

AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT

Resolution 2025-077 Submitting to a Vote of the Registered Electors of the City a Proposed Ordinance Extending the Expiring Twenty-Five Hundredths Percent (0.25%) “Community Capital Improvement Program” Capital Projects Sales and Use Tax for a Period of Ten Years for the Purpose of Obtaining Revenue for Capital Projects and Related Operation and Maintenance.

EXECUTIVE SUMMARY

The purpose of this item is to submit to the ballot a question to extend the expiring 0.25% sales and use tax (the “Community Capital Improvement Program” or “CCIP”) and to refer the operative changes to the City’s Municipal Code (the “Code”) for the consideration of voters at the November 4, 2025, election. The extension, if approved, is estimated to generate approximately \$11 million of annual revenue for the purposes established in the ballot question and ordinance, including the costs of planning, designing, and constructing specified capital projects, and to provide operation and maintenance (“O&M”) for some of those projects as designated. The existing, voter-approved CCIP tax will expire on December 31, 2025. If approved by voters in November, the renewal as presented will extend the tax for another ten-year term from January 1, 2026, to December 31, 2035.

The project list for the extension of the 0.25% sales and use tax includes:

- Pedestrian Sidewalk/ADA Compliance
- Arterial Intersection and Streetscapes Improvements Fund
- Bicycle Infrastructure and Overpass/Underpass Program
- Affordable Housing Capital Fund
- Mulberry Pool Recreation Replacement Leveraging Fund
- Poudre River North – Health, Access, Parks & Trails
- Composting Infrastructure Advancement
- Downtown Parks Shop
- Community Bike Park
- Outdoor Pickleball Complex & Courts
- Nature in the City Program
- Transfort Bus Replacements & Stop Enhancements
- Recreational Paved Trails
- Construction Waste Diversion Equipment
- Historic Trolley Building Stabilization

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- Gardens on Spring Creek – Children’s Garden & Infrastructure
 - Lee Martinez Farm Renovation & Expansion
 - Timberline Recycling Center Improvements

The projects listed in the ballot question include estimated revenue to support each project, including estimated capital costs, five years’ O&M for certain projects, and increases from known inflationary factors. For those projects for which tax revenues may also be used for O&M, the limitation of five years of O&M was designed to allow those service areas managing those facilities and programs to collect the necessary data and experience from at least two budget cycles to determine the appropriations for ongoing O&M costs while maximizing project revenues supported by this tax (if approved).

Under Section 7-156 of the City Code, any registered elector desiring to protest a proposed ballot title or submission clause for any initiated measure must file such a protest with the City Clerk, no later than noon on Monday, August 18, 2025. If a protest is filed, a hearing on the protest will be added to the agenda item and must take place before the Council adopts the Resolution setting the ballot title and submission clause.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

Fort Collins has had sales and use tax dedicated to building a variety of community assets for over 40 years. These programs and the 10-year sunset give the City and the community an opportunity to learn from experience, to look forward when assessing community needs and to be intentional in implementing masterplans, Council priorities, and community desires.

The current CCIP tax will expire on December 31, 2025. Staff analyzed continued capital needs and presented projects to Council, the Council Finance Committee, and the community throughout 2024 and 2025. Staff has been working with Council and the community for over 18-months to develop the proposed project package. This iterative process has resulted in a final package that touches all parts of the City, leverages other dollars, advances community needs and desires, and directly impacts Council priorities. From this work, staff compiled a package of projects to present to Council for consideration of referring the extension to voters at the November 4, 2025, election.

This package differs from previous packages, in that some previous programs have been combined and less specificity has been included. This is intentional and is meant to provide residents enough certainty, while also allowing a degree of flexibility due to an uncertain economic landscape and volatility in federal funding.

The proposed project list for the extension of the 0.25% sales and use tax also represents a package intended to demonstrate the community value of these projects. Further, the list was designed for the purpose of broadly benefitting a variety of residents while also addressing basic infrastructure needs and existing deficiencies.

PROPOSED PACKAGE

Project Rationale and Details

Language in *italics* will be included in the project list, attached to (Proposed) Voter-Approved Ordinance No. 003, 2025 as Exhibit “A”.

