



Legislation Text

File #: 21-426, **Version:** 3

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 2, 2021, the Question of Increasing to 0.2% (Two Tenths Of A Cent) and Extending the Sales and Use Tax for the Trails, Open Space and Parks Program ("TOPS") for 20 Years and Modifying the Program for the Purpose of Reallocating the Expenditure Categories, and Allowing Revenue to be Used on all City Parks, Trails and Open Spaces, Providing for the Form of the Ballot Title and Text, Providing for Certain Matters with Respect to the Election, and Providing the Effective Date of this Resolution

Presenter:

Richard Skorman, President Pro-Tem City Council District 3
Karen Palus, Director, Parks, Recreation and Cultural Services Department
Britt Haley, Design, Development and TOPS Program Manager, Parks, Recreation and Cultural Service Department

Summary:

This item presents a ballot question for City Council consideration for a referral to the November 2, 2021 Coordinated Election reflecting work the Parks, Recreation and Cultural Services Department has done with the Mayor, City Council, advisory committees and citizens groups to prepare for a ballot initiative for an increase and extension of the Trails, Open Space and Parks (TOPS) sales and use tax.

Background:

The TOPS Program is funded by .1 percent sales and use tax dedicated to trails, open space and parks. This tax is currently in effect until December 31, 2025 and it collects one (1) cent on every ten (10) dollar purchase in the City of Colorado Springs. It is dedicated to stewardship, acquisition, construction and maintenance of trails, open space, and parks for the City of Colorado Springs. The TOPS program has been in existence since 1997 and during that time the Program has constructed 50 miles of trails, acquired 7,159 acres of open space and built and improved 66 parks.

The TOPS sales and use tax is set to expire on December 31, 2025. In early September of 2020, the City engaged the Trust for Public Land (TPL) to provide technical assistance in reviewing the potential renewal of the TOPS Program. Additionally, TPL was asked to provide its recommendations on public funding options available to the City for trails, open space, and parks.

The TOPS Working Committee began work in November of 2020 to review proposals related to the TOPS Program, including a possible ballot measure to extend the sales and use tax program, evaluating an increase to the tax rate and reviewing modifications to the TOPS ballot language. The TOPS Working Committee unanimously supported an increase of 0.15 for a total tax of 0.25 and an extension of the TOPS tax for twenty (20) years. The TOPS Working Committee recommended three

(3) percent for administration, six (6) percent for maintenance off the top, and the remainder divided thirty (30) percent parks, thirty (30) percent trails, thirty (30) percent open spaces and ten (10) percent variable across the program at their December 2020.

At their June 10, 2021 meeting, the Parks, Recreation and Cultural Services Advisory Board (Parks Board) supported a 0.15 tax increase for a total amount of 0.25 and a twenty-year extension of the Trails, Open Space, and Parks tax. The Parks Board also recommended an allocation of three (3) percent for administration and six (6) percent for maintenance and stewardship off the top, and the remainder divided thirty (30) percent for parks, thirty (30) percent for trails, forty (40) percent for open space, with no more than thirty (30) percent of any category to be spent on maintenance for all parks, trails, and open spaces, along with a request that City Council maintain general fund support of Parks support if the increase passes.

The Parks Board selected two members, David Seigel and Dr. Daniel Bowan, to participate in the Council President's Sustainable Parks Funding Commission (Commission) which was formed in April of 2021 by City Council members Tom Strand and Richard Skorman. The TOPS Working Committee was represented on the Commission by its Chairman Bob Falcone and member Hank Scarangella.

The Commission was made up of a diverse group of citizens with the purpose of also evaluating a potential ballot item to increase the TOPS tax and parks funding strategies for the future. The group met multiple times and have provided support for a 0.1 increase to the TOPS program with a 20-year extension. During consideration of the potential ballot measure several other areas of agreement emerged. The advisory bodies and Commission indicated their agreement that all City open spaces and trails ought to be eligible for TOPS funding, which aligns the program with a change that was made to the parks category in 2013.

Through further discussion and compromise, City leaders supported a division of the TOPS revenues as follows, five (5) percent for administration, planning and program management, twenty five (25) percent for maintenance and operations of any city trail, open space or park off the top. The remaining seventy (70) percent would be apportioned with forty (40) percent for acquisition, master planning, design, development, renovation, maintenance and operations of all parks, thirty (30) percent for acquisition, design, development, renovation, maintenance and operations of all trails, and thirty (30) percent for acquisition, master planning, design, development, renovation, maintenance and operations of all open spaces.

Previous Council Action:

City Council through consensus authorized the creation of the President's Parks Sustainability Commission. An update of the ballot initiative was presented to City Council at their July 12th Work Session. City Council indicated that they supported the initiative moving forward and asked the City Attorney's Office to work with the Parks Department to develop the ballot question. Previous City Council action relating to this item.

Financial Implications:

This question proposes a 0.1 increase to the TOPS tax resulting a total TOPS tax of 0.2 or two cents on a ten (10) dollar purchase within the City of Colorado Springs. Current projections, which are subject to change, indicate that this increase would generate a little over \$11 million in additional

TOPS revenue. The City of Colorado Springs had already planned to participate in the November 2021 Coordinated Election, so a decision to refer the question would not add an additional election participation cost.

City Council Appointed Board/Commission/Committee Recommendation:

The Parks, Recreation and Cultural Services Advisory Board, the Trails, Open Space and Parks (TOPS) Working Committee and the President's Parks Sustainability Commission all support a 0.1 percent TOPS increase and 20-year extension.

The TOPS Working Committee at their August 4, 2021 meeting unanimously approved the ballot language as presented.

The Parks Board at their August 5, 2021 meeting approved the ballot language with a modification to the open space category which would include acquisition and development of open space but removes maintenance in that category. The motion passed 8-1. Regardless of City Council's decision, the Parks Board indicated that they would unanimously support the ballot language that moves forward.

Stakeholder Process:

The Parks Recreation and Cultural Services Advisory Board, the Trails, Open Space and Parks (TOPS) Working Committee and the Presidents Parks Sustainability Commission and a variety of engaged citizens from throughout the City participated in discussions and public meetings since October of 2020.

Alternatives:

Do not approve the resolution.

Proposed Motion:

Approve 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 2, 2021, the Question of Increasing to 0.2% (Two Tenths Of A Cent) and Extending the Sales and Use Tax For The Trails, Open Space and Parks Program ("TOPS") for 20 Years and Modifying the Program for the Purpose of Reallocating the Expenditure Categories, and Allowing Revenue to be Used an All City Parks, Trails And Open Spaces, Providing for the Form of the Ballot Title and Text, Providing for Certain Matters with Respect to the Election, and Providing the Effective Date of this Resolution

N/A