

# 2050 Tax: Update and Discussion

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# Council Direction Requested

1

What thoughts or questions do Councilmembers have regarding the uses of 2050 Tax revenue to-date?

2

Do Councilmembers have additional thoughts or questions on the 2050 Tax Parks & Recreation, Climate, or Transit uses?





# 2050 Tax: Parks & Recreation

*08.27.2024 Council Work Session*

## 2050 Tax Overview:

- ½-cent sales tax
- Passed in November 2023
- Expires in 2050
- Allocations: 25% Transit, 25% Climate, and

**50% FOR THE REPLACEMENT, UPGRADE, MAINTENANCE, AND ACCESSIBILITY OF PARKS FACILITIES AND FOR THE REPLACEMENT AND CONSTRUCTION OF INDOOR AND OUTDOOR RECREATION AND POOL FACILITIES**

# How should 2050 P&R tax be split between eligible elements?

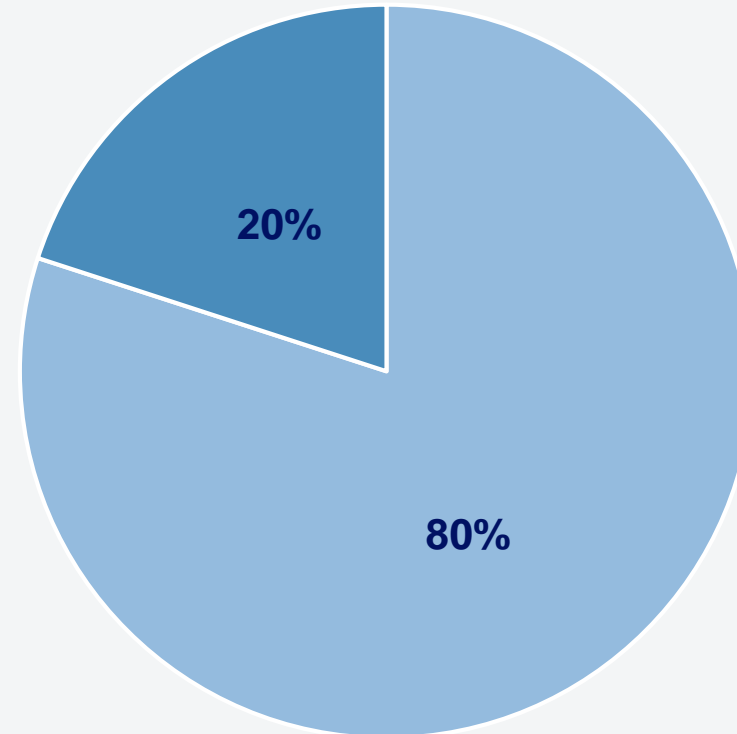
## Illustration:

