



Gov. Polis releases budget proposal; directs \$160M toward rural broadband connectivity



The heightened connectivity challenges experienced by many municipalities due to the COVID-19 pandemic continue to underscore the need for expanded broadband access to meet the economic development, education and healthcare needs of all Colorado residents. CML will continue working diligently toward this objective.

Other key budget items affecting municipalities include \$160 million to expand broadband infrastructure statewide, \$5 million in additional grant funding to local governments for renewable

and clean energy projects, and \$3.7 million in grant funding for local law enforcement agencies to purchase body-worn cameras (bit.ly/38dZEAt). The governor's plan also would restore some of the \$3 billion in spending cuts lawmakers made earlier this year after the pandemic lockdown reduced state revenues. This includes adding money back to K-12 education and higher education to restore them to previous spending levels. The release of the governor's plan is the first step in the state's budgetary process.

As part of his budget proposal to the Joint Budget Committee on Nov. 12, Gov. Jared Polis announced his intentions to direct \$160 million to stimulate economic growth, create jobs, and establish rural broadband connectivity around the state. This funding is part of a supplemental request to the state's current year budget that will be offered in January and is contingent upon the approval of the Joint Budget Committee and the General Assembly. If approved, these funds could be made available as early as February/ March of 2021.

From December to April, members of the Joint Budget Committee will make funding decisions for the upcoming fiscal year. The state's fiscal outlook and this budget could change considerably given the outcomes of the four tax- and fee-related ballot measures. Based on these results, the governor and the legislature may have additional money to allocate towards critical services. CML staff will update members on key decisions related to municipal matters.

In a call with CML, CCI and other state agency stakeholders, details were announced on how the administration would like the \$160 million apportioned:

- \$110 million for middle mile and last mile projects, recommended to be deployed through the existing Broadband Fund and grant programs in the state agencies (DORA and DOLA);

- \$20 million for educational initiatives through the Colorado Department of Education (CDE);
- \$20 million for healthcare initiatives through the Office of eHealth Innovation (OeHI); and
- \$10 million for tribal programs.

If this funding supplemental is adopted, it will be directed toward "shovel ready" projects in the Spring of 2021. A copy of the supplemental budget request can be read at bit.ly/3f5DfHd.

The funding announcement comes just days after the release of a new report from the Colorado Broadband Office (CBO) entitled "Governor's Broadband Initiatives Report." (read the full report at bit.ly/2HfILM4).

Over the years, CML has consistently supported additional state and federal resources for the development of broadband infrastructure in unserved and underserved areas across the state.

CML Events

Promoting Colorado with Care

Jan. 20, noon – 1 p.m.

This presentation will include the Colorado Tourism Office's fall campaign, their new school-cation program, as well as their dual focus for winter: using campaign resources

1. to drive recovery in the most afflicted parts of our state and
2. to share important safety messages (winter backcountry safety and anti-super spreader).

The safety messages are aimed at reducing the impact on Colorado search and rescue operations and on rural public health resources.

Member news

New Associate Member

Equitable

Sean Duncan, regional vice president
188 Inverness Dr. W., Suite 665
sean.duncan@equitable.com
www.equitable.com

Our mission is to help our clients secure their financial well-being so they can pursue long and fulfilling lives.



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Newsletter

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Advocacy in the time of COVID-19 – safety protocols at the Colorado Capitol

A recent spike in COVID-19 infections and hospitalizations across Colorado this winter has increased the likelihood that many of the public health and safety requirements adopted by General Assembly last spring will remain in place.

While CML acknowledges the essential role that city council members, town boards and municipal employees play in advocating on behalf of municipal interests at the State Capitol, it is important to understand the current safety protocols in place so that you can plan accordingly.

Anyone who is at high-risk of serious illness from COVID-19, or who is experiencing symptoms (including fever, cough, general aches and pains, and fatigue), should stay at home and not come to the Capitol.

Members of the public must wear masks or facial coverings at all times that they bring from home.

