

RESOLUTION NO. R-2022-37

A RESOLUTION SUBMITTING TO THE REGISTERED ELECTORS OF THE CITY A BALLOT ISSUE CONCERNING RETENTION OF CERTAIN CITY LODGERS' TAX REVENUES.

WHEREAS, the City of Durango, in the County of La Plata and State of Colorado (the "City"), is a home rule municipal corporation duly organized and existing under laws of the State of Colorado and the City Charter (the "Charter"); and

WHEREAS, the members of the City Council of the City (the "Council") have been duly elected and qualified; and

WHEREAS, at an election held on April 6, 2021, the registered electors of the City approved the following ballot question:

QUESTION 1-A: AUTHORIZATION TO INCREASE THE CITY LODGERS' TAX FROM 2% TO 5.25%.

SHALL CITY OF DURANGO TAXES BE INCREASED NOT MORE THAN \$900,000.00 IN TAX COLLECTION YEAR 2021 AND BY WHATEVER AMOUNTS AS ARE GENERATED ANNUALLY THEREAFTER BY INCREASING THE CITY LODGERS' TAX FROM 2% TO 5.25% EFFECTIVE JUNE 1, 2021 AND SHALL THE LODGERS' TAX REVENUES RECEIVED ANNUALLY BE USED FOR THE FOLLOWING PURPOSES:

55% FOR SUSTAINABLE TOURISM MARKETING, INCLUDING ADVERTISING AND ATTRACTING CONFERENCES, CONVENTIONS, AND MEETINGS;

20% FOR TRANSPORTATION AND TRANSIT SERVICES, EQUIPMENT, AND FACILITIES;

14% FOR ARTS AND CULTURAL EVENTS, PROGRAMS AND FACILITIES; AND

11% FOR ANY OF THE ABOVE PURPOSES OR OTHER PURPOSES RELATED TO THE IMPACTS OF TOURISM AS COUNCIL MAY DETERMINE;

PROVIDED THAT THE COUNCIL SHALL ADOPT AN ORDINANCE TO IMPLEMENT THE TAX INCREASE AS PROVIDED IN THIS QUESTION AND MAY ADJUST THE RATE OF THE LODGERS' TAX FROM TIME TO TIME SO LONG AS IT DOES NOT EXCEED 5.25%?

WHEREAS, pursuant to Article X, Section 20 of the Colorado Constitution, also referred to as the Taxpayer's Bill of Rights ("TABOR"), the City mailed a notice to all registered electors estimating that in 2022 (the first full year of collection of the increased Lodgers' Tax) the total revenues collected from the increased Lodgers' Tax would be \$2,000,000; and

WHEREAS, the City collected more than \$900,000 in 2021 and expects to collect more than \$2,000,000 in 2022, and pursuant to the provisions of TABOR the Council

wishes to submit to the registered electors of the City a ballot issue permitting the City to keep and spend the revenues from the increased Lodgers' Tax which exceed such dollar amounts; and

WHEREAS, on November 8, 2022, the County Clerk and Recorder (the "County Clerk") will be conducting a coordinated election (the "Election") pursuant to the Uniform Election Code of 1992 (the "Election Code"); and

WHEREAS, November 8, 2022, being the State's general election day, is one of the election dates at which TABOR ballot issues may be submitted to the registered electors of the City pursuant to TABOR.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF DURANGO, IN THE COUNTY OF LA PLATA AND THE STATE OF COLORADO:

Section 1. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the City and the officers thereof, directed toward the Election and the objects and purposes herein stated is ratified, approved and confirmed. Unless otherwise defined herein, all terms used herein shall have the meanings specified in the Election Code.

Section 2. The City hereby determines that at the Election there shall be submitted to the registered electors of the City the question set forth herein.

Section 3. Pursuant to Section 31-11-111, C.R.S., the title and submission clause which shall be submitted to the registered electors of the City at the Election shall be in substantially the following form:

QUESTION 1-A: AUTHORIZATION FOR THE CITY TO RETAIN CERTAIN REVENUES FROM THE CITY LODGERS' TAX INCREASE.

MAY THE CITY KEEP ALL REVENUES COLLECTED IN 2021 IN EXCESS OF \$900,000 FROM THE 2021 VOTER-APPROVED INCREASED LODGERS' TAX RATE OF 3.25% AND ALL REVENUES COLLECTED IN 2022 THAT OTHERWISE WOULD BE REFUNDED FOR EXCEEDING ESTIMATES IN THE NOTICE MAILED TO VOTERS IN CONNECTION WITH THE 2021 INCREASED LODGERS' TAX RATE OF 3.25% AND MAY THE CITY SPEND SUCH EXCESS REVENUES COLLECTED FROM THE LODGERS' TAX FOR THE FOLLOWING PURPOSES:

66% FOR AFFORDABLE AND WORKFORCE HOUSING PROGRAMS; 20% FOR TRANSPORTATION, PARKING, AND TRANSIT SERVICES, EQUIPMENT, AND FACILITIES; AND 14% FOR ARTS AND CULTURAL EVENTS, PROGRAMS AND FACILITIES, AND MAY THE CITY CONTINUE TO COLLECT THE TAX AT THE 3.25% RATE?

Section 4. The Election shall be conducted as a coordinated election by the County Clerk pursuant to TABOR and the Election Code, and all laws amendatory thereof and supplemental thereto. The officers of the City are hereby authorized to enter into one or more intergovernmental agreements with the County Clerk pursuant to Section 1-7-116, C.R.S. Any such intergovernmental agreement heretofore entered into in connection with the Election is hereby ratified, approved and confirmed. The City Clerk is hereby appointed as the

designated election official of the City for purposes of performing acts required or permitted by law in connection with the Election.

Section 5. Pursuant to C.R.S. §1-11-203.5, C.R.S., any election contest concerning the order on the ballot or concerning whether the form or content of any ballot title meets the requirements of TABOR 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.

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

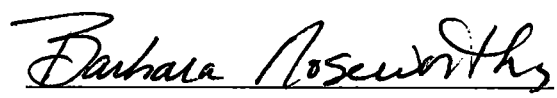
Section 7. The refund of any excess collections of Lodgers' Tax during 2021 which is required as a result of a negative vote on ballot question described in Section 3 herein shall be carried out prior to December 31, 2022 by providing a credit to each residential city utility account in an amount equal to the total refund divided by the number of accounts eligible for the refund as stated herein.

Section 8. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the City, directed towards the Election and the objects and purposes herein stated, are hereby ratified, approved, and confirmed.

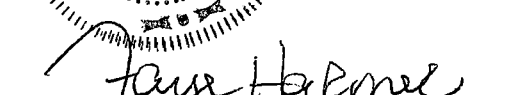
Section 9. If any portion of this Resolution is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution. The Council hereby declares that it would have passed this Resolution and each part hereof irrespective of the fact that any one part be declared invalid.

Section 10. All other resolutions or portions thereof inconsistent or conflicting with this Resolution or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

ADOPTED AND APPROVED this August 16, 2022.


Mayor




City Clerk