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Tara Winer



Council Chambers

1777 Broadway

Boulder, CO 80302

May 8, 2025

6:00 PM

City Manager

Nuria Rivera-Vandermyde

City Attorney

Teresa Taylor Tate

City Clerk

Elesha Johnson

STUDY SESSION BOULDER CITY COUNCIL

Financial Forecast

90 min – 20
min staff
presentation /
70 min council
discussion

Potential Ballot Items

90 min - 20
min
presentation /
70 min Council
discussion

Discussion on the draft letter to the Boulder County Region Opioid Council expressing Council's interest in investing the Opioid Settlement Dollars ambitiously in new treatment opportunities for our community

15 min

3:00 hrs

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COVER SHEET

MEETING DATE

May 8, 2025

AGENDA ITEM

Financial Forecast

PRIMARY STAFF CONTACT

Charlotte Huskey, Budget Officer

ATTACHMENTS:

Description

- ▣ **Item 1 - Financial Forecast**



STUDY SESSION MEMORANDUM

TO: Mayor and Members of City Council

FROM: Nuria Rivera-Vandermyde, City Manager
Chris Meschuk, Deputy City Manager
Krista Morrison, Chief Financial Officer
Joel Wagner, Deputy Director of Finance
Charlotte Huskey, Budget Officer

DATE: May 8, 2025

SUBJECT: Financial Forecast

EXECUTIVE SUMMARY

The purpose of this item is for council to receive an update on the city's financial forecast, an overview of economic conditions, and an update on key assumptions and considerations for the development of the 2026 budget.

The city's major revenue sources are sales & use tax (approx. 40% of total revenues) and property tax (approx. 12% of total revenues). Beginning in 2023, the city's sales and use tax projections forecasted a slowdown in economic growth, leading to an overall flattening of the city's primary revenue source from an average growth rate of 9.2% between 2020 to 2023, to flat year-over-year growth between 2023 and 2024. Since 2020, the city's annual property tax revenue growth has been limited by state legislation, including recent downward adjustments of assessment rates from SB24-233 and HB24B-1001 passed during the 2024 regular and special legislative session.

Since January 2025, elevated uncertainty in federal policies and decision-making has impacted staff assumptions for the city's revenue forecasting and budgeting due to heightened economic risk. Primary drivers of economic uncertainty that may impact sales & use taxes include tariff policies and subsequent supply chain risk, potential rising inflation, and likely impacts to consumer confidence and spending. Due to this elevated uncertainty, staff adopted a more conservative 2025 revenue forecast for sales & use taxes, revising projections down to mitigate potential risk.

In addition to economic conditions, staff continue to monitor federal decisions that may have direct and indirect impacts on the city's budget. Namely, these include three main items: 1) Tariffs and the potential impact on the cost of city capital infrastructure, 2) Federal funds supporting existing projects and programs and future federal grant awards, and 3) Tax policy changes and potential

removal of the tax-exempt status for municipal debt, which would result in a higher cost of financing capital infrastructure.

City staff continue to focus on mitigating risk and supporting organizational resiliency at this time of uncertainty by adopting a more conservative revenue forecast in addition focusing the 2026 budget direction on limited enhancements for new, additive programs and services, realignment of existing dollars toward top priorities, and continuing to utilize a data-driven budgeting approach through program outcomes and performance measures as aligned to the citywide [Sustainability, Equity, and Resilience Framework](#).

Finally, the city's [Long-Term Financial Strategy](#) continues to advance the development of a comprehensive financial strategy to help guide fiscal decision-making and long-term financial health of the city. Staff provided an update of LTFS phase I and II efforts to City Council at the [April 3, 2025](#) council meeting, with particular focus on the engagement planning of *Fund Our Future* community conversations on service level prioritization and the multi-year ballot measure strategy for 2025 and 2026. LTFS Phase II will continue through Spring 2026 and will help to inform the 2026 budget development as well as future budget cycles.

The 2026 budget will focus on the following key assumptions, as described in further detail below.

Summary of Key Assumptions for the 2026 Budget

1. The city will continue to monitor potential impacts of federal uncertainty, including changing economic conditions and potential implications of tariffs, federal funds, and tax policy changes.
2. Economic uncertainty and flattening sales & use tax revenues will limit budget flexibility for new, additional ongoing programs and services in 2026.
3. Budget realignments of existing dollars toward prioritized program outcomes will continue to be emphasized to support key community priorities. Outcomes and performance measures will continue to be key to understand the performance of our city programs and services.
4. The city's unfunded and underfunded needs are great. The 2026 budget and six-year Capital Improvement Program will continue to focus on taking care of the city's existing assets.
5. *Fund Our Future* and the Long-Term Financial Strategy will position the city toward long-term fiscal health, including uplifting the guiding principles of fiscal sustainability and sufficiency, equity, and financial resiliency supported by stability and predictability of service levels, diversification of revenues, and flexibility of funding.

COUNCIL QUESTIONS

1. Does council have any questions regarding the 2024 preliminary, unaudited year-end financial results?
2. Does council have any questions regarding the 2026 Budget economic outlook and key budget assumptions?

BACKGROUND

Budget Overview and Background: 2023-2025 Approved Budgets

Since 2022, with the development of the 2023 budget, the City of Boulder has shifted from a traditional, increment-based budgeting approach to citywide alignment of programs, services and resources through the overarching [Sustainability, Equity, and Resilience Framework](#) and outcome-based budgeting, which focuses on understanding the performance of programs and services provided across the organization and utilizing an enhanced data-driven approach to budget decision-making.

The city completed this three-year implementation effort of outcome-based budgeting during the 2023 budget through 2025 budget processes, which included the following key implementation efforts:

Year 1, for the [2023 budget](#), staff implemented a new budgeting software, [OpenGov](#), and aligned city programs and budgets to the city's Sustainability, Equity, and Resilience Framework. This effort supported greater transparency of the city's budget by demonstrating how our investments aligned to community goal areas. The city's 2023 Approved Budget of \$515.4M, with an operating budget of \$354.6M and capital budget of \$160.8M, made significant ongoing investments in wildfire resilience, public space management, behavioral and mental health programming and services, and homelessness solutions, and one-time investments in programs such as the Safe and Managed Spaces Program and Community Assistance Response and Engagement (CARE) Program.

In year 2, with the development of the [2024 budget](#), the city added specificity by developing intended outcomes for each program area in the city and added data measurements to be able to measure the impact of our investments. This was also the first year the city worked directly with Community Connectors-in-Residence (CC-in-Rs) and their communities to incorporate their input and priorities into the budget development process. This engagement generated significant input that was then used during key decision-making of the 2024 budget. Key changes within the total 2024 Approved Budget of \$515.4M, with an operating budget of \$374.2M and capital budget of \$141.2M, comprised the elimination of library operating costs with the voter creation of a Boulder Library District and subsequent programming toward the city's workforce and permanent investments such as behavioral health programs, day services center operations, wildfire resilience, and housing support.

Finally, year 3 and the [2025 budget](#) focused on refinement of outcomes and performance measures, the development of a public-facing outcomes dashboard, continued engagement with CC-in-Rs and a citywide 2025 budget questionnaire, and boards and commissions engagement. The 2025 budget direction focused on realignments of existing dollars and utilizing refined performance measures to guide budget decisions and allocate dollars toward prioritized outcomes. The 2025 Approved Budget of \$589.3M, with an operating budget of \$399.3M and capital budget of \$189.9M, represented a balanced yet responsive approach to supporting community priorities while maintaining investments in core services. Key investments supported affordable housing development, human services-related community programs and rental assistance, urban rangers staffing, and critical fleet replacement and facilities maintenance needs.