Life of 2050 tax =  
27 years x \$10.5M (2024 dollars) =  
**\$283 M**

**~80% = ~227 M** replacement/refresh  
**~\$8.4M/year**

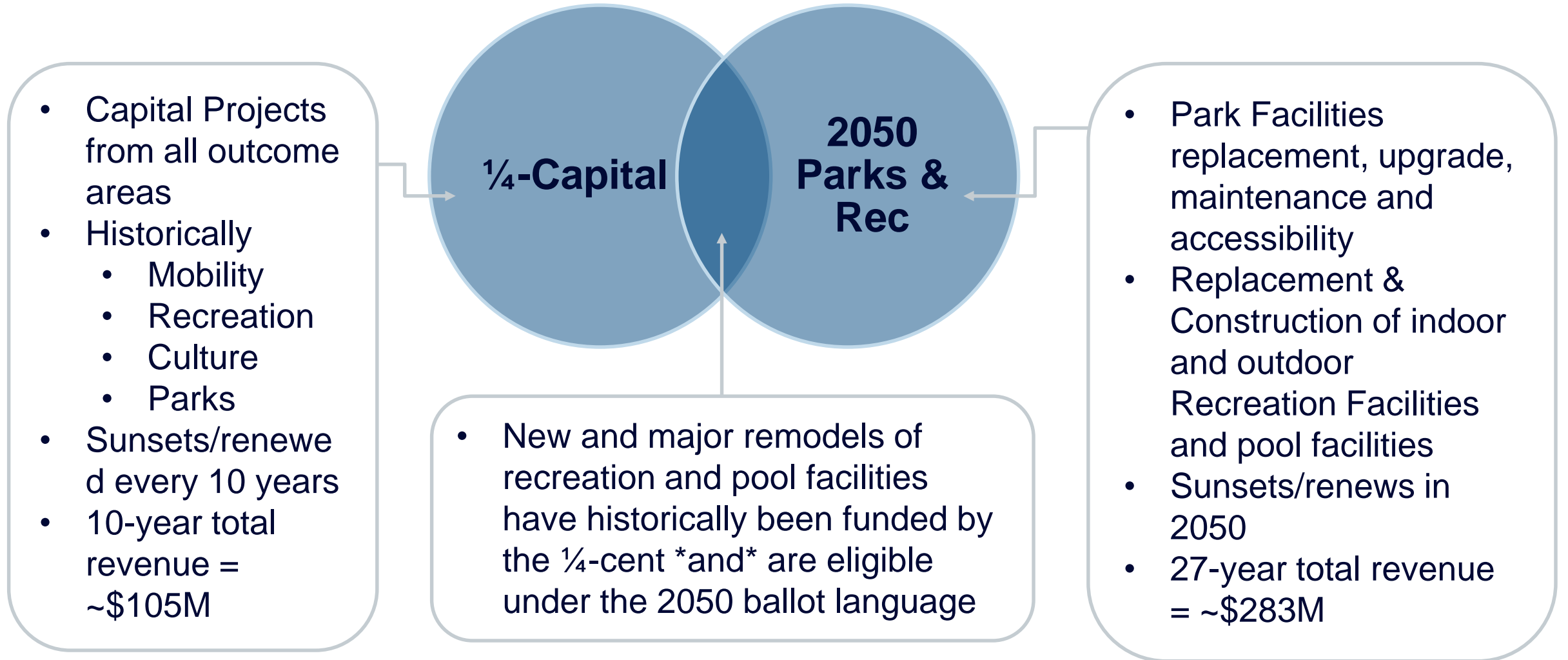
**~20% = ~\$57 M** replacement and  
construction of indoor and outdoor  
recreation and pool facilities

## Potential Split of 2050 Parks and Rec Funds



- Replacement, Upgrade, Maintenance, etc. -- PARKS & RECREATION
- Replacement & Construction of Indoor and Outdoor Recreation and Pool Facilities

# Restricted Taxes – Differences and Commonalities



# Southeast Community Center (SECC) Timeline



- 2013 Feasibility Study
- 2015 ¼-cent Ballot
- ReCreate (2021)
- Aquatics Study (2021)


We are here

- Council finalizes, scope, budget, timeline.
- Q1/Q2 2025



# Mulberry Pool Replacement Timeline



- 
- ReCreate (2021)
  - Aquatics Study (2021)
  - Mulberry Options Study (underway)
  - We are here





# Costs for Similar Facilities

## City Park Pool:

- Pool amenities
- Bath House
- Site
- Mechanical room

**Est. Cost to Build in 2024: \$14.5M**



## Northside Aztlan Community Center:

- 50,000 sq ft
- 3 Full Size Gyms
- Running Track
- Flex spaces
- Childcare
- Weight room
- Fitness Rooms

**Est. Cost to Build in 2024: \$36M**



## For Illustration:

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Community Center (2015 Ballot Requirement)

**\$25M-\$40M** (NACC is \$36M comparison)

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Outdoor Pool (2015 Ballot requirement)

- **\$10M-\$20M** (City Park is \$14.5M comparison)

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2015 Ballot Project with amenities like NACC + City Park Pool

**\$35M-\$60M**

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*\*for all options Library partnership would be in addition*