Everyone in the building is asked to wash their hands frequently, especially before and after meetings, floor work and upon entering or leaving the building.

Members of the public entering the Capitol building must do so through the south side entrance and will have to undergo a health screening, including a temperature check.

Everyone should practice safe social distancing in the Capitol, staying a minimum of six feet apart from others at all times.

Areas in the capitol that previously allowed larger groups to gather in confined spaces will be closed. This includes the House and Senate lobbies and the basement cafeteria.

Public committee testimony and participation will still occur, however access to the committee rooms will be limited to allow for social distancing.

COVID-19 Resiliency and Recovery Roadmaps – now accepting letters of interest

The State of Colorado is excited to share an opportunity for rural Colorado communities to form regional teams and receive technical assistance for accelerated recovery from COVID-19. The "Resiliency and Recovery Roadmaps" will enable communities to take a long-term view of recovery, reimagine their economies, and take advantage of emerging trends and opportunities.

These Roadmaps will meet communities where they are in their recovery planning and help align with existing broader community visions.

DOLA is now accepting Letters of Interest through Dec. 1 from eligible rural communities interested in this opportunity. To find out more and get involved, please visit: bit.ly/2UBkBgU.

This opportunity is a collaboration of the Department of Local Affairs (DOLA), the Office of Economic Development and International Trade (OEDIT), and the Colorado Rural Workforce Consortium, along with the Colorado-based non-profit Community Builders and others.

In memory



Patricia Kelly, who was a Pueblo city councilmember in the 1970s and served three years on the CML Executive Board, passed away on Oct. 30 at the age of 96.

According to the *Pueblo Chieftain*, Kelly was a native of Pueblo. She was born there on Nov. 11, 1923, and was dedicated to the city, the region, and the state her entire life. She was a key in bringing the Sangre de Cristo Arts & Conference Center to Pueblo and pivotal in

the establishment of what is now the Historic Arkansas Riverwalk.

As a Pueblo city councilmember, she served on the CML Executive Board from 1970-1974 and was secretary/treasurer for CML in 1971-1972 and 1972-1973.

"She was the epitome of a visionary local leader," said Kevin Bommer, CML executive director. "Her legacy in Pueblo and statewide will be long lasting."

Water quality improvement fund grants available

The Colorado Department of Public Health and Environment is accepting applications for water quality improvement fund grants until **Dec. 4, 2020**.

The total funding is allocated across four project categories:

- **Category 1** – Stormwater management training and best management practices training to reduce the pollution of state waters. For state fiscal year 2020-2021, the division will allocate up to \$100,000 of available funds to Category 1 with no one project receiving more than \$100,000. The funding period is anticipated to begin **Feb. 1, 2021, not to exceed Jun. 30, 2023**.
- **Category 2** – Projects that improve the water quality in the community or water body which has been impacted by a water quality violation. Category 2 allocation is 10% of available funds

following allocation to Category 1 projects (Total Category 2: \$110,000). The funding period is anticipated to begin **Feb. 1, 2021, not to exceed Jun. 30, 2023**.

- **Category 3** – Planning, design, construction, or repair of stormwater projects and domestic wastewater treatment facilities identified on the current fiscal year's Water Pollution Control Revolving Fund Intended Use Plan. Category 3 allocation is 60% of available funds following allocation to Category 1 projects (Total Category 3: \$660,000); no one project can receive more than 25% of the available funds allocated to this category. The funding period is anticipated to begin **Feb. 1, 2021, not to exceed Jun. 30, 2023**.
- **Category 4** – Nonfederal match funding for the current fiscal year's nonpoint source

projects as approved by the commission. Category 4 allocation is 30% of available funds following allocation to Category 1 projects (Total Category 4: \$330,000). A separate RFA will be issued for Category 4 projects at a later date.

The request for application may be accessed on the WQIF Grant Webpage: (bit.ly/3f5YB7j). Due to pending website changes, if the link does not work, please access through the link on the State Revolving Fund webpage, where responses to questions will also be posted: bit.ly/36NmL2u.

