



Memorandum

TO: Town Council
FROM: Finance Department
DATE: September 1, 2020
SUBJECT: Voter Survey Results

I. SUMMARY

The purpose of this memorandum is to provide the results of a Vail voter survey to Town Council on the topic of a potential ballot question to “de-Gallagherize” Vail property taxes.

Following discussions on August 4 and August 18, Town Council directed staff to work with public opinion consultants from Magellan Strategies and Summit Information Services to conduct an online survey to probe opinions from Vail’s registered voters on a possible ballot question for the Nov. 3 General Election. Results from the online survey, which took place Aug. 24-27, will be presented during Tuesday’s meeting. **Please see attached report and presentation from our consultants.**

The survey was intended to gauge voter sentiment before Town Council makes a final decision to move forward with a ballot question this fall.

Tonight’s consent agenda includes Resolution No. 38, Series 2020, which will call for a special election November 3rd and approve ballot language.

II. BACKGROUND (REPEATED)

On August 4 and August 18, staff presented a potential ballot question that would diminish the impact of the Gallagher Amendment on property tax collections by allowing the town to increase or decrease its mill levy in order to effectively achieve a permanent residential assessment rate of 7.15%, the rate currently imposed on residential properties in the town and throughout the state.

Council supported moving forward based on the below supporting arguments:

- The **significant impact to town services**, including fire, police, public works, transit, parking and general operations. Over last three years, the town has lost \$1.3M and with impacts of COVID, the town stands to lose another \$1.4M in 2021.

- **Property Tax is a diversified source of revenue for the town;** With less property tax flowing in (even as residential values increase), the town's dependency on sales tax will grow even larger than it is today.
- The State of Colorado will pose the same question to voters in November. Whether or not the state question passes, the **Town of Vail citizens through the Town Council will have a say in the amount of property taxes collected.** This ballot question would effectively freeze the residential assessment rate at 7.15% (current rate statewide) and not be impacted by increases or decreases set by the state.
- **Large support from county-wide voters** to "de-Gallagherize" for other regional special districts such as Vail Recreation District, Colorado Mountain College, Greater Eagle Fire District, Eagle County Paramedic Service and Gypsum Fire District.

The projected impact to Vail property owners: Based on 2021 estimates, a home valued at \$500,000 would be impacted by **not** seeing a reduction of **\$30** in their property taxes. By voting "yes" on this ballot question, voters would be allowing the Town of Vail to keep the \$30 in property taxes for critical services. This ballot measure would not impact commercial properties, as the state has already fixed the assessment rate at 29%.

III. DISCUSSION

Ballot Wording

The below ballot wording has been revised in coordination with Eagle County and Town of Avon for similar language.

The following revised ballot language is included in Resolution 38, Series 2020 for approval this evening:

WITHOUT RAISING THE MILL LEVY FOR THE 2021 TAX COLLECTION YEAR, SHALL THE VAIL TOWN COUNCIL HAVE THE AUTHORITY TO ADJUST THE TOWN OF VAIL'S MILL LEVY RATE THEREAFTER AS NEEDED FOR THE SOLE PURPOSE OF MAINTAINING REVENUES THAT MAY OTHERWISE BE LOST AS A RESULT OF STATE IMPOSED REDUCTIONS IN THE RATIO OF ASSESSED PROPERTY TAX VALUATIONS SO THAT THE ACTUAL TAX REVENUES GENERATED BY THE TOWN'S MILL LEVIES ARE THE SAME AS THE REVENUES THAT WOULD HAVE BEEN GENERATED HAD THE STATE NOT IMPOSED SUCH REDUCTIONS, IN ORDER TO ALLOW THE TOWN TO SUSTAIN SERVICES TO THE VAIL COMMUNITY?

Yes ____ No ____

IV. NEXT STEPS

- **Approve Resolution 38, Series 2020 in evening session** to call for a special election and submit ballot wording.
- **Establish an external committee** to campaign for the issue. According to the Fair Campaign Practices Act, Town of Vail staff may not participate in campaign activities or publish advertising surrounding the ballot question. Examples of committee activities include gathering support from community champions, fundraising, coordinating letters of support to the Vail Daily, distributing yard signs or other campaign advertising, etc.
- **Craft effective messaging.** An online survey will help to craft effective messaging to reach Vail voters. Polling data gathered from previous campaigns indicated that voters agreed with giving more control to local government rather than relying on the state. Voters also viewed quality of services as a positive outcome and strongly supported maintaining those services. Attempting to educate voters on the details of the Gallagher Amendment was *not* recommended due to complexity; rather a focus on the real-life impact and outcomes of a “Yes” vote were more effective.
- **Close to Election Day, Town Council supports the ballot question with a Resolution.** This is last opportunity for the town to outline all the reasons for supporting the issue in a public manner. Staff would recommend this resolution be set for the meeting on October 20th.