
Districts and Alternate Government Financing Mechanisms



FINANCIAL MANAGEMENT ASSISTANCE

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INTRODUCTION

There are a variety of mechanisms that a local government can employ to provide services and to make public improvements. The following information is intended as general guidance on the options available to local governments. **This is not a complete review of the relevant statutes, and is not to be construed as legal advice. Any individual or local government considering the organization of a district, authority, or other mechanism should obtain competent legal counsel.** Any references to mill levies, revenues, and revenue increasing elections must be understood in the context of Article X, section 20 of the state constitution (TABOR Amendment). This document is simply intended to be an aid to a quick review of available options that might be pursued to accomplish a specific purpose.

The accompanying table provides a visual overview of the primary distinguishing characteristics of various types of districts and authorities and the types of entities that can employ them. There is often confusion about nomenclature for various districts. Thus, the specific statute is cited below the common entity name.

For example, the term “special district” commonly refers to a district organized under Article 1 of Title 32 of the Colorado Revised Statutes (C.R.S.), as represented in the first column. The next four columns represent what are sometimes called “improvement districts,” while the two with ad valorem taxing authority are sometimes referred to as “special taxing districts.”

This discussion is not exhaustive of the types of districts or authorities that are permitted by statute. Water conservancy districts, airport authorities, and a number of other special-purpose districts or authorities are not covered here.

It is hoped that this paper and the table can help to answer some of the questions that local officials face when attempting to make public improvements or provide services, or when considering an annexation proposal or a development proposal. The Division of Local Government can provide more in-depth technical assistance upon request.

SPECIAL DISTRICTS

For the purpose of this discussion, “special district” will be used only to refer to districts organized under Article 1 of Title 32 of the Colorado Revised Statutes. These districts are independent, quasi-municipal corporations and political subdivisions of the state. Following approval of a “service plan”, they are organized at an election with an initial board of directors. The independently elected boards consist of five to seven members. The districts exist in perpetuity unless specific steps are taken to dissolve them. Special districts, as separate governmental entities, must comply with local government budget, audit, and reporting requirements.

They can be organized in one county, several counties, one or more municipalities, or in both a county and municipality. The Division of Local Government has prepared a publication that outlines the process of forming a special district, and the statutory responsibilities of these districts. This is titled “Formation and Statutory Responsibilities of Colorado Title 32 Special Districts and is available [here](#).

Of particular importance in the formation process is the review of the service plan of the proposed district by the statutorily specified entity: the board of county commissioners (if the proposed district’s boundaries include any portion of unincorporated county territory) or the governing body of the municipality (if the proposed district is wholly within a municipality’s boundaries). The service plan of a special district that is in a municipality and in the unincorporated portion of a county will be reviewed by the board of county commissioners. If the boundaries of a proposed special district include territory in two or more counties, each county’s board of commissioners must approve the service plan by resolution. The counties may hold joint hearings on the service plan. The Division of Local Government has prepared a publication with information on how to develop criteria for the review of special district service plans titled “Special District Service Plans”, which is available [here](#).

Special districts can be organized for a single purpose (e.g., fire protection or sanitation) or multiple purposes (i.e., a metropolitan district which provides at least two of ten municipal services such as water, sanitation, fire protection, street improvement, etc.). The district may consist of noncontiguous parcels of property.

These districts have general authority to construct facilities, to operate and maintain them, and have limited condemnation powers. Legislation in 2004 provided metropolitan districts with the additional powers of limited security services and covenant enforcement with the approval of the master association or similar governing body. Districts possess ad valorem taxing authority, can issue general obligation (G.O.) and revenue bonds, can establish special improvement districts and levy special assessments, and can fix rates, tolls, fees and charges for services, facilities, programs, and indebtedness. Legislation in 2010, HB10-1243, also gives metropolitan districts which provide street

improvement, safety protection or transportation services the authority to levy a sales tax to fund such service. They can also enter into intergovernmental agreements (IGA) or contracts with other governmental entities to provide services or to create “authorities” (see below).