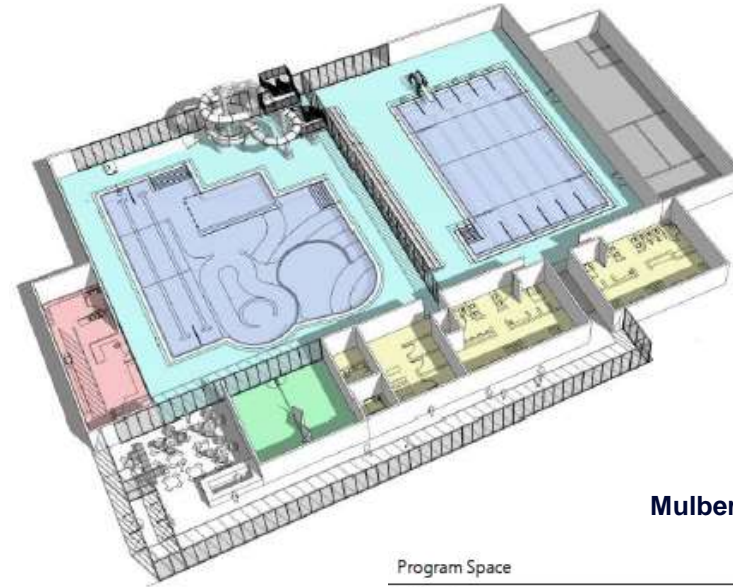
# Funding Options for SECC

<b>FUNDING SOURCE</b>	<b>TOTAL</b>
2015-25 CCIP (existing)	\$17M
DOLA Resilience Grant (existing)	\$2M
CCIP Reserves (Council option)	\$10M
2050 (Council option – combination of 2050 reserves + bonding)	\$31M - \$36M
<b>COMBINED</b>	<b>\$60M - \$65M</b>

# Mulberry Pool Potential Costs

## Unknowns:

- Partnerships
- Site/Location
- Replace or
- Replace and Enhance



Conceptual Rendering

\$36M  
(2024)

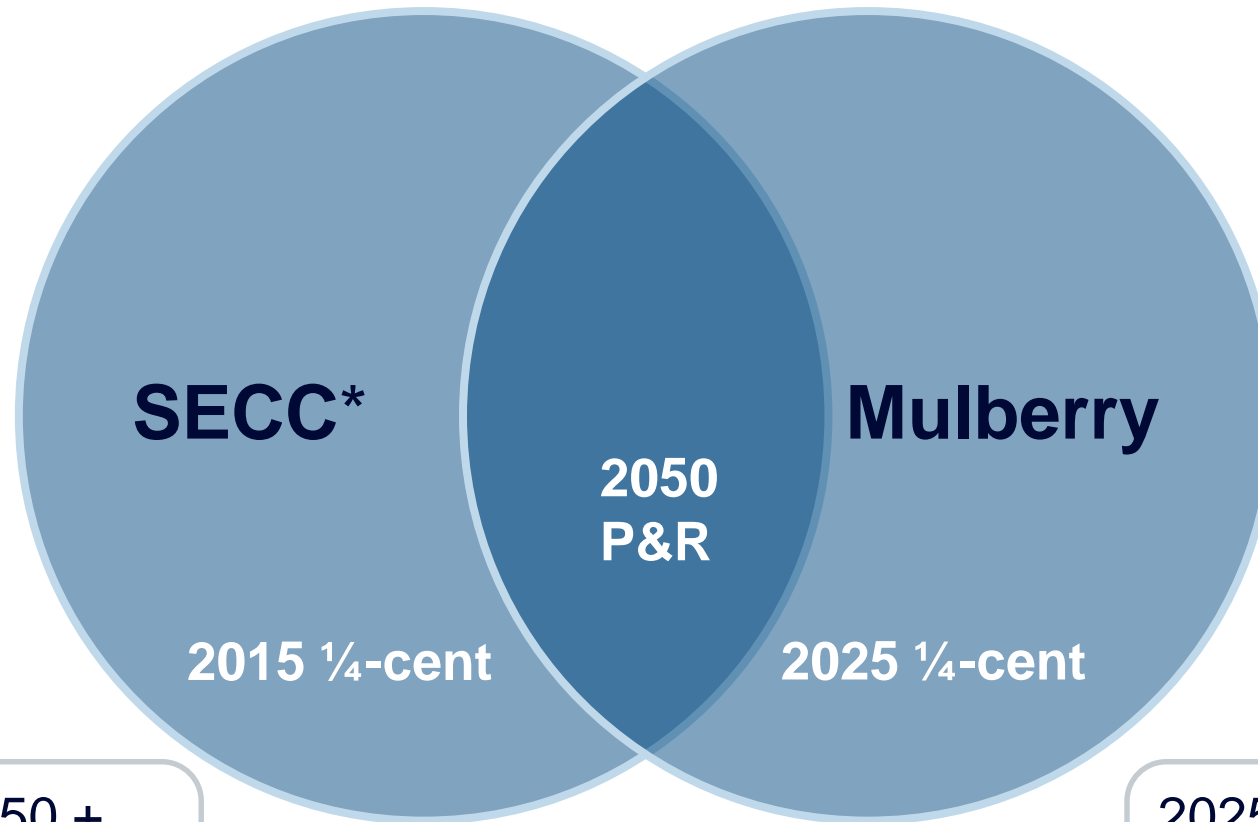
## Cost Range (2024)

