



August 28th, 2020

Memorandum

To: Vail Town Council and Interested Parties

Fr: David Flaherty, Magellan Strategies

Re: Town of Vail Gallagher Ballot Measure Survey

This is a summary of an online survey of 484 likely general election voters in the Town of Vail, Colorado. The interviews were conducted from August 24th to 27th, 2020. This survey has a margin of error of +/- 4.14% at the 95% confidence interval. The survey data was weighted to reflect the past voter turnout demographics in the Town of Vail for a Presidential election cycle.

Survey Objective

The objective of this survey was to measure and understand support and opposition for a potential “De-Gallagher” ballot measure among likely voters in the Town of Vail.

Understanding Town of Vail Voter Turnout Demographics

When reading this summary, it is important to understand the voter subgroups that will be a large part of voter turnout in the 2020 general election. Unaffiliated voters will contribute about 40% of the total votes cast, Democratic voters will contribute about 32%, and Republican voters 24% of all votes cast. Understanding turnout by age range, the largest voting block will be voters aged 18 to 34 years old, making up approximately 33% of all votes cast. The remaining five age groups, (35-44, 45-54, 55-64, 65+) will contribute between 15% and 20% each. Appendix A of this document includes data on current voter registration and past voter turnout demographics.

Key Findings:

- The “uninformed” ballot question finds 45% of likely Vail voters would vote no and reject the ballot measure, 39% would vote yes and approve it, 13% of voters were undecided, and 3% refused the question. To clarify, these voter opinion measurements indicate support and opposition after respondents read the ballot language without being informed of any information about the ballot measure.
- The “informed” ballot test question, which is asked to respondents after reading information about the ballot measure, finds 52% of voters intending to vote yes and approve the ballot measure, 37% opposing it, and 10% undecided.
- Voters are supporting the ballot measure because they are familiar with the Gallagher Amendment’s impact on budgets for special districts and local mountain

towns. These voters also believe it is worth giving up a property tax cut in the future in order to maintain the same town services and stabilize the budget.

- Many voters, seniors in particular, are opposing the ballot measure because they are frustrated or angry about new taxes, or the loss of a future property tax cuts. Many voters also question if non-essential services have already been cut and cuts to essential services are unavoidable. Some voters also mention that they can't give up a tax cut due to the economic downturn caused by the coronavirus.
- Voters were informed of two similar ballot measure that would impact the amount of property taxes paid to Eagle County and the State of Colorado and asked how it would impact their decision about the Vail ballot measure. Among the 52% of voters who said they would approve the ballot measure on the uninformed ballot, 68% would still vote yes, 4% would change their minds and vote no, and 28% were undecided.

Town of Vail Voter Mood

Among all respondents, 44% think things in Vail are headed in the right direction, 28% feel things are seriously off on the wrong track, and 26% do not have an opinion. Generally speaking, when considering a local ballot measure regarding property taxes, approval is more likely when the right track percentage is above 50%.

*"Do you think things in the Town of Vail are headed in the right direction or do you feel things are seriously off on the wrong track?" **

Response	All Voters	All Men	Men 18-44	Men 45-64	Men 65+	All Women	Women 18-44	Women 45-64	Women 65+	Unaf	Dem	Rep
Right Direction	44%	46%	39%	47%	54%	45%	44%	49%	47%	51%	47%	36%
Wrong Track	28%	25%	25%	28%	19%	29%	30%	29%	27%	24%	27%	31%
No Opinion	26%	29%	36%	25%	26%	24%	26%	22%	26%	25%	26%	33%
Refused	2%	0%	0%	0%	1%	2%	0%	0%	0%	0%	0%	0%

*Sample subgroup margins of error: All voters 4.1%, all men 6.3%, men 18-44 11.2%, men 65+ 9.9%, all women 5.7%, women 18-44 8.1%, women 45-54 11.1%, women 65+ 9.9.3%, Unaffiliated 6.6%, Democrat 7.7%, Republican 9.0%.

Uninformed Vail Gallagher Ballot Measure Test

Before educating respondents with information about the ballot measure, they were shown the ballot language and asked if they would vote yes and approve it or if they would vote no and reject it. Among all respondents, 39% would vote yes and approve the ballot measure, 45% would vote no and reject it, 13% were undecided and 3% refused the question.