Bonds issued after December 31, 1991 are subject to the registration requirement of the Colorado Municipal Bond Supervision Act (11-59-101, et seq., C.R.S.) and a debt limitation on general obligation bonds of the greater of \$2,000,000 or 50 percent of the assessed valuation. The debt limitation and bond registration under this Act can be waived if the bond issue meets certain conditions, including, but not limited to the following: if the new general obligation debt issue and any existing debt do not exceed the greater of \$2,000,000 or 50 percent of the assessed valuation of the district; if any bond issue is secured with irrevocable and unconditional credit enhancement; or is rated in one of the four highest rating categories by one or more nationally recognized rating agencies.

Subdistricts or “Districts Within Districts.”

Certain special districts, for example, water and sanitation districts, have always had the ability to provide different types of services and different levels of service(s) within their boundaries and to charge different levies or fees based on these disparate levels of service. C.R.S. §32-1-1101(1)(f)(I) and §32-1-1101(1.5)(a) through (e), permit any Title 32, Article 1 special district to divide into one or more areas within its boundaries. These areas or subdistricts will provide the same service, programs or facilities throughout their areas; the service, program or facility will be an additional type to those offered in the rest of the “parent” district. For example, within a fire district, a subdistrict will provide ambulance service to the area of the subdistrict. A subdistrict can also be created to offer an additional level of service from that offered in the rest of the “parent” district. For example, within a metropolitan district, a subdistrict will provide special landscaping within its boundaries.

The subdistrict is created by resolution of the special district board of directors after proper notice and hearing. Additional subdistrict taxes cannot be levied if a petition objecting to such levy is signed by owners of more than 50% of the total assessed value of taxable real and personal property within the subdistrict and the petition is submitted to the board prior to the hearing on creating the subdistrict. However, objections to imposition of differential fees may not affect the ability to create the subdistrict.

To be included in the district, any single parcel of land representing 25% or more of the total assessed valuation of the subdistrict must have written consent of the landowners. In order for any single parcel of land owned by a corporate entity representing 5% or more of the total assessed valuation of the subdistrict to be included in a district, the owner must give written consent.

An additional levy may be imposed within the subdistrict to pay for the acquisition, operation and maintenance of services, facilities and programs within the subdistrict and to pay for subdistrict debt or other financial obligations. Voter-approval is required for the subdistrict's tax rate, any general obligation debt or multi year financial obligation.

IMPROVEMENT DISTRICTS

There are four types of improvement districts. These are distinguished by the type of governmental entity that organizes them (county or municipality), their primary means of raising revenue (taxation or assessment), the level of independence they enjoy (are they a separate governmental entity?), and whether they provide for the construction of facilities, the operation and maintenance of facilities and services, or both.

Primary Revenue Raising Mechanism	Municipality	County
Tax	GID C.R.S. § 31-25-601	PID C.R.S. § 30-20-501
Assessment	SID C.R.S. § 31-25-501	LID C.R.S. § 30-20-601

Taxing districts

“Taxing districts” are generally defined as financing entities having the authority to impose property taxes. These types of improvement districts are called Public Improvement Districts (PIDs) in counties and General Improvement Districts (GIDs) in municipalities. These districts are created to construct, install, acquire, operate and maintain certain public improvement facilities (specifically excluded are solid waste, industrial waste, trash and garbage facilities, treatment and transfer facilities). They are also authorized to provide any service that the county or municipality that forms the district is authorized to provide. These districts may include noncontiguous tracts. Their boundaries may also overlap the land of other jurisdictions with approval from those jurisdictions. They have the power to condemn property for the district's use, but may not transfer the property to a private party unless requirements laid out in section § 31-25-105.5(2) are met.

Taxing districts are separate political subdivisions of the state that have boards of directors, although these are the county or municipal governing boards serving *ex officio*. The districts have perpetual existence. These districts have the power to levy ad valorem taxes, and to fix rates, tolls and charges to pay for services, facilities, and indebtedness. They may enter into IGAs. They may issue G.O. bonds and revenue bonds. PID and GID bonds are subject to the Colorado

Municipal Bond Supervision Act, unless exempted. They may impose assessments and PIDs, if they form an LID (discussed below) may levy a sales tax, with voter approval. These entities, as separate governmental entities, must comply with local government budget, audit, and reporting requirements. With the additional authority to provide services, public and general improvement districts have greater flexibility and applicability and now are more similar to the Title 32, Article 1 districts.

