

ORDINANCE NO. 25 - 59

AN ORDINANCE AMENDING SECTION 108 (SPECIAL FUND CREATED) OF ARTICLE 13 (RETAIL MARIJUANA SALES TAX) OF CHAPTER 2 (BUSINESS LICENSING, LIQUOR REGULATION AND TAXATION) OF THE CODE OF THE CITY OF COLORADO SPRINGS 2001, AS AMENDED, PERTAINING TO EXPENDITURES OF THE SPECIAL FUND

WHEREAS, at the November 8, 2022, Coordinated Election the electorate of the City of Colorado Springs approved an initiated ordinance to impose an additional five percent (5%) sales tax on the sale of retail marijuana; and

WHEREAS, the initiated ordinance provided that the tax revenue could only be used for public safety programs, mental health services, and post-traumatic stress disorder treatment programs for veterans; and

WHEREAS, by its own terms the initiated ordinance went into effect on April 1, 2023, but was not codified at that time because the sale of retail marijuana was not lawful within the City of Colorado Springs; and

WHEREAS, at the November 5, 2024, Coordinated Election, the electorate of the City of Colorado Springs approved retail marijuana businesses within the city limits pursuant to Ballot Question 300; and

WHEREAS, amendments to the City Code are needed to implement the retail marijuana sales tax on sales authorized by the passage of Ballot Question 300; and

WHEREAS, City Council desires to solicit and review applications for grants to be made with retail marijuana sales tax revenue and to recommend expenditures to the Mayor.

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

Section 1. Section 108 (Special Fund Created) of Article 13 (Retail Marijuana Sales Tax) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, is amended to read as follows:

2.13.108 SPECIAL FUND CREATED:

* * *

C. The City Council is hereby authorized to solicit and review applications for grants to be made from the special fund and to make recommendations to the Mayor concerning the expenditures of the special fund.

D. The City may enter into a contract or contracts with an established nonprofit organization or agency in the local area which provides public safety programs, mental health services, or post-traumatic stress disorder treatment programs for veterans in order to provide funding from the special fund created in section 2.13.108 of this article.

Section 2. This ordinance shall be in full force and effect from and after its final adoption and publication as provided by Charter.

Section 3. Council deems it appropriate that this ordinance be published by title and summary prepared by the City Clerk and that this ordinance be available for inspection and acquisition in the office of the City Clerk.

Introduced, read, passed on first reading and ordered published this 24th day of June 2025.

Finally passed: July 8, 2025

A handwritten signature in dark ink, appearing to read 'Lynette Crow-Iverson', is written over a horizontal line.

Lynette Crow-Iverson, Council President

Mayor's Action:

- ☐ Approved on _____.
- ☒ Disapproved on July 11, 2025, based on the following objections:

see attached veto statement

Blessing A. Mobolade...

Blessing A. Mobolade, Mayor

Council Action After Disapproval:

- ☐ Council did not act to override the Mayor's veto.
- ☒ Finally adopted on a vote of 6-3, on July 22, 2025
- ☐ Council action on _____ failed to override the Mayor's veto.

Lynette Crow-Iverson

Lynette Crow-Iverson, Council President

ATTEST:

Sarah B. Johnson

Sarah B. Johnson, City Clerk



CAO: ms
COS: _____

Mayor's Veto Statement: Ordinance No. 25-59 to amend Section 108 (Special Fund Created) of Article 13 (Retail Marijuana Sales Tax) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the City Code

I have exercised my authority to veto Ordinance No. 25-59 for the following reasons:

1. It violates the spirit of the City Charter and disrupts proven budget processes.

Per City Charter §§ 3-10[^] and 4-10*, only the Mayor has authority to execute all contracts and agreements, supervise the administration of all departments, and perform all executive and administrative duties, to include a grant process. By City Charter § 7-30+, Council's budget authority is to authorize spending and to make major legislative determinations regarding broad categories of spending—a collaborative process that has served our city well for 14 years. Council cannot fund specific grants, enter into contracts, or supervise administrative tasks.

