

CITY OF BOULDER  
Office of the City Clerk  
1777 BROADWAY  
P.O. BOX 791  
BOULDER, CO 80306  
(303) 441-3013

NOTICE OF ELECTION TO INCREASE TAXES AND DEBT AND FOR REVENUE CHANGES

(i) Ballot title and text for Ballot Issue 2A:

ORDINANCE NO. 7983

TEMPORARY TAX INCREASE FOR COMMUNITY, CULTURE AND SAFETY

AN ORDINANCE SUBMITTING TO THE ELECTORS OF THE CITY OF BOULDER AT THE SPECIAL MUNICIPAL COORDINATED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, THE QUESTION OF AUTHORIZING THE CITY COUNCIL TO INCREASE THE SALES AND USE TAX BY UP TO 0.3 CENTS ON EVERY DOLLAR, EFFECTIVE FROM JANUARY 1, 2015 THROUGH DECEMBER 31, 2017 FOR THE PURPOSE OF FUNDING A VARIETY OF CAPITAL IMPROVEMENT PROJECTS; GIVING APPROVAL FOR THE COLLECTION, RETENTION AND EXPENDITURE OF THE FULL TAX PROCEEDS AND ANY RELATED EARNINGS, NOTWITHSTANDING ANY STATE REVENUE OR EXPENDITURE LIMITATION; AND SETTING FORTH THE EFFECTIVE DATE, BALLOT TITLE, AMENDMENTS TO SECTION 3-2-5, "RATE OF TAX," B.R.C. 1981 AND RELATED DETAILS.

WHEREAS the City Council finds that it is appropriate for voters to approve collection, retention, and expenditure of the full amount collected from the tax proposed by the ballot issue described below.

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

Section 1. A special municipal coordinated election will be held in the City of Boulder, county of Boulder and state of Colorado, on Tuesday, November 4, 2014, between the hours of 7 a.m. and 7 p.m.

Section 2. At that election, there shall be submitted to the electors of the City of Boulder entitled by law to vote the issue of a sales and use tax increase as described in the ballot issue title in this ordinance.

Section 3. The official ballot shall contain the following ballot title, which shall also be the designation and submission clause for the issue:

ISSUE NO. 2A

**TEMPORARY TAX INCREASE FOR COMMUNITY, CULTURE AND SAFETY**

SHALL CITY OF BOULDER TAXES BE INCREASED (\$9,200,000 first full fiscal year increase) ANNUALLY BY INCREASING THE SALES AND USE TAX BY 0.3 CENTS FOR THE PERIOD OF JANUARY 1, 2015 TO DECEMBER 31, 2017;

AND IN CONNECTION THEREWITH,

SHALL ALL OF THE REVENUES COLLECTED BE USED TO FUND CAPITAL IMPROVEMENTS THAT WILL INCLUDE WITHOUT LIMITATION THE FOLLOWING:

- UP TO \$ 8,700,000 FOR CAPITAL IMPROVEMENTS FOR THE BOULDER CIVIC AREA GENERALLY BOUNDED BY CANYON BLVD, ARAPAHOE AVE, 9<sup>TH</sup> STREET AND 13<sup>TH</sup> STREET TO CREATE A VIBRANT AND ACTIVE URBAN PARK AND CIVIC AREA INCLUDING RECREATION AMENITIES, COMMUNITY SPACES, SAFETY IMPROVEMENTS, AND CONNECTIONS AND ACCESS IMPROVEMENTS TO AND THROUGH THE CIVIC AREA,
- UP TO \$ 3,270,000 FOR CAPITAL IMPROVEMENTS IN THE UNIVERSITY HILL COMMERCIAL DISTRICT AND HIGH DENSITY RESIDENTIAL AREAS INCLUDING LIGHTING, IRRIGATION AND TO IMPROVE PUBLIC STREETS,
- UP TO \$ 5,125,000 FOR CAPITAL IMPROVEMENTS TO THE BOULDER CREEK PATH AND ITS ENVIRONS GENERALLY BETWEEN 3<sup>RD</sup> AND 17<sup>TH</sup> STREETS, INCLUDING LIGHTING AND PATH IMPROVEMENTS TO INCREASE SAFETY,
- UP TO \$ 600,000 FOR PUBLIC ART AND TO PRESERVE OR RESTORE THE EXISTING ART COLLECTION,
- UP TO \$ 3,850,000 TO IMPROVE THE DAIRY CENTER FOR THE ARTS PROPERTY,
- UP TO \$ 1,500,000 FOR IMPROVEMENTS TO CHAUTAUQUA PARK AND ITS ENVIRONS FOR ACCESS, PEDESTRIAN, SAFETY, AND LIGHTING IMPROVEMENTS,
- UP TO \$ 4,000,000 FOR CAPITAL IMPROVEMENTS AT THE MUSEUM OF BOULDER PROVIDED THAT THE MUSEUM OF BOULDER HAS FIRST RAISED AND DEDICATED AN EQUAL AMOUNT AND IN COMPLIANCE WITH TERMS, CONDITIONS, AND TIMING APPROVED BY THE CITY COUNCIL, AND

