

AMENDED ORDINANCE NO. 2486

AN ORDINANCE OF THE CITY OF MONTROSE, COLORADO, IMPOSING A PUBLIC SAFETY SALES AND USE TAX, ESTABLISHING THE PUBLIC SAFETY SALES AND USE TAX FUND AND LIMITING THE USE OF MONEYS FROM THE FUND SOLELY FOR SUPPORT IN THE LEVEL OF SERVICE FOR PUBLIC SAFETY IN THE CITY, MAKING CONFORMING AMENDMENTS TO THE OFFICIAL CODE OF THE CITY AND REQUIRING VOTER APPROVAL PRIOR TO THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the City of Montrose, Colorado (the "City") is a municipal corporation duly organized and operating as a home rule city under the Charter of the City of Montrose (the "City Charter") and the Constitution and laws of the State of Colorado; and

WHEREAS, the public safety of the City would benefit from an increase in staffing, equipment, and public safety facilities; and

WHEREAS, the growth of the current Police Department staff has exceeded its current facility and expansion of staffing would benefit from new construction of a Public Safety Facility which would house the Police Department; and

WHEREAS, the cost of such Public Safety Facility is estimated to be \$16,000,000 million dollars, and it is the desire of Council to finance a portion of the construction and equipping of such facility from a citywide public safety sales and use tax; and

WHEREAS, public safety funding issues are present amongst all public safety entities serving the citizens of the City of Montrose; and

WHEREAS, as a result of the above referenced review, the Police Chief, the City Attorney and members of the citizen public safety advisory committee have requested that the Council approve this ordinance, the effective date of which is subject to approval by a majority of the voting qualified City electors as required pursuant to Section 19 of Article V of the City Charter, imposing a citywide public safety sales and use tax as set forth in this Ordinance to address budgetary insufficiencies which are negatively impacting public safety; and

WHEREAS, it is the intent of the Council that the exemptions in this citywide public safety sales and use tax be identical to the exemptions set forth in the existing general sales and use tax imposed pursuant to Chapter 15, Title V of the Montrose City Code; and

WHEREAS, the Council intends that the citywide public safety sales and use tax shall comply and be interpreted to comply with the requirements of Article X, Section 20 of the Constitution of the State of Colorado; Chapter 15, Title V of the Montrose City Code, and all other applicable provisions of law; and

WHEREAS, as provided in Section 1-1-1 of the Official Code of the City of Montrose, Colorado (the "Montrose City Code") any ordinance amending the Montrose City Code shall set forth in full the Section or Sections, subsection or subsections of the Montrose City Code being amended; therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, COLORADO:

Section 1. Sales Tax Levied. Subsection (A) of Section 5-15-4 of the Montrose City Code is hereby amended to read as follows (CAPITAL LETTERS indicate added material):

5-15-4 Sales Tax Levied.

(A) There is hereby levied and there shall be collected and paid a GENERAL sales tax at the rate of three percent (3%), PLUS THE SALES TAX RATES IMPOSED PURSUANT TO SECTION 5-15-34(A) AND SECTION 5-15-40(A) OF THIS CHAPTER, WHICH TAX RATES SHALL BE COLLECTIVELY REFERRED TO IN THIS CHAPTER AS THE CITY SALES TAX AND REFERENCES TO THE RATE SET FORTH IN THIS PARAGRAPH (A) SHALL BE CONSIDERED TO INCLUDE THE RATES SET FORTH IN SAID SECTIONS, as follows:

- (1) On the purchase price paid or charged upon all sales and purchases of tangible personal property at retail.
- (2)
 - (a) In the case of retail sales involving the exchange of property, on the purchase price paid or charged, including the fair market value of the property exchanged at the time and place of the exchange, excluding, however, from the consideration or purchase price the fair market value of the exchanged property if:
 - (i) Such exchanged property, other than factory built housing as defined in C.R.S. 24-32-703(3) is to be sold thereafter in the usual course of the retailer's business; or
 - (ii) Such exchanged property is a vehicle other than a mobile home as defined in C.R.S. 42-1-102(82)(b) and is exchanged for another vehicle and both vehicles are subject to licensing, registration or certification under the laws of this State, including but not limited to vehicles operating upon public highways, off highway recreation vehicles, water-craft and aircraft.
 - (b) The exchange of three (3) or more vehicles of the same type by any person in any calendar year in transactions subject to

the provisions of this Chapter shall be prima facie evidence that such person is engaged in the business of selling vehicles of the type involved in such transaction as a retailer, and that he is thereby subject to licensing requirements.

- (3) On the purchase price of telephone services for all local calls originating in the City on telephone instruments located in the City.
- (4) On the purchase price of gas and electric service, whether furnished by Municipal, public or private corporations or enterprises, for gas and electricity furnished and sold for domestic and commercial consumption and not for resale.
- (5) On the purchase price paid or charged for food or drink served or furnished in or by restaurants, cafes, lunch counters, cafeterias, hotels, drug stores, clubs, cabarets, resorts, snack bars, caterers, carry out shops, and other like places of business at which prepared food or drink is regularly sold to the public. Cover charges shall be included as part of the amount paid for such food or drink.
- (6) On the purchase price paid or charged to any person or persons for lodging services.