Assessment districts

The assessment type of local improvement districts are called Special Improvement Districts (SIDs) in municipalities and Title 32, Article 1 special districts and Local Improvement Districts (LIDs) in counties. These districts have the least independence of all the financing mechanisms considered here -- they exist only as geographic areas within which improvements are constructed and as administrative subdivisions of the county or municipality. Having no board of directors, they do not operate in any capacity as an independent governmental entity. The county, municipal or special district governing body makes all decisions on behalf of this administrative entity. Both assessment entity types may have their boundaries overlap the land of other jurisdictions with approval from those jurisdictions, with the exception that LIDs, if they impose a sales tax, may not include municipal territory.

These districts' primary purpose is to assess the costs of public improvements to those who are specially "benefited" by the improvements. "Benefit" includes, but is not limited to, any increase in property value, alleviations of health and sanitation hazards, adaptability of the property to a superior or more profitable use, etc. The costs are payable from assessments. Costs are assessed on an equitable and rational basis of determining benefit (e.g., lineal feet of street frontage or square feet of acreage). The benefit must be at least equal to the cost imposed. Assessments can be paid in one full payment or in installment payments over a specified period of time, for example, ten years.

In addition to special assessments, LIDs can impose a sales tax of not more than one percent throughout the district, if approved at election. Sales tax revenue can be used for the operation and maintenance of the improvement as well.

Costs are often financed through special assessment bonds issued by the municipality or county. Special assessment bonds are issued by the county, municipality or special district on behalf of the LID or SID. Special assessment bonds must be approved at election. The governing body of the county, municipality or special district, respectively, determines whether the electors of the district or the electors of the county, municipality or special district will vote on the question of the assessment bonds. The assessment constitutes a lien on the affected property until bond redemption. LIDs are also authorized to issue sales

tax revenue bonds. Any SID debt amount must be within a municipality's debt limitation of 3% of actual value (not including water debt). Any SID or LID debt is considered the debt of the municipality or county. Unless exempted, special assessment and sales tax revenue bonds are subject to the Colorado Municipal Bond Supervision Act.

Although the costs of improvements are usually borne through assessments by those "specially benefited," the county or municipality can bear some of the costs if it determines that a portion of the benefit accrues to the municipality or county as a whole.

BUILDING AUTHORITIES

Building authorities are organized under the Colorado Nonprofit Corporation Act (C.R.S. Title 7, Articles 20 - 29). A building authority acts "on behalf of" a governmental entity, which normally ratifies the directors of the authority and approves the issuance of bonds. A building authority may construct any public improvement so long as that improvement is dedicated to the governmental entity on behalf of which the authority is acting. To secure bond repayment, an assessment lien is recorded against certain properties by contract with the property owners.

Many local governments, including building authorities, use a particular type of lease-purchase financing called Certificates of Participation ("COPs"). COPs are leases divided or "certificated" into shares; the shares are the certificates of participation, which are sold to investors and represent a proportionate interest in the right to receive revenues paid by the lessee (a government) to the lessor/vendor. COPs, compared to other lease-purchases, are for a large dollar amount, with a longer term and are usually rated by bond rating agencies. The proceeds are used to pay for the construction of buildings or structures, for example, parking garages and office buildings.

DOWNTOWN DEVELOPMENT (DDA) AND URBAN RENEWAL (URA) AUTHORITIES

These two types of municipal authorities are similar in purpose and powers; however, there are some important differences between the two entity types. Both DDAs and URAs make public improvements in urban areas to promote urban redevelopment. The public improvements are financed through the issuance of tax-exempt bonds, usually revenue bonds. The DDA and the URA entity types are authorized to pay for the financing of the public improvements by using the Tax Increment Financing (TIF) technique.

DDA. (C.R.S. § 31-25-801)

A DDA is created by a majority vote of qualified electors residing or owning or leasing property in a specified area that must be within the "central business district". A DDA can be used to prevent, as well as correct, deteriorated

economic or physical conditions. The municipal governing board appoints the DDA board. The DDA board must create a plan that specifies improvements to be made, subject to the governing board approval. A DDA can assess an ad valorem levy of up to five mills for operating purposes.

