



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - City Administrator	August 6, 2024

AGENDA ITEM

Resolution 2024 - 47, A Resolution of the City Council of the City of Salida, Colorado Consenting to the Calling of an Election by the Chaffee Housing Authority on November 5, 2024, and the Submission of a Question to Impose a Sales Tax within the Boundaries of the Authority

BACKGROUND

The City of Salida, Town of Buena Vista and Chaffee County (contracting members), collectively formed the Chaffee Housing Authority (CHA), a multi-jurisdictional housing authority, overseen by Section 18 of Article XIV of the Colorado Constitution and Section 29-204.5 of the Colorado Revised Statutes. As a multi-jurisdictional housing authority, the CHA is held to statutory requirements and obligations pertaining to the collection and retention of tax dollars. The founding IGA requires that the member jurisdictions consent to the submission of ballot issues.

The Board of the CHA has determined that it is within the public interest and necessity to request an increase in sales taxes with the Authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management and operation of housing projects and programs pursuant to the strategic plan and Intergovernmental Agreement.

The CHA Board is asking voters to approve a 0.5% sales tax, equating to \$3.5 million dollars in the first year, with a sunset of December 31, 2036. The ballot question notes that the CHA will utilize the funds not only for the acquisition, construction or renovation of housing, but also for the management and administration of deed restrictions and rental assistance programs.

The City of Salida, along with the other member jurisdictions have been providing funding to the CHA for the last four (4) years. Specifically, Salida has been budgeting approximately \$31,000 towards CHAs operations annually.

RECOMMENDATION

As a multi-jurisdictional housing authority, the CHA Board is made up of representatives from each of the member jurisdictions. Mayor Dan Shore and Cory Riggs sit as Salida's representatives on the Board. The CHA Board is in full support of this Resolution. Staff understands the importance of a fully funded housing authority, with a multi-year revenue stream that allows the organization to provide housing, services and programs to community members.

FISCAL IMPACT

There is no immediate fiscal impact. If the ballot measure passes, the City could reduce or eliminate our annual contribution from the general fund.

MOTION

A City Councilmember should state "I move to _____ Resolution 2024 - 47, A Resolution of the City Council of the City of Salida, Colorado Consenting to the Calling of an Election by the Chaffee Housing Authority on November 5, 2024, and the Submission of a Question to Impose a Sales Tax within the Boundaries of the Authority," followed by a second and a roll call vote.

**CITY OF SALIDA, COLORADO
RESOLUTION NO. 48
(Series of 2024)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO,
CONSENTING TO THE CALLING OF AN ELECTION BY THE CHAFFEE HOUSING
AUTHORITY ON NOVEMBER 5, 2024 AND THE SUBMISSION OF A QUESTION TO
COLLECT AND RETAIN AUTHORITY REVENUE**

WHEREAS, Chaffee County, Colorado (the “County”) is a duly created and organized county existing under the Constitution and the laws of the State of Colorado (the “State”); and

WHEREAS, the City of Salida, Colorado (“Salida”) is a statutory town and political subdivision of the State, duly organized and existing as a statutory municipality under the laws of the State, acting through its elected City Council (the “City Council”); and

WHEREAS, the Town of Buena Vista, Colorado (“Buena Vista”) is a statutory town and political subdivision of the State, duly organized and existing as a statutory municipality under the laws of the State, acting through its elected Board of Trustees (the “Board”); and

WHEREAS, the County, Buena Vista and Salida are collectively referred to herein as the “Contracting Members”; and

WHEREAS, pursuant to Section 18 of Article XIV of the Colorado Constitution and Section 29-1-204.5, Colorado Revised Statutes (the “Act”), the Contracting Members, created the Chaffee Housing Authority, a multijurisdictional housing authority (the “Authority”), which Authority operates pursuant to the Act and an intergovernmental agreement establishing the Authority (the “Contract”); and

WHEREAS, the governing bodies of each of the Contracting Members (the “Governing Bodies”) have heretofore approved the Contract for the Authority; and

WHEREAS, pursuant to the Contract for the Authority, the Board of Directors of the Authority has a duty to annually adopt an Administrative Plan, Strategic Plan, and/or Community Guidelines for deed restriction management; and

