

Formation of a General Improvement District (GID)

Formation of an entirely new district pursuant to Sections 31-25-601 through 31-25-633, Colorado Revised Statutes ("C.R.S")

General Improvement District ("GID")

Steps involved:

- A. File with the City Clerk a petition signed by not less than 30% or 200 of the electors of the proposed district
 - (1) The name of the proposed district;
 - (2) A general description of the improvements to be acquired, constructed, installed, operated, or maintained or the services;
 - (3) The estimated cost of the proposed provision of services;
 - (4) A general description of the boundaries;
 - (5) The names of three persons of the district who shall represent the petitioners;
 - (6) A request for the organization of the district; and
 - (7) A statement that either:
 - (I) The boundaries of the proposed district include at least one hundred electors;
 - (II) The boundaries include at least one elector of the district for each five acres of land; or
 - (III) The petition is signed by one hundred percent of the owners of taxable real property
- B. File a bond or make a cash deposit sufficient to pay all expenses connected with the proceedings
- C. Notice of hearing published by City Clerk and hearing set no less than 20 days and no more than 40 days after petition is filed
 - (1) Hearing in front of City Council
 - (2) Council makes determination whether voter approval is required pursuant to TABOR (in this case, an election is required)

- D. At an election, if a majority of the votes cast at the election are in favor of the organization, Council shall adopt ordinance declaring the district organized

Notes regarding GIDs:

- A. Depending on whether the new territory for the GID includes only new parcels or those currently being assessed under the SIMD, if election successful may need to dissolve or modify existing SIMD
- B. If entire SIMD falls within boundaries of the new GID, Council may need to decrease the mill levy for the SIMD to zero at the same time Council passes an ordinance organizing district.
- C. Retained counsel may identify additional requirements or steps in the process

Considerations for GID formation:

- A. Formation of a GID not without difficulty
- B. Some costs associated with formation of the GID:
 - (1) Retention of legal counsel with expertise in special district formation
 - (2) Costs associated with petition process
 - (3) Election expenses