URA. (C.R.S. § 31-25-104 and § 38-1-101)

An URA can be created by resolution of the governing board upon petition by any twenty-five registered electors of the municipality. A hearing to determine whether conditions of “slum” and “blight” exist within the “urban renewal area” boundaries must precede the resolution. C.R.S. § 38-1-101 states no home rule or statutory municipality can acquire property outside its territorial boundaries except for the purpose of public utilities or parks and open space. As the result of HB10-1107, agricultural lands generally cannot be within an urban renewal area. Acquisition of property outside boundaries through condemnation for the purpose of open space, parks, etc. is only allowed with consent of both the owner of the property and the local governing body in which territorial boundaries the property is located.

Tax Increment Financing

The TIF technique can be employed by both DDAs and URAs. In this type of financing mechanism, upon approval of the DDA or URA plan, a special fund is created comprised of certain increases in ad valorem tax or sales tax (or both) revenues generated within the specified DDA or URA areas because of the public improvements made in those areas. The improvements are intended to increase assessed valuation and/or to increase taxable sales. Each authority can issue special G.O. or revenue bonds, known as “tax allocation” or “tax increment” bonds whose proceeds are used to pay for the public improvements. The revenues in the special fund are used exclusively to pay the debt service on the bonds.

A base property valuation or base sales tax level is identified or “frozen” for the DDA or URA areas. The tax revenues from these areas are divided between the TIF entities (the DDA or URA) and all the other taxing jurisdictions that overlap the DDA/URA area. The revenue is divided between the TIF entities and the other taxing jurisdictions according to the base valuation or base sales tax level and the incremental increase in value or sales tax revenue. The taxing jurisdictions receive the revenue in the base (and increases to the base) and the TIF entity collects the revenue generated by the levy on the incremental increase above the base.

BUSINESS IMPROVEMENT DISTRICTS (C.R.S. § 31-25-1201)

A BID is a separate political subdivision created within a municipality upon petition of owners of real or personal property in the service area of the proposed district for the purpose of constructing public improvements and supporting economic and business development within the district. BIDs are created to provide certain services that URAs and DDAs are not authorized to perform.

These include such activities as consulting on planning or managing development activities, promotion or marketing activities, and business recruitment, management, and development.

The governing body can be one of four possible types: the municipal governing board can serve *ex officio* as the board of directors of the district; the mayor or governing body can appoint a five-member board of directors; a petition can request that an elected board of electors of the district be instituted; and, finally, if more than one-half of the property within the BID is located within an URA, DDA, or GID, the governing body can designate the board of directors of that body as the BID board.

The BID boundaries may consist of contiguous or noncontiguous tracts or parcels of commercial property, only. No residential or agricultural property can be included in the district. Its service area can extend beyond its boundaries. However, the service area can only be subjected to assessment or taxation if it is commercial property and has been included in the district.

The BID has the assessment authority of SIDs and the ad valorem taxing power and rate and charges imposition authority of GIDs. If BIDs issue bonds they would be exempt from the Colorado Municipal Bond Supervision Act.

LOCAL MARKETING DISTRICTS. (C.R.S. § 29-25-101)

Local marketing districts are organized and created by resolution, ordinance or contract adopted by a county, a city and county, or a municipality, or a combination of two or more of these local governments, respectively, upon the filing of a petition, signed by persons who own commercial real property in the service area of the proposed district, with the clerk(s) of such local government or combination of local governments. The resolution, ordinance or contract establishing the district must be approved by the electors of the proposed district. Once organized, the local marketing district is a separate political subdivision and a public body politic and corporate of the state.

The local marketing district allows multi-jurisdictional marketing efforts to “promote the continued vitality of commercial business areas within local governments.” The district can provide services for the organization, promotion, marketing, and management of public events within the district; to provide activities in support of business recruitment, management, and development; and, to provide services coordinating tourism promotion activities. The revenue source for the district is a “marketing and promotion tax” (see below) which can be used to provide specified services; the revenue may not be used for any capital expenditures, with the exception of tourist information centers. The statute is silent on specific authorization to incur indebtedness. Any “outstanding financial obligations,” however, must be paid before a district can be dissolved.