WHEREAS, the Board of Directors of the Authority has determined that public interest and necessity require the submission to the voters of the Authority the ability to collect and retain all revenue of the Authority including state and local grants without regard to Article X, Section 20 of the Colorado Constitution (“TABOR”); and

WHEREAS, TABOR requires voter approval granting the ability to keep and retain revenues; and

WHEREAS, TABOR requires elections on ballot issues (as defined in TABOR) to be held on limited election days; and

WHEREAS, November 5, 2024 is one of the election dates at which ballot issues may be submitted pursuant to TABOR; and

WHEREAS, the Board of Directors of the Authority has requested that each of the Contracting Members consent to the Authority submitting a ballot issue to the voters of the Authority at the November 5, 2024 election to collect and retain revenue in excess of TABOR; and

WHEREAS, it is necessary for the governing bodies of the Contracting Members to consent to the calling of the election by the Authority; and

WHEREAS, the City Council finds that retaining revenue in excess of TABOR furthers the goals of the Authority, including but not limited to providing attainable and affordable housing projects or programs for employees of employers located within the jurisdictional boundaries of the Authority, which is in the best interest of Salida.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO:

Section 1. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the City Council and the officers thereof, directed toward the election and the objects and purposes herein stated are hereby ratified, approved and confirmed.

Section 2. The City Council hereby consents to the participation of the Authority in an election to be held on November 5, 2024, in the manner prescribed by resolution of the Authority attached hereto as **Exhibit A**.

Section 3. If any section, subsection, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or provision shall in no manner affect any remaining provisions of this resolution, the intent being that the same are severable.

Section 4. All orders, resolutions, bylaws, ordinances or regulations of Salida, or parts thereof, inconsistent with this ordinance are hereby repealed to the extent only of such inconsistency.

RESOLVED, APPROVED AND ADOPTED this 6th day of August, 2024.

CITY OF SALIDA, COLORADO

Dan Shore, Mayor

(SEAL)

ATTEST:

City Clerk/Deputy City Clerk

EXHIBIT A

FORM OF AUTHORITY RESOLUTION – COLLECT AND RETAIN REVENUE

CHAFFEE HOUSING AUTHORITY

A RESOLUTION SUBMITTING TO THE QUALIFIED ELECTORS OF THE CHAFFEE AUTHORITY, AT THE ELECTION TO BE HELD NOVEMBER 5, 2024, A BALLOT QUESTION AUTHORIZING A SALES TAX INCREASE.

WHEREAS, the Chaffee Housing Authority (the “Authority”), is a multi-jurisdictional housing authority formed pursuant to an agreement authorized by Section 29-1-204.5 (the “Act”) between Chaffee County, the City of Salida, and the Town of Buena Vista, Colorado (the “Contracting Members”); and

WHEREAS, the members of the Board of Directors of the Authority (the “Board”) have been duly appointed and qualified; and

WHEREAS, the Contracting Members have previously approved an establishing contract setting forth certain powers and functions of the Authority (the “Contract”); and

WHEREAS, the Board has determined that public interest and necessity require an increase in sales taxes within the Authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management and operation of housing projects or programs pursuant to a multi-jurisdictional plan (the “Projects”); and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR”) requires voter approval for any tax increase; and

WHEREAS, pursuant to Section 29-1-204.5 (7.5), C.R.S., no tax increase shall take effect unless first approved by the registered electors of the Authority; and

WHEREAS, Section 29-1-204.5(2)(f.1), C.R.S. provides that the Authority, subject to an election, may levy a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or other incident with respect to which a sales or use tax is levied by the state, excluding the sale or use of cigarettes; and

WHEREAS, as required by Section 29-1-204.5(2)(e)(I), C.R.S., the levying of such taxes or fees will fairly distribute the costs of the Authority’s activities among the persons and businesses benefitted thereby and will not impose an undue burden on any particular group of persons and businesses; and

WHEREAS, November 5, 2024 is one of the election dates at which ballot issues may be submitted pursuant to TABOR; and

WHEREAS, it is necessary to set forth certain procedures concerning the conduct of the election; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHAFFEE HOUSING AUTHORITY:

Section 1. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Authority and the officers thereof, directed towards the election and the objects and purposes herein stated are hereby ratified, approved and confirmed. All

terms used herein and not otherwise defined shall have the meanings set forth in Uniform Election Code of 1992, and all laws amendatory thereof and supplemental thereto.

