



Employer increases, new benefit proposed for fire and police pensions



By Kevin Bommer, CML executive director

On Monday, Oct. 21, the Colorado General Assembly's interim Pension Reform Commission will consider draft legislation approved for drafting at its last meeting. If approved by the commission, the legislation would be introduced as a committee bill in the upcoming legislative session.

The lone bill draft will contain five items requested by a majority of the Fire and Police Pension Association (FPPA) Board. A proposal to stabilize the Statewide Death & Disability (D&D) Plan, which was supported by CML and other employer representatives during a prior task force process, will be included within the single draft bill. However, the draft will also include employer

contribution increases for employers affiliated with the FPPA Statewide Defined Benefit (SWDB) Plan and a benefit enhancement that will also increase employer contributions.

CML has specifically flagged three of the five elements of the legislation:

1. Increase funding of the Statewide D&D Plan to reach 100% funded status.

The 0.2% contribution increase (with likely annual increases by the FPPA Board) may be split by the employer with employees. The source of contributions are not specified in statute. Additionally, a cash infusion from the state will be requested. CML believes this is necessary to shore up the D&D fund, and staff is disappointed it is not a standalone bill proposal.

2. Increase employer contribution rate to the SWDB Plan by 4%.

The 0.5% annual increase over eight years would be solely on the employer, even though the plan is nearly fully funded. The intent of proponents is to guarantee the availability of excess funds to provide cost of living adjustments (COLAs) to retirees.

3. Allow SWDB plan members whose age and years of service total 80 to elect a normal retirement benefit.

This is a benefit enhancement for early retirement, and the 1% contribution increase to afford it would be solely on the employer.

League staff is currently gathering sample fiscal impact to share with the committee, but the impact to local budgets will be significant. Staff is asking the CML Policy Committee to recommend a position of oppose unless amended to remove the SWBD unfunded mandates, in order to focus on the critical issues facing the D&D plan.

The Pension Reform Commission will meet on Oct. 21 to review and vote on whether the legislation that will be drafted will be introduced in the 2020 session as a committee bill. More information on committee members, links to documents, and a link to listen to committee proceedings can be found at leg.colorado.gov/committees/pension-review-commission/2019-regular-session.

CML supports Propositions CC and DD

CML is supporting Propositions CC and DD on the November ballot. We created a webpage called 2019 Ballot Propositions (www.cml.org/home/advocacy-legal/2019-ballot-propositions). This webpage, featured on our homepage under Advocacy, contains information on each proposition, along with resources and links to additional information.

For Proposition CC, the webpage includes a model resolution that municipalities can use to support Proposition CC and a frequently asked questions document for municipal officials. It also includes a link to the CML memo supporting the proposition and a

handout with more information. Municipalities will recognize Proposition CC as being similar to most of the revenue retention (a.k.a. "de-Brucing") elections that have occurred at the local level, but there are some additional aspects that CML would be happy to discuss should municipalities need additional information.

For Proposition DD, the webpage includes a link to the CML memo supporting the proposition.

For both propositions, we have provided updated information on the Fair Campaign Practices Act and links to the Blue Book

language. Please review the Fair Campaign Practices Act information to ensure that any activities in support of the propositions are in accordance with the law.

If you have any questions, or need additional information on either proposition, contact CML Executive Director Kevin Bommer (kbommer@cml.org) or CML General Counsel David Broadwell (dbroadwell@cml.org). Should your municipality decide to pass a resolution in support of either proposition, please email it to CML Municipal Research Analyst Melissa Matta at mmata@cml.org.

Municipal attorneys tackle an array of hot topics at seminar

By David W. Broadwell, CML general counsel

Municipal attorneys from every corner of the state recently converged on the City of Greeley to attend the CML Annual Seminar on Municipal Law. The seminar proved to be one of CML's most successful legal education programs ever with 155 registrants, a record number for this event.