The governing body can be one of four possible types. If a single government (county, city and county, or municipality) organizes the district, the governing

body serves as the district's board, ex officio. The governing body, however, may by resolution or ordinance provide for an appointed board. If more than one-half of the property within the local marketing district is located within an URA, DDA, or GID, the governing body can designate the board of directors of that body as the local marketing board. Finally, if the petition for organization so specifies, and is signed by persons who own real or personal property in the service area of the district having an assessed valuation of not less than fifty percent, then the board members will be elected.

In order to provide services or to levy the marketing and promotion tax to pay for the services, a local marketing district must annually file with the local government or combination of governments that organized the district, an operating plan which identifies the services to be provided, the marketing and promotion tax to be imposed, and includes a budget. The operating plan must be adopted by the local government or combination of governments that organized the district. The marketing and promotion tax must be approved by election and is levied upon the purchase price paid or charged to persons for rooms or accommodations. The persons providing the rooms or accommodations are liable and responsible for the payment of the amount equivalent to the percentage rate set by the board on all such sales made. The tax shall be collected, administered and enforced by the state department of revenue to the extent feasible as for any county or municipal sales tax, pursuant to section C.R.S. § 29-2-106.

Local marketing district boundaries may consist of contiguous or noncontiguous tracts or parcels of property within the boundaries of the local government or local government combination that created it. It may include territory of a nonmember government only with the consent of that government. Inclusions and exclusions to the district may be made upon petition to the governing board.

FOREST IMPROVEMENT DISTRICTS. (C.R.S. § 32-18-101)

Forest improvement districts are organized and created by resolution or ordinance by a county or a municipality, or a combination of two or more of these local governments' governing bodies. The resolution or ordinance proposes creation of the district and shall set forth its boundaries and the number of directors. The boundaries of the district may be noncontiguous. The resolution or ordinance establishing the district must be approved by the electors of the proposed district.

The district board may levy a sales tax within the district, subject to voter authorization. The revenue may be used to plan and implement forest improvement plans, including projects to reduce hazardous fuels and to establish financial incentives for private landowners to mitigate wildfire risks on their property. The revenue may also be used by the district to match state or federal grants for bioheating conversion and infrastructure to support for biomass

collection and delivery, or to assist the state forest service in ensuring communities within the district have a community wildfire protection plan.

The governing body shall have at least seven directors. The governing body of each county or municipality in the district shall have the power to appoint and remove at least one director. The state forester shall have the power to appoint and remove one director representing the Colorado state forest service. The board shall also include at least one representative from an environmental protection organization, one representative of a conservation district created pursuant to C.R.S. § 35-70-101, any part of which is within the district, one representative of a water conservancy district created pursuant to C.R.S. § 37-45-101, any part of which is within the district, and one representative of a federal land management agency.

TITLE 29 AUTHORITIES

Power or Water Authority

These authorities, specifically authorized under Title 29, Article 1, sections 204 and 204.2, respectively, are empowered to develop and operate power or water systems. They can be created by: “any combination of cities and towns” (for power) or “any combination of municipalities, special districts or other political subdivisions” (for water) provided that each of the participating entities is authorized separately to own and operate such systems. The authorities so created are separate government entities and political subdivisions of the state. The participating entities, by intergovernmental agreement (IGA, a form of contract) establish such organizational details as size and makeup of the board of directors, voting requirements, duties of the board, and provisions for disposition and distribution of assets and property. All internal operations of the authority are determined by the authority board, subject to statutory limitations.

General Intergovernmental Agreements (IGAs)

Title 29, Article 1, Part 2 of C.R.S. “permits and encourages governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments.” To this end, they may “cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each of the cooperating or contracting units.” The IGA is used to establish, by contract, the structure, function, and operating procedures of the new government agency so created, which is a “separate legal entity.” This general statute has been used to create fire and emergency telephone/communications authorities. Any combination of governments can use the IGA process to create an authority to perform any function permitted to each of those who create the authority.

A **Regional Library Authority** specifically authorized in C.R.S. § 24-90-110.7, is also formed by IGA (pursuant to C.R.S. § 29-1-201, et seq.) among two or more governmental units and library districts (whether or not such units provide library service) to provide and support public library service on a regional basis. The electors of the authority can approve a one percent (1%) sales or use tax.

Underground Utility Conversion Districts. (C.R.S. § 29-8-101)

These districts are quite similar to other assessment districts (LIDs and SIDs). This statute enables counties and municipalities to assess the costs of burying overhead power or communication lines to those who benefit from their conversion.