- ANY REMAINING FUNDS TO BE APPROPRIATED BY THE BOULDER CITY COUNCIL TO FUND CAPITAL IMPROVEMENT PROGRAM PROJECTS;

AND IN CONNECTION THEREWITH,

SHALL THE FULL PROCEEDS OF SUCH TAXES AT SUCH RATES AND ANY EARNINGS THEREON BE COLLECTED, RETAINED, AND SPENT, AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION, AND WITHOUT LIMITING THE COLLECTION, RETENTION, OR SPENDING OF ANY OTHER REVENUES OR FUNDS BY THE CITY OF BOULDER UNDER ARTICLE X SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

FOR THE ISSUE \_\_\_\_\_ AGAINST THE ISSUE \_\_\_\_\_

Section 4. If this ballot issue is approved by the voters, the City Council will adopt terms, conditions, and timing of payments prior to any appropriations to the Museum of Boulder that it finds are necessary to protect the public health, safety and welfare of the residents and visitors of the City of Boulder. In the event that the city, in its legislative or administrative capacity, determines that the Museum of Boulder cannot meet such terms or conditions in a reasonable or timely manner, such funds may be appropriated by the City Council for other capital improvement projects that are consistent with the ballot issue title.

Section 5. If this ballot issue is approved by the voters, the City Council further amends the Boulder Revised Code, effective on January 1, 2015, to read:

**3-2-5. Rate of Tax.**

- (a) Except as specified in Subsection (b) of this section, the amount of the tax hereby levied is 3.86 percent of the purchase price of tangible personal property or taxable services sold or purchased at retail.
- (b) The amount of the tax hereby levied on food sold in or by a food service establishment shall be the amount levied in Subsection (a) of this section plus 0.15 percent of the purchase price of such food. Cover charges, admission, or entrance fees and mandatory service or service-related charges shall be included as part of the purchase price of such food. However, a mandatory service or service-related charge shall not be included as part of the purchase price of such food if the full amount of the charge is passed on to the employees of the food service establishment who have provided direct service to each person paying the charge, and if all federal and state income and other applicable taxes due on such charge have been withheld by the food service establishment and paid to the appropriate government.
- (c) Of said amount:

- (1) Parks and Recreation: 0.25 percent shall be deemed a parks and recreation tax, which tax shall expire at midnight on December 31, 2035 (Ord. No. 7862, approved by voters in 2012).
- (2) Open Space and General: 0.33 percent shall be used for the purposes, during the time periods, and in the following amounts, as follows:
  - (A) An open space tax through midnight on December 31, 2018 (Ord. No. 5893, approved by voters in 1997).
  - (B) An open space tax for 0.22 percent, and a general sales and use tax for 0.11 percent from January 1, 2019 through midnight on December 31, 2034 (Ord. No. 7912, approved by voters in 2013).
  - (C) An open space tax for 0.10 percent, and a general sales and use tax for 0.23 percent from January 1, 2035 and continuing without expiration (Ord. No. 7912, approved by voters in 2013).
- (3) Open Space: 0.15 percent shall be deemed an open space tax through midnight on December 31, 2019 (Ord. No. 7301, approved by voters in 2003).
- (4) Transportation and General: 0.15 percent shall be used for the purposes, during the time periods, and in the following amounts, as follows:
  - (A) a transportation tax from January 1, 2014 through midnight on December 31, 2029 (Ord. Nos. 7913 and 7922, approved by voters in 2013).
  - (B) a general sales and use tax from January 1, 2030, which tax shall expire at midnight on December 31, 2039 (Ord. No. 7922, approved by voters in 2013).
- (5) Capital improvement. 0.3 percent shall be deemed a capital improvement tax through midnight on December 31, 2017 (Ord. No. 7983 approved by voters in 2014).

As each tax expires, the aggregate tax shall be reduced accordingly.

Section 6. If this ballot issue is approved by the voters, the City Council may adopt amendments to the Boulder Revised Code to further implement this sales and use tax increase and such other amendments to the Boulder Revised Code as may be necessary to implement the intent and purpose of this ordinance.

Section 7. If a majority of all the votes cast at the election on the issue submitted shall be for the issue, the issue shall be deemed to have passed and shall be effective upon passage, and it shall be lawful for the City Council to provide for the amendment of its tax code in accordance with the issue approved.

Section 8. The election shall be conducted under the provisions of the Colorado

Constitution, the charter and ordinances of the City, the Boulder Revised Code, 1981, and this ordinance, and all contrary provisions of the statutes of the state of Colorado are hereby superseded.

Section 9. The officers of the City are authorized to take all action necessary or appropriate to effectuate the provisions of this ordinance and to contract with the county clerk to conduct the election for the City.

Section 10. If any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, such decision shall not affect any of the remaining provisions of this ordinance.

Section 11. This ordinance is necessary to protect the public health, safety and welfare of the residents of the City, and covers matters of local concern.

