

RESOLUTION NO. _____ - 19

A RESOLUTION SUBMITTING TO THE REGISTERED QUALIFIED ELECTORS OF THE CITY OF COLORADO SPRINGS, COLORADO, AT THE COORDINATED ELECTION CONDUCTED BY MAIL BALLOT TO BE HELD ON TUESDAY, NOVEMBER 5, 2019, THE QUESTION OF EXTENDING FOR A FIVE-YEAR PERIOD THE TEMPORARY SALES AND USE TAX FOR ROAD REPAIRS AND IMPROVEMENTS AT A REDUCED RATE OF 0.57% AS A VOTER APPROVED REVENUE CHANGE EXEMPT FROM SPENDING AND REVENUE LIMITATIONS; PROVIDING FOR THE FORM OF THE BALLOT TITLE; PROVIDING FOR CERTAIN MATTERS WITH RESPECT TO THE ELECTION; AND PROVIDING THE EFFECTIVE DATE OF THIS RESOLUTION.

WHEREAS, the City Council (the "Council") of the City of Colorado Springs, Colorado (the "City"), a municipal corporation duly organized and existing as a home rule city under Article XX of the Constitution of the State of Colorado and the City Charter ("Charter"), has determined that extending the 0.62% temporary City sales and use tax for road repairs and improvements at a reduced rate of 0.57% for a period of five (5) years to continue funding road repairs and improvements appears necessary and is in the best interest of the residents of, and visitors to, the City; and

WHEREAS, the Council does hereby determine that the Coordinated Election conducted by mail ballot on November 5, 2019, also be designated as a special municipal election pursuant to Section 11-20 of the City Charter and Section 31-10-108, C.R.S. (the "Election") at which the question of extending the temporary City sales and use tax for a period of five (5) years for road repairs and improvements at a reduced rate of 0.57% shall be submitted to the City's electors qualified and registered to vote thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. There shall be submitted to the registered qualified electors of the City at the Election the question regarding extending the City's temporary sales and use tax for road repairs and improvements at a reduced rate of 0.57 %, as a voter approved revenue change, exempt from spending and revenue limitations, which appears in full in Section 3 of this Resolution.

Section 2. The Election shall be a special municipal election held as part of the Coordinated Election conducted by mail ballot on November 5, 2019.

Section 3. The question of extending the City sales and use tax for road repairs and improvements for five (5) years at a reduced rate of 0.57%, as a voter approved revenue change, exempt from spending and revenue limitations, shall be submitted to the registered qualified electors of the City in substantially the following form:

WITHOUT IMPOSING ANY NEW TAX OR INCREASING THE RATE OF ANY EXISTING TAX, SHALL THE EXISTING TEMPORARY SALES AND USE TAX AUTHORIZED EXCLUSIVELY FOR ROAD REPAIRS AND IMPROVEMENTS, AT A RATE REDUCED FROM 0.62% (6.2 PENNIES ON \$ 10 PURCHASE) TO 0.57% (5.7

PENNIES ON A \$10 PURCHASE), BE EXTENDED FOR A FIVE-YEAR PERIOD AFTER ITS CURRENT EXPIRATION ON DECEMBER 31, 2020 TO AND UNTIL DECEMBER 31, 2025, WITH ALL REVENUES DERIVED THEREFROM TO BE PLACED IN A DEDICATED FUND TO BE EXPENDED ONLY UPON ROAD REPAIRS AND IMPROVEMENTS WITHIN THE CITY, INCLUDING RESIDENTIAL STREETS, PARK AND CITY GOLF COURSE ACCESS ROADS AND CEMETERY ROADS, AND ROAD RECONSTRUCTION WHERE SEVERE DETERIORATION DOES NOT ALLOW REPAIR, AS A VOTER APPROVED REVENUE CHANGE AND EXCEPTION TO REVENUE, SPENDING AND OTHER LIMITATIONS WHICH WOULD OTHERWISE APPLY UNDER SECTION 7-90 OF THE CITY CHARTER, ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, CITY ORDINANCES, OR ANY OTHER LAW?

Section 4. The City Council finds and declares that: If the question set forth in Section 3 is approved by the electors voting thereon, the City of Colorado Springs shall be authorized to extend its temporary sales and use tax for road repairs and improvements for five years from its present expiration, but at a reduced rate of 0.57% (5.7 pennies on a \$10 purchase), to continue funding only road repairs and improvements, and shall be permitted to retain and expend all such revenues generated only for road repairs and improvements, including residential streets, park and golf course access roads, and cemetery roads, exempt from spending and revenue limitations which would otherwise apply. If this question is approved, the existing sales and use tax rate of 3.12% established by the City Code will be decreased by 0.05% to make an effective City tax rate of 3.07% as of January 1, 2021. This extension of the tax will sunset (expire) on December 31, 2025 and will not affect or apply to purchases of food for domestic home consumption, prescriptions, residential utility bills or other items now exempt from City sales and use tax under the City Code. The revenues from this extension of the sales and use tax for road repairs and improvements will be placed in a dedicated fund to be used only for funding the cost to repair roads and streets throughout all areas of the City, including cost of road reconstruction where severe deterioration does not allow repair. None of the additional sales and use tax revenue will be used to hire additional City employees or purchase additional equipment for City road projects. The repair work will be contracted out to the private sector.

Section 5. A listing of the road and street segments intended and scheduled to be repaired or improved with the revenues from the extension of the temporary sales and use tax for road repairs and improvements is attached hereto as Exhibit "A".

During the period the temporary sales and use tax increase is in effect, the City will continue to maintain spending on repair and maintenance of roads and streets at the average of the City's annual spending amount for such repair and maintenance during the three fiscal years preceding imposition of the temporary sales and use tax for road repairs (i.e., fiscal years 2012, 2013 and 2014). The City Auditor has heretofore calculated such average spending amount. Subject to City Charter limitations on preparation, submission and approval of the annual budget and annual appropriation ordinance, during such period, the City will annually expend at least the amount so computed on repair and maintenance of roads and streets.

Section 6. The City Clerk and officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution. The City Clerk shall assist and cooperate with the County Clerk and Recorder in conducting the special municipal election held as part of a Coordinated Election.

Section 7. All actions heretofore taken by the Council and officers of the City, not inconsistent with the provisions of this resolution and toward the special municipal election

herein authorized, be and the same are hereby ratified, approved and confirmed.

Section 8. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 9. All resolutions, bylaws and regulations of the City in conflict with this resolution are hereby repealed to the extent only of such inconsistency. The repealer shall not be construed to revive any ordinance, resolution, bylaw or regulation or part thereof, heretofore repealed. If passed by the electorate, the ballot measure shall be effective hereafter as provided by law.

Section 10. This resolution shall be effective upon passage.

Dated at Colorado Springs, Colorado this _____ day of _____, 2019.

Richard Skorman, Council President

ATTEST:

Sarah B. Johnson, City Clerk