- \$30-\$45M

Mulberry Feasibility Study 2024

Program Space	Const. Cost (\$)	Soft Costs (\$)	Total Project Cost (\$)
Lobby Spaces	\$1,045,000	\$313,500	\$1,358,500
Facility Staff Area	\$509,500	\$152,850	\$662,350
General Locker Rooms / Family Change	\$2,280,000	\$684,000	\$2,964,000
Aquatic Offices	\$420,000	\$126,000	\$546,000
Lap Pool and Natatorium (6-lane 25 yard)	\$8,370,000	\$2,511,000	\$10,881,000
Leisure/Program Pool and Natatorium	\$9,787,000	\$2,936,100	\$12,723,100
Multi-Use Classrooms / Pool Party	\$558,000	\$167,400	\$725,400
Pool Mechanical	\$1,062,000	\$318,600	\$1,380,600
General Building MEP	\$324,000	\$97,200	\$421,200
Storage / Maintenance	\$348,000	\$104,400	\$452,400
<b>Building Total</b>	<b>\$24,703,500</b>	<b>\$7,411,050</b>	<b>\$32,114,550</b>
Site Cost Total	\$2,569,400	\$770,820	\$3,340,220
<b>Total Project Cost</b>	<b>\$27,272,900</b>	<b>\$8,181,870</b>	<b>\$35,454,770</b>

# Example Funding Scenarios for SECC & Mulberry Pool



2015-25 CCIP + 2050 +  
partnership/grants =  
\$60M-\$65M

2025-35 CCIP + 2050 +  
partnership/grants =  
\$30M-\$40M

*\*Southeast Community Center*

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What thoughts or questions do Councilmembers have regarding the uses of 2050 Tax revenue going forward?





# 2050 Tax: Climate & Air Quality

*08.27.2024 Council Work Session*



Revenue may be allocated to advance four elements included in voter-approved ballot language:

- **Greenhouse Gas Reduction**
- **Air Pollution Reduction**
- **2030 Goal: 100% Renewable Electricity**
- **2050 Goal: Carbon Neutrality**



## Considerations for Maximizing Ability to Achieve 2050 Goal

Our Climate Future (OCF) Goals & Commitments

Role of the City and Other Partners

Phasing/Sequencing of Investments for Greatest Impact

One Time vs Ongoing Costs

Regional Alignment & Collaboration

Community Impacts and Return on Investment (ROI)

Balancing Mitigation, Resilience, and Equity

- Evaluate enhancement offers related to Environmental Health Outcome Area
  - **Eligible Offers** – Alignment with ballot language
  - **Optimized Offers** – Alignment + advance OCF across multiple outcomes
- Recommended strategy for 2050 tax investment:
  - Maximize ability to achieve 2050 goals
  - Complement existing (significant) climate investments across City budget
  - Scale & accelerate rather than replace existing funding
  - Support projects that advance multiple outcomes
    - including resilience and equity
  - Maintain reserves for upcoming developments in progress

