

**A
RESOLUTION
OF THE CITY COUNCIL
OF THE CITY OF CHERRY HILLS VILLAGE
AGREEING TO PROVIDE TO THE CITY RESIDENTS THE SERVICES
PROVIDED BY THE SOUTH SUBURBAN PARK AND RECREATION DISTRICT IN
ACCORDANCE WITH C.R.S. § 32-1-502(2)(a)**

WHEREAS, for more than 20 years, various City Councils for the City of Cherry Hills Village have questioned the relative value received by the City's inclusion in the South Suburban Parks and Recreation District (the "District"); and

WHEREAS, following repeated requests for improvements in the level of service provided by the District for park, trail, and open space assets within the City, the City has not received an improvement in services commensurate with the relative revenue contributed to the District by property owners within the City of Cherry Hills Village; and

WHEREAS, in 1999, the City Council commissioned a report by BBC Research and Consulting (the "BBC Report") to evaluate the financial benefits derived from excluding (withdrawing) the City of Cherry Hills Village from the South Suburban Parks and Recreation District; and

WHEREAS, the BBC Report is available, and has been made available, to the public at the Cherry Hills Village Center, 2450 East Quincy Avenue, Cherry Hills Village, Colorado 80110. The BBC Report concludes that:

- City residents pay nearly 3 times more per capita in South Suburban Parks and Recreation District property taxes than non-City residents for the same District services; and
- The City is capable of creating a recreational program that would provide or make available to City residents the same general recreational services as those services currently available from the District; and
- If the City implements a program to provide or make available to its residents the same general recreational services that are available from the District, the City can expect to save a total of \$27.0 million over the next 20 years (a net present value of \$13.0 million) from the amount of taxes that are currently imposed in the City by the District; and
- The City's financial savings can be applied toward a variety of public purposes, including capital improvement and rehabilitation of new and existing trails, parks, and open space within the City, the purchase of additional open space and parks within the City, or a reduction in the property tax mill levy rate for Cherry Hills Village property owners.

WHEREAS, in 2002, residents of Cherry Hills Village paid \$1.88 million in property taxes to the District; and

WHEREAS, Cherry Hills Village residents comprise only 4% of the District's total residents but Cherry Hills Village residents pay 12% of the total District property taxes; and

WHEREAS, the City thoroughly researched the effect of exclusion upon the City residents' opportunities for recreational activities; and

WHEREAS, the City developed a preliminary plan that would ensure, *following exclusion*, that the City's residents could continue to generally enjoy the same recreational services available from the District at the same basic cost the residents currently pay. A copy of the preliminary plan is available at the Cherry Hills Village Center, 2450 East Quincy Avenue, Cherry Hills Village, Colorado 80110; and

WHEREAS, the City Council sent a questionnaire to households in the City to assess whether the residents valued their participation in the District or whether residents desired to seek exclusion from the District. More than thirty-one percent (31%) of the questionnaires were returned to the City by the residents; and

WHEREAS, approximately sixty-seven percent (67%) of the residents responding to the questionnaire expressed their desire to seek exclusion from the District.

WHEREAS, the City Council postponed its plans to commence the exclusion process in 2001 in order that the City, through an appointed subcommittee and its elected and appointed officials, could enter into good faith negotiations with the District regarding the terms and conditions for a future contractual relationship between the parties which would address the City's concerns; and

WHEREAS, after more than eight (8) months of negotiations, the preparation of a detailed term sheet outlining the City's goals and requirements for an intergovernmental agreement, and a full discussion of the issues, the District declared that it was unable to accede to the reasonable requests of the City and declared negotiations closed; and

WHEREAS, the City requested that the District enter into negotiations for the terms and conditions of exclusion as contemplated by state law when municipalities seek exclusion from special districts; and

WHEREAS, the District, by letter to the City Council, expressly rejected the City's invitation to further negotiate the terms and conditions of possible exclusion; and

WHEREAS, in November of 2002, the voters of the City of Cherry Hills Village approved a ballot measure effectively authorizing a transfer of the tax rate currently imposed by the District to the City so that the City could provide to the City residents recreation services following exclusion of the City from the District; and

WHEREAS, Section 32-1-502, C.R.S., authorizes the City Council of the City of Cherry Hills Village to petition the district court for the exclusion of all or any part of the City from any special district; and

WHEREAS, Section 32-1-502(2)(a), C.R.S., requires as a pre-condition of excluding from the District that the City Council "agrees, by resolution, to provide the service provided by the special district to the area described in the petition on and after the effective date of the exclusion order."

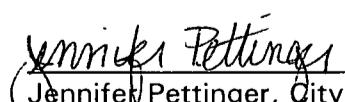
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CHERRY HILLS VILLAGE:

In accordance with Section 32-10-502(2)(a), C.R.S., the City Council for the City of Cherry Hills Village unanimously agrees to provide to the City of Cherry Hills Village the service provided by the South Suburban Park and Recreation District on and after the effective date of the order of exclusion entered by the District Court for Arapahoe County, Colorado. Such provision of services by the City shall be made in accordance with the plan for exclusion as approved by the order of the District Court for Arapahoe County.

DONE AND RESOLVED this 21st day of January, 2003.


Douglas Scott, Mayor

ATTEST:


Jennifer Pettinger, City Clerk

APPROVED AS TO FORM:


Robert C. Widner, City Attorney