

RESOLUTION NO. R 019- 0165

A RESOLUTION CALLING FOR AN ELECTION FOR THE EXTENSION OF AND PARTIAL REALLOCATION OF FUTURE REVENUES FROM AN EXPIRING PORTION OF THE EXISTING SALES TAX AND USE TAX IMPOSED FOR THE DOUGLAS COUNTY JUSTICE CENTER AND CALLING FOR AN ELECTION ON THE QUESTION OF THE ISSUANCE OF BONDS OR OTHER OBLIGATIONS TO BE SECURED BY SUCH REVENUES IF SUCH EXTENSION AND REALLOCATION IS APPROVED.

WHEREAS, at the general election held on November 7, 1995, the electors of Douglas County, Colorado (the "County") approved the following ballot question (the "1995 Sales and Use Tax Ballot Question"):

SHALL DOUGLAS COUNTY'S DEBT BE INCREASED \$30 MILLION, WITH A REPAYMENT COST OF \$49 MILLION (MAXIMUM PRINCIPAL AND INTEREST), AND SHALL DOUGLAS COUNTY'S TAXES BE INCREASED \$6.5 MILLION ANNUALLY, BY THE ISSUANCE OF SALES AND USE TAX REVENUE BONDS, FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING A COUNTY JUSTICE CENTER, INCLUDING COURTROOMS, JAIL CELLS, COMMUNICATIONS AND DISPATCHING, DISTRICT ATTORNEY FACILITIES, AND RELATED FACILITIES, THE AUTHORIZATION OF SUCH BONDS BEING DEEMED TO INCLUDE THE ISSUANCE OF REFUNDING BONDS AT A LATER DATE WITHOUT AN ELECTION, AND SHALL SUCH BONDS BE MADE PAYABLE FROM AND SECURED BY A PLEDGE OF A SPECIAL FUND CONSISTING OF PROCEEDS OF A COUNTY SALES AND USE TAX, WHICH SHALL BE IMPOSED FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF COURTROOMS, JAIL CELLS, COMMUNICATIONS AND DISPATCHING, DISTRICT ATTORNEY FACILITIES, AND RELATED FACILITIES, AT THE RATE OF FORTY-THREE HUNDREDTHS OF ONE CENT PER DOLLAR OF TAXABLE TRANSACTIONS FOR A PERIOD OF 15 YEARS (JANUARY 1, 1996 THROUGH DECEMBER 31, 2010), AND WHICH TAX SHALL THEREAFTER BE REDUCED TO THE RATE OF TWENTY HUNDREDTHS OF ONE CENT PER DOLLAR OF TAXABLE TRANSACTIONS, ALL AS SET FORTH IN COUNTY RESOLUTION NO. R-995-099, AND SHALL ALL OF SUCH MONEYS, INCLUDING INVESTMENT EARNINGS, BE COLLECTED AND SPENT, REGARDLESS OF WHETHER THE ANNUAL REVENUES FROM SUCH TAX IN ANY YEAR AFTER THE FIRST FULL YEAR IN WHICH IT IS IN EFFECT EXCEED THE ESTIMATED DOLLAR AMOUNT STATED ABOVE, EITHER AS A VOTER-APPROVED REVENUE CHANGE OR AS AN EXCEPTION TO LIMITS ON REVENUES

AND SPENDING, WITHOUT LIMITING THE COLLECTION OR SPENDING OF ANY OTHER REVENUES OR FUNDS BY THE COUNTY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

WHEREAS, Resolution No. R-995-099, referenced in the 1995 Sales and Use Tax Ballot Question, was adopted by the Board of County Commissioners (the "Board") of the County on September 12, 1995, and was amended by Resolution No. R-003-152 adopted by the Board on November 10, 2003; and

WHEREAS, the 1995 Sales and Use Tax Ballot Question and Resolution No. R-995-099, as amended, then provided for the expiration of twenty-three hundredths of one cent per dollar (the ".23% Portion") of the forty-three hundredths of one cent per dollar Justice Center Sales and Use Tax at 12:00 a.m. on January 1, 2010; and

WHEREAS, on August 28, 2007, the Board further amended Resolution No. R-995-099, by adoption of Resolution No. R-007-123 which sought to ask voters whether to extend the .23% Portion of the Justice Center Sales and Use Tax scheduled to expire at 12:00 a.m. on January 1, 2011 to January 1, 2021, and to thereafter reduce the total Justice Center Sales and Use Tax in perpetuity from forty-three hundredths of one cent per dollar of taxable transactions to thirty hundredths of one cent per dollar of taxable transactions, subject to submittal of the extension to the voters for approval on November 6, 2007; and

