

Ballot Issue 1A:

To Approve a 0.5% Transportation Sales and Use Tax, Elimination of Street Maintenance Fee

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SHALL TOWN OF JOHNSTOWN TAXES BE INCREASED BY \$2,100,000 IN THE FIRST FULL FISCAL YEAR (2021), AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY IN EACH SUBSEQUENT YEAR, BY INCREASING THE TOWN'S SALES AND USE TAX RATE BY 0.5% (EQUIVALENT TO 5 CENTS ON A \$10.00 PURCHASE), AND ELIMINATING THE STREET MAINTENANCE FEE IMPOSED BY ORDINANCE NO. 2016-142, COMMENCING ON JULY 1, 2020, TO FUND:

(i) STREET AND SIDEWALK MAINTENANCE AND REPAIRS, INCLUDING, BUT NOT LIMITED TO, PAVING, PATCHING, POTHOLE REPAIR, SEAL COATING, CHIP SEAL APPLICATION, ASPHALT OVERLAY, AND RECONSTRUCTION; AND

(ii) TRANSPORTATION RELATED PROJECTS, INCLUDING, BUT NOT LIMITED TO, THOSE RELATED TO ROADWAYS, CURBS, GUTTERS, BRIDGES, SIDEWALKS, SHOULDERS, TRAFFIC SIGNALS, PEDESTRIAN SIGNALS AND MEDIANS;

AND SHALL ALL REVENUES GENERATED FROM THE INCREASED TAX AUTHORIZED HEREIN AND FROM ANY EARNINGS FROM THE INVESTMENT OF SUCH REVENUES CONSTITUTE A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

YES NO

Explanation:

The Town has established an inventory of roadways in Town that need to be improved in the short term. That list, shown on the [2020-2029 Road Capital Improvement Project Needs](#), totals nearly \$18 million. Road construction costs have increased nearly 40% between Q1 2016 to Q2 2019; therefore, the current revenue generated by the existing Street Maintenance Fee, which is \$350,000 annually, will make it difficult to maintain our roads. The Street Maintenance Fee, adopted by Town Council in 2016, is a cost that is currently borne solely by the residents of the Town at a current rate of \$4.48 per month. If the ballot measure is adopted, the Street Maintenance Fee will be eliminated from the utility bill.

Town Council recognizes significant capital improvement projects related to transportation needs, in addition to ongoing street and sidewalk maintenance and repairs. To provide additional funding to the Town for such efforts, as well as transportation-related capital improvement projects, Town Council has submitted the ballot issue, provided above, to increase the Town's sales and use tax by 0.5% (from 3% to 3.5%). An estimated 65% of all sales tax revenue for the Town is generated from out-of-town visitors. It is the view of Town Council that visitors to the Town should also financially contribute to the maintenance and upkeep of our roadways as a result of the impact they have upon them.



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PROS TO PASSING BALLOT ISSUE 1A:

- Citizens would not be burdened to pay exclusively and directly (as a fee) for transportation maintenance and improvements.
- Approximately 65% of all sales tax generation comes from out-of-town visitors not living in Johnstown.
- Town Council will eliminate the Street Maintenance Fee immediately from the utility bill.
- More street projects would be done on an annual basis with available revenue estimated at 5X the revenue generated from the Street Maintenance Fee.
- Based on revenues, over \$18 Million in road projects could be completed in the first 10 years of the sales tax. The [2020-2029 Road Capital Improvement Project Needs](#) details the roads, including scope and cost, that made the list.
- Better Roads = Great Community = Stronger Future

CONS TO NOT PASSING BALLOT ISSUE 1A:

- The current street maintenance fee will continue, and revenues, which generate \$350,000 annually, will be used for roadway maintenance.
- Additional taxes are not the answer to the problem.
- The Town roads are in great condition now. Why are improvements necessary?
- Larger, critical improvements should be delayed until other funding opportunities become available.