HOUSING AUTHORITIES

There are a number of statutes that refer to housing authorities. These are multi-jurisdictional housing authorities (C.R.S. § 29-1-204.5), municipal housing authorities (C.R.S. § 29-4-201) and county housing authorities (C.R.S. § 29-4-501). Creation of such authorities requires a finding of unsanitary or unsafe housing or a lack of safe or sanitary housing. The municipal or county governing board can act as the board of directors of the authority, or appoint a board of housing commissioners. These authorities are bodies “corporate and politic” and have all powers to carry out their purposes except the power of levying and collecting taxes or assessments. Typically, housing authorities issue revenue bonds secured by mortgages or rental contracts.

Any combination of municipalities or counties may contract with each other and establish a multijurisdictional housing authority. Powers of multijurisdictional housing authorities include operation of housing programs and housing projects, employee housing. The authority is able to levy an ad valorem property tax (not to exceed five mills), a sales and/or use tax (the rate not to exceed one percent), and, if no portion of the authority is located in a county with a population of more than one hundred thousand, development impact fees (two dollars or less per square foot) may be imposed. Any such tax or fee must be approved by the eligible voters.

COUNTY DISTRICTS

Title 30 provides for several types of districts that can be established in counties to provide certain types of facilities and services.

Recreation, Cemetery and Disposal Districts. (C.R.S. § 30-20-701, C.R.S. § 30-20-801, and C.R.S. § 30-20-201, respectively).

These three districts are quite similar in structure. They are established by resolution of the Board of County Commissioners to provide services relating to

recreation, cemeteries, and waste disposal. Such districts can be supported by ad valorem taxes. For county recreation districts, up to one mill can be levied by the Board of County Commissioners on behalf of the district. For cemetery districts, up to four mills can be levied by the District Board that is appointed by the Board of County Commissioners. A county disposal district has no separate board, and is limited to ½ mill ad valorem tax. The property tax revenue is subject to statutory and constitutional revenue limitations.

Pest Control Districts. (C.R.S. § 35-5-101).

Upon examination of a proper petition, the Board of County Commissioners will order a mail ballot election of all landowners and lessees in the proposed district. Upon a two-thirds (2/3) majority vote, the Board will declare the district established. The district seeks to protect land by controlling pests defined as noxious, destructive or troublesome plant, insect, or plant diseases when found in epidemic proportions. The Board may levy an annual ad valorem tax not to exceed two mills. The property tax revenue is subject to statutory and constitutional revenue limitations.

Law Enforcement Authorities. (C.R.S. § 30-11-401)

Law enforcement authorities in counties are established to provide law enforcement especially for “developed or developing unincorporated areas of counties, to combat the rising crime rate therein, and to better assist police and other law enforcement agencies in the prevention of crime and in the detention and apprehension of criminal offenders.” Upon a successful election, the Board of County Commissioners serves ex officio as the governing board of the authority. A mill levy, subject to “truth in taxation” procedures, and constitutional revenue limits, can be imposed with a cap of seven mills. The authority can contract with the county sheriff to provide law enforcement services.

LIBRARY DISTRICTS. (C.R.S. § 24-90-103).

A library district consists of a “public library established and maintained by one or more governmental units or parts thereof.” School districts, counties, cities, towns, and a city and county are considered governmental units under this statute. Such a district serves all unincorporated areas, as well as municipal areas without a separate public library, within the limits of the governmental units comprising the district. It could also serve a municipal area that has, or wishes to establish, a municipal library provided that the financing method for the municipal library does not affect the financial support for the library district.

A library district is governed by a board of trustees appointed by a committee that itself is first appointed by the governing boards of the entities in the district. Library districts can be supported by an ad valorem tax imposed by each of the participating entities.

LIBRARY CAPITAL FACILITIES DISTRICT. (C.R.S. § 24-90-501).

In the 2002, the legislature wrote statute authorizing a library district to create a library capital facilities district. The library capital facilities district is organized to provide library capital facilities with the library district. Library capital facilities include real and personal property, improvements, land, equipment, collections, etc. directly related to any service a library is authorized to provide.