2. It is misleading.

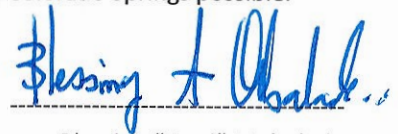
This ordinance misleads the public and undermines the efficient and proven budget process by creating an unnecessary and unauthorized level of bureaucracy. Further, it signals a shift away from collaboration and toward political grandstanding. It disrespects the citizen-established strong mayor form of government and risks damaging the effectiveness of how we serve you, our residents.

3. My administration will prioritize public safety.

Public safety is not just another line item—it's our core promise to the people of Colorado Springs. Through community town halls, emails, meetings, and polling, residents have spoken clearly: invest in public safety. In a recent survey, 61% of residents said the city is underinvesting in this area. The City Council and the Mayor are beholden to and should respect the stated desires of the voters. With anticipated marijuana tax revenues of \$1.4 million, we have an opportunity to enhance critical services like police and fire. These funds can improve emergency response times, address the growing mental health crisis, and help keep our neighborhoods safe and vibrant. Diverting those funds now is both shortsighted and irresponsible.

4. We are facing a significant budget shortfall.

Like many cities across the country, Colorado Springs is experiencing a decline in tax revenues, with a \$11.5 million shortfall projected. This reality demands fiscal discipline. Redirecting funds away from core city services, particularly at a time when departments like CSPD and CSFD may face reductions in the millions of dollars is simply not responsible. We must protect every dollar that supports the core services residents depend on. The administration reinforces its commitment to work together with City Council to form a budget that follows the process that best serves the needs of the city and its residents; ensures the best possible public safety services in the face of decreased resources; and continues to build the best Colorado Springs possible.



Blessing "Yemi" Mobolade
Mayor of Colorado Springs

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- [^] 3-10(a) "Except as otherwise set forth herein, whenever an executive or administrative function or duty shall be required to be performed by ordinance, the same shall be performed by the executive branch and not by the legislative branch."
 - *4-10. "There shall be, and hereby is, created the office of Mayor. The Mayor shall be the chief executive and shall enforce all laws and ordinances; the Mayor shall possess, have and exercise, all the executive and administrative powers granted to the City by article XX of the Constitution of the State of Colorado, and all executive and administrative powers contained in the Charter of the City, and otherwise existing by operation of law, except as hereinafter delegated to the departments hereinafter created, and except the powers granted to other elective officers by this Charter. The Mayor shall be considered the head of the City government for the purpose of executing legal instruments, for all ceremonial purposes, and by the Governor or other constituted authority for the purpose of military law. The Mayor may take command of the police and govern the City by proclamation in times of public danger or emergency. The Mayor shall from time to time give the Council information on the condition of the City and recommend such measures as he or she may deem expedient. The Mayor shall execute all contracts and see that all contracts and agreements with the City are faithfully kept and fully performed. The head of every department shall report to the Mayor all facts and information known to him or her concerning the violation of any contract or agreement with the City. (2010)"
 - +7-30(a) (a) The Council shall, upon receipt of the budget,⁸ adopt the budget with or without amendment. In amending the budget, the Council may add or increase programs or amounts and may delete or decrease any programs or amounts, except amounts required by law or for debt service on general obligation bonds or for estimated cash deficit; provided, however, that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income. (1909; 1977)

I HEREBY CERTIFY that the foregoing ordinance entitled **“AN ORDINANCE AMENDING SECTION 108 (SPECIAL FUND CREATED) OF ARTICLE 13 (RETAIL MARIJUANA SALES TAX) OF CHAPTER 2 (BUSINESS LICENSING, LIQUOR REGULATION AND TAXATION) OF THE CODE OF THE CITY OF COLORADO SPRINGS 2001, AS AMENDED, PERTAINING TO EXPENDITURES OF THE SPECIAL FUND”** was introduced and read at a regular meeting of the City Council of the City of Colorado Springs, held on **June 24, 2025**; that said ordinance was finally passed at a regular meeting of the City Council of said City, held on the **22nd day of July 2025**, and that the same was published by title and in summary or in full, in accordance with Section 3-80 of Article III of the Charter, a newspaper published and in general circulation in the Gazette, at least ten days before its passage.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, **22nd day of July 2025**


Sarah B. Johnson, City Clerk

1st Publication Date: **June 27, 2025**

2nd Publication Date: **July 16, 2025**

3rd Publication Date: **July 30, 2025**

Effective Date: **August 4, 2025**

Initial: 
City Clerk