Section 2. Pursuant to TABOR, the Uniform Election Code and the Act, the Board hereby determines to call an election to be conducted on November 5, 2024, as a coordinated mail ballot election (the “Election”). The Board hereby determines that at the Election, there shall be submitted to the qualified electors of the Authority the question set forth in Section 3 hereof. Because the election will be held as part of the coordinated election, the Board hereby determines that the County Clerk and Recorder for Chaffee County (the “County Clerk”) shall conduct the election on behalf of the Authority. The officers of the Authority are hereby authorized to enter into one or more intergovernmental agreements with the County Clerk pursuant to Section 1-7-116, C.R.S. Any such intergovernmental agreement heretofore entered into in connection with the election is hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes and directs the designated election official to certify to the County Clerk on or before September 6, 2024, a ballot question in substantially the following form. Such question shall be submitted to the eligible electors of the Authority at the Election:

BALLOT QUESTION TO INCREASE SALES TAX

SHALL THE CHAFFEE HOUSING AUTHORITY’S TAXES BE INCREASED NOT MORE THAN \$3.5 MILLION IN THE FIRST FULL FISCAL YEAR COMMENCING JANUARY 1, 2025, AND BY WHATEVER ADDITIONAL AMOUNTS AS ARE RAISED ANNUALLY THEREAFTER THROUGH DECEMBER 31, 2036, FROM THE IMPOSITION OF A SALES TAX WITHIN THE BOUNDARIES OF THE CHAFFEE HOUSING AUTHORITY AT A RATE NOT TO EXCEED FIVE TENTHS OF ONE PERCENT (0.5%) TO BE USED TO FUND CHAFFEE HOUSING AUTHORITY ACTIVITIES CONSISTENT WITH AND AS DESCRIBED IN THE AGREEMENT ESTABLISHING THE AUTHORITY APPROVED BY CHAFFEE COUNTY, THE CITY OF SALIDA AND THE TOWN OF BUENA VISTA, INCLUDING BUT NOT LIMITED TO:

1. ACQUIRING PROPERTY, SUBSIDIZING OR OTHERWISE PROVIDING INCENTIVES FOR THE ACQUISITION, CONSTRUCTION OR RENOVATION OF HOUSING TO BE USED BY PERSONS OF LOW AND MODERATE INCOME INCLUDING LOCAL WORKFORCE AND OTHER COMMUNITY MEMBERS;
2. MANAGING AND ADMINISTERING DEED RESTRICTIONS AND RENTAL ASSISTANCE PROGRAMS AND THE QUALIFICATION OF ELIGIBLE BUYERS AND TENANTS;

AND SHALL THE SALES TAX AND OTHER REVENUE OF THE AUTHORITY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

Section 4. [] is hereby appointed as the designated election official of the Authority for purposes of performing acts required or permitted by law in connection with the Election. Further, all officers of the Authority shall be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

Section 5. Pursuant to Article V(c) of the Contract and Section 29-1-204.5, the Authority hereby designates the Treasurer to coordinate with the Colorado Department of Revenue regarding the collection, administration, and enforcement of any sales tax.

Section 6. If a majority of the votes cast on the question of increasing Authority taxes for the purposes specified in the Contract submitted at the Election shall be in favor of same, the Authority shall be authorized to proceed with the necessary action to comply with such questions.

Section 7. Any authority to increase taxes, if conferred by the results of the Election, shall be deemed and considered a continuing authority to increase taxes, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

Section 8. The Board hereby determines that the levy of such sales tax will fairly distribute the costs of the Authority's activities among the persons and businesses benefitted thereby and will not impose an undue burden on any particular group of persons or businesses.

Section 9. If any section, subsection, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or provision shall in no manner affect any remaining provisions of this resolution, the intent being that the same are severable.

Section 10. All orders, resolutions, bylaws, ordinances or regulations of the Authority, or parts thereof, inconsistent with this resolution are hereby repealed to the extent only of such inconsistency.

UPON a motion duly made, seconded and carried, the foregoing Resolution was adopted this ____ day of _____, 2024.

CHAFFEE HOUSING AUTHORITY

Chairperson

ATTEST:

Secretary