

ORDINANCE NO. 7679

AN ORDINANCE SUBMITTING A BALLOT ISSUE TO THE VOTERS AT THE TUESDAY, NOVEMBER 3, 2009 ELECTION, INCREASING THE HOUSING EXCISE TAX ON NEW DEVELOPMENT, OTHER THAN ON RESIDENTIAL DWELLING UNIT DEVELOPMENT, TO PROVIDE AFFORDABLE HOUSING FOR PEOPLE WITH LOW INCOMES; REPEALING PORTIONS OF THE EXISTING HOUSING EXCISE TAX ON RESIDENTIAL DEVELOPMENT; AND SETTING FORTH RELATED DETAILS.

The City Council finds and recites that:

A. In 1998 the voters approved a Housing Excise Tax to raise money for the provision of affordable housing for people who live and work in the city.

B. A diverse housing stock is necessary in this community in order to serve people of all income levels and to provide the opportunity for working people to have better access to jobs and upgrade their economic status.

C. A housing shortage for persons of very low-, low- and moderate-income is detrimental to the public health, safety and welfare. The inability of such persons to reside within the city negatively affects the community's jobs/housing balance and has serious and detrimental transportation and environmental consequences.

D. The Housing Excise Tax has historically been levied on development of new residential dwelling units. The city's inclusionary zoning regulations, reflected in chapter 9-13 of the Boulder Revised Code, also apply to that development.

E. Imposing the Housing Excise Tax on development other than residential dwelling unit development is appropriate because both residential and non-residential development generate jobs and the need for very low-, low-, and moderate-income housing in the city. However, residential dwelling unit development already contributes to the provision of affordable housing through the inclusionary zoning regulations.

F. If the voters approve this ordinance, the tax rates set forth herein will become the maximum Housing Excise Tax rates for new development other than residential dwelling unit development, and the current Housing Excise Tax on new residential dwelling units will be eliminated.

G. The purpose of this ordinance is to shift the tax burden from new residential dwelling units to other categories of new development.

H. If the voters approve this ballot measure, the City Council will be authorized to adopt such laws as are necessary to further the purposes of this ordinance.

I. It is appropriate for voters to approve collection, retention and expenditure of the full amount collected from the Housing Excise Tax.

J. The increased revenue that will be generated for affordable housing is necessary for the continued provision of critically important housing within the city.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

1 SHALL APPROVAL BE GRANTED FOR THE COLLECTION,
2 RETENTION AND EXPENDITURE OF ALL REVENUES RECEIVED
3 FROM SUCH TAX NOTWITHSTANDING ANY STATE REVENUE OR
4 EXPENDITURE LIMITATION?

5 FOR THE MEASURE _____ AGAINST THE MEASURE _____

6 Section 3. The City Council will amend chapter 3-9 "Housing Excise Tax," B.R.C. 1981,
7 as soon as practical after the passage of this measure to include the following elements:

- 8 1. The existing Housing Excise Tax on residential development shall be eliminated;
- 9 2. The Housing Excise Tax as approved by the voters may be imposed on all new
10 development other than residential dwelling unit development;
- 11 3. The tax rates shall be phased in between January 1, 2010 and December 31, 2014,
12 up to the amounts listed, or in such lesser amount or over such longer period as
13 may be determined by the City Council;
- 14 4. The Housing Excise Tax rates may be increased by application of an index related
15 to the cost of producing housing in the area applied to the maximum rate each
16 year commencing in 2015;
- 17 5. The procedures by which the taxes will be assessed and collected;
- 18 6. Definitions of the taxation categories and other terms will be provided;
- 19 7. The Housing Excise Tax may be reduced or waived by City Council when
20 determined to be in the public interest;
- 21 8. Credit offsets may be provided for uses in place prior to the assessment of the
22 new Housing Excise Tax provisions.

23 Section 4. The maximum tax rate for 2010-2014 for new development other than
24 residential dwelling unit development shall be the following amounts for the following
25 categories assessed on a per square foot of floor area basis:

26 Commercial	\$7.00
27 Industrial and General Non-Residential	\$5.00
28 Institutional	\$3.00

29 Section 5. If a majority of all the votes cast at the election on the measure submitted
30 shall be for the measure, the City Council shall be authorized to amend the Boulder Revised
31 Code and to adopt such other ordinances as may be necessary to implement the intent and
32 purpose of this ordinance.

33 Section 6. The officers of the city are authorized to take all action necessary or
34 appropriate to effectuate the provisions of this ordinance and to contract with the county clerk to
35 conduct the election for the city.

36 Section 7. If any section, paragraph, clause, or provision of this ordinance shall for any
37 reason be held to be invalid or unenforceable, such decision shall not affect any of the remaining
38 provisions of this ordinance.

39 Section 8. This ordinance is necessary to protect the public health, safety and welfare of
40 the residents of the city, and covers matters of local concern.

