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## MEMORANDUM

Date: April 23, 2024

To: Mayor and City Councilmembers

Through: Travis Storin, Chief Financial Officer

From: Jacob Castillo, Chief Sustainability Officer  
Dean Klingner, Community Services Director  
Lawrence Pollack, Budget Director

Subject: April 9, 2024 Work Session Summary: 2024 Appropriation of the 2050 Tax

The purpose of this memo is to document the summary of discussions during the April 9 Work Session. All Councilmembers were present. This work session item followed a previous Council Finance Committee meeting discussion and provided a summary of the '2050 Tax' approved by the voters in November 2023 elections. The new 0.5% Sales and Use Tax lasts from 2024 through 2050 with 50% dedicated to Parks and Recreation, 25% to Transit, and 25% to Climate

Authorization to spend these funds will occur in June at the earliest. With that in mind, staff associated with these proposals focused primarily on shovel-readiness of projects and turnkey/scaling ability on programming based on our current service offerings. There are not new programs being proposed with these funds in 2024; that may occur in the BFO process for the 2025-26 Budget.

### Follow-up from Parks and Recreation:

Additional detail was requested about the proposed uses of the tax revenue and the information is provided below. For 1<sup>st</sup> Reading, the \$5.3M request will be submitted as 3 separate proposals, as outlined.

- The implementation of the Parks and Recreation funding is based on the assessment and prioritization in the Parks Infrastructure Replacement Program (link: [https://www.fcgov.com/parks/files/fort-collins-parks-infrastructure-replacement-program-management-plan\\_compressed.pdf](https://www.fcgov.com/parks/files/fort-collins-parks-infrastructure-replacement-program-management-plan_compressed.pdf)) and proposed work to bring the current understanding of the Recreation Facilities needs up to the same level of detail and maturity.
- Based on the April 9<sup>th</sup> WS conversation, Staff heard general support for the proposed offer and the request for a more detailed understanding of what will be done. Staff proposes to:
  - Break out the proposed 2024 funding into the following categories:
    - (1) **Building Capacity. \$550k.** This offer will fund the necessary steps to begin to staff and design a dedicated Asset Management team within the Park Planning and Development Team. This offer will also scope and fund the necessary asset evaluation and planning necessary to fully understand and plan the needs for the Recreation Facilities.
      - **Key Outcomes:**

- Phase 1 of hiring the staff necessary to stand up the programs. Includes 4.0 FTE. Completion of Recreation Asset Management Plan and integration into the Parks IRP (estimated date of completion: 2025). (Essentially create an integrated Parks and Recreation Asset Management Plan to inform future investments for the P&R portion of the 2050 tax.
- Create Program Accountability and Reporting mechanisms.

**(2) Accelerate Existing Infrastructure Program and Preventative Maintenance Investments. \$750k.** This offer seeks to deliver some improvements to Parks as quickly as possible. This means utilizing existing programs and contractors and prioritizing projects with little to no planning or design requirements.

- **Key Outcomes:**

- Focus on safety issues, continued preventative maintenance projects, projects of opportunity based on partnerships or construction optimization.
- Funds will be appropriated as lapsing, so any funds we do not expend or encumber this year will fall back to reserves and require future council action to reappropriate.

- **Potential Project Examples**

- Sheldon/PV&L raw water lateral pipe lining
- Rolland Moore Ballfields regrading
- Playground surfacing preventative maintenance and playground repairs
- ADA scoping
- Greenbriar Tennis & Basketball Court replacement
- Foothills Activity Center Door
- Senior Center Office Security
- Northside Aztlan Center – Front Desk Renovation; Volleyball Net Replacements; Childcare Outdoor Play Area (2024-25)

**(3) Transform Scale of Projects Delivered. \$4M.** This offer funds the investments necessary to complete larger projects in future years. This includes program design and strategy, program planning and coordination, design development, and procurement. This work needs to start as soon as possible since larger projects may have design development schedules of multiple years. Although much of these funds will not be expended in 2024, this appropriation allows procurement processes to start.

- **Key Outcomes:**

- Focuses on backlog of deferred maintenance projects as listed in the Top 40

- Projects of opportunity may mean that additional assets are added to the scope of the Top 40
  - Delivery timeframe of larger projects is dependent on an integrated reserves and bonding strategy for the SE Community Center.
  - Scale of projects or change in use dictates public outreach for many of these projects.
- Example Potential Projects
  - Planning and design work initiated for Rolland Moore Tennis Center and playground
  - Planning and design work for initiated for Mini Park Refresh Projects (3): Alta Vista, Freedom Square, Romero
  - Ridgeview Playground Replacement initiation
  - Scoping of Landings planning outreach and design
- Starting this work now allows the potential for projects such as those listed below to be completed within 1-3 years:
  - Construction for Rolland Moore
  - Construction for 1-2 Mini Parks
  - Construction for Landings Park
  - Skatepark Planning and design work (Old Fort Collins Heritage, Edora, Spring Canyon)
  - Pedestrian bridge improvements

**Follow-up from Transit:** Not applicable

**Follow-up from Climate:**

Council members shared appreciation for the diverse array of projects put forward for funding by the climate portion of the 2050 Tax. This reflects how the Our Climate Future (OCF) framework approaches climate action at a holistic, systems level with a focus on mitigation, resilience, and equity in near and long-term time scales.

Questions and curiosities were raised about clearly describing the nexus between recommended Offers and the voter-approved ballot language, as well as a request to provide quantifiable emissions reductions, where possible. While there was general understanding that GHG reductions per dollar invested is not the only way to measure project impacts, the table in Attachment #1 summarizes the Offers, estimated GHG reductions, and linkages to the ballot language.

