Election — November 5, 2019

#### City of Boulder Ballot Issues



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### Boulder Issue 2G TAX ON TOBACCO VAPING PRODUCTS

SHALL CITY OF BOULDER TAXES BE INCREASED TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (FIRST **FULL FISCAL YEAR INCREASE)** ANNUALLY BY IMPOSING A SALES AND USE TAX OF UP TO 40 PERCENT OF THE RETAIL SALES PRICE OF ALL **ELECTRONIC SMOKING DEVICES.** INCLUDING ANY REFILL. CARTRIDGE OR COMPONENT OF SUCH A PRODUCT; THE TERM "ELECTRONIC SMOKING DEVICE" SHALL HAVE THE MEANING AS IN SECTION 6-4.5-1 OF THE BOULDER REVISED CODE; AND IN CONNECTION THEREWITH, SHALL ALL OF THE REVENUES COLLECTED BE USED TO FUND: THE ADMINISTRATIVE COST OF THE TAX. AND THEREAFTER FOR: IMPLEMENTATION AND ADMINISTRATION OF A LICENSING PROGRAM FOR ALL NICOTINE PRODUCT RETAILERS:

**HEALTH PROMOTION: EDUCATION** PROGRAMS REGARDING NICOTINE PRODUCT USE INCLUDING ENFORCE-MENT: WITH ANY REMAINING FUNDS BEING AVAILABLE FOR GENERAL GOVERNMENT SERVICES, INCLUDING LIBRARY, POLICE, FIRE, PARKS, TRANS-PORTATION AND GENERAL GOVERNMENT ADMINISTRATION? ALL EFFECTIVE JANUARY 1, 2020, AND IN CONNECTION THEREWITH, SHALL THE FULL PROCEEDS OF SUCH TAXES AT SUCH RATES AND ANY EARNINGS THEREON BE COLLECT-ED, RETAINED, AND SPENT, AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION. AND WITH-OUT LIMITING THE COLLECTION, RETEN-TION, OR SPENDING OF ANY OTHER REVENUES OR FUNDS BY THE CITY OF **BOULDER UNDER ARTICLE X SECTION 20** OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

#### **Major Provisions**

This proposal would allow the City to impose a sales and use tax of up to 40% of the retail sales price on all electronic smoking devices. The money collected would be used to fund the administrative costs of the tax, and of a licensing program for all nicotine product retailers, health promotion, and education programs regarding nicotine product use. Any remaining funds would go to the general fund.

#### Background

Alarming reports of health effects of the use of vaping devices led City Council to pass Ordinance 8340 which would raise the age for buying tobacco products to 21, limit the number of electronic cigarettes and related products that could be sold to one person in a 24 hour period and ban the sale of flavored tobacco products, except menthol-flavored products. Council also passed Ordinance 8342 to place an issue on the November 5 ballot authorizing Council to impose a sales tax on electronic smoking devices.

#### Those IN FAVOR say

- The potential social consequences of largescale youth nicotine addiction will be significant.
- Vaping devices are intended to be disposable. Most devices and pods enter the waste stream, although they arguably should be treated as electronic devices and thus hazardous waste.

#### Those OPPOSED say

- Business owners selling vaping products are concerned that the measure will impact them financially.
- Is this really about the children and public health. Or is it simply about revenue?

# Boulder Issue 2H SALES AND USE TAX EXTENSION FOR OPEN SPACE AND LONG'S GARDENS

WITHOUT RAISING ADDITIONAL TAXES. SHALL THE EXISTING 0.15 CENT CITY SALES AND USE TAX FOR TRANSPORTA-TION PURPOSES, APPROVED BY THE VOTERS BY ORDINANCE NO. 7913, BE EXTENDED BEYOND THE CURRENT EXPIRATION DATE OF DECEMBER 31, 2019 UNTIL DECEMBER 31, 2039; AND **BEGINNING JANUARY 1, 2020 UNTIL** DECEMBER 31, 2039 DESIGNATING THE REVENUES COLLECTED TO FUND THE MAINTENANCE, RESTORATION, ACQUISITION AND PRESERVATION OF OPEN SPACE LAND INCLUDING THE USE OF FUNDS GENERATED IN THE FIRST YEAR TO PURCHASE A CONSERVATION EASEMENT AT LONG'S GARDENS LOCATED AT 3240 BROADWAY AS A **VOTER APPROVED REVENUE CHANGE?** 

#### **Major Provisions**

The proposal would extend an expiring 0.15% sales tax to December 31, 2039, to provide funding for the City of Boulder Open Space program and for the purchase of a conservation easement of Long's Gardens, 3240 Broadway. Money collected during the first year would raise a Cityprojected \$5.3 million dollars to purchase the Long's Garden conservation easement and prevent it being sold for a nonagricultural use. The remaining 19 years of funding would be applied to open space preservation exclusively.

