

LARIMER COUNTY: ENGINEERING



PUBLIC IMPROVEMENT DISTRICTS

September 14, 2023

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Larimer County
Engineering Department
Fort Collins, Colorado
(970) 498-5700

<https://www.larimer.org/engineering/improvement-districts>



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Why the Interest in PIDs in Larimer County?

- In 1994, Larimer County stopped accepting any new public subdivision roads for maintenance
 - 300+ Paved Public Road Subdivisions
 - 250+ miles of public roads, including gravel, receive **NO** county maintenance
- None of the previously mentioned non-county maintained subdivision roads will receive funding from Larimer County when road maintenance is needed

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Current PID Status in Larimer County

- 65 current PIDs encompass over
 - ✓ 5,550+ properties
 - ✓ 130 miles of road (Paved and Gravel)
 - ✓ 16 PIDs are gravel roads
- Generate over \$3.5 million dollars each year

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Pavement Purpose

- Vehicle Load Support
- Rideability/Smoothness
- Promote Drainage

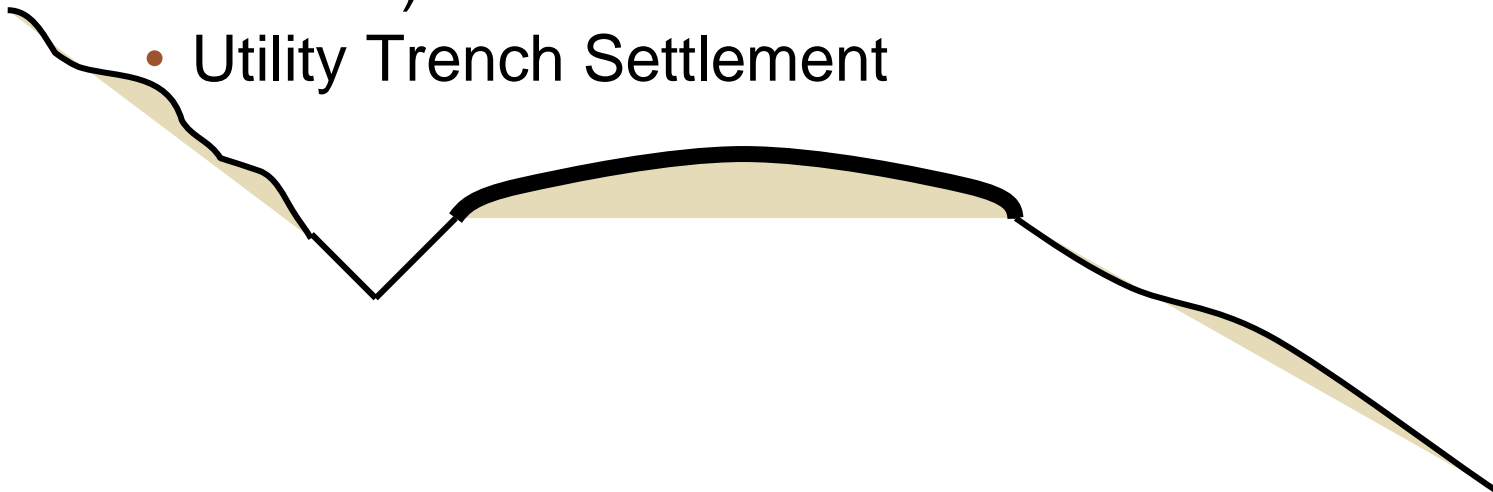


DC to Richmond Road in 1919 – from The Asphalt Institute

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Why do Streets Fail?

