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Council Finance Committee Hybrid Meeting
CIC Room / Zoom
March 20, 2024
4:30- 7:00 pm

Council Attendees: Emily Francis, Kelly Ohlson, Tricia Canonico, Mayor Jeni Arndt via phone

Staff: Kelly DiMartino, Tyler Marr, Travis Storin, Dean Klingner, Leann Williams, Victoria Shaw

Denzel Maxwell, Lawrence Pollack, Ginny Sawyer, Adelle McDaniel, Brad Buckman, Brian Hergott, Brian Tholl, Cortney Geary, Dave Lenz, Jeff Rochford, Jill Wuertz, Zack Mozer, Tyler Stamey, Terri Runyan, SeonAh Kendall, Ryan Malarky, Peggy Streeter, Nina Bodenhamer, Monica Martinez, Mallory Gallegos, Lockie Woods, Jacob Castillo, Cortney Geary, Julia Feder, Chief Bergsten, Patti Forsythe, Chris Martinez, Carolyn Koontz

Others: Bill Salmon, PFA Board Member

Meeting called to order at 4:30 pm

Approval of minutes from February 23rd, 2024, Council Finance Committee Meeting.
Kelly Ohlson moved for approval of the minutes as presented. Emily Francis seconded the motion.
The minutes were approved unanimously via roll call by; Emily Francis, Kelly Ohlson.

A. CCIP & Streets Maintenance Tax Renewals

Travis Storin, Chief Financial Officer
Ginny Sawyer, Policy & Project Manager

EXECUTIVE SUMMARY

Staff provided the full Council an overview of the history, use, and timelines of both the Street Maintenance Program (SMP) and the Community Capital Improvement Program (CCIP) taxes at the February 13, 2024 regular meeting. That meeting outlined the meeting cadence associated with referring these renewals to the November 2024 ballot. Multiple meetings with the Council Finance Committee (CFC) were included.

This first meeting of the CFC will focus on any questions the committee may have, the term of the SMP tax, and the process of developing a CCIP project list.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

What questions or concerns do CFC committee members have regarding possible extension of the term of the SMP tax to 15 or 20 years?

What questions or suggestions do CFC committee members have for developing a future CCIP project package for consideration?

Do CFC committee members support considering taking the CCIP renewal in 2025?

BACKGROUND/DISCUSSION

The City of Fort Collins has a 40+ year history of utilizing voter approved sales tax initiatives to fund major capital projects and to achieve and maintain an extensive transportation system. Starting in 1973, with a 7-year, one-cent tax that helped fund the Downtown Library, the Lincoln Center, City Hall, Mulberry Pool and other improvements, residents have continued to support sales tax capital programs to create the city we enjoy today.

The current initiatives, CCIP and the SMP, will expire on December 31, 2025. With only one annual election opportunity (November), staff had recommended seeking these tax renewals in 2024. Both programs are a dedicated ¼-cent sales tax which equated to 25 cents on a \$100 purchase. Over the 10-year program (2016-2025) each ¼-cent is estimated to generate approximately \$80.0 million for community-wide investments.

Staff continues to recommend referring the SMP in 2024, however, after considering the timeline on a number of possible projects staff would like to discuss the possible advantages of referring the CCIP in 2025. Advantages include a longer timeline for public engagement and time for further conversation and decisions on waste shed projects, the site plan for the Hughes property, and additional feasibility of both a bike park and additional pickleball facilities.

Elements of a Successful CCIP Package

The City of Fort Collins has had a successful track record of referring (and getting approval) of capital improvement dedicated taxes. The last two measures passed with 80% voter approval. Staff attributes this success to:

- Advancing projects from Master Plans that have been informed by community input.
- The items put forth represent community desires and priorities across broad geography, types of services, and personal passions.
- Community engagement helps to prioritize projects and programming.

There have also been lessons learned over time to mitigate risks, including:

- Adjusting for inflation and adding on years of operation and maintenance until a program/facility is established.
- Balancing flexibility and specificity to ensure voters get what the ballot promised while allowing for measured leeway to take advantage of unforeseen opportunities (grants, development, etc.)
- Avoiding singular projects that would absorb a majority of the funding.
- Solidifying a plan far enough in advance of referral to ensure adequate budgeting analysis and community awareness.

Next Steps

Based on CFC discussion and suggestions, staff will outline future agenda content and an engagement plan for public outreach.

Future Council engagement includes:

April 23 work session: Bring CFC recommendations of referral dates, SMP tax term. Review of engagement plan.

May CFC meeting: Confirm SMP referral actions. Start CCIP package development.

June 11 work session: Confirm SMP referral details. Consider CCIP progress.

