connect internal and offsite road network
 - Create internal circulation
 - Upgrade offsite roads and traffic signalization on Federal, Irving, and Julian
 - Extreme topography on site
- Utilities must be redesigned, upgraded, and connected throughout property
 - Offsite utility upgrades necessary to support project
- Open space and trail network to create a walkable community exceeding city standards

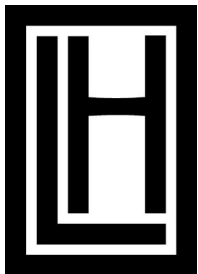




PUBLIC COMMUNITY ASSETS + PUBLIC PROGRAMMING = COMMUNITY BENEFIT

POTENTIAL ASSETS:

- GRAND LAWN
- COMMUNITY THEATER
- PARKING GARAGE
- LIBRARY



MULTIPLE-DISTRICT STRUCTURE

One (1) Coordinating District, Loretto Heights Metropolitan District No. 1

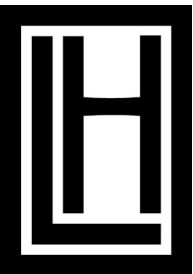
- Will coordinate and manage the financing, acquisition, construction, completion, operation, and maintenance of all public improvements and services throughout the project area.

Four (4) Development Districts, Loretto Heights Metropolitan District Nos. 2-5

- To coordinate with the Coordinating District in providing revenue to be applied to the payment of: (i) the acquisition, construction, and financing of the public improvements; and (ii) the cost of administration, operation, and maintenance of the public improvements constructed, owned, operated, and/or maintained by the Coordinating District.
- Boundaries defined to coincide with phasing of development to include common uses and tax bases.

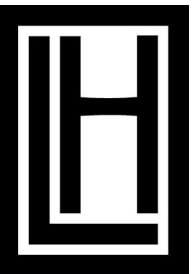
One (1) Programming District, Loretto Heights Programming Metropolitan District

- Overlays entire project area to assist in contributing to the financing, development, operation, and maintenance of project-wide community assets, including arts programming, infrastructure related to the Theater, sustainability initiatives, and public spaces.



GOVERNANCE STRUCTURE AND FUTURE TRANSITION

- **Governance Structure created by Intergovernmental Agreement (IGA):**
 - IGA between Coordinating and Development Districts
 - Establish the Coordinating District's responsibility to coordinate the financing, construction, operations, and maintenance of Public Improvements.
 - Include budgeting and planning processes allowing for participation of all districts.
 - Anticipate one or more pledge agreements in the future for the Development District to pledge tax revenues to the Coordinating District for financing, operation, and/or maintaining the Public Improvements.
 - Recognize and provide the Development Districts the ability to terminate their involvement in the coordinated IGA structure upon notice to the other districts, affording any electing district the ability to manage their own operations, maintenance, and administration functions at their discretion in the future.



Reflective of **BOTH** potential Urban Renewal **AND** Metropolitan District Eligible Costs

DESCRIPTION	ESTIMATED COST
Streets	\$27,100,000
Sanitary Sewer	\$1,600,000
Water	\$3,200,000
Storm Drainage	\$3,800,000
Traffic and Safety Control	\$1,800,000
Park and Recreation / Landscaping	\$6,100,000
Theater Renovation / Improvement	\$22,000,000
Public Parking / Parking Structures	\$7,600,000
Building Renovations – Library/Machbeuf	\$10,600,000
Building Renovations – Administration Building	\$12,700,000
TOTAL*	\$96,500,000

*All costs are preliminary and subject to change



DISTRICT FINANCED PUBLIC IMPROVEMENTS

- Wastewater
- Water Supply
- Drainage
- Street, Traffic Safety, and Public Parking
- Park and Recreation
- Public Transportation
- Television Relay and Translation
- Energy-efficiency and/or renewable energy improvements and services

DURA FINANCED PUBLIC IMPROVEMENTS

- Address Blight and Eligible Infrastructure not financed by the Districts



DISTRICT FINANCE PLAN

Debt / Debt Service Mills

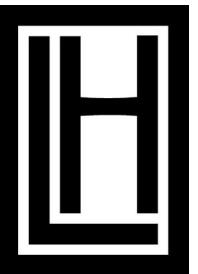
- Approximately \$140,000,000 in debt between the Districts, resulting in net proceeds of approximately \$74,000,000
- Supported by the following revenue sources:
 - Debt Service Mill - 50 mills
 - Specific Ownership Taxes related to Debt Service Mills

Development Districts Operations Mills

- 15 mills, to support public space maintenance
- Programming District Operations Mills
 - 20 mills, to support community assets in perpetuity, as necessary

DURA Revenues

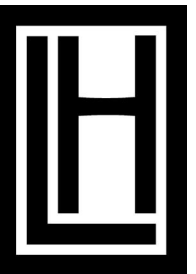
- As agreed to by DURA to supplement District revenues and finance improvements and blight remediation



SERVICE PLAN APPROVAL REQUESTS

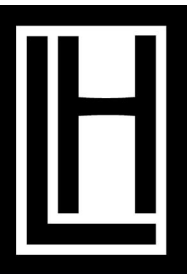
Due to the unique nature of the Project as an adaptive reuse of historically and culturally significant public amenities in an under-served area of the City, the Applicant is requesting certain deviations from the City's Model Service Plan, as follows:

- Maximum Debt Service Mills:
 - 50 mills for Debt, adjusted for Gallagher adjustments
- Maximum Operations Mills:
 - 15 mills for the Development Districts.
 - 20 mills for the Programming District for community assets and programming
- Authorize the use of the Programming District to support the Theater, arts, Grand Lawn, Plazas, and sustainable and energy efficiency initiatives.
- Elimination of the 40 Year Debt Mill Levy Imposition Term



CITY COUNCIL CALENDAR

Monday, July 22nd	Finance to submit ordinance request to approve service plan
Tuesday, July 30th	Ordinance presentation in Finance and Governance Committee
Tuesday, August 6th	Ordinance at Mayor Council
Wednesday, August 7th	Loretto Heights Area Plan at Denver Planning Board
Monday, August 12th	Ordinance at City Council for first reading
Monday, August 26th	Ordinance at City Council for public hearing and second reading



QUESTIONS?



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