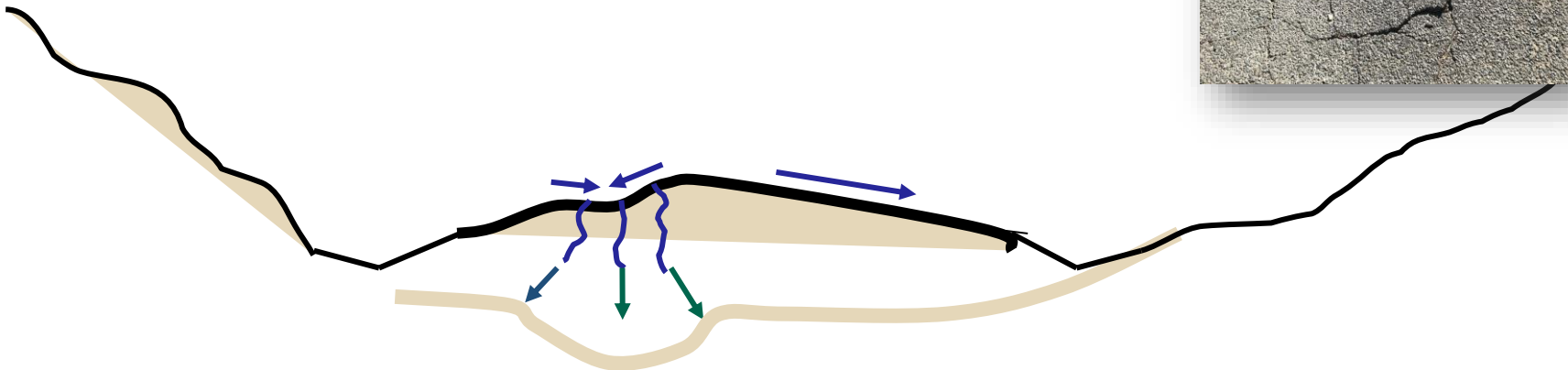
- Streets fail mainly because of
 - Environmental Factors (i.e. water, sunshine, temperature variations, etc.)
 - Heavy Loads (minimize number of garbage haulers)
 - Utility Trench Settlement



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Street Failure

- When the material beneath a street (the subgrade) becomes wet, it has less strength to support loads. The wet subgrade will begin to move and eventually cause the pavement to fail.



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Street Failure



Poor
Surface
Drainage



Street
Aging



Frost
Heave



Alligator
Cracking

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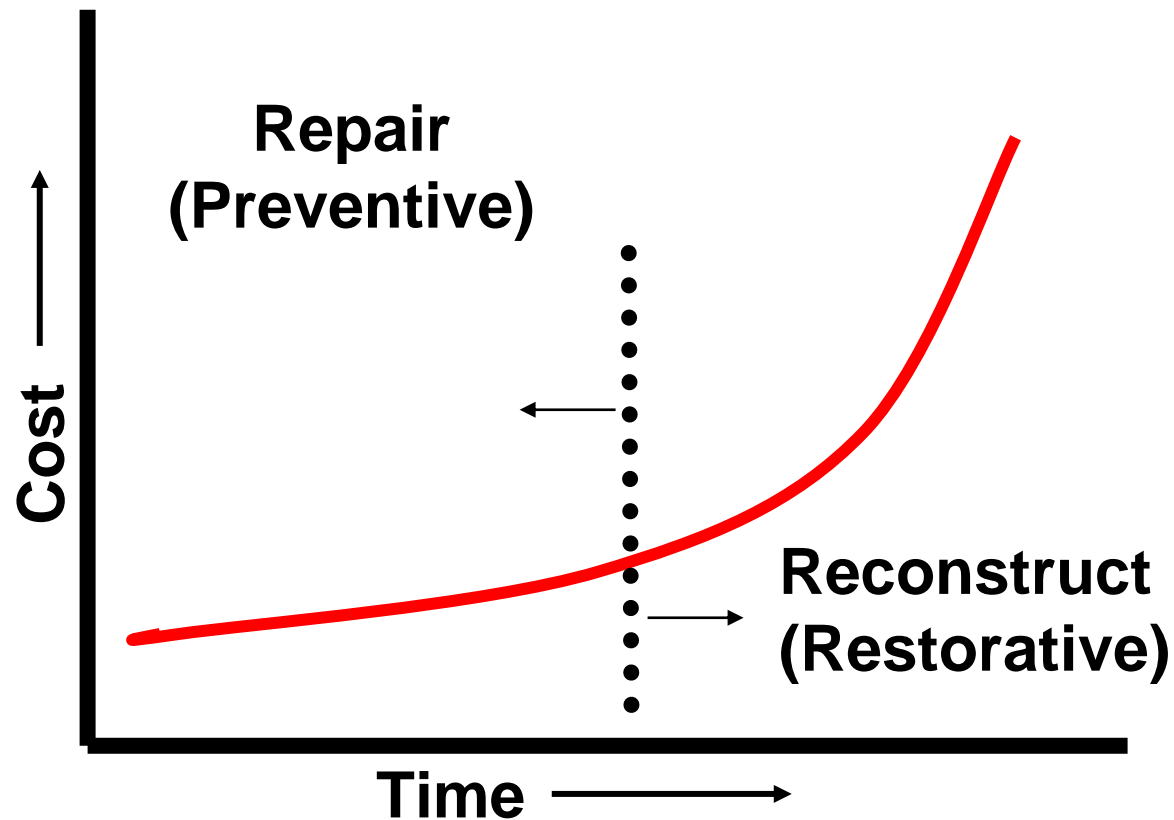
Street Failure

