

# CITY COUNCIL COMMUNICATION



**MEETING DATE:** August 08, 2023

**ITEM NUMBER:** 12.B

**SECOND READING:**

{{customfields.ResoOrdNumber}}

**TYPE OF ITEM:** General Business

**PRESENTED BY:**

Harold Dominguez, City Manager's Office, [Harold.Dominguez@longmontcolorado.gov](mailto:Harold.Dominguez@longmontcolorado.gov)

## **SUBJECT/AGENDA TITLE:**

A Bill For An Ordinance Concerning The Funding Of An Arts And Entertainment Center And In Connection Therewith Amending Chapter 4.04 Of The Municipal Code For The City Of Longmont, Colorado, Increasing The City Sales And Use Tax Rate From 3.53 Percent To 3.62 Percent Beginning On The First Day Of The Sixth Month Prior To The Projected Completion Date Of The Arts And Entertainment Center, Authorizing An Increase In The City Property Tax Of Not More Than 1.9 Mills For Not More Than Twenty Years Beginning With The Year In Which \$35,000,000 In Private Funding For Construction Has Been Made Available To The City, And Referring Said Tax Increases To A Vote Of The Qualified Electors

## **EXECUTIVE SUMMARY:**

At the July 18 meeting, City Council directed staff to bring back an ordinance that would place a ballot question in front of voters in November for:

1. the construction of a new arts and entertainment center by not more than a 1.9 mills increase in the City's property tax for not more than 20 years beginning with the year in which \$35,000,000 in private funding for construction has been made available to the City; and
2. the operation and maintenance of the arts and entertainment center, by increasing the City's sales and use tax rate from 3.53 percent to 3.62 percent beginning on the first day of the sixth month prior to the completion date of the arts and entertainment center.

## **COUNCIL OPTIONS:**

1. Approve the Ordinance
2. Amend the Ordinance
3. Do Not Approve the Ordinance

## **RECOMMENDED OPTIONS:**

This is a policy decision.

## **FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:**

If approved, residents would pay not more than a 1.9 mills increase in the City's property tax for not more than 20 years beginning with the year in which \$35,000,000 in private funding for construction has been made available to the City; and an increased City's sales and use

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tax rate from 3.53 percent to 3.62 percent beginning on the first day of the sixth month prior to the projected completion date of the arts and entertainment center.

**Additional tax impacts:**

|  |         |
|--|---------|
| Annual property tax on a \$500,000 home                        | \$67.93 |
| Annual property tax on \$1,000,000 of non-residential property | \$551   |
| Additional sales tax on a \$100 purchase                       | \$0.09  |

**BACKGROUND AND ISSUE ANALYSIS:**

Previous information can be found online:

<https://longmont.primegov.com/Portal/Meeting?meetingTemplateId=10699>

**ATTACHMENTS:**

Att 1 - Ordinance