With the development of the 2026 budget, the city has now integrated Budgeting for Resilience & Equity into the city's decision-making framework and will continue to refine, iterate and improve upon this foundation to utilize program outcomes and performance measures as one of the key pillars to budget decision-making. Key assumptions to the 2026 budget will continue to focus on realignments of existing dollars toward prioritized program outcomes, advancing the Citywide Strategic Plan, flexibility of funding across all city funds, and supporting organizational resiliency through limited enhancements and strategic prioritization of dollars to take care of existing programs, service levels, and assets that uplift community priorities.

ANALYSIS

City of Boulder 2024 Year-End Results and Economic Outlook

The following section provides an overview of the 2024 unaudited year-end results as well as the economic outlook of the city's two primary revenue sources, sales & use tax and property tax. Since 2020, the city has partnered with the University of Colorado Boulder (CU Boulder), Leeds School of Business to forecast revenues based upon an econometric model. These forecasted revenues are utilized to guide budget projections, annual budget development and monitoring. As mentioned above, city staff will continue to partner with CU Boulder throughout the budget process to monitor and forecast economic conditions given heightened uncertainty.

Major Revenue Sources

Sales and Use Tax

Sales and use tax comprises approximately 40% of the city's revenues and over 50% of revenues when excluding utility revenues. In 2023, the city's sales and use tax revenues experienced slowing growth from an average rate of 9.2% between 2020 to 2023, to flat year-over-year growth between 2023 and 2024.

In 2023 and 2024, total sales and use tax revenues came within 1.5% of the revised forecast, or within \$2.5M of anticipated total revenues. As shown in the table below, in 2024, sales and use taxes came in at 98.9% of revised projections, with retail sales tax and business use tax revenues slightly below revised projections, which were offset by higher-than-anticipated construction use tax and audit revenues. Construction use tax and tax audit revenues are more volatile than retail sales and business use taxes, and therefore are generally considered one-time revenues.

The Recreational Marijuana Sales Tax, which is an additional 3.5% sales and use tax on recreational marijuana funding general purposes, continues to experience an annual decrease in revenues since the pandemic period, with a 42.3% decline since 2020. Staff anticipates this downward trend to continue into 2026.

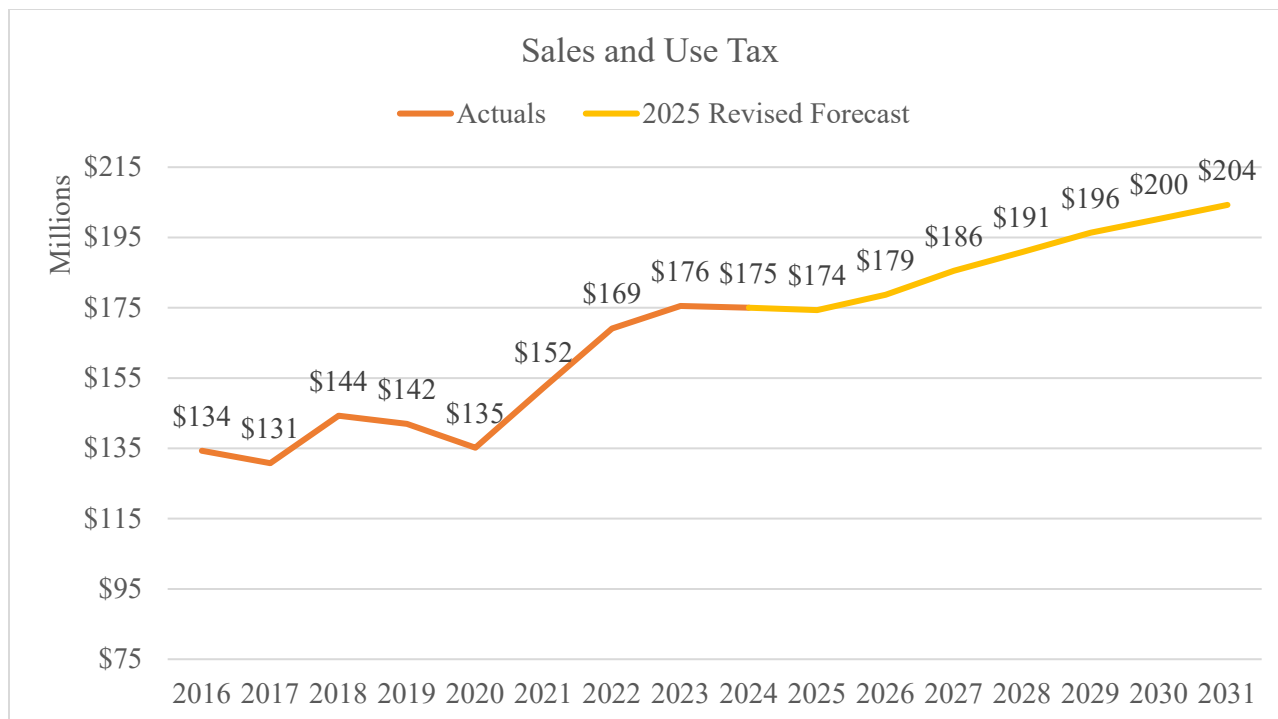
Sales & Use Tax 2024 Year-End Unaudited Revenues (in millions)					
Category	2024 Approved Budget	2024 Revised Projections	2024 Year-End Actuals	Actuals as % of Approved	Actuals as % of Revised
Retail Sales	\$144.65	\$141.68	\$139.24	96.26%	98.28%
Recreational Marijuana	\$1.32	\$1.17	\$1.18	89.39%	100.85%
Consumer/Business Use	\$10.15	\$11.65	\$9.84	96.95%	84.46%
Construction Use	\$13.30	\$13.59	\$14.92	112.18%	109.79%
Motor Vehicle Use	\$6.19	\$6.48	\$5.97	96.45%	92.13%
Sales Tax Audits	\$1.25	\$1.25	\$2.12	169.60%	169.60%
Business Use Tax Audits	Not budgeted	Not budgeted	\$0.64	N/A	N/A
Total	\$176.86	\$175.82	\$173.90	98.33%	98.91%

Elevated federal uncertainty has influenced forecasting assumptions for the city's sales and use tax revenues due to heightened economic risk. Primary drivers of economic uncertainty that may impact sales & use taxes include tariff policies and subsequent supply chain risk, potential rising inflation, and likely impacts to consumer confidence and spending.

Based on the most recent economic data from Moody's Analytics economic scenario forecasts and modeling provided by CU Boulder, staff has adopted a more conservative 2025 revenue forecast for sales & use taxes, revising revenue projects down to mitigate potential risk. As shown in the graph below, the revised forecast assumes -0.4% year-over-year growth between 2024 actuals and 2025 projections, with 2.6% growth between 2025-2031. The forecast assumes near-term revenue declines in 2025 and 2026, with moderate economic recovery between 2027-2031.

It is important to note that given the uncertainty, staff will continue to monitor sales and use tax revenues and economic conditions, in partnership with CU Boulder, throughout this year's budget development cycle to ensure that the sales and use tax forecasts support the budgeting process.

At the May 8 Financial Forecast, staff and CU Boulder will present and provide further detail on current and forecasted economic conditions and forecasted sales & use revenues.



Property Tax

Property tax is the second largest source of ongoing revenue supporting general purposes, comprising approximately 12% of annual city revenues.

Property values are reassessed by the county assessor's office every two years, on every odd-numbered year. Biannual property value reassessments are based on time-adjusted home sales data from two years prior to the assessment date.

In September of 2024, the state legislature passed HB24B-1001, which impacted city property tax revenues. The 2025 revised projection is based on the final assessed value certifications provided by the county in December 2024, the final certifications capture the full impact of HB24B-1001. Staff budgeted based on legislation that had passed in May 2024, SB24-233.

The city received 2025 Preliminary Assessed Values (AVs) from Boulder County on April 24. Preliminary assessments and initial estimates of projected growth for 2026 anticipates a 1.0% year-over-year increase in property tax revenues, as shown in the table below.