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Entity Type	"Special District"	PID	LID	GID	SID
Statute (C.R.S.)	Title 32, Article 1	30-20-501	30-20-601	31-25-601	31-25-501
Governing Board/Status	Board of Directors-elected directly	Board of County Commissioners <i>ex officio</i>	Administrative subdivision of County	City or Town Board <i>ex officio</i>	Administrative subdivision of a municipality
Formation Petition Resolution/Ordinance Election	X X	X X*	X X	X X*	X X
Permitted Activities	Streets improvement, water, sewer (inc. drainage), parks and recreation, fire protection, TV relay, mosquito control, phone line extension, public transportation systems, health services, ambulance, solid waste, transportation, tunnels, limited security services, covenant enforcement. Cannot construct electric or gas systems or provide police protection.	Acquire, construct, install, operate or maintain any public improvement and provide any service that the county is authorized to provide, except solid waste facilities/sites or transfer stations or transportation of other types of trash, industrial waste, garbage, etc. No such improvement or service shall duplicate same already provided by special district.	Construct, grade, pave, pour, gutter, line streets; sidewalks adjacent to such streets; street lighting; drainage; maintenance roads adjacent to such drainage facilities. Water transmission/distribution and sewage collection/transmission systems. Transportation service authorized for specific city and county entity. Can be organized within the boundaries of a PID to defray costs of PID improvements or services which specially benefit properties.	Acquire, construct, install, operate or maintain any public improvement and provide any service the municipality is authorized to provide except solid waste facilities/sites or transfer stations or transportation of other types of trash, industrial waste, etc. No such improvement or service shall duplicate or interfere with any municipal improvement or service already provided.	Grade, pave, curb, gutter, parking, or otherwise improve streets and alleys; street lighting, drainage, sidewalks. Also renewals and extensions which benefit the land abutting such improvements, such as water mains, heating and cooling mains, lighting systems. Also construction of sewers, sewage disposal works, renewals/extensions thereof, and such other public works authorized by the governing body.
Powers Construction Operation/Maintenance Condemn Property	X X X	X X X	X X**	X X X	X
Finance Mechanism Ad Valorem Tax Assessment Bonds G.O. Revenue Special Assessment Sales Tax Charge rates, tolls, fees	X X X X	X X X X** X** X	X X* X X**	X X X X	X X* X
Comments		* If 100% of the owners of real property sign the petition, the governing body may waive the notice publication, hearing, and election, if requested. ** PID may form a LID within its boundaries to use sales tax or assessment.	* for county wide improvements ** for counties and a city that has been authorized to become a city and county, for ongoing street, street lighting, drainage facilities improvements or transportation services. Tax revenue may also be used for operation and maintenance of same.	* If 100% of the owners of real property sign the petition, the governing body may waive the notice publication, hearing, and election, if requested.	* for municipal-wide improvements

Entity Type	Building Authority	Downtown Development Authority DDA	Urban Renewal Authority URA	Business Improvement District BID	Local Marketing District
Statute (C.R.S.)	Title 7, Articles 20-29	31-25-801	31-25-101	31-25-1201	29-25-101
Governing Board/Status	Nonprofit Corporation; Board is ratified by governing board of entity	Board of 5-11 appointed by council	Board of 5 - 11 appointed by mayor, ratified by council	Governing body <i>ex officio</i> or appointed board or elected board	Governing body <i>ex officio</i> ; appointed board or elected board
Formation Petition Resolution/Ordinance Election	X	X	X X	X X	X X X
Permitted Activities	Any public improvement, on behalf of county or municipality.	Very broad. Can be used to "prevent" deterioration. Plan, propose & implement "plans of development"--removal, site preparation, renovation, repair, remodeling, reconstruction.	Limited to "urban renewal area" -- demolition & removal of buildings; streets, utilities, parks, "other improvements" subject to "urban renewal plan."	Planning & managing development; maintenance of improvement; promotion or marketing; business recruitment, management and development; provide snow removal, refuse collection; design assistance; acquire construction financing; install and operate improvements.	Provide organization, promotion, marketing and management of public events; support business recruitment, management and development; coordinate tourism promotion.
Powers Construction Operation/Maintenance Condemn Property	X X	X X	X X X	X X	X* X
Finance Mechanism Ad Valorem Tax Assessment Bonds G.O. Revenue Special Assessment Sales Tax Charge rates, tolls, fees	X* X	X; also, five mill X* X*	X** X* X* X**	X X X X X	 X**
Comments	* by contract with property owners only	* tax allocation bonds. Restricted to central business district. Can use Tax Increment Financing ** operating levy	* tax allocation bonds Requires "blight" conditions. ** for Tax Increment Financing		* Tourist information centers only. ** Can levy a "marketing and promotion tax on the purchase price paid or charged to persons for rooms or accommodations."