Please email your application, all attachments or questions to Margaret Bauer, project manager, at cdphe_grantsandloans@state.co.us. For applications, please include the subject line: WQIF Grants Program Application Submittal. Please do not send an electronic file larger than 10 MB.

Parachute debuts bus system

The Town of Parachute rolled out its new bus service in September 2020.

The Parachute Area Transit System (PATS) provides a public transportation link to Rifle for access to the Roaring Fork Transit Authority (RFTA), Garfield County services, employment, and health care for some of the county's lowest-income residents.

"This is a big deal," Mayor Roy McClung said. "It's one of the most significant things we've done in regards to connecting to the upper valley. Anyone who works up-valley has to drive to, at least, Rifle. This will be helpful, particularly to lower-income families with one car."

PATS comprises two buses, one for 12 passengers and the other for 20. Two drivers have been hired.

Express routes run twice in the morning and twice in the afternoon to connect with RFTA's Grand Hogback and other employment. Regular routes run throughout the day with several stops along the way in the three affected communities: Battlement Mesa, Parachute, and Rifle. The system is being paid for with a combination of town funds and a grant from Garfield County. "We got some grant money from Garfield County. They put money into our transit system. They saw the need," McClung said.

"The town contributed \$75,000 this year toward the project, and the county contributed \$200,000," Town Manager Stuart McArthur said. Continued subsidization is budgeted for 2021.

McClung said the system has taken quite a while to get operational. Parachute had been in negotiations with RFTA to get its buses running to Parachute, but it was too expensive. Still, RFTA helped with figuring out what was needed, McClung said.

While Parachute is taking advantage of some of the RFTA bus stops in Rifle, the town is hoping to have shelters built at the Battlement and Parachute stops. "I'm really proud of it," McClung said.

SIPA micro-grant program open for applications

The Colorado Statewide Internet Authority (SIPA) is committed to helping Colorado governments realize their potential to connect with residents through technology. One of the best ways to do that is with the Micro-Grant Program.

The Micro-Grant Program is open for applications as of Nov. 2, 2020. This application is quick, easy, and will hopefully get you some extra cash for those projects you have been trying to start (or finish).

There are a few boxes that every grant requestor must check-off before applying. Here's what you need to know:

- 1- Every applicant entity **MUST** have an EGE Agreement on file, find out at bit.ly/2UATe6M
- 2- Every applicant must complete the Micro-Grant application for each individual project looking for funding

3- The project(s) requested **MUST** aim to put information and services online for residents of Colorado. At SIPA, we are very fond of eGovernment solutions, that's our job.

Check out this year's criteria, guidelines, and past projects at bit.ly/3lGvRnU.

Overview of 2020 election: The initiatives that passed and the makeup of the legislature



by Meghan Dollar, legislative advocacy manager

Colorado saw record voter turnout in the 2020 election culminating in over 3 million people voting, and over 80% of registered voters turning out. No doubt that had a huge impact on the outcomes of some of the most hotly contested issues. Below is an overview of the ballot initiatives with municipal impact, as well as the make up of the State Legislature following the election.

State ballot initiatives

There was a total of 11 referred or initiated state ballot questions that appeared on the Nov. 3, 2020 state general election ballot. Of these, at least six measures were of municipal interest. The CML Executive Board took positions on four of the measures at their Sept. 2020 meeting. Below goes through the potential municipal impact of the initiatives that passed.