While CML has conducted a fall training session for municipal attorneys for decades, this was the first time the event has been hosted in Greeley. Based upon our experience, it won't be the last!

The new Doubletree hotel in the heart of Greeley, directly adjacent to Lincoln Park and the Union Colony Civic Center, served as the venue for the seminar. The event offered everyone the opportunity to explore Greeley's rejuvenated downtown district, and learn a bit about local history from Greeley City Attorney Doug Marek.

Marek and his staff went above and beyond in helping CML to host this event and welcoming the attorneys to their city.



As usual, all training materials for the seminar are posted online and are available to CML members at bit.ly/LawWorkbook19.

Among the hot topics addressed at this year's training:

- Residential growth caps
- Sexual harassment in the workplace
- Impact of criminal justice reform measures on municipal courts
- Regulatory takings and moratoria
- Colorado's new "Red Flag" law (Extreme Risk Protection Orders)

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Next year's Annual Seminar on Municipal Law is scheduled to occur in Pueblo on **Oct. 2-3, 2020.**

CML Mayors' Summit

CML is hosting its annual Colorado Mayors' Summit on **Nov. 15**, in Denver, which brings mayors from across the state together to learn from and network with each other. For more information and to register, visit www.cml.org.

SAFE Banking Act passes U.S. House of Representatives

The SAFE Banking Act, co-authored by U.S. Rep. Ed Perlmutter (D-CO), passed through the U.S. House of Representatives on Sept. 25. This act seeks to harmonize federal and state law by prohibiting federal regulators from taking punitive measures against depository institutions that provide banking services to legitimate cannabis-related businesses and ancillary businesses (e.g. electricians, plumbers, landlords, etc.) that serve them. The bill establishes a safe harbor for any depository institution that chooses to provide banking services to a cannabis-related legitimate business that holds and maintains a license from a state or local government to engage in manufacturing, growing, or producing, as well as any business that handles, sells, transports, displays, or distributes cannabis or cannabis products.

Under current law, financial institutions providing banking services to legitimate and licensed cannabis businesses under state laws are subject to criminal prosecution under several federal statutes such as "aiding and abetting" a federal crime and money

laundering. Therefore, businesses that legally grow, market, or sell cannabis in states that have legalized its sale are generally locked out of the banking system, making it difficult for them to maintain a checking account; access credit; accept credit and debit cards; meet payroll; or pay tax revenue. This has created a significant public safety risk, as these businesses are forced to operate as cash-only businesses in an industry with billions of dollars in transactions.

In April, the Senate companion bill (S. 1200) was introduced by Sens. Cory Gardner (R-CO) and Jeff Merkley (D-OR). The Senate Banking Committee held a hearing on the issue in July, and Banking Committee Chairman Mike Crapo (R-ID) recently announced plans to take up cannabis banking legislation this fall.

"CML supports the SAFE Banking Act and thanks Congressman Perlmutter and his bipartisan group of colleagues for all of their efforts," said Kevin Bommer, CML executive director. "We are pleased the Senate will take up companion legislation this fall and thank Sen. Cory Gardner for sponsoring it."



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Newsletter

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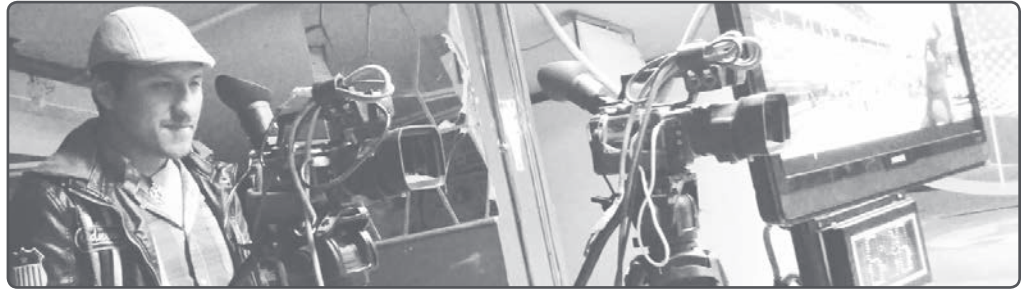
Struggling Colorado Film Incentives Program receives temporary boost