Ongoing Capital Programs-Transportation/Engineering

Arterial Intersection Improvement & Streetscapes Program- \$12M

This is a combination of two ongoing programs: arterial improvements and streetscape projects. These have been combined to allow greater flexibility in project selection. Projects are rated through the Transportation Capital Improvement Plan and influenced by development and leveraging opportunities. The Downtown Development Authority has indicated they may be interested in contributing \$1M to the Willow Street streetscape project depending on the timing.

This project will provide an annual fund for improvements to arterial intersections and streetscape improvements as prioritized by safety improvements, multi-modal infrastructure needs, alignment with existing plans, and partnership opportunities.

Bicycle Infrastructure & Overpass/Underpass Program \$11M

This is the combination of two previous package programs: Bicycle infrastructure and over/underpasses. These have also been combined to enhance flexibility and leveraging opportunities. This funding bucket supports the Active Modes Plan, Vision Zero, and 15-minute city goals.

This project will provide annual funding for construction of grade-separated bicycle and pedestrian crossings across roadways and for the implementation of projects identified in the Active Modes Plan, Vision Zero Plan, and that help achieve 15-minute city goals.

Pedestrian Sidewalk Program \$14M

This is a continued program that supports implementing and completing the ADA compliant sidewalk network throughout the City.

This project will provide annual funding to continue to support the decades-long compliance program to eliminate gaps in the City's pedestrian network and improve ADA compliance.

Transfort Bus Replacement & Stop Enhancements \$3M

This is a continued program supporting transit infrastructure and bus replacement. These dollars have traditionally been heavily leveraged.

This project will provide annual funding to make ADA improvements and upgrades at bus stops throughout the City and will support the local match needed to replace Transfort buses over the next 10 years.

Recreational Paved Trails \$2.5M (for 5 years, \$10K may be used annually for O&M)

This is a new program to the capital tax. Following the completion of the Strategic Trails Plan, adding dollars to implement will help leverage the more traditional funding streams such as Conservation Trust Fund dollars.

This project will provide funding to design and construct portions of trails identified in the City's Strategic Trails Plan.

Housing

Affordable Housing Capital Fund \$10M

The previous package was the first time dollars have been allocated to housing. The success and utilization of those dollars along with the ongoing housing priority supports the reflection of more than doubling these amounts in the proposed package. Staff continue to explore ways to make some of these dollars revolving and sustainable to support housing beyond the life of the tax.

This project will provide funding to assist with the development of affordable housing through community partners and public or private housing projects. Funding can be used to establish a revolving loan fund to provide low-interest loans.

Parks & Recreation

Mulberry Pool Recreational Replacement Leveraging Fund \$10M

These project dollars represent a significant placeholder/contribution to a future facility. Mulberry Pool is near end-of-life and while these dollars won't cover a replacement, they will facilitate leveraging and advancement of a future facility.

This project will provide a portion of funding anticipated to be needed to replace the existing recreational facility/opportunities currently provided at Mulberry Pool.

Outdoor Pickleball Complex & Courts \$4M (for 5 years, \$10K may be used annually for O&M)

There is a high demand for additional pickleball courts in the community. Based on outreach and a feasibility study, these dollars will help create an outdoor 12-court complex for the public. Additional court creation could occur through fundraising efforts.

Reducing this funding amount by half would result in fewer courts and amenities.

This project creates additional outdoor stand-alone pickleball courts to help meet the growing need in the community.

Community Bike Park \$5M (for 5 years, \$15K may be used annually for O&M)

These dollars are intended to support the recent feasibility study and could be used for land acquisition and/or design and build of a community scale bike park.

This project and funding can be utilized towards land acquisition, design, and construction of a bike park facility.

Lee Martinez Farm Renovation & Expansion \$1M

These dollars will support enhancements at the Farm including ADA accessibility and the addition of a pavilion/shelter.

This project will provide a shelter facility and greater ADA access throughout The Farm at Lee Martinez Park.

Downtown Parks Shop \$5.5M

A new Parks shop will support two to three district maintenance teams in safe and efficient proximity to maintenance areas. The relocation of the current downtown shop will also facilitate the future Civic Center Masterplan.

This project will provide a new parks shop for maintenance crews which will result in an efficient, safe, and consolidated work space for people, vehicles, machinery, and horticulture activities.

Cultural Amenities

Historic Trolley Building Renovation \$2.2M (for 5 years, \$20K may be used annually for O&M)

The historic downtown trolley building is an under-utilized public amenity. Stabilizing the building through the use of these dollars will help advance a public process and ultimate partnership to activate the building for public good.