Amendment B - Gallagher Repeal

This referred constitutional amendment, in combination with related state legislation, will freeze the existing assessment ratios

for residential property and non-residential property at 7.15% and 29% respectively for the indefinite future, thereby averting any further automatic reductions in the residential assessment ratio for the time being. The CML Board voted to support Amendment B as it will help rural members, and steady revenues for those who rely on property taxes. **CML Position: Support. Outcome: Passed.**

Proposition EE - Cigarette, Tobacco, Nicotine Products and Vaping Products Tax Increase

This referred \$294 million state tax increase will mainly be earmarked for preschool and K-12 education programs. However, of particular interest to municipalities, in the first three years of implementation, a fraction of the revenue will be earmarked for housing programs. The measure preserves the historical allocation formulas that apportion some state cigarette tax revenues to municipalities, as well as recent statutory

reforms that allow municipalities to regulate tobacco and nicotine without forfeiting their cigarette tax allocation. The CML Board voted to oppose Proposition EE due to concern over the state tax increase and how that may negatively affect future attempts for municipalities to pass a local nicotine tax. **CML Position: Oppose. Outcome: Passed.**

Amendment 76 - Qualification for Voting

This initiated constitutional amendment purports to prohibit any person who is not a U.S. citizen or who has not attained the age of 18 to vote in any election in Colorado. It is highly debatable, however, whether or not this restriction will bind home rule municipalities who may choose to expand the franchise in their own municipal elections. CML did not take a position on this initiative. **Outcome: Passed.**

Amendment 77 - Local Option for Gaming Expansion

This initiated constitutional amendment will allow voters in the three gaming towns (Black Hawk, Central City, and Cripple Creek) to remove

bet limits and expand the types of games allowed in casinos within their communities. Once again, the lion's share of new tax revenue to be derived from these changes will go to the state community college system. But 22% of the new revenue will go to the three municipalities and the counties in which they are located (Gilpin and Teller). The CML Board took a position to support Amendment 77 due to the local option. **CML Position: Support. Outcome: Passed.**

Proposition 118 - Paid Family and Medical Leave

These initiated statutes will create a statewide 12-week paid family leave insurance program funded 50% by employers and 50% by employee payroll deductions. Municipal employers will presumptively be included, but with the ability to opt out. Even in municipalities that have opted out, individual employees may request to be included in the statewide program by paying premiums to the state. The CML Board voted to oppose Proposition 118 as it directly interfered with a municipality's ability to determine the terms and conditions of employment. Now that Proposition 118 has passed, this program may lead to a reevaluation of the mandatory paid sick leave legislation just adopted by the General Assembly via SB 20-205.

CML Position: Oppose. Outcome: Passed.

State House of Representatives

Following the 2020 election, the Colorado House of Representatives remains in Democratic control with Democrats holding 41 seats and Republicans 24. Republicans did pick up one seat in Southeast Colorado. House Leadership will consist of now Speaker-Elect Alec Garnett, D-Denver and Rep. Daneya Esgar, D-Pueblo as House Majority Leader. Rep. Hugh McKean, R-Loveland, and a former Loveland City Councilmember was elected, as the Republican Minority Leader.

State Senate

The Democratic majority in the Senate went from 19-16 in 2020 to 20-15 going into 2021. President Leroy Garcia, D-Pueblo, and former Pueblo City Councilmember, will remain President of the Senate. Sen. Steve Fenberg, D-Boulder will remain Majority Leader. Sen. Chris Holbert, R-Parker will remain Senate Minority Leader.



On Nov. 3, voters in 70 cities and towns across Colorado considered local questions and races, in addition to the federal and state races and questions on the ballot. Avon, Castle Rock, Central City, Dacono, Gilcrest, Granby, Hayden, Holyoke, Hudson, Kiowa, Lochbuie, Palmer Lake, Parker, Snowmass Village, Superior and Williamsburg held their regularly scheduled candidate elections, while the remainder held special elections on initiated and referred ballot questions. Over 100 municipal ballot questions were considered across the state. The following results are unofficial and subject to change.