- Asphalt Patching
 - Eventually, the failed pavement area has to be replaced (patched) which can be very labor-intensive and expensive
- Street Reconstruction
 - If the street is on the verge of needing 50% (+/-) patching a total street reconstruction is considered



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Cost of Delayed Maintenance



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Preventive Maintenance

- Preventive maintenance is the term used for work that is done to prevent deterioration before it occurs
- Sealing and or overlaying the surface of streets are preventive maintenance since they avoid or prevent problems before they start
- Preventive maintenance is less expensive since it delays costly reconstruction

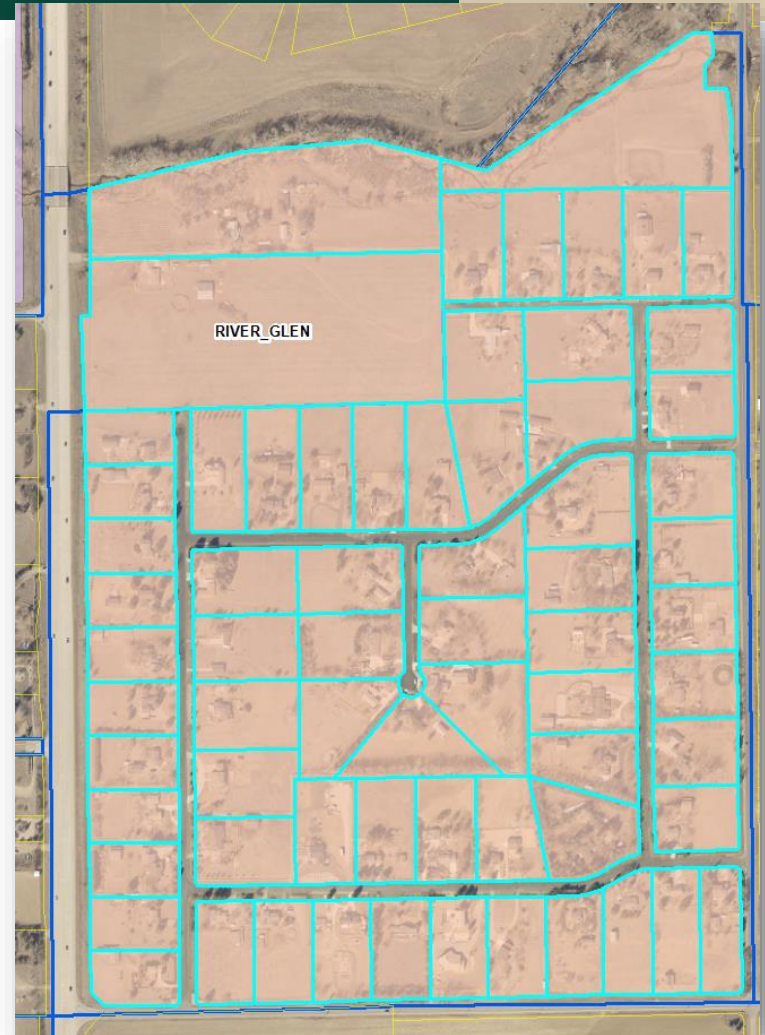
Example
Slurry Seal



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PID Proposed Boundary

- PID boundaries are determined by identifying the roadways to receive maintenance through the PID and including properties that access and gain benefit from those roadways.
 - ✓ Not necessarily the same as the subdivision plat



