



**CITY OF BOULDER  
CITY COUNCIL AGENDA ITEM**

**MEETING DATE: July 20, 2021**

**AGENDA TITLE**

Consideration of a motion to accept the Study Session Summary from the June 22, 2021 Capital Tax Renewal (Community, Culture and Safety – CCS) agenda item

**PRESENTERS**

Cheryl Pattelli, Chief Financial Officer  
Joel Wagner, Tax and Special Projects Manager

**EXECUTIVE SUMMARY**

The purpose of the study session was to provide:

1. Information on unfunded city capital infrastructure needs.
2. Information presented to Financial Strategy Committee (FSC) regarding unfunded projects to be potentially placed on the community survey.
3. A brief update on community and non-profit outreach.

As directed by the council at the February study session, the FSC worked with staff to develop a community survey to test voter sentiment including sentiment regarding specific projects and project categories. The survey results will then inform council's decision regarding what city projects and project categories to include in the ballot language. Council will discuss the survey results at the July 20 Regular Council Meeting and will consider ballot titles at Regular Council Meetings in August.

**STAFF RECOMMENDATION**

**Suggested Motion Language:**

Staff requests council consideration of this matter and action in the form of the following motion:

Motion to accept the summary of the June 22 study session regarding Capital Tax Renewal (Community, Culture and Safety – CCS)

## **PRESENT**

City Council: Sam Weaver, Junie Joseph, Aaron Brockett, Rachel Friend, Mirabai Kuk Nagle, Adam Swetlik, Mark Wallach, Bob Yates, Mary Young

Staff: Nuria Rivera-Vandermyde, Cheryl Pattelli, Joel Wagner, Sandra Llanes, Fire Chief Calderazzo, Ali Rhodes, Jeff Haley

## **SUMMARY OF PRESENTATION & DISCUSSION**

Chief Financial Officer, Cheryl Pattelli, opened the presentation with an overview of the purpose of the evening's agenda item to review the city's unfunded capital needs, provide rationale for the projects that were selected to be included in the community survey and to provide a brief update on the community non-profit outreach. Ms. Pattelli began by providing a brief history of the city's capital investment strategies to date starting with a \$49 million Capital Bond in 2011 that was followed up by the passage of the first Community, Culture and Safety (CCS) Tax in 2014 for 3 years and extended in 2017 for an additional 4 years. These efforts totaled over \$100 million in total investment and funded more than 100 projects. Ms. Pattelli also described the General Fund Capital program that began in 2018 that provides approximately \$6 million in capital funding per year. The purpose of the renewal of the CCS tax – rebranded as the Community Resilience and Safety Tax – is to now address the remaining \$300 million in unfunded capital needs.

Ms. Pattelli described direction received at the February 9 Study Session, to the Council Financial Strategy Committee (FSC) and staff. First, that the FSC would serve a role similar to an advisory committee as there was not sufficient time to stand up a citizen advisory committee as there had been in the past, due to a shortened project timeline due to the pandemic and the resulting shift to 2020 priorities; engaging with a third-party consultant to develop a statistically valid community survey to gauge community interest; narrowing projects and project categories to be included in the survey; and finally making recommendations regarding the term of the tax, designated uses, community non-profit percentage, and a related debt question.

Ms. Pattelli then shifted the presentation to discuss the city's unfunded capital needs, that really are focused on General Fund departments that do not have dedicated funding sources. The unfunded needs total \$312 million, two climate projects were added to the list. \$228 million of the projects are needed within the next seven years, all the projects were identified as *Essential* or *Important* according to the *Budgeting for Resilience* definitions and 93% of the projects are identified in current or pending master plans and fall within the Fiscally Constrained or Action categories – to support basic city services, not rising to the level of visionary plans. Ms. Pattelli then showed the projects according to the categories used in the community survey and by department.

The categories are:

*Safe and Prepared Boulder* – emergency response is a critical component of Boulder's ability to be resilient in the face of increasing environmental and other challenges that can affect the safety

and well-being of Boulder residents and visitors. Boulder has fallen behind in maintaining and replacing the capital infrastructure that supports its first responders.

*Transportation System Resilience* – maintaining and modernizing Boulder's transportation system to allow for safer and more efficient flow (for all modes – pedestrian, bikes, vehicles). Better traffic flow ultimately leads to lower greenhouse gas emissions.