July 16 work session: TBD

August 20 regular meeting: Refer ballot language for any 2024 measures.

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Discussion / Next Steps

Tricia Canonico: For the time being, I don't know if I would want Hughes to play a part here because it has been so dividing for our community. We saw that with the large emitter fee as an example, some of our community members not wanting to support that tax.

Do we know when the county is looking at putting the childcare tax on the ballot this year?

Kelly DiMartino; I think they are – there is a group and they call themselves the sandbox, which includes all of the interested parties. They have come together and I think they are getting close.

Tricia Canonico; I support moving it out to 2025 as it sounds like there may be too many competing tax measures on the ballot.

Emily Francis; I agree with Tricia. Hughes – not knowing what it is and the engagement around it - I would be worried about the timeline and just adding it in. I think 2025 makes sense. I think the things that we have heard support for like the bike park and pickleball, larger ideas could go on there. The childcare and then also under the Council priority of operationalizing housing sustainable funding is one of the things to look at and so, how would that play into potential funding and a tax?

Ginny Sawyer; a separate initiative or within a bucket in CCIP?

Emily Francis; I would say that to date, CCIP funding for affordable housing has not been sufficient. I was also looking at some of the capital type projects like Linden Street and thinking about council's priority of adaptive reuse in community hubs in neighborhoods. One of the big barriers to redeveloping that has been

funding –and bringing those up to current standards – funding has been a huge barrier to get anything updated. Is there a way for CCIP to rejuvenate those neighborhood hubs that have not been updated for some time?

Travis Storin; when we talk about the engineering bucket that Ginny was referring to. We look at that as a viable way to address that piece. It is a very good question on housing. What could more CCIP funding do there relative to the \$4M over 10 years that we put in, which, when you think about the sustainable funding conversation last year now years later it sounds pretty scant

Emily Francis; I think it would be worth bringing in the affordable housing providers. Seeing what the gap is and what the city’s responsibility is and if this is appropriate.

Kelly Ohlson; I think street maintenance would pass if we put it into perpetuity. I don’t care if it is 20 or 25. A minimum of 20 – I would be fine with 25 – people like their streets maintained. Kelly Ohlson; I will support whatever the full Council comes up - 20 or 25. Regarding Hughes, it is all over the map – more than two sides to that particular issue.

Travis Storin; we know it is a council priority to have a site plan.

Ginny Sawyer; full site plan - soft trail and trail connections to the site –

Early Idea List



Transportation/Engineering:

- Arterial improvements
- Bike infrastructure
- Sidewalk/ADA improvements
- Bus stop improvements and bus replacement
- Howes (street conversions)

Other Funds:

- Affordable Housing
- Nature in the City
- Active Mode Infrastructure

Capital Projects:

- Civic Center advancement
- Car (Trolley) Barn advancement
- Park Improvements (Martinez)
- Downtown Parks Shop
- Transfort maintenance site
- Lincoln Center (catering kitchen)
- Composting facility
- Trail strategic plan components
- River masterplan (another reach)
- LaPorte Avenue re-design
- Children's Garden renovation
- Mountain biking facility, site TBD
- Mulberry Pool Replacement
- Pickleball expansion

Slide #10 above

Kelly Ohlson; a composting facility - should be solid waste – might be things that are a higher priority. I think it was a little broader on the list. I can’t argue with your logic of 2025 to get it right even though if we put something on the ballot – it might be as refined. Citizens group is renewing by the imitative method the natural areas tax in 2025- so this would be on the ballot too. I think they are complementary and not contradictory. You can build a positive momentum to put it in a framework. In 2014 which was not a pretty election cycle for

things like this, the county tax, open space renewal – approximately 90% of districts in Fort Collins voted for natural areas. I just want people to have all of the information. In 1997, there were 3 taxes including street maintenance and we combined them all together and they passed overwhelmingly. I think your logic is sound.

Tricia Canonico; one question on street maintenance – are we going to hamstring ourselves by extending it too far or can we add to it to allow for a gradual increase in the tax, so it continues to be adequate?

Travis Storin; so, you are surfacing what I think is going to be a very interesting staff discussion. When we talk about perpetuity, in some respects, it could feel limiting if we don't think the current tax is going to meet the needs. There might actually still be an argument to stick with 20 which would allow us to reevaluate the toolkit- to determine if we need a different amount or different taxation. I think we are going to have a very lively debate on that question.

Tricia Canonico; are we looking at the amount that we are going after?

Travis Storin; on staff – we are a bit reluctant in practical terms, whether going for over ¼ cent would be advisable. A big part of that is the TABOR language. When we go with ¼ cent, we get to say 'without raising taxes'. If we went with a nickel more, it says will you approve this tax increase?

Meeting adjourned