

Special District Fees

1.00 Purpose

The magnitude of local and regional infrastructure needed in new development and redevelopment areas requires that developers be able to have the ability to access financing to comply with City requirements. The City has developed a multi-agency Policy Statement that guides the creation and operation of Special Districts created under Titles 31 and 32 of the Colorado Revised Statutes (Special Districts) within the City. The creation of Special Districts results in the City incurring costs to evaluate and adopt Service Plans, as well as to perform duties required annually and upon issuance of debt by such Special Districts. This Rule and Regulation has been prepared to establish the fees required to be paid by Special Districts to cover such costs.

1.01 Authority

Article II, Part 5, of the Denver Charter and Section 2-91 of the Denver Revised Municipal Code.

1.02 Responsibility

The Manager of Revenue shall be responsible for final determination of the fees required under the terms of this Rule and Regulation.

1.03 Procedure

The City's Policy Statement for Special Districts sets forth the procedures to be followed for the creation and operation of Special Districts in Denver. No request to create a Special District shall proceed until the fees set forth herein are provided for. All checks are to be made payable to Manager of Revenue and sent to the City's Special District Office per instructions in the Policy Statement.

- a. Letter of Intent:
A Letter of Intent is to be submitted to the City's Special District Office and a \$5,000 fee shall be paid at the time of submittal of the Letter.
- b. Application Fee:
 - i. If a development involves the creation of a Metropolitan District, the application fee for Districts planning to issue less than \$20 million or less in debt over the life of the Special District is \$10,000 payable upon submittal of draft Service Plan. For a Metropolitan District planning to issue over \$20 million in debt over the life of the Special District, an application fee of \$30,000 shall be paid upon submittal of the draft Service Plan.
 - ii. If a development requires the creation of multiple Metropolitan Districts, a \$30,000 fee shall be paid for the Control District, and a \$10,000 fee for each related Service District shall be paid upon submittal of draft Service Plan(s).
 - iii. For General Improvement Districts (Title 31 Districts), \$10,000 shall be paid upon submittal of draft ordinance.

- c. Annual Fee:
Each Special District shall pay an Annual Fee for the purpose of on-going monitoring of each Special District. This Annual Fee shall be set by the Manager of Revenue based upon the complexity and amount of work the City will incur for the annual review and monitoring of each Special District. The minimum Annual Fee shall be \$3,000 and the maximum shall be \$15,000. The Annual Fee shall be set forth in the Service Plan. The Annual Fee shall be payable annually by June 30th of each year. The Annual Fee may be modified by the Manager of Revenue for any reason, including, but not limited to, needed amendments to the Service Plan, inclusion and exclusions and other matters involving City action.

- d. Bond Issuance Fees:
Bond Issuance Fees will be negotiated by the Manager of Revenue for each financing transaction undertaken by a Special District, based upon the complexity and intricacy of the financing. The Bond Issuance Fee shall be determined by the Manager of Revenue prior to each bond issuance. The minimum fee shall be \$5,000 and the maximum fee shall be \$15,000, payable at closing of the transaction. In addition, all consulting, legal, and other costs incurred by the City for the review of the associated bond documents shall be paid within 30 days of receipt of the invoice, regardless of whether the transaction closed.

- e. Other Expenses:
The applicant for a Special District shall pay all reasonable consultant, legal, and other fees and expenses incurred by the City in the process of reviewing the draft Service Plan prior to adoption, documents related to a bond issue and other such fees and expenses as may be necessary to interface with such Special District. All such fees and expenses shall be paid within 30 days of receipt of an invoice for these additional fees and expenses.

- f. Treasurer Fee:
The City Treasurer shall withhold a one percent fee for tax collection in accordance with Colorado Revised Statutes.

1.04 Criteria for Setting Bond Issuance and Annual Fees

Criteria to be considered in setting the Bond Issuance Fee include, but are not limited to, the size of the financing, the repayment structure and term, the equity of the developer, the City's liability as the result of the proposed transaction, and the security of the pledge revenues and collateral.

Criteria to be considered in setting or changing the Annual Fee include, but are not limited to, infrastructure construction and phasing, ultimate build-out size of the Special District, relationships with other districts, other types of public financing involved, inclusion and exclusion requirements, needed amendments to the Service Plan, and anticipated nature of City involvement for the year.