They say all politics is local. We say all health is local. The most challenging barriers that keep people from living a healthy life – obtaining affordable care, access to close medical facilities, and safety services – too often are debated on a statewide scale, when they can be solved at home. Why give up the home-team advantage when you don’t have to? A “special district” is one powerful tool communities can leverage to solve these pressing issues but are not utilized to their maximum benefit. It can seem daunting and overbearing to even start the special district process. While forming a special district certainly takes gumption and dedication, you don’t have to do it alone!

That is why Healthier Colorado launched our Partnerships in Local Advocacy (PILA) Program in 2016 and Healthier64 in 2020. We created these programs because we were looking for a way to bring policy change resources to local communities across the state. Since 2016, we have worked alongside local communities to pass 33 local initiatives. Through PILA, Healthier Colorado has provided support to communities looking to make change in their own backyards in a myriad of ways. We’ve helped run entire campaigns, provided needed financial backing, mobilized community support, coordinated voter outreach, offered technical assistance, knocked doors, made phone calls, and so much more. If you have a fully formed idea for policy change in your community and are interested in partnering with Healthier Colorado in order to make that change a reality, check out HealthierColorado.org and our PILA page for more information and let us know how we can help you get your special district or other local efforts across the finish line. The best part, our engagement is free!

Even if you don’t ask for support through the PILA Program, this is a roadmap to empower any community in Colorado to form a special district. We believe that a community level approach to improve local outcomes starts with local opportunities.
WHAT IS A SPECIAL DISTRICT?

The Technical Definition: A special district is a quasi governmental political subdivision that is created to provide services that municipal or county government is unable to provide.

The Real Person Definition: In simple terms, it is a smaller entity formed to help a specific community support existing programs or create new ones, like community clinics or neighborhood beautification projects.

HOW DO THEY OPERATE?

These districts do not make a profit, so the money raised for them goes directly back into the community where the district was formed. Special districts are able to provide these services and public improvements because they have the authority to levy voter approved sales and/or property taxes, assess fees, and sell bonds. These districts are governed by Title 32 of the Colorado Revised Statutes if you want to get down to the nitty gritty.

There are currently 2,400 special districts across the state (a map of existing special districts can be found here). Special districts are controlled by the local communities who reside within the physical boundaries of the district. They are governed by boards of 5-7 members that are elected by popular vote and accountable to district residents.
THE POWER OF LOCAL

Special districts are a powerful tool for local communities who currently lack appropriate funding to gain important services they need and deserve – especially when it comes to health care, community protection, and education opportunities. Creating and passing a special district may mean the difference between an ambulance being available to respond to emergencies or having a local hospital that is not 200 miles away.

WHAT CAN SPECIAL DISTRICTS DO?

State law allows for special districts to be formed to provide the following services:

- Parks & Recreation
- Libraries
- Ambulance Services
- Early Child Development
- Fire Protection
- Water & Sanitation
- Health Services
WE'RE ALL ABOUT THE HEALTH SERVICES

The health services sections of Title 32 can be found HERE:

- Health services, including hospitals, clinics and ambulance/EMT
- Mental health services
- Early childhood development services

Most of Colorado’s special districts are formed within the boundaries of unincorporated portions of Colorado’s 64 counties, but special districts that are created to provide health services often include incorporated towns and cities.

HOW DO YOU PAY FOR A SPECIAL DISTRICT?

Special districts can be funded through property taxes, sales taxes, or the sale of bonds. It’s important that a thorough fiscal analysis is done during the service plan formation process so there is an accurate assessment of how much money will be required on an ongoing basis to deliver the service(s) that the district is being formed to provide (you’ll learn more about the service plan formation in the next section). Whatever funding mechanism is chosen needs to be both adequate to ensure ongoing sustainability for the district and also politically possible. These are all things that should be discussed while the service plan is being put together. Because of TABOR, the funding mechanism for the special district will need to be approved by the voters who will live in the new district.
TIMEOUT!

WHAT THE HECK IS TABOR?

“You may be familiar with the Colorado TABOR Amendment. It stands for the Taxpayer Bill of Rights. It’s a constitutional amendment that passed in 1992. Among other things, it requires a vote of the people to approve any increase in taxes. This is why you vote regularly to secure new or additional funding (taxes) for schools, libraries, mental health services, tobacco cessation and prevention and more.”

BEFORE YOU BEGIN...
CALL IN THE LAWYERS

First and foremost, seek adequate legal advice! The special district formation process is long and arduous. We highly recommend that you enlist the help of an attorney who has experience forming a special district. In our experience, attorney fees can be around $30,000 to help form the district. This is an important consideration to make prior to making the decision to move forward. Securing the finances to obtain the legal support you will need should be one of the first priorities for you and the community.
HOW DO YOU FORM A SPECIAL DISTRICT?

Let's break it down into steps!

1. **The Service Plan**: The first step to form the district is to submit a service plan to the jurisdiction where the special district will be located—in most cases, this means the correlating county or counties. The service plan lays out the nuts and bolts of the proposed district and serves as the governing document or structure of how the district will operate. The plan must include an explanation of how the district will obtain funding and the services the district will provide. The requirements for service plan submission vary from jurisdiction to jurisdiction, so it’s important to check with the county or counties where the special district will reside to ensure that all of the information the jurisdiction needs is included in the service plan. This is something an experienced attorney can help you navigate. Once the service plan is submitted, review and approval of the plan can take as long as 9 to 12 months.