*Active and Healthy Boulder* – the capital stock needed to provide residents the amenities and opportunities to recreate and maintain healthy and active lifestyles. Physical health and well-being are critical to the resilience of Boulder residents.

*Customer Service Modernization* – providing high-quality customer service in a timely manner relies on information flow from the city to the customer/resident and vice versa. Modernizing and consolidating the city's data infrastructure and outreach tools (vs. the current offering of disconnected platforms) will allow for better customer service for all needs.

*Progress Toward Climate Goals* – Boulder's ambitious climate goals require a broad effort as it relates to city capital. At a minimum, Boulder's aged facilities need to be renovated and retrofitted to reduce carbon footprint. There are additional opportunities through interdepartmental collaboration for things such as utilities undergrounding and streetlight acquisition (via cooperation between Climate Initiatives and Transportation).

*Other Projects* – Projects that did not fall into other categories including the development at Alpine Balsam and the city's maintenance backlog.

Ms. Pattelli then noted that based upon direction at the February 9 council meeting, the FSC and staff set out to narrow down the projects and project categories that could be included in the community survey. The intent was not to choose the final projects but to narrow the list to be included in the survey as those that may be funded. From the greater list of 47 projects, departments presented a subset of 15 high-priority near-term projects to be considered by the FSC. These projects were carefully selected, to maximize impact, had a broad benefit and could start in the next few years and were selected based upon the criteria that FSC and staff developed. Ms. Pattelli then presented the specific projects that were included in the survey totaling \$88.2 million and she noted that amount is less than the revenue expected from the tax, if approved.

Ms. Pattelli described the survey – that it was developed to gauge community support for a tax extension ballot item, asking about potential uses, term/length of the tax (10 or 15 years), portion of the tax that would be dedicated to community non-profit projects through a grant program (10, 15 or 20 percent), and related debt authorization ballot question (10 or 15 years).

Regarding the survey, Ms. Pattelli noted that currently 828 interviews have been completed, a reminder was sent out on Tuesday, June 22 and another would go out on Friday, June 25 and telephone interviews would begin on Monday, June 28.

Tax and Special Projects Manager, Joel Wagner, then covered that in addition to the community survey staff is having conversations with the local non-profit community. Staff is organizing focus groups that will be held in the next few weeks and there will be two groups – previous CCS matching grant recipients and the broader non-profit community. Mr. Wagner highlighted the goals of the focus groups are to share council vision on process and timeline for renewal, gather input for ballot language, gather preliminary input for grant administration should ballot

issue be approved, form connections within the non-profit community regarding this potential grant pool, and gauge nonprofit community support for the grant program concept. Ms. Pattelli closed out the presentation by presenting the following questions for council:

1. Does council have questions about the city's unfunded capital needs?
2. Does council have questions regarding the planned community and non-profit outreach?

## **COUNCIL DISCUSSION**

Council discussion included questions and feedback regarding specific projects, potential use of American Rescue Plan Act (ARPA) funding for some of the projects on the list, and next steps/process.

### **Questions about specific projects:**

#### *Fire Station Replacements and Advance Life Support*

Councilmember Yates asked Chief Calderazzo whether a fire station be completed for less than \$35 million. Chief Calderazzo indicated that amount is the best estimate given the expected land cost and escalated construction cost of the past few years. Chief noted that most of the expense is in the support services of the station and why current stations are undersized and in need of replacement, would be sized to support Advanced Life Support (ALS) and needs for the next 50 years. In addition, this funding would allow the city to be opportunistic and potentially capitalize on a good deal, to minimize the cost.

Mayor Weaver asked Chief Calderazzo about the Advance Life Support project on the list of \$3.5 million and what that is for specifically. Chief Calderazzo indicated it was the capital needs for ALS including the rolling stock for the ambulances and some retrofitting of vehicles and stations. The department is planning to move forward with ALS and begin training staff as paramedics. Chief wanted to clarify that the fire station replacements need to be done regardless of how ALS evolves and that there are options to how ALS evolves regarding paramedics and transport. Mayor Weaver was also interested in whether the department could shave 10-15% off station replacement costs to fund other ALS costs.

#### *Civic Area Phase II*

Councilmember Yates asked for more specifics regarding the Civic Area Phase II project. For the civic area there is a master plan – still yet to be completed – enhancements to the east bookend that would meet a lot of community goals. Jeff Haley, Parks Planning and Ecological Services Manager, indicated that it would be improvements to achieve better activation and functionality of the central park and east bookend area – between 13<sup>th</sup> to Broadway and Arapahoe to Canyon. Recently transportation improved the underpass, this project would upgrade the park to provide flexible multi-use areas to support events like the farmers market and uses of the bandshell and multi-use path for better connection to Pearl Street Mall.

