

Special Districts: Financing for Successful Development and Redevelopment

Special purpose taxing districts can be efficient and effective in funding public improvements. At the same time, they also can be incredibly complex, given the many players and politics often involved, as well as sophisticated financing needs. Ballard Spahr attorneys have significant experience successfully guiding special districts through some of their greatest challenges. Our attorneys advise special districts in several states as they finance and administer master-planned communities and regional public infrastructure projects.

Our multidisciplinary team counsels districts that are authorized to finance, construct, acquire, and otherwise provide a broad range of public improvements and services—including roads, water, sewer, transportation, safety protection, and parks and recreation. The attorneys on our team have deep knowledge of the issues special districts face in issuing debt secured by taxes, assessments, or fees to finance improvements, and they provide clients with proactive guidance every step of the way.

Our attorneys provide the following services to special district clients.

Formation process

- Participate in the formation process
- Draft development agreements

Debt issuances

- Serve as bond and/or disclosure counsel to special districts and in those role(s) prepare all debt issuance documents and/or offering documents and render customary opinions of bond counsel and/or 10b5 comfort letters of disclosure counsel
- Serve as developer counsel, and in that role assist with responses to due-diligence requests and with drafting or reviewing disclosure in offering documents regarding developer and development

Other matters

- Negotiate revenue-sharing agreements with local governments (e.g. sales tax/use tax sharing agreements)
- Serve as district counsel and assist with ongoing administrative and operational matters
- Review covenants imposing public improvement fees or payments in lieu of taxes

We advise on the following considerations for the due-diligence process in land acquisitions/joint ventures involving existing special districts:

- Composition/appointment of board members
- Debt capacity limitations, advance and reimbursement agreements
- Ability to be reimbursed for advances

EXPERIENCE

We have represented clients in connection with the following projects.

Arizona

- Tartesso West Community Facilities District
- Mission Royale Community Facilities District
- Eastmark Community Facilities District
- Cadence Community Facilities District

Colorado

Redevelopment, mixed-use, and retail projects:

- Denver Union Station
- Cherry Creek Corporate Center (Glendale)
- Foothills Mall (Fort Collins)
- Centerra (Loveland)
- Belmar Shopping Center (Lakewood)
- The Brands (Windsor)
- Ridgeway West (Lone Tree)
- Candelas (Arvada)
- Porteos (Denver)
- Colorado Mills Mall (Lakewood)
- Buckingham Square Mall (Aurora)

Master-planned and primarily residential projects:

- Water Valley (Windsor)
- Erie Highlands (Erie)
- Banning Lewis Ranch (Colorado Springs)
- Highland Meadows (Windsor)
- Sterling Ranch (Douglas County)
- Copperleaf (Arapahoe County)

Nevada

- Stonegate Project
- Black Mountain Local Improvement District
- Tule Springs Special Improvement District

Utah

Redevelopment, mixed-use, retail, and residential projects:

- Power District (Salt Lake City)
- The Point, Point of the Mountain State Land Authority (Draper)
- Daybreak (South Jordan)

Resort and hospitality projects:

- Wasatch Peaks Ranch (Weber)
- Founder's Place (Park City)

CONTACTS

Bruce F. Johnson, *Partner, Las Vegas*

johnsonbf@ballardspahr.com | 702.868.7546

Anastasia G. Khokhryakova, *Partner, Denver*

AK@ballardspahr.com | 303.299.7310

Steven P. Mehr, *Partner, Los Angeles and Salt Lake City*

mehrs@ballardspahr.com | 424.204.4365

Kimberly C. Reed, *Partner, Denver*

reedk@ballardspahr.com | 303.299.7372

P. Andy Spicknall, *Partner, Washington, D.C.*

spicknallp@ballardspahr.com | 202.661.2268

Matthew G. Summers, *Partner, Delaware and Baltimore*

summersm@ballardspahr.com | 302.252.4428

Tyler M. Cobb, *Of Counsel, Phoenix*

cobbt@ballardspahr.com | 602.798.5420