Councilmembers asked specifically about two Offers, including connection to the intent of the ballot measure and appropriate funding source. Additional context is provided here:

- Comprehensive exterior lighting retrofits to City Recreation Centers
  - Recreation Centers, as with all City buildings, are maintained by the Operation Services Department, not the Recreation Department

- Exterior lighting replacement with high-efficiency bulbs directly reduces energy use and GHG emissions, while also complying with night sky standards
- Retrofit of existing exterior lighting systems at these facilities is estimated to reduce annual GHG emissions by 24 MTCO<sub>2</sub>e in 2030, with lifetime savings of 373 MTCO<sub>2</sub>e
- Grants to offset utility fees for affordable housing developments
  - Funds will subsidize costs of utility-related development fees for affordable housing projects to move towards all-electric infrastructure
  - Directly subsidizing investment in energy efficiency and electrification improvements for affordable housing projects reduces barriers and makes it more economically feasible for affordable housing providers to include infrastructure such as additional electrical capacity, EV charging, and on-site renewables

The majority of the Offers advance OCF Big Move 4 (Convenient Transportation Choices) and OCF Big Move 6 (Efficient, Emissions-free Buildings). Progress on these two Big Moves directly impacts emissions reductions from electricity, natural gas use, and gas-powered vehicles, which are the biggest contributors to the community wide GHG inventory.

Councilmembers provided feedback on the “elective” Offers to include the Poudre River Health Assessment and to explore Natural Areas Department funding for the other two.

The 2024 funds will invest in projects that are shovel-ready and able to be completed within the second half of this year, presuming Council adoption being effective in June. The 2025-26 recommended budget will build on this process, including Offers to scale and accelerate climate investments from the 2050 Tax to advance towards adopted goals.

# Greenhouse Gas Emissions Impact Summary

4/15/2024

BM	Planned Action - Project	Description of Climate and Air Pollution Impact	Estimated GHG Reduction* (lifetime** MTCO2e)	Estimated GHG Reduction* (MTCO2e in 2030)
4	Implement bicycle infrastructure as determined in the Active Modes plan (Centre Ave)	<b>reduction of VMT</b> and therefore fuel usage (GHG and non-GHG air pollutants)	~2,120 - 10,680	~100 - 515
4	Implement bicycle infrastructure as determined in the Active Modes plan (Laporte Ave)	<b>reduction of VMT</b> and therefore fuel usage (GHG and non-GHG air pollutants)	~2,480 - 12,660	~120 - 600
4	Mobility Hubs Plan development	foundational / needed next step for <b>reduction of VMT</b> by making active modes and transit trips easier	<i>foundational***</i>	<i>foundational</i>
4	Transportation Emissions Reduction Strategy Tool development	foundational / needed next step for <b>reduction of VMT</b> by being able to better prioritize and estimate impacts of transportation-related projects	<i>foundational</i>	<i>foundational</i>
6	Comprehensive exterior lighting retrofits at City Recreation Centers	<b>increased efficiency</b> and resulting reductions in electricity usage	373	24
6	Expand Mobile Home Park Mini-grant through Neighborhood Services	supports residents in <b>increasing energy efficiency</b> in their homes (reducing electricity and/or natural gas use)	~2,450	~125
6	Fund Healthy Homes Program	supports residents in <b>reducing indoor air pollutants</b> and <b>increasing energy efficiency</b> in their homes (reducing electricity and/or natural gas use)	~100	~5
6	Introduce new capital for utilities Epic Loans program	foundational / needed next step for <b>increasing efficiency of buildings</b> and therefore reducing electricity and natural gas use	~925	~70
6	Identify and determine critical support needed to upgrade under-resourced buildings, focusing on commercial / multi-family buildings	foundational / needed next step for <b>increasing energy efficiency of buildings</b> and therefore reducing electricity and natural gas use	<i>foundational</i>	<i>foundational</i>
7	Launch grants to offset utility fees for affordable housing development, particularly electric and water	makes <b>energy efficient development more economically feasible</b> for affordable housing providers; has potential to <b>reduce VMT</b> by making it easier for people to live and work in the same community	<i>foundational</i>	<i>foundational</i>
9	Expand Scholarship Program for Builders and Building Industry to meet new industry techniques and future codes	foundational / needed next step for <b>increasing efficiency of buildings</b> and therefore reducing electricity and natural gas use	<i>foundational</i>	<i>foundational</i>

10	Business support for plastic and styrofoam transition through NocoBIZ Connect	supports a transition to a <b>circular economy</b>	<i>foundational</i>	<i>foundational</i>
11	Poudre River Health Assessment	supports <b>carbon sequestration</b> through improved soil and riparian health	~20,000	<i>de minimus</i>
12	Repair Riverside Community Solar Array	increases <b>renewable electricity</b>	7,832	490
12	Add Solar PV System at City Facility - new fueling canopy and shop expansion at Wood Street	increases <b>renewable electricity</b>	540	19
13	Replace existing Parks Utility Carts with electric Utility carts	<b>reduces fuel use</b> and therefore reduces GHG and non-GHG air pollutants	~100-200	~5-10

Please note that the summary provided to Council on Tuesday, April 9th **only included the high confidence estimates.**

\* **100 MTCO<sub>2e</sub>** is approx. equivalent to the emissions generated from **13 single-family homes' energy use** in one year (EPA Equivalencies Calculator)

\*\* In these calculations, "**lifetime**" varies from **15-25 years**, depending on the project.

\*\*\* Our Climate Future defines "**foundational**" as a necessary next step to for future GHG reduction.

Key
high confidence
medium confidence
low confidence