Section 12. The City Council finds that this ordinance is necessary for the preservation of the public peace, health, or property. The City Council amended this ordinance on third reading. This ordinance includes a ballot measure. Emergency passage is necessary to allow the time necessary for this matter to be placed on the November 4, 2014 ballot. The City Council declares that this ordinance shall be effective immediately upon its passage.

Section 13. The City Council deems it appropriate that this ordinance be published by title only and orders that copies of this ordinance be made available in the office of the city clerk for public inspection and acquisition.

INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY this 22<sup>nd</sup> day of July, 2014

Attest:  
Alisa D. Lewis  
City Clerk

Matthew Appelbaum  
Mayor

READ ON SECOND READING, AMENDED, AND ORDERED PUBLISHED BY TITLE ONLY this 5<sup>th</sup> day of August, 2014.

Attest:  
Alisa D. Lewis  
City Clerk

Matthew Appelbaum  
Mayor

READ ON THIRD READING, PASSED, ADOPTED AS AN EMERGENCY MEASURE BY TWO-THIRDS COUNCIL MEMBERS PRESENT, AND ORDERED PUBLISHED BY TITLE ONLY this 19<sup>th</sup> day of August, 2014.

Attest:  
Alisa D. Lewis  
City Clerk

Matthew Appelbaum  
Mayor

**BALLOT ISSUE 2A – (new 0.30 cent sales and use tax for funding a variety of capital improvement projects for three years included in Ordinance No. 7983 adopted by the City)**

(ii) Estimated total District fiscal year spending for the current year and actuals for each of the past four years, and the overall percentage and dollar change.

<u>Fiscal Year</u>	<u>Dollar Spending</u>
2010 Actual	176,376,000
2011 Actual	179,758,000
2012 Actual	204,928,000
2013 Actual	200,710,000
2014 Estimate	196,841,000

**Overall Percentage Change**  
from 2010 to 2014                      11.60%

**Overall Dollar Change**  
from 2010 to 2014                      \$ 20,465,000

(iii) For the first full fiscal year of the proposed district tax increase (2015), the district estimates that the maximum dollar amount of the increase in the Sales and Use Tax for funding a variety of capital improvement projects will be \$9,200,000 and that the district fiscal year spending without the increase will be \$205,381,000.

**The following summaries were prepared from materials filed by persons in favor of or opposed to the ballot issue:**

**Those in favor say:**

**Boulder will start to catch up:** Unlike its peers along the Front Range, the City of Boulder has not dedicated a meaningful portion of its annual budget towards culture and the arts. Boulder has excelled in funding open space acquisition and has world-class bicycle and pedestrian transit routes, and now culture and the arts will no longer be overlooked.

**The Dairy Center for the Arts will be significantly improved:** The two dozen arts organizations which call the Dairy Center home suffer from inadequate dressing rooms, technologically-deficient theaters, and a crowded lobby. The Dairy Center will now become the quality home for performing and visual arts that Boulder deserves.

**The Museum of Boulder will be built:** The Boulder History Museum has outgrown its space on University Hill and cannot provide the programs, displays, or traveling exhibits that the Boulder community expects. \$4 million in funding will be matched dollar for dollar by Museum supporters to create the Museum of Boulder, a state-of-the-art history, science and children’s museum in downtown Boulder.

**The Civic Area will once again be a place for families:** Improvements to the Civic Area will create play spaces for children, performance venues for families, and community gathering places for festivals and the Boulder Farmers Market. Public art will be installed throughout the Civic Area and families will find new enjoyment of the Boulder Creek Path.

**Chautauqua will become more inviting for public performances:** By funding pedestrian lighting along the paths leading from the Chautauqua Auditorium and a sidewalk along Baseline Road, those who enjoy evening performances at the incomparable 116-year-old Chautauqua Auditorium will be able to do so with new safety and security.

**Public art will spring up around Boulder:** The purchase and installation of art at various places throughout our community will make Boulder an even more compelling place to live and visit.

**Improved lighting will be installed and a performance venue will be created on University Hill:** Pedestrian lighting on the Hill will provide safer access for students and Boulder can meet the demand for small, casual outdoor concert venues and festivals near the CU campus with a permanent infrastructure on Pennsylvania Avenue.

**Expanding culture and arts makes good economic sense:** The new Museum of Boulder will attract 55,000 visitors each year, half of whom will be from out of town, spending an average of \$114 more on food, beverage, lodging, and souvenirs than non-museum tourists. Likewise, the Dairy Center, which already contributes \$15 million to the Boulder economy, estimates that the improvements to the arts facility will increase that positive impact by another \$5 million. Communities have found that for every dollar that they invest in cultural facilities, like museums and performing arts centers, between six and seven dollars is returned in increased business for local merchants, tax revenues, and job growth. There are not many investments that teach, entertain, and provide that kind of return.

**Those opposed say:** No comments were received by the Statutory deadline of 5 PM on September 19, 2014.