Support for the ballot measure was strongest among Democratic voters (57%) and female voters aged 18 to 44 (52%). Opposition to the ballot measure was strongest among Republican voters (53%), male voters (54%), and male voters aged 45 to 64 (61%). The



voter subgroups that show the highest percentage of voters that were either undecided or refused include voters 18 to 34 (30%), Republican women (33%), and women 18-44 years old (22%). The following shows the ballot question and results by voter subgroup.

The Vail Town council is considering putting the following question regarding residential property taxes on the ballot this November. We now ask you to read the ballot question and then tell us if you would vote yes and approve it or if you would vote no and reject it. The ballot question language reads as follows...

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 IN ORDER TO ALLOW THE TOWN TO SUSTAIN SERVICES TO THE VAIL COMMUNITY, 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?

*"Now that you have read the ballot language, if an election were being held today would you vote yes and approve the ballot measure, or would you vote no and reject it?" **

<u>Response</u>	<u>All Voters</u>	<u>All Men</u>	<u>Men 18-44</u>	<u>Men 45-64</u>	<u>Men 65+</u>	<u>All Wom</u>	<u>Wom 18-44</u>	<u>Wom 45-64</u>	<u>Wom 65+</u>	<u>Unaf</u>	<u>Dem</u>	<u>Rep</u>
Tot. Approve	39%	33%	35%	32%	37%	45%	52%	41%	37%	39%	57%	23%
Tot. Reject	45%	54%	42%	61%	52%	37%	26%	42%	52%	47%	30%	53%
Undecided	13%	12%	19%	6%	11%	15%	15%	17%	11%	14%	11%	14%
Definitely Yes	10%	12%	18%	9%	10%	8%	6%	13%	10%	10%	14%	5%
Probably Yes	29%	21%	17%	23%	27%	37%	46%	28%	27%	29%	43%	18%
Definitely No	21%	25%	8%	29%	34%	16%	10%	22%	34%	21%	12%	31%
Probably No	24%	29%	34%	32%	18%	21%	16%	20%	18%	26%	18%	22%
Refused	3%	1%	4%	1%	0%	3%	7%	0%	0%	0%	2%	0%

*Sample subgroup margins of error: All voters 4.1%, all men 6.3%, men 18-44 11.2%, men 65+ 9.9%, all women 5.7%, women 18-44 8.1%, women 45-54 11.1%, women 65+ 9.9.3%, Unaffiliated 6.6%, Democrat 7.7%, Republican 9.0%.



Vail Gallagher Ballot Measure Information Questions

The survey included six questions that provided information to respondents about the ballot measure. After reading each question, respondents were asked if they were more likely or less likely to approve the ballot measure. The questions are ranked by the percentage of voters that are more likely to vote yes and approve that ballot measure.

<u>Information Question</u>	<u>More Likely to Approve</u>	<u>More Likely to Reject</u>	<u>Info. Makes No Difference</u>
The Town of Vail has always worked hard at being fiscally prudent and good stewards of taxpayer's money. This ballot measure is only being considered in order to stabilize property tax collections and the town's general budget. It is important to know this ballot measure does not raise property taxes. It will only help the Town try to maintain existing essential services as we all work towards a healthy economic recovery.	57%	17%	24%
The continual loss of millions of dollars in residential property tax revenue to the town in future years will eventually have a negative impact on the essential services provided to you and the Vail community. These negative impacts will include reductions in funding for local police, fire and emergency services, public works, snowplowing and ongoing road maintenance. The loss of revenue could also impact public parks, library services and the town's free bus service.	55%	17%	26%
The Town Council is also considering this ballot question because of the significant drop in sales tax revenue to the town due to the coronavirus. If approved, the ballot measure would significantly help stabilize the town's overall revenue without raising taxes and prevent an eventual reduction in the quantity and quality of the town's services.	53%	20%	25%
When considering this ballot measure, it is important to understand what the amount of a future residential property tax reduction would be under the Gallagher Amendment. As an example, in 2021 a Vail homeowner is projected to receive an annual property tax reduction of \$30 for a home valued at \$500,000. Therefore, if the ballot measure is approved by voters, homeowners with a home valued at \$500,000 you would be giving up a \$30 residential tax reduction in 2021 and in future years thereafter.	52%	20%	27%
It is important to understand that the ballot measure would not increase Vail residential property taxes. Currently, approximately 10% of a Vail homeowner's annual property tax bill goes toward the Town of Vail. If this ballot question is approved, Vail homeowners would still pay the same 10% of their annual property taxes to the town. At the same time, if the ballot measure is approved it would prevent a Vail homeowner from receiving a future residential property tax cut or reduction that is triggered by the Gallagher Amendment.	46%	25%	26%
In the last three years the Town of Vail's revenue from residential property taxes declined by \$1.3 million because of unanticipated consequences of an amendment to the state constitution called the "Gallagher Amendment". The Gallagher Amendment lowers the amount of residential property taxes that a town like Vail can collect from	42%	24%	31%



residential property owners based on the amount of commercial property taxes collected, rather than on the assessed value of residential properties. By voting yes and approving the ballot measure the Town will be able to prevent a projected loss of \$1.4 million dollars in 2021 and similar amounts in future years.

