

# ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by **3:00pm on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: November 23, 2020

Please mark one:  **Bill Request** or  **Resolution Request**

## 1. Type of Request:

- Contract/Grant Agreement**    **Intergovernmental Agreement (IGA)**    **Rezoning/Text Amendment**  
 **Dedication/Vacation**    **Appropriation/Supplemental**    **DRMC Change**  
 **Other:** New Special Revenue Fund

**2. Title:** (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Establishes the Climate Protection Special Revenue Fund to receive sales tax revenue for the administration of the Climate Action program, per Division 2 of Chapter 2 of the DRMC, as amended through Referred Measure 2A in the November 2020 election, and appropriates \$37,128,521 to said fund for 2021.

**3. Requesting Agency:** Department of Finance, Budget and Management Office

## 4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Grace Rink and Liz Babcock	Name: Rachel Bardin
Email: <a href="mailto:Grace.Rink@denvergov.org">Grace.Rink@denvergov.org</a> and <a href="mailto:Elizabeth.Babcock@denvergov.org">Elizabeth.Babcock@denvergov.org</a>	Email: <a href="mailto:Rachel.Bardin@denvergov.org">Rachel.Bardin@denvergov.org</a>

## 5. General description or background of proposed request. Attach executive summary if more space needed:

In November 2020, Denver voters approved Referred Measure 2A, which increased the sales tax rate by 0.25% starting January 1, 2021 to be spent on job creation through local workforce training and new careers for under-resourced individuals in renewable and clean energy technology and management of natural resources; increased investments in solar power, battery storage and other renewable energy technology; neighborhood-based environmental and climate justice programs; adaptation and resiliency programs that help vulnerable communities prepare for a changing climate; programs and services that provide affordable, clean, safe, and reliable transportation choices, like walking, biking, transit, electric vehicles, and neighborhood-scale transit; and upgrade the energy efficiency of homes, offices and industry to reduce their carbon footprint, utility bills and indoor air pollution; and administrative costs (not to exceed 8% of revenue received in the fund in that year).

This bill request establishes the Climate Protection Special Revenue Fund, Fund Number 11880 in the General Government Series, to receive the sales tax revenue from the incremental increase in the sales tax rate of 0.25% and to administer the program. The fund will be appropriated and non-lapsing. The expending authority is the Executive Director of the Office of Climate Action, Sustainability and Resiliency. This bill request also appropriates \$37,128,521 for 2021. The Executive Director of the Office of Climate Action, Sustainability, and Resiliency shall submit a five-year plan to the city council on planned revenue uses in the Climate Protection Fund.

A cap on administrative costs will be applied per Division 2 of Chapter 2 of the DRMC.

Revenues in this fund may also be used for capital improvements, and will be transferred to a new Capital Projects Fund for that purpose. It is anticipated that creation of that new fund will occur later in 2021. • The Climate Protection Fund and the Homelessness Resolution Fund have the same tax rate (0.25%) as the Parks Legacy Fund and the Caring for Denver sales tax initiatives. These existing funds informed the projections for the two new sales tax initiatives approved by voters in November 2020. The 2021 revenue assumptions were formulated in August 2020 and did not assume a COVID-19 resurgence but rather a gradual, prolonged recovery. The City has not revised the revenue projections for 2021, but will be monitoring the impact of the new public

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health measures on the economy. Once economic data is available to inform the revenue impact the City could experience, the Department of Finance will consider revising the revenue estimates. The impacts of this resurgence of COVID cases are likely to impact both our 2020 and our 2021 revenue estimates.

- 6. **City Attorney assigned to this request (if applicable):**
- 7. **City Council District:** All

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