#### **Background**

Sales taxes expiring at the end of 2019 are estimated to leave City Open Space with a 30% reduction in funding for 2020 and onward. City Council has proposed extending one of the taxes which had been used for transportation construction, maintenance and operations and use the proceeds of such a tax for the acquisition, preservation, restoration and maintenance of City Open Space and for the purchase of a conservation easement at Long's Gardens. The 0.15 tax would be an extension, not a new tax. The estimated annual revenue would be approximately \$5.3 million per year. In 2011, a tentative conservation easement agreement of the Long property for \$4.8 million dollars fell through.

#### Those IN FAVOR say

- The measure is consistent with the values and desires of residents to preserve the environment and protect open space.
- The provision would ensure that the Long's Gardens property is not developed.

#### Those OPPOSED say

• A 0.15% sales tax is not sufficient to cover the true costs of repairing and maintaining the open space holdings.

(2H, cont'd)

- The City should place tighter controls on open space acquisitions and instead focus on desperately needed trail maintenance and restoration.
- There are comparable needs for transportation, libraries and affordable housing. Voters can anticipate tax boosts in subsequent election cycles to raise funding to finance City transportation upgrades and affordable housing initiatives. A more holistic discussion on funding should be held.

## Boulder Issue 2I IMPOSITION OF A MIDDLEINCOME HOUSING PROGRAM

SHALL CITY OF BOULDER DEBT BE INCREASED BY AN AMOUNT NOT TO EXCEED \$10.000.000. WITH A MAXIMUM REPAYMENT COST OF NOT TO EXCEED \$15,000,000. WITHOUT RAISING TAXES. TO PROVIDE FOR A HOUSING ASSIST-ANCE PROGRAM THAT WILL INCLUDE PERMANENTLY AFFORDABLE DEED RESTRICTIONS AND MAKE LOANS TO MIDDLE-INCOME HOUSEHOLDS TO PURCHASE HOMES SOLD IN BOULDER. SUCH DEBT TO BE SOLD AT SUCH TIME AND IN SUCH MANNER AND CONTAIN SUCH TERMS. NOT INCONSISTENT HEREWITH, AS THE CITY COUNCIL MAY DETERMINE AND TO PAY ALL NECES-SARY OR INCIDENTAL COSTS RELATED THERETO BY THE ISSUANCE AND PAYMENT OF NOTES, BONDS, LINES OF CREDIT OR OTHER DEBT OBLIGATIONS AS PROVIDED BY THE CITY CHARTER, WHICH OBLIGATIONS SHALL BE PAYABLE FROM THE GENERAL FUND AND ANY

OTHER LEGALLY AVAILABLE FUNDS OF THE CITY, ALL WITHOUT IN ANY OTHER WAY AFFECTING THE CITY'S OTHER TAXES, REVENUES OR EXPENDITURES UNDER THE CONSTITUTION AND LAWS OF THIS STATE?

#### **Major Provisions**

The proposal, referred to voters by a unanimous vote of the City Council, would allow the City to take out up to ten million dollars in debt to finance a down payment assistance program for middle income (i.e., those making up to 120% of the area median income) home buyers.

#### **Background**

Middle-income earners are frequently unable to obtain a private sector loan large enough to purchase a home in the Boulder housing market. The proposed measure would provide funding to allow the City to offer a second loan in order to fill the gap between the size of the loan a middle-income earner qualifies for and the purchase price of the home. The second (muni) loan, plus interest, would have to be repaid within ten years or when the home is sold, whichever is sooner. Homes purchased with the assistance of a City second loan would be permanently deed restricted to only another buyer at or below the 120% of area median income at a price not to exceed 2% annual appreciation.

#### Those IN FAVOR say

- This measure would provide an avenue to increase the City's permanently affordable housing stock.
- The ballot measure allows the City to borrow up to ten million dollars to be paid back over time by those qualifying for the second (muni) loan.
- Taxes would not be increased with the measure but because the program would

require multi-year obligations, under the Taxpayer Bill of Rights (TABOR) the measure must be approved by voters.

#### **Those OPPOSED say**

- After ten years the home owner may not be able to find a household earning 120% area median income to purchase the home.
- <sup>a</sup> Experts have expressed skepticism that a 2% home value appreciation cap would make it attractive, especially considering market rate appreciation in Boulder has far exceeded that limit

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