2. **Making it on the Ballot**: The second step in the process is to file a petition of organization with the district court where the special district will be located. The purpose of the petition of organization is to ask the court to order an election to allow voters to approve both the creation and financing of the special district. If the court grants the petition, it will order that the special district questions be added to the ballot in the next election—in even years, that would be May or November and in odd years, November.
HERE COMES TABOR.... AGAIN

Because Colorado’s constitution includes the Taxpayer’s Bill of Rights (TABOR), you will likely need legal help to craft ballot initiative questions that adhere to the requirements set out in that section of the state constitution, including one that prohibits ballot initiative questions from covering multiple subjects. This is known as the single subject rule. For this reason, you may be advised to have separate questions for the creation of the district, the approval of the funding mechanism for the district, and electing people to the district’s board of directors. We cannot stress enough the importance of obtaining legal support. Laying the foundation for the district and getting approval is complicated, and you don’t want avoidable delays.

HERE ARE SOME PRO-TIPS BEFORE YOU START

1. Identify and commit a few supporters in your community who can be named on the legal paperwork ahead of time. This will save you last-minute scrambling.

2. Make Sure Everything is Legal! Campaigns are highly regulated. Make sure you understand what kind of entity will be required in order to raise money for the campaign, how to form that entity, and any reporting requirements that you will need to meet throughout the life of the campaign. This includes after election day!
   - For state guidance, contact the Colorado Secretary of State.
   - For local guidance, contact the city or county Clerk and Recorder’s Office.

3. After you establish the necessary entity, you will need to set up a bank account so the committee can raise and spend money.

4. If you are part of an organization, an elected official, or work for a public entity familiarize yourself with how you can legally engage in the campaign. There are certain restrictions and reporting requirements that you will need to follow. Seek guidance from an attorney on what those parameters are.
A successful campaign will employ tactics that help convince voters that creating and funding the special district is a good idea. This list is by no means comprehensive, but it should help guide you to creating the start of a solid campaign plan. A few things to keep in mind:

- It is important that the campaign provides information about how voters can turn in their ballots and the deadlines by which they need to do so.
- A robust voter outreach and education campaign costs money, so you will need a fundraising plan for your campaign.
- Studies show that face-to-face contact is often the best way to persuade voters to vote for something. Any good campaign plan should include person-to-person voter outreach.
- Voters need to understand why the district is being formed and why it is in their interest to create the district and tax themselves or allow the district to sell bonds in order to fund it.
- Colorado conducts its elections primarily via mail. It’s important to keep this in mind when creating your campaign plan. You’ll need to do a bulk of your persuasion work before ballots are mailed out, which varies by jurisdiction but usually happens around the middle of October.
- Know your win number. The win number is the number of ‘yes’ votes you need on each ballot question in order to pass and fund the new district. The win number is 50% plus 1.
- Online and print media also offers another medium through which to convey your message - find local spokespeople who can submit Letters to the Editor and consider local newspaper ads to reach voters.

Obtain voter lists from your county clerk’s office. If your special district covers multiple counties, you will need to request the lists from each county clerk. Be sure to specify who is included in your boundary/eligible voters.
WHAT HAPPENS AFTER THE ELECTION?

There are a few scenarios for what can happen on Election Day.

**Scenario 1**

All of the questions pass: Congratulations, you’ve just created, funded and elected your inaugural board members for your special district! Once the election results are certified, your directors can hold their first meeting. There are a lot of laws that govern these meetings, so be sure the new board members are familiar with them and prepared to follow them.

**Scenario 2**

The district formation question passes, but the funding question fails: Because Colorado’s constitution requires the questions about the creation and funding of the special district to be separate questions, there is a chance that the question allowing the district to form passes, but the question funding the district does not. In that instance, the district exists but there is no funding mechanism to provide the services that the district wants to provide. The district will have to go back to voters in the next election and ask them to fund the district so it can provide services.

**Scenario 3 & 4**

None of the questions pass: Unfortunately, if none of the questions pass, the process has to start all over again.

The funding question passes, but the district formation question does not: This is an extremely unlikely occurrence, but in this instance, the funding mechanism would be null because the district doesn’t legally exist. In this instance, the process would need to start again.
CONCLUSION

Special districts are powerful tools that can leverage the uniqueness that is your local community. After-all who knows your community better than those that live there. They are also robust pieces of legislation that take planning, structure, tenacity, resilience, and most of all, voices of the community. So get out there and solve those problems. Leverage a special district to improve life in your community.

For more info and resources:

- [Colorado Department of Local Affairs special districts information and filing page](#)
- [Special District Association of Colorado](#)
- [Colorado Department of Local Affairs guide to creating service plans](#)
- [Colorado Department of Local Affairs FAQs on special district elections](#)
- [Colorado Department of Local Affairs guide to financing special districts](#)
- [Colorado Department of Local Affairs election timeline and webinar series](#)
Thank You For Checking Out The Toolkit

Please reach out with any questions or if you would like to partner in the creation of your special district.

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