Informed Vail Gallagher Ballot Measure Test

After respondents read the information questions, they were asked again to read the ballot language and indicated if they would vote yes and approve it or if they would vote no and reject it. Among all respondents, a majority, 52% of voters said they would approve it, 37% would oppose it, and 10% were undecided. Among the 10% that were undecided, 32% lean towards supporting the ballot measure, 17% lean towards voting no, and 51% are truly undecided. Compared to the initial, uninformed ballot test, support for the ballot measure increases by 13%, moving from 39% to 52%.

"Now that you have read some information about the ballot measure we ask you to read the ballot language one more time and then indicate if you would vote yes and approve it or if you would vote no and reject it?"

Response	All Voters	All Men	Men 18-44	Men 45-64	Men 65+	All Women	Women 18-44	Women 45-64	Women 65+	Unaf	Dem	Rep
Tot. Approve	52%	46%	55%	43%	42%	59%	66%	58%	49%	51%	70%	40%
Tot. Reject	37%	43%	23%	52%	54%	31%	24%	29%	46%	38%	19%	55%
Undecided	10%	9%	18%	4%	4%	10%	10%	13%	4%	11%	8%	5%
Definitely Yes	22%	19%	21%	20%	17%	26%	30%	24%	22%	26%	31%	9%
Probably Yes	30%	27%	34%	23%	25%	33%	36%	34%	27%	25%	39%	31%
Definitely No	21%	23%	6%	28%	38%	19%	14%	21%	27%	18%	12%	39%
Probably No	16%	20%	17%	24%	16%	12%	10%	8%	19%	20%	7%	16%
Refused	1%	2%	4%	1%	0%	0%	0%	0%	1%	0%	3%	0%

*Sample subgroup margins of error: All voters 4.1%, all men 6.3%, men 18-44 11.2%, men 65+ 9.9%, all women 5.7%, women 18-44 8.1%, women 45-64 11.1%, women 65+ 9.9%, Unaffiliated 6.6%, Democrat 7.7%, Republican 9.0%.

Increase in Support for Vail Ballot Measure by Voter Subgroup

	All Voters	All Men	Men 18-44	Men 45-64	Men 65+	All Women	Women 18-44	Women 45-64	Women 65+	Dem	Unaf	Rep
Net Increase	+13	+13	+20	+11	+5	+14	+14	+17	+12	+12	+13	+17
Inf. Ballot Test	52%	46%	55%	43%	42%	59%	66%	58%	49%	51%	70%	40%
Uninf. Ballot Test	39%	33%	35%	32%	37%	45%	52%	41%	37%	39%	57%	23%

*Sample subgroup margins of error: All voters 4.1%, all men 6.3%, men 18-44 11.2%, men 65+ 9.9%, all women 5.7%, women 18-44 8.1%, women 45-64 11.1%, women 65+ 9.9%, Unaffiliated 6.6%, Democrat 7.7%, Republican 9.0%.



Reasons Why 52% of Voters Would Approve the Ballot Measure

Respondents who said they would approve the Gallagher ballot measure asked why they were supporting the ballot measure in an open-ended format. Voters are supporting the ballot measure because they are familiar with the Gallagher Amendment's impact on budgets for special districts and local mountain towns. These voters also believe it is worth giving up a property tax cut in the future in order to maintain the same town services and stabilize the budget.

