

RESOLUTION 2019-019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
SUBMITTING A BALLOT ISSUE QUESTION TO THE CITY'S REGISTERED
ELECTORS AT THE CITY'S REGULAR ELECTION ON APRIL 2, 2019,
ASKING THEM TO REPLACE THE "KEEP FORT COLLINS GREAT"
.85% SALES AND USE TAX VOTERS APPROVED IN 2010

WHEREAS, on November 2, 2010, the City held a special election conducted as a coordinated election with Larimer County; and

WHEREAS, at that election, the City's electorate considered and 60% of those voting approved a ballot issue question asking whether the City's sales and use tax rate should be increased from 3.00 % to 3.85% commencing on January 1, 2011, and ending midnight on December 31, 2020, to be spent for these purposes:

- (a) 33% for street maintenance and repair,
- (b) 17% for other street and transportation needs,
- (c) 17% for police services,
- (d) 11% for fire protection and other emergency services,
- (e) 11% for parks maintenance and recreation services, and
- (f) 11% for other community priorities as determined by the City Council,

which tax rate increase is known as the "Keep Fort Collins Great" tax (the "KFCG Tax"); and

WHEREAS, since 2011, the KFCG Tax has funded basic City operations and enabled the City to maintain a desired level of service and respond to community desires in an environment of population growth and annual inflation; and

WHEREAS, in anticipation of the 2020 sunset of the KFCG Tax and its potential effect on the City's budget in future years, the City has engaged the community in the decision of how to best fund current service levels in upcoming years and, after a year-plus effort, including multiple City Council discussions, Board and Commission outreach and public engagement, the Council has determined this can best be accomplished by asking the City's electors to extend the KFCG Tax; and

WHEREAS, the City Council has also determined that of the .85% tax rate, the extended rate of .25% and its revenues should be used to fund municipal operations and maintenance and any other public purposes, with this .25% rate to expire on midnight of **December 31, 2030**; and

WHEREAS, with the remaining .60% tax rate extended without an expiration date and its revenues not restricted to specific uses, with one exception, so that its revenues are available for public safety, municipal operations and maintenance and any other public purposes; and

WHEREAS, the one exception the City Council has determined is necessary for the restricted use of the revenues from the .60% tax rate is that the City's current funding of the fire protection and emergency services being provided by the Poudre Fire Authority should be

maintained at the same level of revenues as is now being provided under the KFCG Tax which requires is the equivalent of 15.6% of the revenues generated from the .60% tax rate; and

WHEREAS, Article X, Section 3 of the City's Charter authorizes the City Council to submit any question to a vote of the people at a regular City election.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings in the recitals set forth above.

Section 2. That there is hereby submitted to the City's registered electors at the City's regular municipal election to be held on April 2, 2019, this ballot issue question with the following ballot title and submission clause:

City-Initiated Ballot Issue Question No. 1

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY AN ESTIMATED **\$34,000,000** FOR THE FIRST FULL FISCAL YEAR (2021) AND BY ALL AMOUNTS COLLECTED ANNUALLY THEREAFTER, BY EXTENDING THE CITY'S CURRENT "KEEP FORT COLLINS GREAT" .85% SALES AND USE TAX, WHICH EXPIRES ON DECEMBER 31, 2020, WITH THIS TAX IMPOSED AND USED AS FOLLOWS:

- THE TAX RATE OF .25% SHALL EXPIRE AT MIDNIGHT ON **DECEMBER 31, 2030**, AND ITS REVENUES SHALL BE USED TO FUND MUNICIPAL OPERATIONS AND MAINTENANCE AND ANY OTHER PUBLIC PURPOSES; AND
- THE REMAINING TAX RATE OF .60% SHALL NOT EXPIRE AND ITS REVENUES SHALL BE USED TO SUSTAIN PUBLIC SAFETY SERVICE LEVELS, AND FOR MUNICIPAL OPERATIONS AND MAINTENANCE, AND ANY OTHER PUBLIC PURPOSES, EXCEPT 15.6% OF THESE REVENUES SHALL BE USED TO FUND THE FIRE PROTECTION AND EMERGENCY SERVICES BEING PROVIDED BY THE Poudre Fire Authority (PFA) UNDER THE CITY'S EXISTING AGREEMENT WITH THE Poudre Valley Fire Protection District (District), OR IN SUCH OTHER AMOUNT AS THE CITY AND DISTRICT MAY AGREE, BUT ABSENT AN AGREEMENT BETWEEN THEM FOR PFA'S SERVICES, THESE REVENUES MAY BE USED AS DETERMINED BY CITY COUNCIL;

BUT THE .85% TAX RATE SHALL NOT APPLY TO:

- ITEMS NOW EXEMPT UNDER THE CITY CODE FROM THE CITY'S SALES AND USE TAX;

- FOOD FOR HOME CONSUMPTION; AND
- REGARDING THE USE TAX ONLY, MANUFACTURING EQUIPMENT;

AND WITH ALL THE TAX REVENUES, AND INVESTMENT EARNINGS THEREON, TO BE COLLECTED, RETAINED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE NOTWITHSTANDING THE SPENDING AND REVENUE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Yes/For
 No/Against

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 5th day of February, A.D. 2019.



Mayor

ATTEST:



City Clerk

