

WORK SESSION AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT FOR DISCUSSION

Community Capital Improvement Program (CCIP) and Street Maintenance 1/4-cent Tax Renewals.

EXECUTIVE SUMMARY

The purpose of this item is to update Council on Council Finance Committee and other discussions and progress related to the renewal of both the Street Maintenance and the Community Capital taxes.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What questions or concerns do Councilmembers have regarding possible extension of the term of the SMP tax to 20 years or into perpetuity?
2. What questions or suggestions do Councilmembers have for developing a future CCIP package for consideration?
3. Do Councilmembers support taking the CCIP renewal in 2025?

BACKGROUND / DISCUSSION

The City 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 Street Maintenance Program (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 (including considering a 20-year term). 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 outcomes on upcoming feasibility studies and project plans, including the site plan for the Hughes property and feasibility of both a bike park and additional pickleball facilities.

Street Maintenance Program (SMP)

The SMP is intended to provide preventative maintenance to prolong the life of our streets. Streets are evaluated through visual inspection and testing and analysis that leads to a Pavement Condition Index (PCI) rating from excellent to poor. The Street Maintenance Program improves concrete curb, gutter and sidewalk; constructs handicap access ramps; repairs deteriorating asphalt; and reconstructs, overlays or slurry seals existing streets. With current funding levels, the SMP anticipates performing street maintenance treatments on approximately 40 to 50 miles of streets per year.

The SMP dedicated tax passed in 2005 and 2015 with significant support. Based on past support, the recognized on-going need, and Council consideration staff is seeking direction on considering a 20-year tax term. Securing funding over a longer term, even at less than needed amounts, helps provide stability going forward.

Community Capital Improvement (CCIP)

The capital improvement taxes have historically utilized about half of the funding for engineering and transportation needs, including pedestrian and bicycling improvements and arterial intersection improvements, with the other half being dedicated to “new” amenities and facilities. In the 2015-2025 package two additional program buckets were added: Nature in the City and Affordable Housing.

Elements of a Successful CCIP Package

Council had previously asked for staff to consider past learnings from previous CCIP efforts. 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.
- Ensuring the items put forth represent community desires and priorities across broad geography, types of services, and personal passions. (See attached map for current program projects/locations.)
- Utilizing community engagement 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.

Potential Projects

Staff have begun reviewing adopted plans for potential project candidates and developing more detailed project narratives and costing details for all potential projects. Based on timeline decisions, staff would dedicate a future work session to fully exploring and discussing project details. These early meetings have generated the following ideas:

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:

- Car Barn Advancement (Trolley Barn: Cherry and Howes)
- Park Improvements (Martinez Park)
- New Downtown Parks Shop
- Transfort Maintenance Site
- Lincoln Center Upgrades (catering Kitchen)
- Composting Facility
- Trail Strategic Plan Components
- River Masterplan (another reach)
- Laporte Avenue Re-design
- Children's Garden Renovation
- Mulberry Pool Replacement
- Pickleball Expansion
- Mountain Biking Facility (site TBD)

Council Timeline

Currently the project team has scheduled Council work sessions on April 23 and June 11 with a ballot referral at the August 20 regular meeting. Staff recommends maintaining this schedule for the SMP initiative. If there is direction to pursue a 2025 timeline for CCIP, an updated timeline has been included in the PowerPoint.

NEXT STEPS

- Continued CCIP project development and refinement.
- Council Work Sessions and Finance Committee Meetings

ATTACHMENTS

1. Map of Current CCIP Project Locations
2. Approved Council Finance Committee Minutes (Excerpt)
3. Presentation