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Proposed Option for River Glen PID: Full Depth Reconstruction of All Roads

- a. Collecting \$522,000 in the first year (approx. mill levy = 128.990) increasing annually based on property valuation
- b. Average Cost for each property in the first year = \$7,791 (will vary based on Assessed Value)
- c. Anticipated construction to occur in 2030
- d. Collection can be lowered after initial project for future ongoing maintenance

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Proposed Option for River Glen PID: Full Depth Reconstruction of Riverview Drive & Overlay of All Other Roads

- a. Collecting \$ 538,000 in the first year (approx. mill levy = 132.944) increasing annually based on property valuation
- b. Average Cost for each property in the first year = \$8,030 (will vary based on Assessed Value)
- c. Anticipated construction to occur in 2028
- d. Collection can be lowered after initial project for future ongoing maintenance

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Well, OK...

We understand WHY

Now tell us HOW

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Public Improvement Districts

- Larimer County has a self-directed program where property owners can work together to raise funds for public purposes
- Street and drainage improvements are valid public purposes
- The program involves formation of public improvement districts or PIDs
- Funds are collected through an additional property tax (mill levy) that is based on a property's assessed value



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Why Use Assessed Values?

Colorado Revised Statutes require that PIDs use an ad valorem tax (mill levy determined by assessed value)

- Similar to other mill levy (i.e. schools, fire, library district)
- Consistently applied: Higher valued properties = higher assessed value. These properties pay more than lower valued properties into the PID
- It is not dependent on:
 - ✓ Length of street to a particular house
 - ✓ # of vehicles owned or # of drivers
 - ✓ #trips/day

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How is a PID Formed?

5 steps...

- First, an application is submitted to the Larimer County Engineering Department (\$100)
- An overall plan is developed (by county staff with neighborhood input and guidance)
 - Determine proposed PID Boundaries
 - Comprehensive maintenance plan:
 - ✓ Timeline ~ 30 years
 - ✓ Estimated costs (current & future)
 - ✓ Estimated allocation of cost to each property

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How is a PID Formed?

- The Engineering Department then prepares a petition that is circulated by a small group of volunteers that is based on the maintenance plan.
- A public hearing is held with the Board of County Commissioners in the Summer if the following 3 criteria are met:
 - ✓ 30% in favor
 - ✓ General benefit
 - ✓ Cost of service or benefit not excessive compared to property values
- PID is placed on the ballot in the November Election.

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How Does it Work after approved?

- Each PID has an Advisory Board appointed by the Board of County Commissioners. This Advisory Board is made up of 3 volunteer property owners from the district
- On an annual basis the Advisory Board coordinates with County Staff on project scopes/schedules
- This Board is the conduit for residents to the County

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PID Facts:

- Money raised by a PID is placed in a separate interest-bearing account
- Transparency: Financial Statements are online for everyone
- A 7% fee is charged by the County to administer the program and collect the property tax. These fees are typically offset by credits to the district from county-wide motor vehicle registration receipts

*Offset credits from motor vehicle registrations are not guaranteed and are dependent upon actual county-wide motor vehicle registration collections in any given year

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Who May Vote on the November Ballot at Election?

- Anyone who owns property in the District and is a registered voter in the State of Colorado
- Anyone who legally resides within the District may also vote (renters too)
- A business entity that has designated a natural person in writing to Election Office

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Additional PID Information

- PIDs – 100% Financial Participation from properties in the District
- County Engineering Staff Administers Contracts, Provides Recommendations and Assists PID Board
- Work is done by Private Contractors not County Crews
- PID must follow County Purchasing Rules
- PID must have enough “Cash in Hand” for each project
- PID money can only be used by the PID itself
- The County does not require specific improvements (i.e. widening) to meet current standards

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For more information on PID's:
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