Initial staff review of assessment values indicates slowing growth in property values, notably residential values, during this reassessment cycle. The flattening is also attributed to the compounding effect of the September 2024 legislation HB24B-1001, which further reduced assessment rates for residential, commercial, and agricultural properties. Staff continues to review this data with Boulder County Assessors Office to provide updated revisions to the property tax forecast.

Property Taxes – City of Boulder (in millions)					
Description	2022 Actual	2023 Actual	2024 Actual	2025 Revised Projection (HB24B-1001)	2026 Preliminary Projection
Tax Revenue	\$50.81	\$48.74	\$60.63	\$58.12	\$58.7
<i>Changes in Revenue</i>		-4.1%	24.4%	-4.1%	1.0%
Assessment Values (AV)	\$4,281	\$4,227	\$5,095	\$5,092	\$5,143
<i>Change in AV</i>		-1.3%	20.5%	-0.1%	1.0%

2026 Budget – Key Assumptions

The key budget assumptions, as outlined below, are major factors that will inform the 2026 Budget. While staff carefully considers and reviews a comprehensive set of assumptions during the annual budget development cycle, the following major assumptions and policy issues will be of significant consideration during this year’s budget development.

1. Potential Impacts of Federal Uncertainty

Staff continue to monitor federal decisions that may have direct and indirect impacts on the city’s budget. As mentioned above, the city is adopting a more conservative sales and use tax forecast to mitigate risk against potential economic changes and fluctuations to the city’s major revenue source.

In addition, city staff continue to monitor three key items that may impact the city’s budget:

- 1) Tariffs and the potential impact on the cost of city capital infrastructure
- 2) Federal funds supporting existing projects and programs and future federal grant awards, and,
- 3) Tax policy changes and potential removal of the tax-exempt status for municipal debt, which would result in a higher cost of financing capital infrastructure.

Federal uncertainty of potential tariff policy changes and subsequent effects on supply chains may impact the stability of the city’s sales and use tax revenues as well as the cost of capital infrastructure and other products, which would be driven by a drop in consumer and business confidence, slowing consumption growth, and heightened inflationary pressures. Most specifically, the city continues to monitor potential impacts to items such as fleet and computer replacements, technology investments, and other imported products and materials supporting city construction projects. To date, the city has not seen an increase of the cost of products and materials due to tariffs and will continue to remain vigilant of potential budgetary impacts. In addition, some grant-funded city capital projects, such as transportation projects, are more protected from potential tariff impacts due to Buy America provisions required per federal grant agreements.

The city receives federal grant awards on an annual and one-time basis supporting areas such as transportation, housing, public safety, and economic and COVID-19 recovery efforts. The city’s total amount of active federal awards is \$96.8M. Of this total, \$54.3M is the remaining amount, most of which is received on a reimbursement basis once applicable grant expenditures are incurred. The majority of active federal awards support transportation infrastructure projects, such as upgrades to

traffic signals, sidewalk and underpass construction, and other transportation safety improvements, and affordable housing projects and programs. City staff continue to monitor the progress of active, pending, and future federal awards and are in regular communication with lobbyists to understand risk level and potential exposure. To date, no city federal award has been impacted.

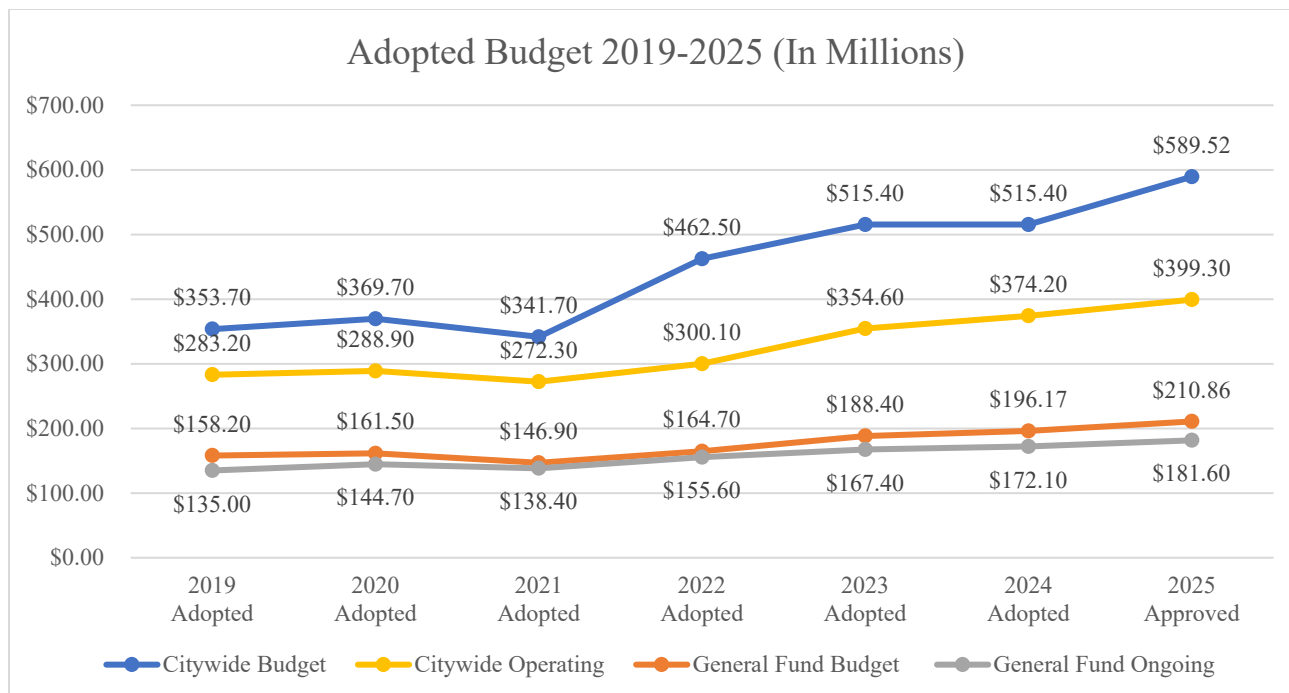
Finally, the third item that city staff continue to monitor is the potential threat to the federal tax exemption on municipal debt with expiring and potential changes in the Tax Cuts and Jobs Act. The City of Boulder, along with other localities, can issue tax-exempt debt, which results in lower interest rates for debt issuances compared to taxable debt issuances, and therefore, a lower total cost of borrowing for capital infrastructure projects compared to the private sector. Removal of the city's tax-exempt status for municipal debt would result in a higher cost of borrowing and financing of the city's capital infrastructure projects. For example, on a \$100.0M capital project, the estimated difference between a tax-exempt debt issuance and a taxable issuance is approximately \$18.0M (estimated interest rate difference of 0.624%). Currently, the city's debt issuance plans are limited within the 2025-2030 Capital Improvement Program, with a potential issuance using voter-approved debt authority from the Community, Culture, Resilience, and Safety (CCRS) Tax in 2026.

2. Limited Budget Flexibility for New, Additional Ongoing Programs and Services

Elevated federal uncertainty and the flattening of the city's major revenue source, sales & use tax, continues to constrain investments in new, additional ongoing programs and enhanced services.

During the post-pandemic period between 2020 and 2023, city sales and use tax revenues saw a 9.2% average increase in revenues due to high inflation, and staff also shifted the sales and use tax modeling approach to utilize a less conservative forecast. This adjustment enabled the city to maximize ongoing sales and use tax revenues toward investments in community priorities such as behavioral health programming, homelessness solutions, case management, public safety, and alternative emergency response, as reflected in the city's budget growth between 2021 and 2023 in graph below.

Staff began to see a flattening of sales and use taxes in 2023 and again with 2024 year-end unaudited actuals, limiting additional growth of ongoing revenues to support new ongoing programs and services. The graph below demonstrates this widening between the General Fund ongoing budget, and the General Fund total budget (including both one-time and ongoing expenses), representing an increase in the investment of one-time revenues toward one-time budgeted expenses during the past three fiscal years.