# Criteria for 2050 Tax Funding Recommendations

Ballot alignment

Advance at least one OCF Big Move/strategy

Direct community benefit

Advance equitable outcomes for most impacted groups

Advance trusting partnerships

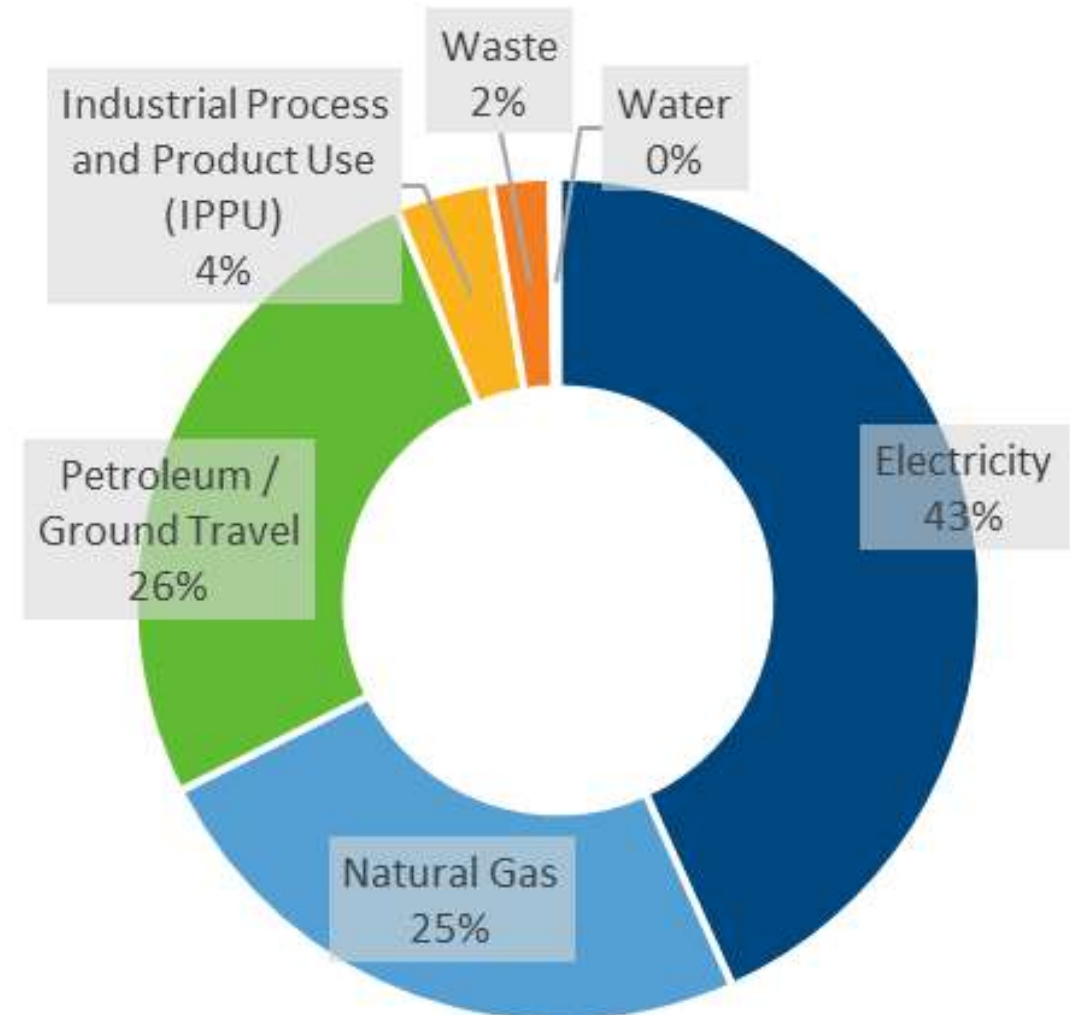
Inclusion of considerations of climate change implications

Supports communities' well-being in disruptive events

## Optimized Offers' Potential Impacts:

- Building and vehicle electrification
- Residential building efficiency loan program
- Active Modes infrastructure and transportation programming
- Outdoor and indoor air quality
- Small business support
- Urban forestry
- Staff and community innovation funding
- OCF / 2050 Tax strategic management

