

1 **BY AUTHORITY**

2 RESOLUTION NO. CR18-1425
3 SERIES OF 2018

COMMITTEE OF REFERENCE:
Finance & Governance

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6 **A RESOLUTION**
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9 **Levying upon all taxable property within the City and County of Denver taxes**
10 **for the year 2018, to be collected in 2019, for purposes authorized by law.**
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13 **WHEREAS**, §§ 7.4.1 and 7.4.2 of the Charter require the City Council to annually levy ad
14 valorem property taxes in the City and County of Denver, including property taxes necessary to
15 pay general obligation debt service; and

16 **WHEREAS**, between tax years 1992 and 2012, annual increases in revenue derived from
17 four components of the City’s mill levy—General Fund, Human Services, Police Pension, Fire
18 Pension (the “affected funds”)—were constrained by the property tax revenue limitations set forth
19 in Article X, Section 20 of the Colorado Constitution (TABOR); and

20 **WHEREAS**, in order to comply with the TABOR property tax revenue limitation prior to
21 2012, the City adopted temporary property tax credits on a year-to-year basis as authorized by §
22 39-1-111.5, C.R.S.; and

23 **WHEREAS**, on November 6, 2012 Denver voters approved a measure permanently
24 authorizing the City to exceed the TABOR property tax revenue limitation; requiring instead that
25 Denver comply with an annual city property tax revenue limitation as codified in § 20-26,
26 D.R.M.C.; and allowing the City to continue to adjust the temporary property tax credits on a
27 year-to-year basis to the extent necessary to comply with the city property tax revenue limitation;
28 and

29 **WHEREAS**, in 2016, City Council authorized dedicated funding streams for affordable
30 housing programs, including a property tax levy that is separately itemized in an affordable
31 housing property tax fund beginning in 2017 as codified in § 27-150 (i), D.R.M.C.; and

32 **WHEREAS**, this authorized affordable housing levy totaled one-half of one mill (0.5 mill)
33 for 2016 property taxes due in 2017 and drew down on the City’s temporary property tax credit;
34 and

1 **WHEREAS**, the affordable housing mill levy is subject to the same adjustment of the
2 levies for the affected funds to the extent necessary to comply with the City property tax revenue
3 limitation; and

4 **WHEREAS**, the Chief Financial Officer has estimated that the city property tax revenue
5 limitation would allow the total property tax revenue for the affected funds to total \$270,690,000
6 in 2019, and that the levies set forth in this resolution will cause the revenue in the affected funds
7 to total this amount, thus complying with the limitation; and

8 **WHEREAS**, pursuant to voter approvals occurring in 2003 and 2007 respectively, the City
9 is authorized to impose dedicated property tax levies for services to the developmentally
10 disabled and for capital maintenance, the revenue from which is entirely exempted from the
11 TABOR property tax revenue limitation and the city property tax revenue limitation; and

12 **WHEREAS**, § 39-10-114(1)(a)(1)(B), C.R.S., permits any taxing entity to adjust its
13 property tax levy by an amount which does not exceed its prorated share of abatements and
14 refunds of taxes erroneously or illegally assessed or collected in the previous years; and

15 **WHEREAS**, the City and County of Denver has determined that Denver’s proportional
16 share of abatements and refunds granted in the previous year totals \$4,840,301 to be
17 apportioned as set forth in this resolution.

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19 **NOW, THEREFORE, BE IT RESOVED BY THE COUNCIL OF THE CITY AND COUNTY OF**
20 **DENVER:**
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22 **Section 1.** That the rate of City property taxation for the affected funds is calculated as
23 follows:
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	2017	2018	2018	2018
	Property Tax	Property Tax	Abatements &	<u>Net Mill Levy</u>
	<u>Levy Base</u>	<u>Levy Base</u>	<u>Refunds Levy</u>	
General Fund	9.735	9.735	0.187	9.922
Social Services	3.339	3.339	0.035	3.374
Fire Pension	1.171	1.171	0.012	1.183
Police Pension	1.396	1.396	0.015	1.411
Affordable Housing	0.441	0.441	0.003	0.444
Total	16.082	16.082	0.252	16.334

25 **Section 2.** That the rate of City property taxation for voter-approved levies is calculated
26 as follows:

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	Voter-Approved <u>Mill Levy</u>	2018 Abatements & Refunds	2018 <u>Net Mill Levy</u>
Developmentally Disabled	1.000	0.009	1.009
Capital Maintenance	2.500	0.025	2.525
Total	3.500	0.034	3.534

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Section 3. That the rate of taxation for general obligation debt service is calculated as follows:

	2018 <u>Net Mill Levy</u>
Sinking/Bond Principal	7.000
Bonded Indebtedness Interest	1.433
Total	8.433

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Section 4. That there be and is hereby levied for the year 2018 collectible in 2019 upon all taxable property, real, personal, and mixed, within the City and County of Denver the taxes in mills, for each dollar of assessed valuation, set forth in the following tabulation, pursuant to which the proceeds of the several levies listed under the heading "City and County of Denver" are to be paid into the respective funds named:

FUND	TAX LEVY
City and County of Denver:	
General Fund	9.922
Social Services Special Revenue	3.374
Developmentally Disabled	1.009
Fire Pension	1.183
Police Pension	1.411
Sinking (Bond Principal)	7.000
Bonded Indebtedness Interest	1.433
Capital Maintenance	2.525
Affordable Housing	0.444
TOTAL	28.301

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Section 5. If any part, section, or subsection of this resolution levying taxes shall be held to be illegal or unconstitutional, the validity or constitutionality of the remaining parts, sections, or

1 subsections of this ordinance shall not be affected. The Council hereby declares that it would have
2 passed the remaining parts, sections, or subsections if it had known that other parts, sections, or
3 subsections would be illegal or unconstitutional.

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5 THIS RESOLUTION ESTABLISHES THE CITY'S MILL LEVY AND IS REQUIRED BY LAW IN
6 ORDER TO IMPLEMENT THE CITY'S ANNUAL BUDGET AS ADOPTED BY CITY COUNCIL.

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8 COMMITTEE APPROVAL DATE: December 4, 2018 by Consent

9 MAYOR/COUNCIL DATE: December 11, 2018

10 PASSED BY THE COUNCIL _____

11 _____ - PRESIDENT

12 ATTEST: _____ - CLERK AND RECORDER,
13 EX-OFFICIO CLERK OF THE
14 CITY AND COUNTY OF DENVER

15 PREPARED BY: Alyson Gawlikowski and Rachel Bardin, Budget and Management
16 December 13, 2018.

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18 Pursuant to section 13-12, D.R.M.C., this proposed resolution has been reviewed by the office of
19 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
20 resolution. The proposed resolution is not submitted to the City Council for approval pursuant to
21 § 3.2.6 of the Charter.

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23 Kristin M. Bronson, Denver City Attorney

24 BY: *Kristin M. Bronson*, Assistant City Attorney, DATE: Dec 13, 2018