Morgan Cullen, CML legislative and policy analyst

In an effort to attract new movie and television productions to Colorado and keep its proverbial doors open until additional funding is approved, officials at the Colorado Department of Economic Development and International Trade (OEDIT) have infused its struggling Office of Film, Television and Media with desperately needed one-time funds to keep it solvent until the end of the fiscal year in June.

The OEDIT directive will transfer \$1.25 million from the department's \$5 million annual Strategic Fund budget to help the state's cash-strapped Film Incentive Program persuade new television film production companies to focus their lenses and open pocketbooks here in Colorado.

Created in 2012, the film incentive program offers rebates of up to 20% of a production company's expenses if they hire a majority of their cast and crew from within the state. For many, the incentives have been viewed as a valuable economic development tool, particularly in rural areas of the state that benefit greatly from the influx in jobs and ensuing tourism the notoriety of a feature film or TV program helps generate. Critics of the program claim the incentives have merely lined



the pockets of well-heeled producers who would have filmed in the state anyway.

While the program received budgets of \$3 to \$5 million in its first several years, the Colorado General Assembly has since reduced that number to just \$750,000. This reduction, along with an escalation of incentives in neighboring states, has triggered a de facto film incentives arms race that has left Colorado ill-equipped to compete.

The neighboring state of Utah allocates \$8.29 million annually to its Motion Picture Incentive Program offering 25% to 30% fully refundable tax credits and rebates. New Mexico recently more than doubled its annual cap on its 25% to 30% refundable tax credit – from \$50 million to \$110 million – and has since persuaded Netflix to relocate its main production hub to Albuquerque. Today, 36 states have implemented some type of film incentive program – up from just five in 2009.

In Colorado, film office director Mariel Redriguez-McGill sees the program as a tremendous advantage both for attracting new projects and assisting businesses in the state that support the industry. "While the \$16 million the office put toward incentives between 2012 and the first half of this year generated \$111 million in economic impact in 55 combined counties, recent studies have shown the film industry had just one-sixth the economic impact in 2019 that it had in 2017 under a fully funded incentive program."

The debate over whether or not the Colorado General Assembly votes to restore funding will likely center on the effectiveness of the incentive program and whether it truly pays for itself through increased economic activity – or whether that money could be spent supporting more critical areas of Colorado's cash-strapped budget.

Rural Health Network Development Program

The Health Resources and Services Administration is accepting applications for funding under the Rural Health Network Development (RHND) Program. The purpose of this program is to support integrated rural health care networks that have combined the functions of the entities participating in the network, including skilled and experienced staff and a high-functioning network board, in order to address the health care needs of the targeted rural community. The RHND Program encourages innovative solutions to local health care needs identified by local communities and supports rural communities in preparing for changes within the health care environment. The applicant organization must be a public or private nonprofit entity located in a rural area or in a rural census tract of an urban county, and all services must be provided in a rural county or census tract. Apply by **Nov. 25**. For more information, visit bit.ly/2InKiLY.

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Editor's note: Per federal law, CML is required to publish our Statement of Ownership, Management, and Circulation annually.

Hale joins CIRSA Board of Directors

In September, Shane Hale, Windsor town manager, joined the CIRSA Board of Directors. He was appointed to fill the position vacated by Gary Klaphake, who recently retired from the position of Lafayette city administrator. His experience working in an array of municipalities provides members with a unique perspective to represent their best interests.