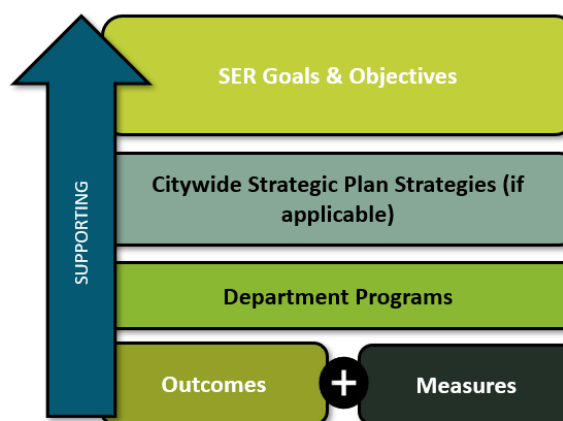


The 2026 budget, therefore, will emphasize limited enhancements for new, additive programs and services above existing program and service levels. The city will continue, where feasible, to utilize one-time revenues to support one-time strategic investments.

As part of the Long-Term Financial Strategy and *Fund Our Future* community conversations planned for June through October 2025, community members will have the opportunity to share desired levels of service, prioritization, and feedback on trade-offs of unfunded and underfunded priorities, including alternative streams of revenue. These conversations will not only support and inform potential decisions on 2026 tax ballot items, but will also help to provide a framework for the city’s financial future and budget priorities.

3. Budget Realignments of Existing Dollars toward Prioritized Program Outcomes and Key Community Priorities

With limited ongoing revenues to support additional ongoing programs above current service levels, the 2026 budget direction will continue to focus on budget realignments of existing dollars and funding flexibility across all city funds to invest in prioritized program outcomes and key community priorities. In the 2025 budget, staff performed realignments of \$3.0M of existing dollars toward areas of the greatest demand or need, including the urban rangers program (\$91,000), the Family Services Program (\$26,500), and transportation streetlight maintenance (\$755,400). With the 2026 budget, the city’s outcomes-based budgeting approach and pillars of decision-making within Budgeting for Resilience & Equity will continue to



support prioritization of realignments, which includes reviewing the performance of intended outcomes by program area and shifting existing dollars toward their highest and best use in support of community and citywide goals.

As shared above, the city will continue to refine, iterate, and improve upon program outcomes and performance measure data as aligned to department program areas, the Citywide Strategic Plan, and greater Sustainability, Equity, and Resilience Framework. With Budgeting for Resilience & Equity now serving as a foundational tool and incorporated into annual budgeting practices, the city aims to continue to measure the impact of investments and utilize this framework to prioritize funding toward those measurable impacts.

4. Continued Emphasis on Taking Care of Existing Assets in the Capital Improvement Program

The 2026-31 Capital Improvement Program will emphasize taking care of the city's existing assets, while supporting the goals and objectives within the city's Sustainability, Equity, and Resilience Framework, the Boulder Valley Comprehensive Plan, and subcommunity and area plans. As shared during the 2025 Budget council meetings in October 2024, and further during the update on the Long-Term Financial Strategy in April 2025, the city's unfunded and underfunded needs are great, which includes a backlog of capital infrastructure, renovation, replacement, and maintenance projects in addition to operating programs and services.

The city's most flexible revenue source supporting citywide capital improvement projects, the 15-year 0.30% Community, Culture, Resilience and Safety Tax, has been fully leveraged to support over 20 key capital projects, including the renovation of the East Boulder Community Center (\$51.8M), completion of Fire Station 3 (\$14.8M), replacements of Fire Stations 2 and 4 (\$46.0M), Civic Area Phase II (\$17.6M), Pearl Street Mall improvements (\$1.15M), and critical bridge replacements (\$11.9M).

In addition to these ongoing and planned capital infrastructure investments, the city continues to experience emergency maintenance needs resulting in unplanned costs to support aging infrastructure and city facilities, which represents an inefficient use of funds and does not align with the city's climate, social, or financial goals. The six-year Capital Improvement Program will continue to prioritize funding for future capital infrastructure and maintenance projects, including city building adaptations and modernizations, that will ultimately result in savings in operations and maintenance budgets.

5. Long-Term Financial Strategy and *Fund Our Future*

Staff provided a recent update on the Long-Term Financial Strategy (LTFS) at the April 3 council meeting. The LTFS was first indicated as a City Council priority during the 2024 council retreat, which focuses on the development of a comprehensive citywide strategy to help guide fiscal decision-making and long-term financial health of the city. The LTFS builds upon prior policy recommendations of the Blue Ribbon Commission Reports of 2008 and 2010 and the Budgeting for Resilience Report of 2019, which:

- Called for a **comprehensive financial plan**,
- Cautioned the city's **overreliance on sales tax** and **dedication of funding sources**,
- Recommended the identification of core city services and **service level prioritization**, and
- Encouraged the development of an **outcomes-based** system for budgeting

With policy guidance from the Financial Strategy Committee, City Council, and an internal executive steering committee, staff completed Phase I of the LTFS, with 2025 potential tax ballot measure recommendations for additional council consideration. Staff is now focused on Phase II efforts (Q1 2025-Q2 2026), which prioritize benchmarking analysis of service levels, additional revenue analysis and research, the development of a five-year comprehensive financial plan, and community conversations on service level prioritization through *Fund Our Future*.

Fund Our Future will begin in June 2025 and serve as a holistic engagement strategy to receive input from diverse stakeholders on trade-off of service level priorities, educate the public on the city's budget and financial constraints, and inform potential 2026 tax ballot measures for council consideration.

Ultimately, the LTFS two-year initiative aims will help guide the city forward as the city seeks to establish an equitable, resilient and stable fiscal strategy to meet the greatest needs of the community.

At this time of elevated uncertainty and slowing growth of major revenues, the 2026 key budget assumptions will focus on mitigating risk and supporting organizational resiliency through continued efforts on Budgeting for Resilience and Equity and the Long-Term Financial Strategy. The 2026 budget will focus on adopting a more conservative revenue forecast, limiting enhancements for new ongoing programs and services, realigning existing dollars toward top priorities, and utilizing a data-driven outcomes-based budgeting approach to uplift citywide goals within the Sustainability, Equity, and Resilience Framework, Citywide Strategic Plan, and council and community priorities.



COVER SHEET

MEETING DATE

May 8, 2025

AGENDA ITEM

Potential Ballot Items

PRIMARY STAFF CONTACT

Elesha Johnson, City Clerk

ATTACHMENTS:

Description

- ▣ **Item 2 - Potential Ballot Items**



STUDY SESSION MEMORANDUM

TO: Mayor and Members of City Council

FROM: Nuria Rivera-Vandermyde, City Manager
Chris Meschuk, Deputy City Manager
Teresa Taylor Tate, City Attorney
Luis Toro, Senior Counsel
Joel Wagner, Interim Chief Financial Officer
Charlotte Huskey, Budget Officer
Elesha Johnson, City Clerk
John Morse, Elections Administrator

DATE: May 8, 2025

SUBJECT: Potential Ballot Measures

EXECUTIVE SUMMARY

The purpose of this item is to provide information, options and recommendations for November 2025 ballot measures, including:

1. Provide recommendations from the Charter Committee to Council regarding potential City Charter amendment ballot measures.
2. Provide recommendations from the Financial Strategy Committee (FSC) to Council on potential tax ballot measures, including measures considered within the city's Long-Term Financial Strategy (LTFS) and those recommended to explore by City Council.
3. Provide analysis on other ballot measures suggested by council members.
4. Provide an update on city petitions that are circulating for signature.
5. Report on potential ballot items for the state and region.

The following is a summary of the potential ballot items and the recommendations for next steps:

From the Charter Committee:

Ballot Item Proposal	Committee Recommendation
Amend Charter Sec. 130 – Boards and Commissions similar to the 2024 measure but excluding any change to the removal procedures.	Consider for the 2025 ballot.