Tax and bond issues

Sales tax questions were approved in:

- Cokedale – for general operating and maintenance expenses
- Denver – one tax to fund programs to eliminate greenhouse gas emissions and air pollution, and to adapt to climate change; and a separate tax to fund housing, shelter, or services for people experiencing homelessness
- Eckley – for community infrastructure and maintenance
- Hayden – for parks and recreation
- Marble – for general operating expenses

Sales tax questions failed in:

- Eads – for the construction of a public swimming pool
- Kiowa – for general operating expenses
- Loveland – for public safety, infrastructure and capital equipment, and operational expenses
- Mead – one tax for police department expenses; and a separate tax for street improvements and maintenance

• Monument – for police services, programs, and facilities
 Sales tax extensions were approved in:

- Aspen – for educational purposes
- Fort Lupton – for street improvements
- Greeley – for capital construction projects
- Pueblo – for economic development

Boulder voters granted authority to extend and expand the purposes for which a utility occupation tax was approved, to include costs associated with the formation of a municipal electric utility and to be used to fund initiatives that support the city's clean energy goals in the context of the city's racial equity goals and commitment to the Paris Climate Agreement.

A tobacco tax question passed in Gypsum.

Louisville voters approved a tax on disposable bags.

Lodging taxes passed in Eagle and Nucla, and failed in Eaton, Englewood, and Windsor. Holyoke voters approved an extension to their existing lodging tax.

In Boulder, voters approved an excise tax to be paid by residential landlords on rental licenses to fund a program to provide rental assistance for persons vulnerable to eviction and to provide legal representation to tenants who face eviction.

Two property tax extensions were approved in:

- Snowmass Village – for educational purposes
- Ouray – for flume, drainage, debris and flood control repairs

Debt authority was considered by voters in:

- Castle Pines – rejected \$30 million for road improvements, to be paid from an accompanying mill levy increase
- Hayden – approved \$3.8 million for parks and recreation purposes
- Longmont – approved \$80 million to finance water system improvements

Mill levy adjustments to offset declining property tax revenue

Fraser, Glenwood Springs, Kremmling, Vail, and Winter Park voters approved adjusting their respective mill levy rates annually as needed to offset revenue reductions caused by state-imposed changes to the percentage used to determine assessed valuation of property, such as due to requirements of the Gallagher Amendment. Even though the Gallagher Amendment was repealed by virtue of the adoption of Amendment B, voter approval of these local ballot questions may still prove useful to the five municipalities. For example, if the state ever statutorily reduces the assessment ratio for either residential or non-residential property, these municipalities will be able to adjust their levies to avoid any revenue loss.

Avon, Broomfield and Eagle voters said no to similar requests.

Revenue retention

Grand Junction and La Junta voters granted authority to collect, retain, and spend all revenues as allowed by voter approval under the Taxpayer's Bill of Rights (TABOR).

Colorado Springs voters granted authority to retain excess revenue in 2019 and 2020, as well as authority to use 2019 revenues, rather than 2020 revenues, which were impacted by the pandemic, as the base from which future revenue and spending limitations are calculated.

Continued on page 6

"Fall municipal election results" continued from page 5

Historically, municipalities have passed a majority of the TABOR-related questions that have been asked, with a 61% approval rate for tax questions, 70% approval rate for debt questions and 87% approval rate for revenue retention questions since voter approval was first required in 1993.

Governance

Boulder and Littleton voters each passed a charter amendment providing that their respective mayors will be directly elected, rather than selected by city council. In Boulder, the election of the mayor will be decided by ranked-choice voting, also known as instant runoff voting.

In Severance, voters approved a question inquiring if the town should initiate the process to become a home rule municipality.

Illiff voters elected to reduce the number of trustees on their town board from six to four. Peetz voters eliminated term limits for their elected officials, while Fleming and Illiff voters elected to keep them.

Idaho Springs voters rejected a proposal to transition the position of the city clerk to an appointed position rather than an elected position.

Gaming

Black Hawk, Central City and Cripple Creek voters granted authorization to replace the single bet limit of up to \$100 with unlimited single bets and to delegate authority to their respective city councils to authorize additional games, as allowed with the passage of the statewide initiative authorizing these changes (Amendment 77).