Entity Type	Authority - IGA	Power or Water Authority	Underground and Utility Conversion District	Housing Authority	County Recreation District
Statute (C.R.S.)	29-1-201	29-1-204/204.2	29-8-101	29-1-204.5, 29-4-201/501	30-20-701
Governing Board/Status	Board of Directors appointed by participating parties	Board of Directors appointed by participating parties	District created by county or municipality	Commissioners are governing body <i>ex officio</i> or appointed by governing body	Board of 5 appointed by Board of County Commissioners
Formation Petition Resolution/Ordinance Election	X	X	X X	X X X	X
Permitted Activities	Any function, service, or facility authorized to all participating parties.	Develop, produce, transmit electrical energy/develop water resources, systems or facilities.	Convert existing overhead electric or communication facilities to underground locations.	Construct and operate housing units.	Provide and operate recreational facilities.
Powers Construction Operation and Maintenance Condemn Property	X X X	X X X	X	X X X	X X
Finance Mechanism Ad Valorem Tax Assessment Bonds G.O. Revenue Special Assessment Sales Tax Charge rates, tolls, fees	X X X X X X	 X X	X X	X* five mills X X X* X* (1%) X	X* one mill
Comments		power -- municipal only/water -- any political entity authorized to own or operate water system		Requires finding of unsanitary or unsafe housing or lack of safe or sanitary housing. *secured by rent or mortgage	*by Board of County Commissioners

Entity Type	County Cemetery District	County Pest Control District	County Disposal District	County Law Enforcement Authority	Library District
Statute (C.R.S.)	30-20-801	35-5-101	30-20-201	30-11-401	24-90-101
Governing Board/Status	Board of 3 appointed by Board of County Commissioners	Board of County Commissioners	Administrative subdivision of County	Board of County Commissioners <i>ex officio</i>	Board of Trustees appointed by governing bodies
Formation Petition Resolution/Ordinance Election	X X	X X	X	X X	X X X
Permitted Activities	Operate cemetery and sell burial plots.	Control or destroy pests: noxious weeds, insects and plant diseases.	Provide dump, sanitary landfill or other means of garbage or trash disposal.	Provide law enforcement; powers and duties as specified in resolution.	Provide library services.
Powers Construction Operation and Maintenance Condemn Property	X X	X	X X		X X
Finance Mechanism Ad valorem tax Assessment Bonds G.O. Revenue Special Assessment Sales Tax Charge rates, tolls, fees	X* four mills X	X* two mills X**	X* ½ mill X	X* seven mills	X X
Comments	* by Board of County Commissioners	* by Board of County Commissioners ** itemized amount due for pest control treatment, if past due, will become assessed as a lien upon real estate.	* by Board of County Commissioners	* subject to "truth in taxation" Can receive short-term loans.	

Entity Type	Regional Library Authority	Library Capital Facilities District	Forest Improvement District		
Statute (C.R.S.)	24-90-110.7	24-90-501	32-18-101		
Governing Board/Status	Board appointed Per Terms of IGA	Board of Library District Forming Facilities District	Board of Directors appointed by Board of County Commissioners or Council		
Formation Petition Resolution/Ordinance Election	X	X X*	X X		
Permitted Activities	Support and provide library service in underserved areas.	Provide library capital facilities within library district			
Powers Construction Operation and Maintenance Condemn Property	X X	X X	X* X*		
Finance Mechanism Ad valorem tax Assessment Bonds G.O. Revenue Special Assessment Sales Tax Charge rates, tolls, fees	X X X X Not Exceed 1%	X X	 X		
Comments	* by Board of County Commissioners	* At board's discretion.	* Plan and implement forest improvement projects; infrastructure support for bioheating conversion and biomass collection; community wildfire protection plans		