Hale joins the following officials on CIRSA's Board:

- Martee Erichson, Westminster risk manager (chairperson)
- Jeff Durbin, Town of Fraser town manager (vice-chairperson)
- Houssin Hourieh, Lamar superintendent/electrical engineer (secretary/treasurer)
- Greg Caton, Grand Junction city manager (also a CML Executive Board member)
- Crystal Twedt, Durango human resources director
- Suzanne Leclercq, Woodland Park assistant city manager/city clerk

"Like CML, CIRSA exists to serve the needs of municipalities," said CIRSA Executive Tami Tanoue. "Both of our organizations are fortunate to be able to depend on the time and energy that municipal officials like Shane give to keep us on course."

Congratulations

CML congratulates Kevin Bommer, Meghan Dollar, Melissa Mata, and Christine Taniguchi, who are celebrating their work anniversaries in October.



Kevin Bommer
CML executive director
20 years



Meghan Dollar
CML legislative and policy advocate
8 years



Melissa Mata
CML municipal research analyst
2 years



Christine Taniguchi
CML design and communications specialist
8 years

Course notebook

Economic development

Attend this free event on **Oct. 15** in La Junta to learn how to turn your business into a uniquely positioned destination capable of pulling in customers from hundreds of miles away. Jon Schallert is a professional speaker teaching businesses and communities how to turn themselves into consumer destinations. To register, visit bit.ly/2ngzmsm.

Investing and entrepreneurship

Come and learn about investing, entrepreneurship, and economic development in Summit County and on the Western Slope at The Summit: Investing, Startups, and Real Estate in Mountain Towns on **Oct. 16** in Silverthorne. For more details and to register, visit bit.ly/2ATABkF.

Downtowns

Community Builders is offering a free and interactive half-day Colorado Downtown Streets Workshop on **Oct. 21** in San Luis. Learn to work with government agencies, identify problems, consider solutions, and build projects. Attendees will receive a free copy of *Colorado Downtown Streets: A Tool for Communities, Planners, and Engineers* and lunch will be provided. To register by **Oct. 16**, visit bit.ly/2LLI3pf.

Sustainable tourism

The Global Sustainable Tourism Council Sustainable Tourism Training Program, **Oct. 28–29**, in Vail, offers participants the opportunity to learn about global trends in sustainable tourism and sustainability best practices. The intensive and interactive learning experience is a valuable training opportunity for professionals in tourism, hospitality, destination management and marketing, and sustainability. For more information, visit walkingmountains.org/sttp.

Bicycle and pedestrian facilities

The Colorado Department of Transportation (CDOT) is offering free design classes for bicycle facilities (**Oct. 28** in Pueblo and **Oct. 31** in Denver) and pedestrian facilities (**Oct. 29** in Pueblo and **Nov. 1** in Denver). Participants will learn how to apply new and existing standards for creating bicycle and pedestrian facilities. Information will be provided through hands-on exercises, on-street experiences, presentations, and discussions. For more information and to register, visit bit.ly/3323bvT.

Community development

Downtown Colorado, Inc., American Planning Association of Colorado, and the City of Lakewood are proud to bring Chuck Marohn, founder and president of Strong Towns, to Lakewood on **Oct. 30** to kick off the Strong America Tour! Strong Towns is a national organization dedicated to community development. For more information and to register, visit bit.ly/31KNZTH.

Demography

This one-day conference on **Nov. 1** offers attendees the opportunity to learn about the most current population and economic conditions and forecasts for the state and its regions. Plenary sessions will cover not only the data and information but also implications for planning, policy, business, and public services. Sessions will also cover the latest status of Census 2020. For more information and to register, visit demography.dola.colorado.gov/demography/demography-summit-2019.

Community planning for economic recovery

The Colorado Resiliency Office, in partnership with the National Center for Disaster Preparedness, is holding a free FEMA Community Planning for Economic Recovery training in Salida on **Nov. 14**, from 9 a.m. to 5 p.m., at the SteamPlant Event Center. The Community Planning for Economic Recovery course will guide decision-makers to incorporate community planning for economic resilience and recovery from natural disasters. The curriculum includes practical tools to develop stronger partnerships between the public and private sectors, evaluate community hazard assessments through the lens of economic recovery, provide resources for public and private sector partners to use in a post-disaster environment, and offer planning templates for articulating these actions at the community level. For more information and to register, visit ncdpcourses.crlctraining.org.