WHEREAS, on November 6, 2007, the following ballot question was submitted to the electors of the County for approval to extend the .23% Portion as set forth in Resolution No. R-007-123 (the "2007 Extension"):

WITHOUT RAISING ADDITIONAL TAXES, SHALL THE EXISTING PORTION OF THE COUNTY JUSTICE CENTER SALES AND USE TAX OF TWENTY THREE HUNDREDTHS OF ONE CENT (.23%) PER DOLLAR OF TAXABLE TRANSACTIONS FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF COURTROOMS, JAIL CELLS, COMMUNICATIONS AND DISPATCHING, DISTRICT ATTORNEY FACILITIES, AND RELATED FACILITIES SCHEDULED TO EXPIRE ON JANUARY 1, 2011 BE EXTENDED AS FOLLOWS: (1) EXTEND (A) THIRTEEN HUNDRETHS OF ONE CENT (.13%) PORTION OF SUCH .23% PORTION PER DOLLAR OF TAXABLE TRANSACTIONS THROUGH DECEMBER 31, 2020) SPECIFICALLY FOR USE FOR CAPITAL NEEDS ASSOCIATED WITH THE COUNTY JUSTICE CENTER; AND (2) EXTEND A ONE TENTH OF ONE CENT (.10%) PORTION OF SUCH .23% PORTION PER DOLLAR OF TAXABLE TRANSACTIONS IN PERPETUITY SPECIFICALLY TO ASSIST IN FUNDING THE COSTS OF OPERATING THE COUNTY JUSTICE CENTER, INCLUDING THE JAIL, COURTROOM SECURITY,

COMMUNITY JUSTICE SERVICES, DISPATCHING, AND TECHNOLOGICAL SERVICES AND RELATED FACILITIES ALL AS SET FORTH IN COUNTY RESOLUTION R995-099 AS AMENDED?

WHEREAS, voters approved this extension on November 6, 2007; and

WHEREAS, to respond to increasing demands for growth related capital improvements within the County, the Board now desires to ask voters whether the County should reallocate the revenues of the expiring .13% Portion of the Justice Center Sales and Use Tax which was the subject of the 2007 Extension for the purposes of providing directly or indirectly, for the provision of transportation infrastructure and necessarily related expenses for the alleviation of traffic congestion, as detailed in this Resolution, and to extend collection of the same through December 31, 2035; and

WHEREAS, the Board desires to additionally ask voters whether to authorize the issuance of revenue bonds to be secured by the expiring .13% Portion of the Justice Center Sales and Use Tax if it is extended and reallocated in order to fund such public transportation infrastructure as soon as possible; and

WHEREAS, Article X, Section 20 of the Colorado Constitution requires voter approval of the extension of an expiring tax and the creation any multiple-fiscal year direct or indirect debt or other financial obligation; and

WHEREAS, the Board desires to present the following ballot questions provided herein to voters on November 5, 2019, which if approved by voters would: (1) allow the .13% Portion to be reallocated and extended from its current expiration date of January 1, 2021 to instead terminate on December 31, 2035; and (2) allow the County to issue revenue bonds to be secured by the .13% Portion in order to fund transportation infrastructure; and

WHEREAS, the Board is responsible for certifying such ballot questions to the coordinated election official in the County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, COLORADO:

1. Resolution No. 995-099, as amended, shall be amended as follows:

A. Section 20 of Resolution No. 995-099, as amended, shall be restated to read as follows:

20(A). The portion of the sales and use taxes collected at the rate of twenty hundredths of one cent per dollar in perpetuity pursuant to this Resolution and the

interest income thereon (the “.30% Portion”) shall be deposited, allocated, and expended only for:

- i. The construction, equipping, operation and maintenance of a county justice center, including courtrooms, jail cells, communications and dispatching, district attorney facilities, and related facilities; and
- ii A special fund, to be known as the “Douglas County Justice Center Sales and Use Tax Capital Improvement Fund” (the “J.C. Fund”), shall be created and all of the revenues from the .30% portion shall be deposited therein.