## 2022 Community GHG Inventory





- Share potential impacts on climate goals for the City Manager's Recommended 2025-26 Budget
  - September 2024
- Develop Strategic Funding Plan for 2050 Tax: Climate & Air Quality
  - By end of Q1 2025
- Allocate reserved funds through the 2026 budget revision process
  - Q2 2025

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# 2050 Tax: Transit

*08.27.2024 Council Work Session*



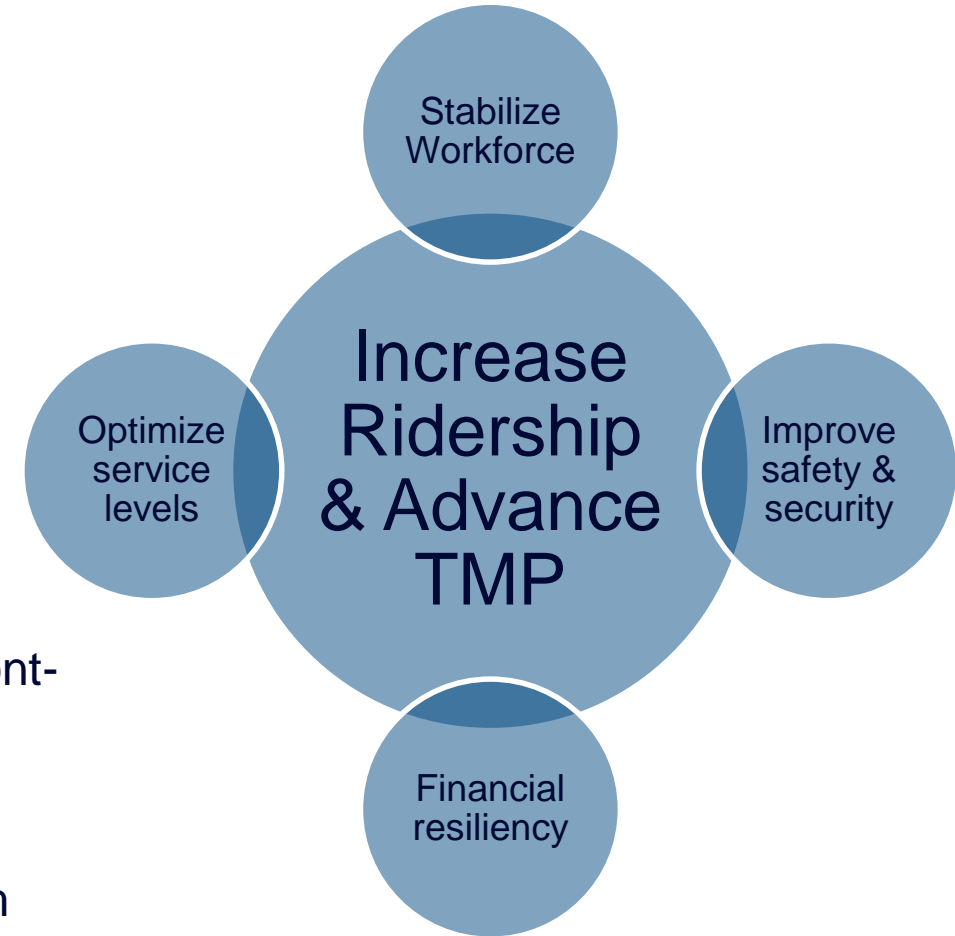
**Challenge:** \$8.0m-\$14.7m annual shortfall to implement Transit Master Plan

**Goal:** Increase ridership & advance Transit Master Plan

**Ballot language:** 25% FOR THE CITY'S TRANSIT SYSTEM, INCLUDING, WITHOUT LIMITATION, INFRASTRUCTURE IMPROVEMENTS, PURCHASE OF EQUIPMENT, AND UPGRADED AND EXPANDED SERVICES

## Fund Criteria:

- 1. Stabilize workforce:** Improve recruitment & retention levels of front-line staff through compensation improvements
- 2. Improve safety & security:** Support Transit Security Officers, contracted services and infrastructure investments
- 3. Financial resiliency:** Build reserve funds to support transit system optimization and build out
- 4. Optimize service levels:** Financial resilience to adapt service and routes to meet greatest ridership demands