Broadband

Berthoud, Denver and Englewood received approval to be exempted from the statutory restriction on providing broadband or telecommunications services that also prohibits most uses of municipal funding for infrastructure to improve local broadband or telecommunications services. This election brings the total number of municipalities that have been exempted to 115.

Marijuana

Marijuana businesses were approved in:

- Buena Vista – retail stores
- Cedaredge – medical dispensaries and retail stores
- Fort Lupton – medical dispensaries and retail stores

- Lakewood – retail stores and cultivation
- Littleton – retail stores
- Paonia – medical dispensaries and retail stores
- Romeo – retail stores, cultivation, manufacturing and testing

Eckley voters defeated a question that would have allowed retail stores, cultivation, manufacturing and testing. Kiowa voters defeated a question to allow medical dispensaries and retail stores, as well as a separate question that would have approved a marijuana tax.

Marijuana taxes passed in Broomfield, Buena Vista, Cedaredge, Dinosaur, Fort Lupton, Paonia and Winter Park.

Publication requirements

Palmer Lake voters authorized the town to no longer publish in the newspaper the bills list or contracts awarded, instead posting the information to the town website. Fleming voters authorized the publication of ordinances by title rather than in full.

Election changes

Haxtun and Monument voters approved moving their regular elections to November of even-numbered years, and Yuma voters approved a move to November of odd-numbered years commencing in 2025.

Charter amendments

Several charter amendments were approved in home rule municipalities around the state:

- Avon – regarding council compensation
- Boulder – regarding membership of the Boulder Arts Commission
- Broomfield – allowing the extraction of minerals to be considered a change of use in areas designated as “open space”
- Edgewater – authorizing the city council to consolidate, but not abolish, city departments established by the charter
- Longmont – allowing for leases of city property of up to 30 years

Colorado Springs had two amendments on the ballot which would require conveyances of city-owned parkland be approved either by a super-majority of the council or by voters. Both amendments passed, but only the amendment requiring approval by voters will become effective as it received more affirmative votes.

Five charter amendments were approved in Craig, updating residency requirements for the city manager, city attorney, and municipal judge, as well as amending the responsibility of the mayor to present a state of the city message and addressing vacancies on the city council.

Of Denver’s several charter amendments on the ballot, the three amendments concerning city council authority all passed: to consent to certain mayoral appointments; to initiate a supplemental appropriation or transfer, following a consultation with the manager of finance; and to procure professional services without executive branch approval. Two other amendments that passed will create the Board of Transportation and Infrastructure to advise the department manager and provide more flexibility in the procedures and scheduling of meetings. The sole amendment to fail would have expanded the appointment authority of the elected clerk and recorder and would have eliminated from the charter any reference to the office of Director of Elections.

Other issues

Other issues decided include:

- Boulder – approved the granting of a franchise to Public Service Company of Colorado for gas and electricity distribution
- Cañon City – rejected the granting of a franchise to Black Hills Energy for electricity distribution
- Denver – approved the granting of a provisional permit to pit bull owners, thus overturning the current ban on pit bulls
- Eagle – approved the organization of a downtown development authority
- Englewood – approved two questions organizing a downtown development authority and authorizing retention of all of the authority’s revenues; rejected two questions which would have authorized debt and levied a property tax on properties within the downtown development authority
- Milliken – approved the sale of public property
- Montrose – approved the granting of a franchise to Delta-Montrose Electric Association for electricity distribution

Research corner: Voters authorize municipal government broadband service

A 2005 Colorado state statute (commonly referred to by its bill number SB-152) requires an affirmative vote of municipal voters to authorize their city or town to provide broadband service either directly or through a partnership with a private vendor. In the November 2020 election, voters in Berthoud, Denver, and Englewood granted the authorization as required by SB-152, bringing the total number of cities and towns with this authority to 115.



*In 2015, Ophir cited the exemption for unserved areas provided by C.R.S. 29-27-202, thus relieving them of the requirement to ask the voters for permission to provide broadband.



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