



A CITIZENS GUIDE TO THE BENEFITS OF LOCAL MAINTENANCE DISTRICTS (LMDs)

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Frequently asked questions about LMDs: Local Maintenance Districts

Take a good look around your neighborhood. If improvements such as pedestrian lighting, sidewalks or other streetscape improvements would enhance the appearance of your neighborhood, you might want to learn more about LMDs, or Local Maintenance Districts.

LMD's are a local approach of neighbors working together with government to improve the appearance of and services in their neighborhood. Here are some of the improvements you could install and maintain:

- Pedestrian lighting
- Street Trees
- Landscaping
- Sidewalks
- Benches
- Trash Receptacles
- Other Streetscape improvements

What is an LMD?

An LMD is a specific geographical district formed by a group of property owners working together to provide for the ongoing operation, maintenance, repair and replacement of capital improvements such as sidewalks, streetscape improvements, street trees or pedestrian lighting. An LMD is a financing method available to property owners for the ongoing operation, maintenance, repair and replacement of those improvements. Property owners within the benefit district pay the costs of these services through special annual assessments.

Why form a maintenance district?

Neighborhoods should consider forming an LMD to fund the ongoing operation, maintenance, repair and replacement of improvements that would benefit each property owner. LMDs have several advantages. Perhaps the biggest benefit to those needing the improvements is LMDs provide a means of spreading the cost of the improvements among several property owners. This reduces the cost of improvements compared to the cost of charging an individual property owner.

What are the advantages of an LMD?

Property owners are able to spread the cost of the improvements between a number of owners. The larger, more expansive LMDs also allow property owners not familiar with construction, contracting, engineering or financing to depend on the City to assist them with the process.

What are the disadvantages of an LMD?

The process is long and complex, and may take longer than normal projects, due to public notice requirements, establishment of the Local Maintenance District and public hearings.

How long does it take?

The actual time depends on a number of factors, including the scope of the proposed improvement. A typical LMD may take 9 to 18 months, with a more complex LMD, such as a large comprehensive district, taking two years from the time a petition was submitted, to district creation.

Is there any limit on the size of an LMD?

No. But the improvements and the geographical area should be sufficient size and type to benefit an entire neighborhood or community for total service and aesthetic appearance. LMDs are not confined to residential areas alone. They can enhance business districts or mixed use areas.

Can I protest an LMD?

Yes. If 50% or more of the property owners of the total assessable petitioned LMD protest, the City is prevented by City Charter from proceeding. The percentage is calculated on dollar volume of assessments, not by percentage of signatures.

How do I protest?

In writing. List your name and spouse's name, street address, legal description of your property and any reasons for your protest. Written protests can be filed with the Public Works Department any time from the filing of the petition until the public hearing date.

What costs are involved in a maintenance district?

- Utility costs- Water and electricity.
- Regular trash pickup.
- Capital repair and replacement costs.
- Property owner searches.
- Advertising, mailing and publishing costs.
- Accounting and clerical costs.

Who is responsible for these costs?

Costs associated with an LMD are assessed to each property owner in the improvement district.

Why doesn't the City pay for these improvements using taxes paid by citizens?

Denver, like other local governments, is empowered with the task of planning such improvements as streets, sidewalks and curbs in order to assure uniform planning. But the truth is that general tax dollars do not pay for streets, sidewalks and other improvements that many of us take for granted when the beneficiary is a specific group, such as a neighborhood. These have generally been paid for by local assessments to the property owner. In addition, the maintenance of all improvements along the streets behind the curb and gutter, such as sidewalk, landscaping, and pedestrian lights are the responsibility of the adjacent property owners.

How does the City levy LMD assessments?

All property owners are charged for the improvements based on the value received by their property from the improvements. Value is determined by the lineal feet of the property bordering the improvements or the area of the property or a combination of frontage and area. Specific assessment methods include front footage, area, or a combination thereof.

GETTING STARTED

Most LMDs in the City and County of Denver begin with one or more citizens inquiring about a specific capital improvement they would like to see in their neighborhood. Depending on the interest expressed within the neighborhood, Public Works Department staff members review these inquiries to see if the project appears feasible, and provide a pre-estimate of the cost. It must be emphasized that at this early stage in the process, the cost is nothing more than an estimate.

Informational packets are assembled outlining the proposed LMD, its intended purpose and projected costs involved. This information is distributed to property owners within the proposed LMD. Notice is provided to property owners that informal neighborhood meetings may be held where property owners can discuss their concerns with City Public Works staff.

Proponents of the LMD then gather signatures of other property owners and submit a Petition for Formation of an LMID to the City. Public Works staff prepares the petition.

Questions?

Feel free to contact the City and County of Denver Public Works Department at (720) 865-3026 weekdays between 7:00 a.m.-3:30 p.m. Further information may be obtained by visiting the Denver Public Works Department at 201 W Colfax Avenue Dept. 509.