From the Financial Strategy Committee:

Ballot Item Proposal	Committee Recommendation
Explore the extension of the existing 0.30% Community, Culture, Resilience & Safety (CCRS) Sales & Use Tax.	Explore the extension of the tax from 2050 or permanently for the 2025 ballot within the LTFS Multi-Year Ballot Measure Strategy. To be informed further by the 2025 statistically valid polling survey.
Explore the creation of a Public Realm Tax, which would increase the existing Permanent Parks property tax from 0.900 mills to 2.252 mills, expand the use of the tax, and allow debt issuance.	Explore the creation of the tax for the 2025 ballot within the LTFS Multi-Year Ballot Measure Strategy. To be informed further by the 2025 statistically valid polling survey.
Explore the creation of a Vacancy Tax or Fee.	The FSC, as part of the LTFS Multi-Year Ballot Measure Strategy, recommended exploring the creation of a vacancy tax within the 2026 ballot measures. At the April 3, 2025, council meeting, City Council indicated interest in exploring this proposal as part of the 2025 ballot measures.

Following direction from this study session, staff will draft any ballot measures desired for council consideration. The following is the timeline outlined by staff for the 2025 potential ballot measures:

- Council review of the tax ballot polling results on June 26, 2025.
- First reading and public hearing of proposed ballot measures is currently scheduled for July 24, 2025.
- Second reading and public hearing on August 7, 2025.
- Last day to challenge initiative titles that were approved on August 7 is August 12, 2025. Deadline for petitioners committee to certify measures approved on August 7 must go on the ballot is August 18 (rolls over from August 17).
- If, needed, the continued second reading/third reading on August 21, 2025. The last regular council meeting date that council may approve ballot measures is August 21, 2025.
- Last day to challenge initiative titles that were approved on August 21 is August 26, 2025. Deadline for petitioners committee to certify measures approved on

August 21 must go on the ballot is September 2, 2025 (rolls over from August 31, 2025).

- Ballot measures must be certified to Boulder County by September 5, 2025.

QUESTIONS FOR COUNCIL:

1. Does council agree with the Charter Committee recommendation to further explore one charter change for the 2025 ballot?
2. Does council agree with the FSC recommendation to further explore two potential tax measures for the 2025 ballot?
3. Does council support further exploration this year of scoping a vacant properties tax or fee which would apply to residential properties that are used as second homes which would ensure that the city's housing stock remains available for full-time residency?
4. Does council wish to direct staff to research further or prepare any additional ballot items?
5. Does council have any questions on city petitions or other ballot items within the region?

ANALYSIS

Section 1. City Council Charter Committee recommendations for matters to be brought forth this election cycle:

Charter Sec 130: General provisions concerning advisory commissions.

Council passed Ordinance 8639 amending Charter Sec. 130 and placing the amendment on the 2024 special election ballot. The ballot measure failed by less than a 1% margin, with a vote of 21,491 votes for the change, 21,556 votes against.

The ballot title stated: *"Shall Sec. 130 of the Boulder Home Rule Charter be amended to authorize City Council to set the terms and criteria of board and commission members and amend the language regarding removal of board and commission members as more specifically provided in Ordinance 8639?"*

Charter committee members believe that some community members voted no because of concerns about changes to the removal language, and asked staff if there was a way to amend Sec. 130 to advance the recommendations of the Boards and Commissions Assessment regarding flexibility on terms and criteria changes, without amending the removal language. Staff believes this is possible. The committee discussed whether bringing this amendment back to the ballot in a modified form in 2025 was the right timing, with a recommendation to consider it this year.

Section 2. FSC recommendations to City Council on potential tax measures, including measures considered within the city's LTFS and those recommended to explore by City Council.

City Council first confirmed support for a Multi-Year Ballot Measure Strategy within the [Long-Term Financial Strategy](#) at the [May 9, 2024](#), City Council Meeting on ballot items. The LTFS Multi-Year Ballot Measure Strategy is a two-year approach to consider potential tax ballot measures for 2025 and 2026. Staff provided an update on the work performed on this strategy at the [April 3, 2025](#), City Council meeting.

The FSC policy guidance on the LTFS Multi-Year Ballot Measure Strategy included recommendations such as:

- Prioritizing flexibility of funding to meet community needs, recognizing the challenges of restricted funding.
- Understanding the interaction of city tax ballot measures with wider organizational finances, including outcomes-based budgeting, existing fees, and other revenue opportunities.
- Evaluating the timing urgency for ballot measures.
- Understanding potential implications of other state and county measures.
- Focusing on reducing tax burdens for historically disadvantaged groups.
- Distributing the tax burden more equitably.

Based on this policy guidance, in addition to staff analysis, staff considered a total of nine tax ballot measure options within the LTFS initiative. Ultimately, FSC recommended two tax ballot measures for full council consideration, including the extension of the existing 0.30% CCRS Sales & Use Tax and the exploration of the creation of a new Public Realm Tax. A summary table of these options is provided in the [April 3 memo](#).

During the April 3 meeting, council asked staff to continue to consider and prepare ballot item ordinances for the FSC's two recommended ballot items. Council also asked staff to conduct additional research on a third ballot item to impose a tax or fee on vacant homes. Based on continued City Council direction, staff will include 2025 potential tax ballot measures within a statistically significant polling survey. Staff will bring forward the results of the polling survey at the June 26 City Council Meeting. Additional updates, research, and considerations are presented below by the three potential tax ballot measures:

1. Extension of the existing 0.30% CCRS Sales & Use Tax

An extension of the existing 0.30% CCRS Tax would create a longer-term support for city capital infrastructure, renovation, replacement, and maintenance projects and non-profit capacity building and capital investments. While this extension would not add additional annual revenue until after 2036, this tax aligns with and uplifts the LTFS guiding principles of revenue sufficiency and funding flexibility by providing the continuation of an existing revenue source to support the city's backlog of infrastructure.

As shared during the April 3 council meeting, the existing 15-year CCRS tax has been fully committed to support over 20 key capital projects such as the renovation of the East Boulder Community Center, completion of Fire Station 3, replacements of Fire Stations 2

and 4, Civic Area Phase II and Pearl Street Mall improvements, the acquisition of the city's 4,400 streetlights, multi-modal corridor and intersection improvements, and critical bridge replacements.

The CCRS tax extension would build upon the city's current tax structure by expanding the term of the existing tax, and provide increased funding stability for capital infrastructure, renovation, and replacement projects for the city (90% of revenues, \$13.5M annually) and non-profit organizations (10% of revenues, \$1.5M annually). If extended through 2050, this would generate an additional estimated \$195.0M-\$210.0M in total sales & use tax revenues, which would provide approximately \$175.0-\$189.0M (90%) toward city projects and \$19.5M-\$21.0M (10%) for non-profit organizations. The CCRS extension could also include a request for debt authorization from voters. Staff will be conducting a statistically valid voter survey of likely voters to help inform decision-making on the proposed tax ballot measures and bring forward the results of the survey to City Council at the June 26 City Council Meeting.

2. Creation of a Public Realm Tax

The creation of a Public Realm Tax would increase the total mill levy by 1.352 mills, taking the property tax from 11.648 mills to the City Charter Sec. 94 limit of 13.000 mills. Staff estimate this tax would generate approximately \$7.0M in annual property tax revenues.

The Public Realm Tax would expand the use of the existing Permanent Parks property tax of 0.900 mills, increase the tax by 1.352 mills, and allow debt issuance, for uses that fall more broadly within the public realm, such as funding for parks, open space, civic buildings and areas, and the public right-of-way such as streets, sidewalks, bike lanes, and multi-use paths.

The existing Permanent Parks property tax of 0.900 mills generates approximately \$4.5-\$5.0M in annual property tax revenues and, as listed in City Charter Article XI Sec. 161, is currently restricted to the acquisition of park land or the permanent improvement of park and recreation facilities. In addition, the existing Permanent Parks property tax does not have authority to issue debt.