"In your own words, please tell us why you would vote yes and approve the ballot measure."

important use pay Yes community property
property taxes help good maintain services
maintain provides tax will services want
town understand need high Vail essential services
revenue value TOV support keep continue Town Vail level

"Because it wouldn't raise my taxes." – Female, Democrat, 55-64, Boot Falls

*"Because we need to keep this valley vibrant and able to navigate through this downturn."
– Male, Republican, 65+, Boot Falls*

"I understand no change in the mill, but a maximum (mill not to exceed) needs to be entered." – Male, Democrat, 45-54, East Vail

"The Gallagher Amendment unnecessarily limits the town's ability to regulate its own finances." – Female, Unaffiliated, 65+, East Vail

"I like the idea of stabilizing town revenues and maintaining our existing, high-level of services." – Male, Democrat, 35-44, Potato Patch/Sandstone

"I want to keep the quality of life in Vail at the highest level possible. The town needs the money to accomplish that." – Female, Unaffiliated, 18-34, Potato Patch/Sandstone

"Gallagher's impact on resort communities is an unintended adverse consequence of a tax law aimed at urban property." – Female, Unaffiliated, 45-54, Potato Patch/Sandstone

"Small tax deduction for me but a large impact for the town's revenues." – Female, Unaffiliated, 18-34, Vail Village



"Yes, if I say evidence that council is financially responsible in budgetary planning." – Female, Democrat, 45-54, West Vail (North of I-70)

"I think it is important to do our part and pay necessary taxes for our great Town of Vail. Having moved from CA, it's a welcome change." – Male, Unaffiliated, 35-44, Potato Patch, Sandstone

"Gallagher and Tabor should be overturned. We don't want Vail to be hamstrung by antiquated, inflexible laws." - Male, Unaffiliated, 45-54, Buffer Creek, Lionsridge, the Valley

"To preserve the Town of Vail's quality of life." – Female, Unaffiliated, 55-64, Intermountain

"I know the damage that the Gallagher Amendment does to the budgets for fire and police." – Male, Republican, 55-64, Potato Patch, Sandstone

Reasons Why 36% of Voters Would Oppose the Ballot Measure

Respondents who intend to reject the Gallagher ballot measure were also asked to explain their decision in an open-ended format. In reading the comments, it is apparent many voters, seniors in particular, are frustrated or angry about any new taxes, or loss of tax cuts. Many voters also question if non-essential services have already been cut and cuts to essential services are unavoidable. Some voters also mention that they can't give up a tax cut due to the economic downturn caused by the coronavirus.

"In your own words, please tell me why you would vote no and reject the ballot measure."

council give measure residents housing tax revenue revenue
tax increases spending pay increase sales taxes
make much money raise taxes year town
Town Vail Vail reduction TOV business will town council
property tax feel need go time good raise taxes enough

"Cut back the recreational expenses. Cut back the retirement fund. You have a very favorable retirement fund. Use money wisely." – Male, Unaffiliated, 65+, Buffehr Creek, Lionsridge, The Valley



"The TOV has enough reserves to cover a short-term shortfall in revenue. The town needs to be a lot sharper with a pencil on its budget. Raising taxes is not the answer. That needs to stop!" – Female, Unaffiliated, 65+, Boot Falls/Bald Mountain

"Wording of the measure is confusing, even understanding all points provided, biggest issue is feeling that the town jumps to threatened to cut our basic services before cutting event and other non-critical community services. I understand that you are not asking for much, but you need to provide a better overall budget picture and prove that other measures/cuts have been taken first. I Understand that we are a resort community but in cases like this it is very frustrating that you immediately threaten our basic resources before communicating what other measures have been taken to stabilize the budget." – Female, Democrat, 45-54, East Vail

"We are all suffering financially due to COVID, and any reduction in taxes helps. Your revenue from businesses should go up right? My property taxes increased about 30% this past year due to previously approved tax measures, and as a retired person on a fixed income I need any and all tax reductions." – Female, Democrat, 65+, East Vail

"Why don't you raise the property tax on out of town owners and rentals?" – Female, 65+, East Vail

"We pay enough tax that supports the tourist trade, we need to make sure tourists pay for their activities and help pay for our infrastructure that they use!" – Male, 65+, East Vail

"First of all, my understanding is that the town is very active and sales tax revenues are up. Second, it limits any decrease in property taxes due to a recession because of a drop-in property values." – Male, Republican, 65+, Intermountain

"The Town needs to make sacrifices in tough times just like everyone else." – Male, Unaffiliated, 45-54, Intermountain

"I own a small business so when times are tough, I make hard decisions and lower expenses and you should find ways to increase revenue without raising taxes. You can lower expenses without essential services. How about a few pay cuts for higher salaries?" – Male, Republican, 55-64, Matterhorn, Glen Lyon

"The TOV financial priorities are misplaced. The housing program costs are not being explained to taxpayers. The ongoing reduction of subsidized housing with lower values are not being disclosed and shown as an ongoing subsidy. Acknowledge and fix this before raising the mill levy." – Male, Unaffiliated, 65+, Potato Patch, Sandstone

