

Overview of Colorado Springs Special Improvement Maintenance Districts (SIMDs)

Special Improvement Maintenance Districts (SIMDs) are authorized under Chapter 3 Article 7 of the City Code and are established by ordinance for the limited purpose of providing maintenance and security for public improvements, including but not limited to streets, utilities, lighting, sidewalks, drainage, parking and traffic-control devices. Special Improvement Maintenance Districts are initiated by petition signed by the majority of persons owning real property in the proposed district. The intent of the City in authorizing the use of SIMDs was to allow the use of a property tax mill levy or an assessment to maintain public improvements considered extraordinary and for which the City would not normally appropriate ongoing maintenance or security funds. Establishment of either a new or increased mill levy in a SIMD requires voter approval. Special Improvement Maintenance Districts do not have the authority to incur debt.

In establishing a SIMD, Council sets a maximum mill levy or assessment which cannot be exceeded, without City Council agreement and a TABOR vote. Annually, the City adopts a budget for the next year's activities of the district in coordination with an advisory committee and Parks, Recreation and Cultural Services Department staff. At this time, Parks Department staff administers SIMD functions and performs the maintenance.

There are currently seven active SIMDs in the City, and all of these were created between 1979 and 1989¹. They are listed and summarized in the table below. One former SIMD (the Pikes Peak and Tejon Intersection Improvement District) has been dissolved. No new SIMDs have been created in the last 30 years. Six of the seven active SIMDs have a mill levy. The Platte Avenue District utilizes a per lineal foot assessment. The use and creation of several of the larger- area SIMDs in the 1980s was a response to the City's encouragement of enhanced public spaces in new developments (e.g., landscaped medians) coupled with the determination that City general funds were not available or appropriate for the ongoing maintenance of these new development enhancements. Three of the smaller-area SIMDs were established to maintain streetscapes and related facilities along segments of older established arterial corridors with businesses. Roughly 10% of developed City property is located in SIMDs.

SIMDs essentially exist as component entities of the City and do not have separate boards. In its oversight of SIMDs, Council does not convene separately, but instead performs necessary functions (i.e. appoint advisory committees and annually certifying mill levies) sitting as City Council. Budgets for SIMDs are simply included as line items and funds within the overall City budget.

Now that the City Special District Policy allows the broader use of metropolitan districts, and those districts are routinely created in conjunction with major new developments, metropolitan districts now can often serve as an option for maintenance responsibilities which would have necessitated the creation of a SIMD. The current

¹ The City of Fountain also has one SIMD (Heritage SIMD) which may have been established under a City Code provision similar to the City of Colorado Springs'

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**City of Colorado Springs Special Improvement Maintenance Districts
With 2019 Mill Levies**

Name	Date of Creation	2019 Mill Levy
Briargate	1983	4.409
Colorado Avenue Gateway	1988	1.009
Norwood	1981	3.995
Old Colorado City Security and Maint.	1979	13.416
Platte Avenue	1989	Assessed per front foot
Stetson Hills	1986	3.858
Woodstone	1986	3.615

Source: El Paso County Assessor; 2018 mill levy, payable in 2019

In part, because SIMDs cannot issue debt, they are no longer routinely being formed. It is also noteworthy that all of the City's SIMDs --Because their operations fall directly under the control of the City, there are few broad policy concerns. There are some instances where properties that a relatively similarly situated are or are not included in the SIMD boundary, creating the potential for an equity issue. This is largely a function of whether the developer responsible for creating the SIMD controlled the property at the applicable time. The overlapping mill levy implications are limited because, with the exception of the Old Colorado City SIMD, none of the mill levies area greater than 5.0 mills. Because SIMDs cannot raise their mill levies without a TABOR vote, their abilities to maintain a consistent level of service can be adversely impacted by major changes in costs, particularly any escalation of water costs.

Prepared by the Colorado Springs Comprehensive Planning Division (last revised 11/22/19)