

HB22-1363 Accountability to Taxpayers Special Districts

Tuesday, April 26, 2022

Transportation and Local Government

Testimony: Oppose

Note: this testimony has been updated in response to testimony being reduced to two minutes and removing duplication of other witnesses

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Special districts have proliferated because they are a necessary and critical economic development tool that developers use to provide projects and infrastructure. Development and financing of large projects has become more complicated, and local governments can't provide the same infrastructure and extension of services they used to, and so special districts are the mechanism that has grown in response.

They are by nature an exercise in creativity. We see that as an asset. You've heard some great examples from previous witnesses, and as a resident of El Paso County, I will add City for Champions projects that were transformative in downtown Colorado Springs, and the airport business park. All of those districts looked a little different. But it seems like the bill authors see that as a detriment and are striving to take away the ability to craft a district scenario that meets the specific needs of a project and a community. It feels like throwing the baby out with the bathwater.

I read the legislative declaration with interest and was please to see transparency, protection of taxpayers and residents, and affordable housing cited as goals, because we share those goals. That's why we supported the transparency measures in Senate bill 262 last session. However, it's our assessment that the bill will harm taxpayers and residents by depressing economic development and repress the development of affordable housing.

Other witnesses have detailed our concerns about feasibility, costs, administrative burdens and so on, so I won't repeat those details. I'll just sum up that we see this bill as detrimental to the broader economic health of Colorado, as it will have a chilling effect on economic development and on residential development. We echo the request that the legislation be sent back for additional stakeholder input and discussion.