"Gallagher was put in place for a reason. I was here at the time and it was a necessary fix to the property tax problem. It should not be repealed. It was the voter's will." – Female, Republican, 65+, Golf Course



"The TOV has plenty of revenue, it's just not being allocated properly. Stop pissing away taxpayer's money on subsidized housing and rent for business owners." – Male, Unaffiliated, 55-64, East Vail

Impact of Eagle County and Statewide Gallagher Ballot Measures

For this election cycle there could be three separate ballot measures to request voters to exempt Vail, Eagle County, and the State of Colorado from the Gallagher Amendment. Therefore, the final question in the survey explained this development to voters and then asked them how they would vote for the local, Vail ballot question.

Overall, one-third would approve the Vail ballot measure, a third would reject it, and a third were undecided. More importantly, among the 52% of voters who said they would approve the ballot measure on the uninformed ballot, 68% would still vote yes, 4% would change their minds and vote no, and 28% were undecided.

*"Thank you for sharing your thoughts and opinions with us. We now want to inform you that there will be two other questions on the ballot this November that are identical to the local ballot question we just shared with you. The difference is the two other ballot questions would apply to annual residential property tax payments made to Eagle County and the state of Colorado. Knowing this information, how would you cast your vote for the local, Vail ballot question? Would you.....?" **

Response	All Voters	All Men	Men 18-44	Men 45-64	Men 65+	All Women	Women 18-44	Women 45-64	Women 65+	Unaf	Dem	Rep
Approve Vail Ballot Measure	36%	35%	40%	34%	33%	39%	41%	38%	43%	40%	48%	22%
Reject Vail Ballot Measure	33%	39%	28%	43%	50%	26%	20%	25%	37%	28%	19%	52%
Undecided	29%	24%	29%	21%	16%	33%	39%	35%	17%	31%	29%	25%
Refused	2%	2%	3%	2%	1%	2%	0%	2%	3%	1%	4%	1%

*Sample subgroup margins of error: All voters 4.1%, all men 6.3%, men 18-44 11.2%, men 65+ 9.9%, all women 5.7%, women 18-44 8.1%, women 45-54 11.1%, women 65+ 9.9.3%, Unaffiliated 6.6%, Democrat 7.7%, Republican 9.0%.

Conclusion

If the Vail Town Council decides to place this ballot measure before voters this November, the outcome could go either way. However, it is more likely to achieve voter approval if likely voters are thoroughly informed of what the ballot measure means to them personally. It is also difficult to forecast what impact the other two de-Gallagher ballot measures will have on Vail voter opinion.



Appendix A Vail Voter Registration and Past Turnout Demographics

Sex	Active Registration		2018		2017		2016		2015	
Female	1,555	44.6%	1,134	45.7%	628	48.5%	1,324	44.9%	459	49.4%
Male	1,935	55.4%	1,349	54.3%	666	51.5%	1,624	55.1%	471	50.6%
Total	3,490		2,483		1,294		2,948		930	

Age Group	Active Registration		2018		2017		2016		2015	
18-34	1,099	30.9%	633	24.9%	170	12.9%	966	31.7%	99	10.6%
35-44	593	16.7%	415	16.3%	177	13.5%	494	16.2%	106	11.4%
45-54	546	15.3%	400	15.7%	214	16.3%	472	15.5%	173	18.6%
55-64	541	15.2%	419	16.5%	274	20.9%	492	16.2%	212	22.8%
65+	782	22.0%	678	26.6%	478	36.4%	620	20.4%	340	36.6%
Total	3,561		2,545		1,313		3,044		930	

Party	Active Registration		2018		2017		2016		2015	
Republican	666	18.7%	535	21.0%	352	26.8%	743	24.4%	281	30.2%
Democrat	1,042	29.3%	837	32.9%	423	32.2%	971	31.9%	289	31.1%
Unaffiliated	1,780	50.0%	1,122	44.1%	520	39.6%	1,255	41.2%	349	37.5%
Libertarian	49	1.4%	33	1.3%	11	0.8%	52	1.7%	6	0.6%
Green	21	0.6%	16	0.6%	6	0.5%	19	0.6%	4	0.4%
ACP	3	0.1%	2	0.1%	1	0.1%	4	0.1%	1	0.1%
	3,561		2,545		1,313		3,044		930	