The creation of a Public Realm Tax would expand and generate a total of \$11.5M-\$12.0M in annual revenues to support funding for public realm capital infrastructure, renovation, replacement, and maintenance projects and increase revenue sufficiency for our existing assets and future capital projects, including the needs already served by the existing Permanent Parks property tax. The intent of this tax is not to take away from the existing use of the tax, but rather explore how to expand the flexibility, stability, and diversity of the city's revenue sources, in alignment with the guiding principles of the LTFS.

Staff estimate that an additional property tax increment of 1.352 mills for a single-family home valued at \$1.0M would apply an additional estimated annual property tax between \$80-\$90.

As mentioned above, staff will be conducting a statistically valid survey of likely voters on this potential tax ballot measure and share the survey results at the June 26 City Council Meeting.

3. Creation of a Vacant Properties (Second Homes) Tax or Fee

During the April 3 meeting, a majority of council members expressed interest for additional research on a potential tax or fee on vacant residential properties, or second homes in the city. Several council members expressed concern that second homes in the city reduce housing stock, making it more difficult for people to find affordable housing options within the city. Since the April 3 council meeting, staff has completed additional benchmarking, researched other communities' approaches, and performed an initial legal analysis. A summary of this research, analysis, and staff recommendations and considerations are presented below.

Summary of Additional Research and Analysis on Vacancy Taxes/Fees

A residential vacancy tax is a tax on residential property that is held vacant during a portion of the year. Residential and commercial vacancy taxes provide an incentive to reduce blight by incentivizing property owners to improve, rent, or sell vacant property. A secondary intended outcome of residential vacancy taxes is to increase the occupancy of housing supply.

Based on staff comparative research, vacancy taxes are typically structured as a flat tax or fee based on property type category, square footage, and/or number of years vacant, ranging from \$1,000 to \$7,000 per unit, as summarized in the table below. In addition, cities often include exemptions that apply to vacancy taxes or fees, such as financial hardship exemptions.

Type	Jurisdiction	Vacancy Tax or Fee Structure
Residential/Commercial	City of Minneapolis – Vacant Property Fee	Flat fee: \$7k/yr.
Commercial	City of Lakewood – Vacant Property Fee	Flat fee: \$700 every six months and \$800 emergency service response fee
Residential	City of Berkeley – Empty Homes Tax	Tiered flat tax based on property type: \$3k/\$6k for 1st year, \$6k/\$12k for 2nd and subsequent years.
Residential	City of San Francisco – Empty Homes Tax	Tiered flat tax based on property square footage: \$2.5k-\$5k.
Commercial	City of San Francisco – Commercial Vacancy Tax	Calculated based on “frontage”, ground floor square footage adjacent to public right of way.
Residential/Commercial	District of Columbia (DC) – Vacant/Blighted Real	Increased real property tax rate: \$5/\$10 per \$100 assessed value

	Property Tax	for vacant/blighted property.
Residential/Commercial	City of Oakland – Vacant Property Tax	Tiered flat tax based on property type: \$3k/\$6k per unit/parcel.

Staff conducted additional research on vacant single-family homes within the city of Boulder limits based on water utilization and categorization within the utility billing system. This included single-unit detached and attached properties that have six consecutive months of zero water usage, or six total months of zero water usage within a 12-month period. Based on these two scenarios, staff estimates a range of 280-490 single-unit properties that could be considered vacant properties within the city of Boulder. This analysis focused on single-unit detached and attached homes only and excluded multi-unit attached and commercial properties due to the complexities of water usage and occupancy trends compared to single-unit homes as well as a lack of individual water meters for each unit. Prior preliminary staff analysis of potential vacant units, which ranged between an estimated 850-4,000 units, incorporated all categories of properties in addition to reviewing vacant unit classifications from the American Community Survey.

Summary of Recommendations and Considerations on Vacancy Taxes/Fees

Staff examined multiple approaches to how a vacancy tax/fee could be created. Staff examined the following:

- a. Property Tax;
- b. Property Tax with exemptions;
- c. Excise Tax; and
- d. Fee.

Each of the property tax options are prohibited under Colorado law. An excise tax or fee remain options, though each comes with risks to the city.

a) Creation of a Vacancy Tax as an Excise Tax

Based on initial staff research, structuring the vacancy tax as an excise tax may be an option. Under Colorado case law, the term “excise tax” has come to mean and include practically any tax which is not an ad valorem tax. An ad valorem tax is a tax imposed on the basis of the value of the article or thing taxed, such as a property tax. An excise tax is a tax imposed on the performance of an act, the engaging in an occupation or the enjoyment of a privilege.¹ The city has several excise taxes, including but not limited to the accommodations tax, admissions tax, trash tax, and rental license excise tax.

In this approach, a tax would be levied on vacant properties, and could be based on a per unit basis such as by bedroom or square footage of the home, or at a flat rate per unit. Additional analysis would be necessary to develop this approach, including the mechanics of collection and enforcement. This approach may expose the city to legal challenges, which need to be analyzed, too. If the tax was \$7,000/unit per year, the annual revenue

¹ Bloom v. Fort Collins, 784 P.2d 304, 307-08 (Colo. 1989).

from such a tax could be between \$2.0M to \$3.4M.

b) Creation of a Vacancy Fee

Based on staff research, structuring this as a vacancy fee is an option. In this approach, fees are applied to vacant properties to defray the cost of government services such as code enforcement and emergency response for vulnerable or distressed properties. The fees are often structured within a broader code enforcement program and aim to shift the service cost of monitoring these properties from the general taxpayer to property owners of vacant units. As shown on the table above, the City of Minneapolis and the City of Lakewood represent two examples of a vacancy fee imposed on property owners of vacant units to defray the cost of direct and indirect government services such as enforcement and public safety response. These fees are imposed based on the length of time the property is held vacant.

If City Council supported exploration of a vacancy fee, staff would explore further legal, financial, and comparative analysis, which may need to include a fee nexus study. This approach could be enacted legislatively by ordinance, without a requirement to be a ballot item. One important note is that the revenue for such a fee as this can only be used to support the activities the fee is assessed for, in this case the cost of government services such as code enforcement and emergency response for vulnerable or distressed properties and cannot be allocated for general purposes like a tax could.

Section 3: Other ballot measures suggested by council members.

During the charter committee discussions, several other ballot measure ideas were offered, which were found by staff to not be charter changes and therefore not considered further by the committee. Below is a brief description and analysis:

1. Require a fiscal note on ballot measures to note the impact to the city budget if the petition would be passed.

This would require the city to have a fiscal analysis of potential ballot measures to provide voters with an understanding of what a ballot measure would mean for the city budget. Staff reviewed examples from other cities, and believes there are several options on how such analysis could be provided, although all could be implemented legislatively or administratively, not requiring a ballot measure.

Option 1: Pass an ordinance like the City and County of Denver has, which would require a voter guide be prepared and mailed to households like the state blue book/county voter guide. A link to the Denver code is [here](#) (scroll to subsection b), and a link to the Denver voter guide is [here](#). The example of State measure fiscal analysis is [here](#). This would come with an expense to the city to print and mail the guides, estimated at approximately \$100,000/year.

Option 2: Pass an ordinance requiring preparation of a fiscal impact and publish it in a place accessible to city voters (city website, accompanying any ballot item ordinance, memo, etc.) but short of mailing it to voters.

Option 3: Administratively implement the practice, and publish it in a place accessible to city voters (city website, accompanying any ballot item ordinance, memo, etc.) without passing an ordinance.

2. Allow dedicated funds to be used for general purposes in emergencies, with defined limitations.

This ballot measure would allow dedicated funds to be used for purposes outside of the voter approved dedication, during times of emergency. While not a charter change, this would require a ballot item to amend each of the previously approved tax measures. Staff would suggest that if such a measure were to be considered, the limitation would be to tie usage to disaster emergencies where a disaster declaration is signed (2-2.5, BRC, 1981.). During times of major disasters in the past decade or so, staff has utilized all dedicated funds in highest way possible within the business areas that the funds are authorized for.