The project will stabilize the existing historic 1906 downtown trolley barn to a state that allows for consideration of potential programming, public-private partnership, and public utilization.

Gardens on Spring Creek Children's Garden and Event Infrastructure Upgrades \$1.3M

The Children's Garden was the original garden and was created more than 20 years ago. Updating and enhancing this garden will enhance the learning and interactive opportunities while also addressing maintenance issues. Additional garden enhancements could also be achieved through Friends of the Garden fundraising efforts.

This project will renovate the 20-year old Children's Garden to enhance learning opportunities and contribute to event infrastructure upgrades.

Nature and Environment

Poudre River North – Health, Access, Parks, and Trails \$8M (for 5 years, \$20K may be used annually for O&M)

These project dollars can leverage planned work and funding from stormwater, parks, and natural areas. The area north of the river will likely see development in the coming years and improving access from north to south for both recreation, nature experience, and circulation will benefit residents of the area and provide an opportunity for river enhancement and protection. Focus in the area will also be informed by any potential mitigation efforts from the Northern project.

This project will leverage Parks, Stormwater and Natural Areas goals and projects to enhance the Poudre River and access for residents north of Lee Martinez Park and west of College Avenue.

Timberline Recycling Center Improvements: \$1.0M

This project has been reduced due to grant funding being secured. Upgrades will include the installation of a fire hydrant and a restroom along with accessibility and safety improvements.

This project will provide a fire hydrant, restroom, and enhanced safety features at the recycling center.

Construction Waste Diversion Equipment: \$2.2M

The City has been able to recycle/reuse significant amounts of concrete, asphalt, soil, and tree material at the Hoffman Mill Crushing Facility. This work requires specialized heavy equipment that is in need of replacement. These dollars will allow for that needed replacement.

This project will replace large equipment over the next 10 years to advance construction and demolition waste and recycling/reuse goals of the City.

Nature in the City: \$3M

This is a continuing fund that supports projects that create native and naturalized landscapes throughout the community.

This project provides annual funding to protect access to nature which can include enhancing existing sites to provide native habitat and increasing species connectivity.

Composting Infrastructure Advancement \$7M (for 5 years, \$20K may be used annually for O&M)

This project will directly advance Council priorities related to waste diversion and community-scale composting efforts.

This project funding will be utilized to advance and scale community-wide composting efforts and infrastructure.

CITY FINANCIAL IMPACTS

This Resolution refers an extension of the expiring 0.25% sales and use tax for voter consideration. If approved, **this is an extension, rather than a new tax**; therefore, there will be no change to the existing, applicable sales and use tax rate. The 0.25% tax is collected from all purchases of all tangible personal property and services and excludes purchases of prescription drugs and groceries ("food for home consumption"). The estimated revenues that would be collected over the ten-year term of the extension (January 1, 2026, to December 31, 2035) is approximately \$127.7 million.

The current rate of the tax proposed to be extended is the equivalent to \$0.25 (a quarter) on a \$100 taxable purchase. The average impact on a resident is approximately \$2.83 per person/per month or \$33.22 per person annually. This does not account for non-resident purchases made within the City.

Without the tax revenue generated by the extension of the 0.25% tax, the most immediate impact and likely reduction in service levels would be in the City functions providing transportation, road, and sidewalk infrastructure because these capital projects are chiefly supported by the 0.25% tax.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

Starting in early 2025 staff engaged both resident groups and Boards and Commissions reaching approximately 400 residents. This includes a presence at State of the City, Rotary Clubs, Leadership Fort Collins, Fort Collins Chamber groups, Friends of the Gardens, CityWorks 101, and the following Boards/Commissions:

- Affordable Housing Board
- Youth Advisory Board
- Natural Resources Advisory Board
- Land Conservation & Stewardship Board
- Parks & Recreation Board
- Transportation Board
- Disability Advisory Board
- Economic Advisory Board (twice)
- Senior Advisory Board
- Downtown Development Authority
- Human Relations Commission

ATTACHMENTS

1. Proposed Ten-Year Project Package and Project Sheets
2. Work Session Summary, July 8, 2025
3. Presentation
4. Resolution 2025-077
5. Resolution 2025-077 – August 18, 2025 Strikeout Version
6. Resolution 2025-077 – August 18, 2028 Version