

RESOLUTION NO. 3-01

A RESOLUTION SETTING A TITLE AND SUBMITTING TO THE ELECTORATE ON APRIL 3, 2001 A MEASURE TO RETAIN AND SPEND REVENUES AS DEFINED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION

RECITALS.

In 1992, the Colorado electorate amended the Colorado Constitution by the passage of the "Taxpayer's Bill of Rights" (TABOR Amendment). The Amendment requires, among other things, that any time fiscal year revenues exceed the limitation imposed by the Amendment for the same fiscal year, then the local government must refund the excess revenues unless the voters approve otherwise.

It has been shown in recent studies that a significant portion of the City's general government revenue is derived from sales tax paid by visitors, shoppers and tourists. Because the City is principally funded by sales tax, the tax burden on City residents is reduced. Sales tax funding of municipal services provides a means of sharing the cost of services among all users. Sales tax will be the primary source of excess revenues under those revenue limits imposed by the TABOR Amendment. As a result, approval of the ballot question would allow the City of Grand Junction to retain this important tax revenue.

In addition, other revenue sources such as grants and interest earnings will not be limited if the ballot question is approved.

The ballot measure does not affect TABOR restrictions on property taxes.

The ballot measure will not increase taxes or tax rates.

Passage of the ballot measure would allow the City to construct and operate capital improvements. These capital improvements will help address transportation, public safety and parks/recreation deficiencies that are much needed for our community to continue to grow and prosper. The capital improvements identified by the Council at this time are 29 Road viaduct, new fire station operations, a public safety training facility, D Road 5th to 29 Road, parks development and maintenance and storm drainage improvements.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

1. Removing the TABOR Amendment limitations on revenues such as sales tax and grants so that capital improvements and associated operational expenses can be addressed is an important question worthy of Grand Junction citizen's consideration.
2. The following question be submitted to the registered electors on Tuesday, April 3, 2001:

Ballot Title Number 1

WITHOUT CREATING ANY NEW TAX OR INCREASING ANY CURRENT TAXES, SHALL THE CITY OF GRAND JUNCTION, COLORADO BE PERMITTED TO, IN THE YEARS 2000 AND EACH SUBSEQUENT YEAR THEREAFTER UNTIL THE YEAR 2016, RETAIN AND SPEND ALL REVENUES EXCEPT FOR PROPERTY TAXES WHICH ARE IN EXCESS OF THE SPENDING, REVENUE RAISING OR OTHER LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, WITH SALES AND USE TAX REVENUE TO BE UTILIZED FOR GROWTH RELATED, CAPITAL IMPROVEMENT PROJECTS AND THE RELATED OPERATIONAL COSTS OF THOSE PROJECTS AND ALL OTHER REVENUE TO BE UTILIZED FOR ANY OTHER LAWFUL PUBLIC PURPOSES?

YES

NO

Adopted this 3RD day of January 2001.

/s/ Gene Kinsey
President of the Council

ATTEST:

/s/ Stephanie Nye
City Clerk