The city currently has 17 voter-approved taxes. Each of the following taxes would need a separate ballot measure for voters to approve or deny the amendment to allow for such emergency flexibility.

- a. Arts, Culture, Heritage Sales and Use Tax
- b. Climate Tax
- c. Community Housing Assistance Program Property Tax
- d. Community, Culture, Resilience, and Safety Sales and Use Tax
- e. Electronic Smoking Device Sales and Use Tax
- f. Long-Term Rental License Excise Tax
- g. Open Space Sales & Use Tax 0.12% increment
- h. Open Space Sales & Use Tax 0.15% increment
- i. Open Space Sales & Use Tax 0.50 increment
- j. Parks & Recreation .25 Sales and Use Tax
- k. Permanent Parks Property Tax
- l. Public Safety Property Tax
- m. Short-Term Rental Tax
- n. Sugar-Sweetened Beverage Product Distribution Tax
- o. Transportation Development Excise Tax
- p. Transportation Sales & Use Tax 0.15% increment
- q. Transportation Sales & Use Tax 0.60 increment

3. Renter protections similar the “Tacoma for all” initiative in Tacoma, WA.

In 2023, a voter petition resulted in a ballot measure in Tacoma, Washington to enact a Landlord Fairness Code, providing for various tenant protections. Staff examined this measure in Tacoma and believes that this is a legislative matter that council could consider as a workplan item, and regulations of certain tenant protections could be enacted by ordinance which would provide better flexibility. This could be considered as a potential item in a future council priorities discussion.

Section 4: Update on community sponsored city petitions that are circulating for signature.

The city has received and approved four initiative petitions for circulation:

Petition #1: "Pearl For You"

This petition is seeking the following:

"Shall the City of Boulder enact a resolution pursuant to state law declaring its intention to establish a community space on Pearl Street between 9th and 11th Streets and on the adjoining section of 10th Street (from Pearl Street to Morrison Alley) to support public use, outdoor dining, and street activations including art installations, green spaces, and community activities, by closing it to private vehicular traffic, and by implementing appropriate measures to ensure commercial vehicle access to businesses as well as access for emergency services and persons with disabilities, and shall the City of Boulder take all other steps consistent with state law for the establishment of this community space?"

Text of Measure:

Whereas the City of Boulder seeks to increase activation of public spaces including creating third places and supporting consumer visits to the restaurants and small businesses in downtown Boulder;

Whereas there was widespread community support for the pedestrianized section of West Pearl during the pandemic and beyond;

Whereas increasing pedestrian and alternative mobility uses, and decreasing traffic congestion and on-street parking, are within the environmental goals and guideposts of the City of Boulder;

Therefore be it resolved by the Boulder City Council:

That based on a vote of the people, the Council determines that the public interest and convenience require the establishment of a pedestrian mall for community members ("community space") on Pearl Street between 9th and 11th Streets and on the adjoining section of 10th Street (from Pearl Street to Morrison Alley) to support public use, outdoor dining, and street activations including art installations, green spaces, and community activities, by closing it to private vehicular traffic, and by implementing appropriate measures to ensure commercial vehicle access to businesses as well as access for emergency services and persons with disabilities;

Further, based on a vote of the people, Council determines that vehicular traffic will not be unduly inconvenienced thereby, declares its intent to establish such community space, and proposes to adopt an ordinance to this effect;

Further, if any payments for damages are required for abutting property owners by

reason of the establishment of this community space, notwithstanding the access that will remain for such property owners, such moneys shall be provided from the General Fund, to be paid by the City of Boulder in the ordinary course of its business consistent with payment of similar claims;

Further, that a public hearing by the Boulder City Council relative to the establishment of the proposed community space will be held on a Thursday that is no less than sixty days and no more than seventy-five days after the election results are certified, at 6pm in the City Council Chambers of the Boulder Municipal Building; and that oral presentations from abutting property owners and the public at large in favor of or opposing, objecting to, or protesting the proposed community space will be considered by the City Council at said public hearing;

and that any person owning or having any legal or equitable interest in any real property which might suffer legal damage by reason of the establishment of the proposed community space shall file a written claim of damages, if any damages are to be considered or allowed, with the clerk at any time prior to the first reading of the ordinance establishing the community space.

The initial letter of “intent to circulate” and petition draft were submitted to the City Clerk on December 26, 2024. The City Clerk provided her comment letter for the first submission of the petition to the committee on January 6, 2025, which rejected the petition in its then-current form.

A second submission was received on January 7, 2025, and comments were provided on January 13, 2025, which rejected the petition as submitted.

A third submission was received on January 14, 2025, and comments were provided on January 17, 2025, which rejected the petition as submitted yet again.

A fourth submission was received on January 19, 2025, and comments were provided on January 27, 2025, which APPROVED the petition for circulation.

The committee has elected to utilize both paper and electronic endorsements through the Boulder Direct Democracy Online system for this petition.

Petition #2: "New Development Shall Pay for Its Impacts"

This petition is seeking the following:

“New development or redevelopment that increases demands on city infrastructure shall pay the costs of reasonably maintaining levels of service delivered by such infrastructure, including costs associated with projected long-term climate change.”

Text of Measure:

Shall the Boulder Revised Code be amended to add the following language in Title 8,

Chapter 9 – Capital Facility Impact Fee, Section 8-9-1- Purpose and Legislative Intent, (b) Legislative Intent, as paragraph (9)?

(9) The city shall require persons engaged in residential and/or non-residential new development and/or redevelopment in the city that increase demands on city infrastructure, facilities and systems to pay impact fees or the equivalent adequate to cover the costs associated with reasonably maintaining levels of service delivered by such infrastructure, facilities, and systems and thereby reasonably fully mitigate the impacts of the increased demands from such development or redevelopment. Such fees or the equivalent shall be in addition to paying any other charges, fees, taxes, or exactions assessed by the city that do not directly address such demands.

To the extent that the city council may increase operating budgets to provide expanded or increased services that partially or fully substitute for expanding capital infrastructure, facilities, and/or systems in maintaining levels of service, the city shall ensure that funding for such services shall be provided by the persons engaged in such new development or redevelopment.

The city council may rebate some or all of such fees or funding paid for by Permanently Affordable Housing units.

Evaluations of the costs of maintaining levels of service shall include the projected long-term effects of climate change, including on water supply and storm water and flood control systems.

- New development or redevelopment outside the city that is served by city water and/or sewer systems shall pay amounts equivalent to those assessed on developments or redevelopments within the city to maintain levels of service for those systems.

- All such charges shall be assessed to the extent allowed under state or Federal law.

City infrastructure, facilities, and systems shall include the following:

1. complete water supply, including water rights, and storage, treatment, and delivery systems;
2. sewer and wastewater system, including pipes and treatment;
3. transportation facilities, including streets, intersections, parking, bike paths and facilities, sidewalks, and public transportation;
4. parks and recreation facilities, both indoor and outdoor;
5. flood hazard protection facilities, including flood and storm water control systems;
6. cable and internet systems;
7. police, fire, human services, and general municipal facilities, affordable housing, and wildfire prevention, mitigation, and protection infrastructure and systems

The initial letter of “intent to circulate” and petition draft were submitted to the City Clerk on February 20, 2025. The City Clerk provided her comment letter for the first submission of the petition to the committee on February 28, 2025, which rejected the petition in its then-current form.

A second submission was received on March 3, 2025, and comments were provided on March 5, 2025, which APPROVED the petition for circulation.

The committee has elected to utilize only paper endorsements for this petition.