(B). An additional portion of the sales and use taxes collected at the rate of thirteen hundredths of one cent per dollar, of the forty-three hundredths of one cent per dollar sales and use tax provided for in this Resolution and the interest income thereon (the .13% Portion) shall be deposited in a separate special fund, to be known as the Douglas County Transportation Infrastructure Fund (the “T.I. Fund”), and shall be allocated, and expended only for the purposes of providing directly or indirectly, for the provision of transportation infrastructure and necessarily related expenses for the alleviation of traffic congestion whether owned and maintained by the County or, in whole or in part, by another governmental entity that serves the residents of the County, that the Board determines in its discretion would benefit current and future residents of the County. The T.I. Fund may also be used for the payment of costs of issuance, reserve funds and debt service of revenue bonds, including principal and interest thereon, as authorized by this Resolution, if and when such bonds are approved by a majority of voters.

(C). All of the revenue of the sales and use tax, including investment earnings, shall be collected and spent, regardless of whether the annual revenues from such tax in any year after the first full year in which it is in effect exceed the estimated dollar amount stated in the election question set forth in Section 21 hereof, either as a voter-approved revenue change or as an exception to limits on revenues and spending, without limiting the collection or spending of any other revenues or funds by the County under Article X, Section 20 of the Colorado Constitution or any other law.

(D). Sales and use tax revenue bonds for transportation infrastructure purposes may be issued in the aggregate principal amount of \$96 million, the proceeds of which shall be used for the purposes and in accordance with the limitations of this sales tax and use tax proposal, as approved by a majority of the voters voting thereon.

If this amended sales and use tax proposal and the revenue bond proposal are approved by a majority of the voters voting thereon, the Board may issue such revenue bonds in accordance with the provisions of section 29-2-112, C.R.S.

B. Section 25 of Resolution No. 995-099, as amended, is hereby amended to read as follows:

25. Effective Date-Applicability. Upon adoption by the electorate at the election on November 5, 2019, the sales tax and use tax as provided and as amended herein shall become effective and in force at 12:00 a.m. on January 1, 2020. The rate of a portion of said sales tax and use tax shall be twenty hundredths of one cent per dollar of taxable transactions (the .30% Portion as set forth in Section 20A) shall remain in perpetuity. The rate of the remaining portion of the sales and use tax shall be thirteen hundredths of one cent per dollar of taxable transactions through December 31, 2035 (the .13% Portion as set forth in Section 20B).

2. *Submission of Election Questions.* The Board hereby authorizes the submission of the question of the extension and partial reallocation of the Justice Center Sales and Use Tax and the question of the issuance of revenue bonds in connection therewith to the registered electors of the County, at the coordinated election to be conducted on November 5, 2019, by the Douglas County Clerk and Recorder.

3. *Certification of Election Questions.* In accordance with Section 1-5-203(3), C.R.S., the Board hereby directs that the following ballot issues be certified herewith to the Douglas County Clerk and Recorder for inclusion in the ballot for said coordinated election:

WITHOUT RAISING ADDITIONAL TAXES, SHALL THAT CERTAIN EXISTING PORTION OF THE DOUGLAS COUNTY JUSTICE CENTER SALES AND USE TAX OF THIRTEEN HUNDREDTHS OF ONE CENT (.13%) PER DOLLAR OF TAXABLE TRANSACTIONS CURRENTLY SCHEDULED TO EXPIRE ON DECEMBER 31, 2020 BE EXTENDED THROUGH DECEMBER 31, 2035 AND REALLOCATED FOR THE PROVISION OF NECESSARY TRANSPORTATION INFRASTRUCTURE AND RELATED EXPENSES FOR THE ALLEVIATION OF TRAFFIC CONGESTION, EFFECTIVE JANUARY 1, 2020, ALL TO BE CONSISTENT WITH THE PROVISIONS SET FORTH IN COUNTY RESOLUTION R995-099, AS AMENDED; AND SHALL THE PROCEEDS OF SUCH TAXES, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE COUNTY WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE COUNTY?