Section 2. Public Safety Sales and Use Tax. Chapter 15 of Title 5 of the Montrose City Code is amended by the addition of Section 5-15-40 to read as follows (CAPITAL LETTERS indicate added material):

5-15-40 PUBLIC SAFETY SALES AND USE TAX

- (A) THERE IS HEREBY LEVIED AND THERE SHALL BE COLLECTED AND PAID A PUBLIC SAFETY SALES AND USE TAX IMPOSED AT THE RATE OF 0.58% (FIFTY-EIGHT ONE-HUNDREDTHS OF ONE PERCENT), BEGINNING JANUARY 1, 2020, WITH A REDUCTION IN SUCH TAX RATE BEGINNING JANUARY 1, 2050 TO THE RATE OF 0.44% (FORTY-FOUR ONE-HUNDREDTHS OF ONE PERCENT), TO BE IMPOSED PERPETUALLY THEREAFTER.
- (B) THERE IS HEREBY ESTABLISHED A SPECIAL FUND, TO BE KNOWN AS THE PUBLIC SAFETY SALES AND USE TAX FUND. ONE HUNDRED PERCENT (100%) OF THE REVENUES, NET OF THE COSTS OF COLLECTION AND ADMINISTRATION, GENERATED FROM THE PORTION OF THE SALES AND USE TAX IMPOSED BY THE CITY PURSUANT TO PARAGRAPH (A) OF THIS SECTION, SHALL BE DEPOSITED INTO THE PUBLIC SAFETY SALES AND USE TAX FUND AND USED SOLELY FOR SUPPORT

IN THE LEVEL OF SERVICE FOR PUBLIC SAFETY IN THE CITY OF MONTROSE, INCLUDING BUT NOT LIMITED TO:

- (1) HIRING, EMPLOYING, TRAINING, AND EQUIPPING PUBLIC SAFETY PERSONNEL, INCLUDING POLICE SCHOOL RESOURCE OFFICERS, PEACE OFFICERS AND SUPPORT STAFF;
- (2) ADDING PERSONNEL AND EQUIPMENT TO ENSURE THE OPTIMAL NUMBER OF POLICE OFFICERS ARE ON DUTY AT ALL TIMES TO SUPPORT CURRENT POLICING NEEDS AND TO IMPROVE EMERGENCY RESPONSE TIMES BASED UPON NATIONAL BEST PRACTICES;
- (3) PREPARING, CONDUCTING AND IMPROVING CRIMINAL INVESTIGATIONS, PROSECUTIONS AND PROACTIVE POLICING TO ENHANCE PUBLIC SAFETY;
- (4) PAYING OPERATIONAL COSTS, SUPPLIES, EQUIPMENT AND CAPITAL EXPENDITURES RELATED TO PUBLIC SAFETY; AND
- (5) FUNDING COSTS ASSOCIATED WITH A PUBLIC SAFETY FACILITY, INCLUDING BUT NOT LIMITED TO LEASE-PURCHASE PAYMENTS, TO PROVIDE FACILITIES FOR THE POLICE DEPARTMENT;

IN ACCORDANCE WITH THE CITY CHARTER, THE CITY MANAGER, IN COORDINATION WITH THE POLICE CHIEF, SHALL DETERMINATE PUBLIC SAFETY EXPENDITURES WHICH QUALIFY FOR PAYMENT FROM THE PUBLIC SAFETY SALES AND USE TAX FUND.

- (C) ALL REFERENCES TO THE RATE OF THE SALES AND USE TAX IN THIS CHAPTER SHALL INCLUDE THE PUBLIC SAFETY SALES AND USE TAX IMPOSED PURSUANT TO PARAGRAPH (A) OF THIS SECTION.
- (D) THE CITY OF MONTROSE SHALL CONTINUE TO FUND PUBLIC SAFETY FROM THE CITY GENERAL FUND IN AN ANNUAL AMOUNT NOT LESS THAN 43% OF ALL GENERAL OPERATIONAL EXPENSES.
- (E) THIS SECTION SHALL CONTINUE IN EFFECT UNTIL OTHERWISE MODIFIED OR CHANGED BY A MAJORITY OF THE QUALIFIED

ELECTORS OF THE CITY VOTING ON THE QUESTION AT A
REGULAR OR SPECIAL ELECTION.


Section 3. Ratification of the Montrose City Code. With the exception of the provisions of the Montrose City Code which are amended as provided herein, all remaining provisions of the Montrose City Code shall remain in full force and effect. To the extent necessary to effect the voter authorization, the Montrose City Code may be further amended by ordinance consistent with the terms of this Ordinance.

Section 4. Effective Date. Subject to approval by a majority of the qualified electors of the City voting at the coordinated election to be held on November 5, 2019, the provisions of this Ordinance shall become effective on January 1, 2020.

INTRODUCED, READ AND PASSED on first reading this 3rd day of
September, 2019.


(SEAL)

ATTEST:



Lisa DelPiccolo, City Clerk






Dave Bowman, Mayor

INTRODUCED, READ AND ADOPTED on second reading this 17th day of
September, 2019.

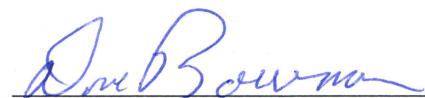
(SEAL)

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Dave Bowman, Mayor