NLC City Summit

The National League of Cities (NLC) City Summit, **Nov. 20–23**, in San Antonio, is where local leaders convene and collaborate on solutions to the common challenges facing America's cities and towns. The conference offers tangible and new best practices for government officials to improve their conditions back home. For more information and to register, visit citysummit.nlc.org.

Research corner: NLC releases housing market report

By Melissa Mata, CML municipal research analyst



In September, the National League of Cities (NLC) released its latest report, "Housing Market Conditions Across America's Cities." This report offers insight into the variety of factors, such as lack of supply, slow wage growth, and insufficient transit options, that combine to create different manifestations of the affordable housing crisis across the country. NLC offers this analysis so that local leaders can consider the appropriate policy and regulatory solutions that work best in their particular market.

NLC authors Anita Yadavalli, James Brooks, Brenna Rivett, and Christiana McFarland consider various demographic, economic, and housing supply factors to classify the 754 American cities and towns with populations of more than 50,000 into one of six categories:

High opportunity cities and towns tend to exhibit high median incomes and job growth and are approving low levels of single-family and average levels of multi-family building permits. The overall stock of both single- and multi-family housing is not keeping pace with resident needs, and without policy action, they may fall short of producing the appropriate quantity and mix of dwellings to match their high job growth. Colorado city included in this category: **Broomfield**.

Growing cities and towns tend to exhibit average median income and high job growth and are approving high levels of both single- and multi-family building permits. They are experiencing growing populations of millennials and college-educated individuals, as well as growing job opportunities within closer-than-average proximity, and could therefore use more multi-family units. Without policy action, they may not be able to sustain their current state of net in-migration. Colorado cities included in this category: **Boulder, Denver, Fort Collins, Lakewood, Longmont, and Loveland**.

Rent-burdened cities and towns tend to exhibit low median income and job growth and are approving the highest number of single- and multi-family building permits of all the clusters. With low levels of college education and relatively high levels of rent burden, these cities and towns, while approving more building permits than any other cluster, should be prioritizing

affordable multi-family housing to meet the demands of their predominately low-income populations. Without policy action, low-income residents will likely continue to experience rent burden or be priced out of the cities and towns altogether. Colorado municipalities included in this category: **Aurora, Colorado Springs, Grand Junction, and Greeley**.

Multi-family deficit cities and towns tend to exhibit average median income and job growth and are approving average levels of single-family building permits, but low levels of multi-family building permits, and should consider whether the number of multi-family housing units being approved is sufficient to meet the rising demand of their middle-income residents. Without policy action, they may not be able to sustain their current state of net in-migration. Colorado municipalities included in this category: **Arvada, Commerce City, Thornton, and Westminster**.

Wealth pocket cities and towns tend to exhibit the highest median income and job growth of all the clusters and are approving high levels of single-family building permits, but low levels of multi-family building permits. These cities also have the highest gender income gap. Without policy action, residents are likely to continue experiencing disparities in income and access to quality, affordable housing. Colorado municipalities included in this category: **Castle Rock, Centennial, and Parker**.

Transit-desiring cities tend to exhibit the lowest median income and job growth of all the clusters and are approving the lowest levels of single-family building permits, and average levels of multi-family building permits. Given that median incomes are lower in these cities, increasing access to public transit will be extremely important for ensuring that residents can access jobs. Colorado city included in this category: **Pueblo**.

While this research analyzed municipalities above a certain size threshold, smaller cities and towns might see themselves in these categories. To read the full report and better understand where your city or town might fit in, visit www.nlc.org/resource/housing-market-conditions-across-americas-cities.



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Newsletter

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