

CHOICE OF ENTITY - COLORADO DISTRICTS

Type of District	Statute	Formed By		Formation Procedure		Control and Legal Status			Types of Revenue (1)					Permitted Activities / Powers		
		City/ Town	County	Petition Required	Election Required	Control	Electors	Separate Entity(2)	Property Tax	Assess- ments	User Fees	Sales Tax	TIF (3)	Construction of these Types of Improvements	Operations	Eminent Domain
Special District	32-1-1001	X	X	X (4)	X	A	E	X	X	X (10)	X			J	X	X
General Improvement District	31-25-601	X		X (5)	X (8)	B	F	X	X	X (10)	X			K	X	X
Public Improvement District	30-20-501		X	X (5)	X (8)	B	F	X	X	X (10)	X			K	X	X
Special Improvement District	31-25-501	X (10)				B	F			X				K		
Local Improvement District	30-20-601		X			B	F			X		X		K		
Business Improvement District	31-25-1201	X		X (6)		C	G	X	X	X (10)	X			L	X	
Downtown Development Authority	31-25-801	X			X	D	H		X (9)		X		X	M	X	
Urban Renewal Authority	31-25-101	X		X (7)		D	I	X					X	N		X

Control Key:

A = Independently controlled by its own board of directors, who are elected by the residents and property owners in the district.

B = Controlled by the city, town or county which created the district.

C = Control of the board of directors depends upon how the district is formed. Four possible structures exist. Regardless of board structure, however, BID's are subject to annual control by the city or town because the city or town must approve the BID's operating plan and budget each year.

D = Control of the board of directors depends upon how the district is formed. For DDA's, the board must have at least one city or town council member on it. The remaining members may be council members or must be property owners, residents or officers or directors of businesses within the DDA. For URA's, the city or town council may designate itself as the board, or may appoint anyone else and may have only one council member on the board.

Electors Key:

E = A person who is (a) a registered voter who (i) has been a resident for at least 30 days or (ii) owns (or whose spouse owns) taxable property in the district; or (b) is obligated to pay property taxes under a contract to purchase taxable property in the district.

F = A person who is a registered voter and who (a) has been a resident for at least 30 days or (b) owns (or whose spouse owns) taxable property in the district. Where such owner is not a natural person, "elector" includes a natural person designated by such owner. For SID's and LID's, the city, town or county forming the district chooses whether registered electors who live within the entire town, city or county can vote on district debt, or only those electors who live within the district. For GID's and PID's, only electors within the district are eligible to vote.

G = A natural person who is a U.S. citizen and Colorado resident and who (a) lives in the BID, (b) owns or leases taxable property in the BID, or (c) is designated by a property owner which is not a natural person.

H = A (a) citizen of the U.S. and Colorado resident whose primary dwelling is within the DDA, (b) an owner in fee of any undivided interest in real property or any improvement permanently affixed thereto, or (c) the holder of a leasehold interest in real property within the district. Any landowner or lessee which is not a natural person may vote only if it designates by some official action a representative thereof to cast its ballot.

I = Registered electors that reside within, and are eligible to vote within, the boundaries of the URA (which are coterminous with the boundaries of the city or town which formed the URA).

Types of Improvements Key:

J = Fire protection, mosquito control, parks and recreation, safety protection, sanitation, streets, television relay, transportation, water, and solid waste disposal. Also can provide limited security services and HOA covenant enforcement.

K = Generally, any improvements or services which the county, city or town creating them is authorized to provide. PID's are also authorized to provide fire protection, whether or not the applicable county provides fire protection.

L = Broad range of improvements including streets, drainage, statues, fountains, signs, benches, information booths, and public meeting facilities

M = Completion of a development project to improve a downtown area.

N = Acquisition of slums, demolition of buildings, construction of streets, acquisition of property to improve health, lessen density, etc.

Notes:

(1) Property taxes are deductible from the gross income of the payor; the payment of assessments, sales taxes or user fees are not deductible by the payor.

(2) SID's, LID's and DDA's are not separate political subdivisions; rather, they are merely geographic areas within the city, town or county.

(3) "TIF" = tax increment financing. Both incremental sales taxes and incremental property taxes are available to be pledged to the payment of bonds issued by DDA's and URA's.

(4) Persons proposing to form a special district initially must file a proposed service plan with the applicable county, city or town, and must then file a petition with the applicable district court.

(5) Petition must be signed by 30% or 200 of the electors of the proposed district, whichever is less.

(6) Petition must be signed by persons owning at least 50% (or such higher amount as the city may establish) of the property within the proposed district, measured either by assessed valuation or by acreage.

(7) Petition must be signed by at least 25 registered electors within the city.

(8) An election is required unless 100% of the property owners waive the election.

(9) DDA's may levy up to five mills for operational expenses.

(10) These entities are authorized to levy special assessments by forming special improvement districts within their boundaries.