#### *Boulder Creek Corridor*

Councilmember Yates asked for more specifics about the Boulder Creek Corridor project. Jeff Haley responded that Parks & Recreation is beginning a comprehensive study and management plan for the corridor from Eben G. Fine Park to 55<sup>th</sup> Street and that implementation priorities would be identified through that process. They expect to identify or address new visitor areas, recreation areas, access points, ecological restoration, tree removal particularly Emerald Ash trees, water quality issues, and streambank stabilization.

Mayor Weaver asked whether the Boulder Creek Corridor project could be funded at a lower level and phased. Parks & Recreation Director, Ali Rhodes, indicated this was an option and phasing has been successful as shown by the work on Eben G. Fine Park and the Civic Area. In Mayor Weaver's concluding remarks he noted that he would be interested in phasing the Boulder Creek Corridor project to free up dollars to fund ALS capital needs.

#### East Boulder Recreation Center

Mayor Weaver asked whether the East Boulder Recreation Center renovations could be phased. Ali Rhodes responded that phasing is not recommended for a recreation center. Ms. Rhodes noted that it is much harder to phase a facility renovation – it would have a greater impact on community because for each phase you need to take the facility out of commission and phasing would have cost escalation as there are construction efficiencies when you mobilize for vertical construction, so the more you can do at once costs less and is better for the community.

#### Pearl Street Mall Refresh

Councilmember Yates asked about for more specifics on the Pearl Street Mall refresh project. Ali Rhodes responded that there are not specific plans, but that staff would work with Downtown businesses, the Downtown Partnership and Community Vitality to develop those exact refresh plans. She noted the need for updates to visitor information center and restrooms, enhancements to other amenities, updates to improve accessibility, safety and general welcomeness potential.

Mayor Weaver also commented that he would be interested in potentially phasing the Pearl Street Mall refresh project.

#### Library

Councilmember Joseph noted that Library unfunded maintenance was included in the unfunded needs list, and she wanted clarification regarding how that relates to the recent discussion about potential library districting. Devin Billingsley, Senior Budget Manager, responded that the Library project was not included in the survey for that reason. However, it currently remains an unfunded need and should library districting not occur, it could be funded with the capital infrastructure tax, if approved.

### **General Questions and Comments**

#### ARPA Funding

Councilmember Yates asked staff to identify which projects on the unfunded needs list might be eligible to be funded with the city's allocation from the ARPA. Ms. Pattelli indicated that staff would provide that information for the July 20 council meeting.

Councilmember Joseph asked that staff clarify the relationship between ARPA funding and the capital infrastructure tax renewal and whether there is a plan for outreach to gain input on the use of ARPA funding. Ms. Pattelli indicated that there is no direct correlation, but that staff will review the unfunded needs project list to determine which projects may be eligible for ARPA funding and that staff is developing a recommendation for some immediate use of ARPA funding for most critical community needs and for the balance of ARPA funding would recommend a strategic approach, which would involve outreach to organizations and the community.

### Projects with a Return on Investment

Councilmember Yates asked staff to identify which projects have a return on investment. Ms. Pattelli stated that staff would ask departments for that information and provide what we can at the July 20 council meeting.

### Next Steps and Process

Councilmember Brockett clarified next steps – that this is a list of projects for which we have identified needs. That the city put a few projects on the community survey to gauge community interest, but when council formulates the ballot language, council will choose a few projects that the city will commit to if the ballot measure passes and then include a list of other types of projects that could be funded with the tax dollars in the future. Mr. Brockett wanted to clarify that there will then be a process to determine which projects get funded in the future and that this year council will choose the top 8 or 10 projects to be specifically included in the ballot language.

Councilmember Yates made a scheduling suggestion for Council Agenda Committee consideration to have a public hearing at first reading on August 3 instead of August 17 and Acting City Attorney, Sandra Llanes suggested another option is to hold a public hearing on both readings - August 3 and August 17.

- August 3: Regular City Council Meeting - First reading on ballot measure for capital tax renewal.
- August 17: Regular City Council Meeting - Latest date for second reading or first reading of emergency ordinance for ballot items and to set titles.
- November 2: Coordinated Election