## Summary of Offers Funded in 2024 Mini-BFO Process by Fund Criteria

### Stabilize Workforce:

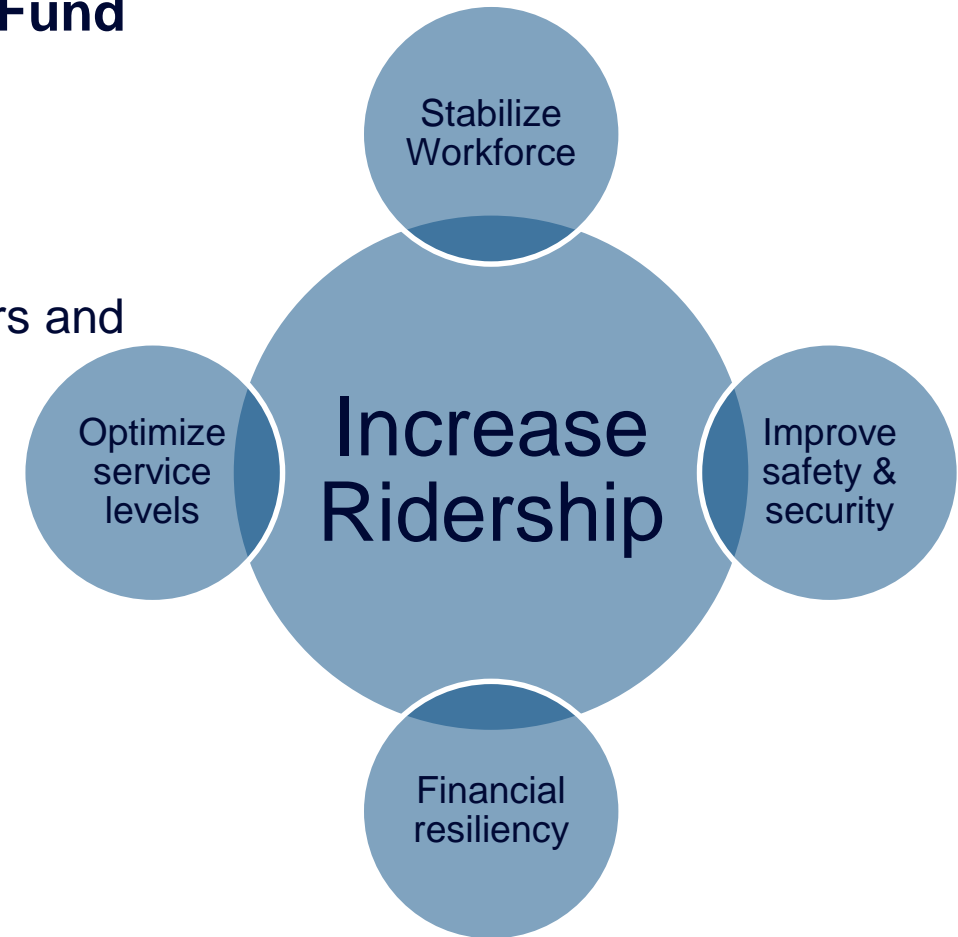
- Increase existing and starting wage for Bus Operators, Dispatchers and Transit Service officers
- Increase the number of benefited operator positions

### Improve Safety & Security:

- Add an additional Transit Service Officer
- Add a Lead Transit Service Officer

### Financial resiliency:

- Approx \$3.5M set aside in 2024 for reserve



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# Back up Slides

*08.27.2024 Council Work Session*

- Example facilities
- Eaton – 62,329 SF 2016; Construction cost \$24,208,537; 2024 Construction \$45,270,657
  - \$584 SF Building Costs
  - \$368,100 per acre sitework costs
  - TOTAL: \$726 SF
- Berthoud – 49,500 SF; 2020 Construction cost \$29,903,688; 2024 Construction \$40,292,799
  - \$596 SF Building Costs
  - \$718,623 per acre sitework costs
  - TOTAL: \$814 SF
- Grand Junction – 109,331 SF; 2024 Construction cost \$72,606,406
  - \$601 SF Building cost
  - \$432,842 per acre sitework cost
  - TOTAL: \$664 SF