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SHALL DOUGLAS COUNTY DEBT BE INCREASED \$96 MILLION, WITH A MAXIMUM REPAYMENT COST OF \$163 MILLION, PAYABLE FROM THE REVENUE GENERATED FROM THE COUNTY'S SALES AND USE TAX OF THIRTEEN HUNDREDTHS OF ONE CENT (.13%) PER DOLLAR OF TAXABLE TRANSACTIONS, IF SUCH REVENUE IS REALLOCATED FOR THE PROVISION OF NECESSARY PUBLIC TRANSPORTATION INFRASTRUCTURE AND RELATED EXPENSES, AND ANY OTHER LEGALLY AVAILABLE REVENUE OF THE COUNTY, WITH THE PROCEEDS OF SUCH DEBT BEING USED AND SPENT FOR THE CONSTRUCTION, REPAIR, MAINTENANCE AND OPERATION OF NECESSARY PUBLIC TRANSPORTATION INFRASTRUCTURE; AND SHALL SUCH DEBT BE EVIDENCED BY REVENUE BONDS TO BE SOLD IN ONE OR MORE SERIES FOR A PRICE ABOVE OR BELOW THE PRINCIPAL AMOUNT OF SUCH SERIES AND ON TERMS AND CONDITIONS AND WITH SUCH MATURITIES AS ARE PERMITTED BY LAW, INCLUDING PROVISIONS FOR REDEMPTION OR EARLY PAYMENT OF SUCH REVENUE BONDS WITH OR WITHOUT A PREMIUM; AND SHALL THE COUNTY BE AUTHORIZED TO ISSUE DEBT TO REFUND THE DEBT AUTHORIZED BY THIS QUESTION AT A HIGHER OR LOWER INTEREST RATE, PROVIDED THAT AFTER THE ISSUANCE OF SUCH REFUNDING DEBT THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF ALL DEBT ISSUED PURSUANT TO THIS QUESTION DOES NOT EXCEED THE MAXIMUM PRINCIPAL AMOUNT SET FORTH ABOVE, AND PROVIDED FURTHER THAT ALL DEBT ISSUED BY THE COUNTY PURSUANT TO THIS QUESTION IS ISSUED ON TERMS THAT DO NOT EXCEED THE MAXIMUM REPAYMENT COSTS AUTHORIZED IN THIS QUESTION; AND SHALL THE PROCEEDS OF SUCH DEBT AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE COUNTY WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE COUNTY?

4. *Clerk to Conduct Election.* The name of the designated election official who will be responsible for conducting the election pursuant to the Uniform Election Code of 1992, as amended, is Merlin Klotz, Douglas County Clerk and Recorder.

5. *Uniform Election Code of 1992.* The election shall be held, conducted, and the results thereof shall be determined, so far as practicable, in conformity with the provisions of the Uniform Election Code of 1992, as amended.

6. *Publication of Resolution.* The County Clerk and Recorder is hereby authorized and directed to publish the full text of this Resolution four separate times, a week apart, in the *Douglas County News-Press* and in the official newspaper of each city and incorporated town in the County.

7. *Filing With, and Collection, Administration and Distribution By, Executive Director of the Colorado Department of Revenue.* Pursuant to Section 29-2-106, Colorado Revised Statutes, the Board shall, following the election on November 5, 2019, and prior to December 31, 2019, request the Executive Director of the Colorado Department of Revenue to administer, collect and distribute the sales tax hereby extended. The Board, at the time of making such request, shall provide the following documents to the Executive Director:

A. A copy of this Resolution and Resolution No. 995-099, as amended, certified by the County Clerk and Recorder;

B. Affidavits of publication of this Resolution, as provided herein; and

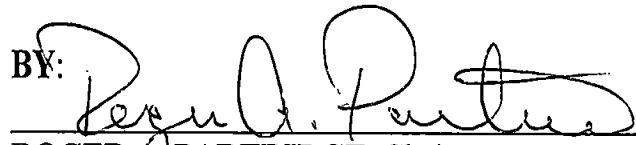
C. An Abstract of Election Results, certified as to the approval of the extension of the sales tax by a majority of the registered electors of the County voting thereon.

In the event that the Executive Director fails or refuses to collect the sales tax extended by this Resolution, the Board shall provide for the collection, administration or enforcement of such sales tax to the extent permitted by law, or amend this Resolution to comply with the requirements of the Department of Revenue.

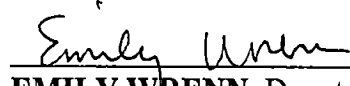
8. *Effective Date.* Section 1 of this Resolution shall be effective January 1, 2020, expressly subject to approval of the necessary ballot question or questions certified in Section 3 of this Resolution by the electorate at the election on November 5, 2019. All other sections of this Resolution shall be effective immediately.

PASSED AND ADOPTED this 11 day of June, 2019 in Castle Rock, Douglas County, Colorado.

**THE BOARD OF COUNTY COMMISSIONERS OF
THE COUNTY OF DOUGLAS, COLORADO**

BY: 
ROGER A. PARTRIDGE, Chair

ATTEST:


EMILY WRENN, Deputy Clerk