Petition #3: "Out of Xcel Franchise"

This petition is seeking the following:

AN ORDINANCE TO TERMINATE THE ELECTRIC FRANCHISE AGREEMENT WITH PUBLIC SERVICE COMPANY OF COLORADO ("PSCO") IN ACCORDANCE WITH SECTION 2.4 OF THE 2020 FRANCHISE AGREEMENT BETWEEN THE CITY OF BOULDER, COLORADO AND PUBLIC SERVICE COMPANY OF COLORADO FOUND IN EXHIBIT A OF ORDINANCE 8410 AND WHICH BECAME EFFECTIVE ON JANUARY 1, 2021 AND TO HAVE THE CITY INFORM PSCO OF THE DECISION TO TERMINATE THE FRANCHISE AGREEMENT PRIOR TO DECEMBER 15, 2025.

Text of Measure:

WHEREAS THE CITY OF BOULDER FINDS THAT:

- A. The City of Boulder desires to build a more reliable, resilient, cost-effective and sustainable electric utility that provides for local generation, storage and control of our electricity and reduces our reliance on the vulnerable 20th century grid system and keeps more of our energy dollars in the City; and
- B. The for-profit business model of Boulder's current provider Public Service Company of Colorado ("PSCo") is designed to deliver ever-increasing returns to shareholders rather than to strengthen the Boulder economy; and
- C. The City of Boulder desires the freedom to search for alternative suppliers of electricity to see if, as other Colorado communities have found, it can get a higher quality product, lower costs and better customer service; and
- D. The City of Boulder's current provider Public Service Company of Colorado has a legal obligation to continue serving Boulder residents and businesses until the City of Boulder has obtained an alternative supplier and service from the alternative supplier has commenced;

NOW THEREFORE , BE IT ORDAINED BY THE CITY OF BOULDER, COLORADO

Section 1. The City of Boulder hereby terminates the electric franchise agreement with Public Service Company of Colorado ("PSCo") in accordance with Section 2.4 of the 2020 Franchise Agreement between the City of Boulder, Colorado and Public Service

Company of Colorado found in Exhibit A of Ordinance 8410 and which became effective on January 1, 2021.

Section 2. The City of Boulder shall inform Public Service Company of Colorado of the decision to terminate the franchise agreement prior to December 15, 2025.

Section 3. The officers of the City of Boulder are authorized to take all action necessary or appropriate to effectuate the provisions of this ordinance.

Section 4. This ordinance is deemed necessary for the protection of the public health, safety, and welfare of the residents of the City of Boulder and covers matters of local concern.

Section 5. The city deems it appropriate that this ordinance be published by title only and orders that copies of the text be available in the office of the city clerk for public inspection and acquisition.

The initial letter of “intent to circulate” and petition draft were submitted to the City Clerk on March 13, 2025. The City Clerk provided her comment letter for the first submission of the petition to the committee on March 24, 2025, which rejected the petition in its then-current form.

A second submission was received on March 25, 2025, and comments were provided on March 27, 2025, which rejected the petition as submitted.

A third submission was received on March 28, 2025, and comments were provided on April 1, 2025, which APPROVED the petition for circulation.

The committee has elected to utilize both paper and electronic endorsements through the Boulder Direct Democracy Online system for this petition.

Petition #4: "Have More Affordable Housing in Low Density Areas"

This petition is seeking the following:

“Additional housing units built after January 1, 2026, on properties zoned for single family homes as of January 1, 2023 shall be permanently affordable to persons of incomes of no more than 100% of Area Median Income, or appropriate fees in lieu paid or equivalent homes off site provided.”

Text of Measure:

Shall the Boulder Revised Code be amended by adding the following language to Title 9, Section 9-13-3(a) Inclusionary Housing Requirements, as paragraph (7), and to Title 9, Section 9-13-10(a)(1) as paragraph (C), and to Title 9, Section 9-13-10(a)(2) as paragraph (J)?

9-13-3(a)(7) Notwithstanding the requirements in 9-13-3(a)(1)-(6), all for-sale and/or rental

dwelling units whose construction began on or after January 1, 2026, on a lot or on a portion of a lot that was zoned RR-1, RR-2, RE, or RL-1 as of January 1, 2023, other than the first dwelling unit constructed on such a lot or portion thereof, shall be permanently affordable to persons of 100% of the AMI.

9-13-10(a)(1)(C) As an alternative for for-sale and/or rental dwelling units covered by 9-13-3(a)(7) to providing such permanently affordable dwelling units on-site, the developer may make cash-in-lieu contributions for each market rate dwelling unit on-site other than the first dwelling unit adequate to subsidize an off-site dwelling unit of comparable size and quality as the market rate unit on-site to be permanently affordable to persons of 100% of the AMI.

9-13-10(a)(2)(J) Off-site for-sale and/or off-site rental units intended to satisfy the requirements of 9-13-3(a)(7) shall be of comparable size and quality to what would have been required on-site and shall be permanently affordable to persons of 100% of the AMI.

The initial letter of “intent to circulate” and petition draft were submitted to the City Clerk on March 3, 2025. The City Clerk provided her comment letter for the first submission of the petition to the committee on March 13, 2025, which rejected the petition in its then-current form.

A second submission was received on March 18, 2025, and comments were provided on March 24, 2025, which rejected the petition in its then-current form.

A third submission was received on March 28, 2025, and comments were provided on April 1, 2025, which APPROVED the petition for circulation.

The committee has elected to utilize only paper endorsements for this petition.

Each petition will need 3,401 signatures to be deemed “sufficient.” Committees must submit their petitions to the City Clerk for review and certification no later than May 28, 2025.

Section 5: Potential 2025 ballot measures for the state and region

Boulder County

Staff is waiting to hear from the county if they are considering any ballot measures this year.

Boulder Valley School District (BVSD)

BVSD is not anticipating any measures for their district on this November’s ballot.

State of Colorado

Two citizen initiatives have been approved for circulation. The following citizen initiatives have either had their title set or are awaiting an initial hearing and involve a tax or fee. None have yet qualified for the ballot.

[Initiative 47 – Decrease state income tax](#)

[Initiative 48 – Decrease state income tax](#)

[Initiative 51 – Repeal Retail Delivery Fee](#)

[Initiative 65](#) – Decrease state income tax

The last day for the Secretary of State to make a determination on sufficiency of signatures for the 2025 election is September 3, 2025. It is very early in the process so it is unclear which initiatives may ultimately appear on the November 2025 state ballot. The Colorado Secretary of State maintains a [website](#) with the current status of all pending initiatives, including those approved for circulation.

NEXT STEPS

- June 26, 2025, follow up discussion with council on the results of polling for the LTFS ballot items
- July 24, 2025, first reading of ballot measures
- August 7, 2025, second reading and public hearing on ballot measures (potential final adoption)
- August 21, 2025, continued second reading/third reading and public hearing on ballot measures (potential final adoption) and, council's approval of the ballot order



COVER SHEET

MEETING DATE

May 8, 2025

AGENDA ITEM

Discussion on the draft letter to the Boulder County Region Opioid Council expressing Council's interest in investing the Opioid Settlement Dollars ambitiously in new treatment opportunities for our community

PRIMARY STAFF CONTACT

NA

ATTACHMENTS:

Description

- ▣ **Item 3 - Draft letter**

Dear Members of the Boulder County Opioid Council,

On behalf of the Boulder City Council, we want to express our deep appreciation for your dedicated efforts in addressing the opioid crisis that continues to impact our community. As Boulder County continues to allocate approximately \$30 million from the Opioid Settlement, we respectfully urge you to consider investing these significant resources into transformative programs and projects that emphasize clear, measurable outcomes.

Historically, our collective approach to combating opioid addiction and related public health issues has been largely incremental. While these initiatives have provided relief and valuable support to many, we believe that this unique financial opportunity calls for a strategic shift. It is essential we pivot from a piecemeal approach towards initiatives capable of generating substantial and lasting impact on our community's health and resilience.

We encourage investments in comprehensive programs that target systemic change, rather than isolated interventions, which will better equip us to tackle the complexity of the opioid epidemic effectively and sustainably.

Thank you for considering our request. We look forward to partnering closely with you to ensure these resources achieve their fullest potential, benefiting all residents of Boulder County.

Warm regards,

Boulder City Council