

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 53-20

A RESOLUTION SETTING A TITLE AND SUBMITTING TO THE ELECTORATE ON NOVEMBER 3, 2020 A MEASURE TO ALLOW THE CITY TO COLLECT, RETAIN AND SPEND REVENUES AS A VOTER APPROVED REVENUE CHANGE AS PROVIDED FOR AND DEFINED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION

RECITALS:

The City Council of the City of Grand Junction at its August 19, 2020 meeting considered placing a question on the November ballot asking the City electors to approve a ballot question for the November 3, 2020 election, which if approved, would remove the revenue and spending limitations imposed on the City by the 1992 Taxpayers Bill of Rights ("TABOR" or "Amendment.")

In 1992, the Colorado electorate amended the Colorado Constitution by the passage of TABOR, which requires, among other things that any time fiscal year revenues exceed the limitation imposed by the Amendment for the fiscal year, then the local government must refund the excess revenues unless the voters approve otherwise. So called *excess revenue* is determined by application of a formula found in TABOR. The TABOR limit in its simplest form is the prior year's actual revenue or revenue limit, whichever is lower, multiplied by the percentage change in inflation plus the percentage change in local growth as defined in TABOR. Because the formula looks to the lower of the prior year's actual revenue or prior year's limit for determining the current year limit, this lowers or "ratchet's down" the limit during a recession.

Because of COVID-19 and the significant impact it has had, and will have, on the City, State and National economy, the City's general government revenue, which is derived principally from sales tax paid by visitors, shoppers and tourists, is and will for the foreseeable future be sharply reduced. Because the City revenue will be so reduced, the formula imposed by TABOR will produce a "ratchet down" of allowed revenue collection and spending.

The "ratchet" effect of TABOR will inescapably result in reductions of revenue to pay for services that the City provides when the economy recovers and governmental revenues begin to increase. Approval of the ballot question would allow the City of Grand Junction, without raising taxes, to retain and spend the tax revenue that it is receiving for the continued delivery of those services by halting the application of the TABOR limit. TABOR expressly permits voters to approve revenue changes so this question is fully consistent with TABOR giving voters more control.

If the ballot question is approved, the City will continue to fulfill its commitment to construct and maintain transportation improvements, continue to invest in Public Safety, build needed Fire Stations and other City infrastructure, and deliver excellent City services all as previously approved by voters.

While the City Council fully endorses those aspects of TABOR which secure the right of citizens to vote on tax increases and/or for the issuance of debt, the City Council does find and determine that the revenue and spending caps required by the Amendment should no longer be applied to the City of Grand Junction. Accordingly, the ballot question does not repeal TABOR but instead seeks voter approval to allow the City to collect, retain and spend revenue the City receives for current and future governmental purposes without application of the TABOR revenue limitation formula.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Grand Junction that:

1. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the City and the officers thereof, directed towards the election and the objects and purposes herein stated are hereby ratified, approved and confirmed.
2. Pursuant to the Charter and all other applicable laws of the State of Colorado, the Council hereby determines that an election shall be held on November 3, 2020 at which there shall be submitted to the registered electors of the City the question set forth herein.
3. The Council hereby authorizes and directs the City Clerk to submit the following ballot title to the registered electors on Tuesday, November 3, 2020.

City of Grand Junction Referred Measure ___

WITHOUT ANY INCREASE IN TAXES OR DEBT (UNLESS THE VOTERS AUTHORIZE ANY INCREASE IN THE FUTURE), SHALL THE CITY OF GRAND JUNCTION, COLORADO BE AUTHORIZED TO COLLECT, RETAIN AND SPEND ALL REVENUES OVER THE AMOUNTS WHICH THE CITY IS PERMITTED TO COLLECT UNDER ARTICLE X, SECTION 20 (ALSO KNOWN AS THE TABOR AMENDMENT) OF THE COLORADO CONSTITUTION TO PAY FOR POLICE, FIRE, PARKS AND ANY OTHER GOVERNMENT SERVICES AND IMPROVEMENTS INCLUDING STREET IMPROVEMENT PROJECTS AND TRANSPORTATION INFRASTRUCTURE?

_____ YES _____ NO

4. Pursuant to Article XX of the State Constitution and the Charter, all State statutes that might otherwise apply in connection with the provisions of this ordinance (including, without limitation, § 31-11-111, C.R.S.) are hereby superseded to the extent of any inconsistencies or conflicts between the provisions of this ordinance and such statutes. Any such inconsistency

or conflict is intended by the City Council and shall be deemed made pursuant to the authority of Article XX of the State Constitution and the Charter.

5. Pursuant to §1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five days after the title of the ballot issue or ballot question is set, and for contests concerning the order of a ballot, within five days after the ballot order is set by the county clerk and recorder and not thereafter.

6. The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

7. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no manner affect any remaining provisions of this resolution, the intent being that the same are severable.

INTRODUCED, READ AND APPROVED this 19th day of August 2020.



C.E. Duke Wortmann
Mayor and President of the City Council

ATTEST:





Wanda Winkelmann
City Clerk