ORDINANCE NO. 1928
SERIES 2026

AN ORDINANCE EXTENDING THE CITY'S 0.125% HISTORIC PRESERVATION SALES TAX FOR AN ADDITIONAL TEN-YEAR PERIOD; EXPANDING THE PURPOSES FOR WHICH THE HISTORIC PRESERVATION SALES AND USE TAX MAY BE SPENT TO INCLUDE CITY PROGRAMS AND CAPITAL PROJECTS THAT PROMOTE AND PRESERVE THE CITY'S HISTORY AND CULTURAL HERITAGE; INCREASING THE PORTION OF SUCH TAX ALLOCATED TO THE LOUISVILLE MUSEUM CAMPUS FROM 20% TO 30%; AND PROVIDING FOR THE SUBMISSION OF THIS ORDINANCE TO A VOTE OF THE CITY'S REGISTERED ELECTORS AT THE NOVEMBER 3, 2026 SPECIAL ELECTION

WHEREAS, the City of Louisville ("City") is a Colorado home rule municipal corporation duly organized and existing under laws of the State of Colorado and the Louisville City Charter ("City Charter"); and

WHEREAS, the members of the Louisville City Council ("City Council") have been duly elected and qualified; and

WHEREAS, Article X, Section 20 of the Colorado Constitution, also referred to as the Taxpayer's Bill of Rights ("TABOR"), requires voter approval for any new tax, any increase in any tax rate, the creation of any debt, and the spending of certain funds above limits established by TABOR; and

WHEREAS, pursuant to Article 12 and Section 4-8 of the City Charter, the City may authorize the imposition of new taxes and the increase of a tax rate by ordinance upon approval of the registered electors of the City; and

WHEREAS, TABOR requires that the City submit ballot issues, as defined in TABOR, to the City's registered electors on specified election days before action can be taken on such ballot issues; and

WHEREAS, November 3, 2026, is one of the election dates at which TABOR ballot issues may be submitted to the registered electors of the City pursuant to TABOR; and

WHEREAS, the City Council has adopted a resolution calling a special election for November 3, 2026, which will be conducted as a coordinated election pursuant to the Uniform Election Code of 1992, as amended; and

WHEREAS, by Ballot Issue 2A, approved at the November 4, 2008 election, the voters of the City approved the levy of a 0.125% sales tax, collected for a ten-year period commencing January 1, 2009, with the net proceeds of such 0.125% percent sales tax to be collected, retained and spent exclusively for historic preservation purposes within historic Old Town Louisville; and

WHEREAS, by Ballot Issue 2D, approved at the November 2, 2010 election, the voters of the City approved the levy of a permanent use tax of 3.50% to supersede the City's then-current use tax, with the net proceeds of such tax to be allocated such that revenues from a rate of 0.125% are used for historic preservation purposes consistent with said Ballot Issue 2A approved at the November 4, 2008 election; and

WHEREAS, by Ballot Issue 2F, approved at the November 7, 2017 election, the voters of the City approved the continuation of the temporary 0.125% sales tax for an additional ten-year period and expanded the purposes for which the historic preservation sales and use tax may be spent, including authorizing the expenditure of up to 20% of the funds on operating and maintaining the Louisville Museum Campus and authorizing expenditures of the historic preservation sales and use tax outside historic Old Town Louisville if approved by the affirmative vote of not less than five members of the entire City Council; and

WHEREAS, the temporary 0.125% sales tax will expire on December 31, 2028, unless it is continued by approval of the City's voters; and

WHEREAS, the City Council is of the opinion that it should refer to the voters at the November 3, 2026 special election a TABOR ballot issue to: (1) continue the City's temporary sales tax for an additional ten years; (2) expand the purposes for which the historic preservation sales and use tax may be used to include programs and capital improvements that promote and preserve the City's history and cultural heritage; and (3) increase the portion the historic preservation sales and use tax allocated to operating and maintaining the Louisville Museum Campus from 20 percent to 30 percent per year.

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

Section 1. A special municipal election will be held in the City of Louisville, County of Boulder, State of Colorado on Tuesday, November 3, 2026, as part of a coordinated election (the "**Election**").

Section 2. Pursuant to the applicable provisions of the laws of the State of Colorado and the City Charter, the City Council hereby submits to the registered electors of the City at the Election the ballot issue specified in Section 3 of this ordinance.

Section 3. The following ballot issue, certified in substantially the form set forth below, is hereby referred to the registered electors of the City and shall appear on the ballot of the Election:

BALLOT ISSUE_____

SHALL CITY OF LOUISVILLE TAXES BE INCREASED $1.5 MILLION IN 2029 AND THEN ANNUALLY THEREAFTER BY WHATEVER AMOUNTS ARE GENERATED FROM THE CONTINUATION OF THE CITY'S HISTORIC PRESERVATION SALES TAX OF 0.125% BEGINNING JANUARY 1, 2029, AND EXPIRING DECEMBER 31, 2038; WITH THE NET PROCEEDS OF SUCH SALES TAX, ALONG WITH THE CITY'S EXISTING 0.125% HISTORIC PRESERVATION USE TAX, TO BE UTILIZED FOR HISTORIC PRESERVATION PURPOSES CONSISTENT WITH BALLOT ISSUES APPROVED BY THE VOTERS IN 2008 AND 2017, AND, COMMENCING ON JANUARY 1, 2027, SHALL THE CITY ALSO BE AUTHORIZED TO: (1) EXPEND ANY FUNDS FROM SUCH HISTORIC PRESERVATION TAX ON CITY PROGRAMS AND CAPITAL PROJECTS, AND (2) INCREASE THE PORTION OF SUCH TAX ALLOCATED TO OPERATING AND MAINTAINING THE LOUISVILLE MUSEUM CAMPUS FROM 20% TO 30% PER; AND SHALL THE CITY BE PERMITTED TO COLLECT, RETAIN AND EXPEND ALL REVENUES DERIVED FROM SUCH TAX AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

Section 4. If a majority of the registered electors voting at the Election vote "yes" in response to the ballot issue specified in Section 3 of this ordinance, the issue shall be deemed to have passed and the Louisville Municipal Code shall be amended as set forth in this Section:

a. Effective January 1, 2029, Subsection A of Section 3.20.200 of the Louisville Municipal Code, regarding the sales tax levy, is hereby amended to read as follows (words added are <u>underlined</u>; words deleted are ~~stricken through~~):

Sec. 3.20.200. Levy of tax; rate.

A. There is hereby levied, and there shall be collected and paid, a sales tax equal to 3.15 percent of the purchase price of tangible personal property at retail or the furnishing of services, except that:

1. For the ten-year period beginning on January 1, 2024, there is hereby levied, and there shall be collected and paid, an additional sales tax of three-eighths of one percent of the purchase price of tangible personal property at retail or the furnishing of services, as authorized at the November 7, 2023 election, and

2. For the ten-year period beginning on January 1, 2029 ~~2019,~~ there is hereby levied, and there shall be collected and paid, an additional sales tax of one-eighth of one percent of the purchase price of tangible personal property at retail or the furnishing of services, as authorized at the ~~November 7, 2017~~ November 3, 2026 election, and

3. For the ten-year period beginning on January 1, 2024, there is hereby levied, and there shall be collected and paid, an additional sales tax of one-eighths of one percent of the purchase price of tangible personal property at retail or the furnishing of services, as authorized at the November 7, 2023 election.

b. Effective January 1, 2027, Sections 3.20.605.A, B, and F of the Louisville Municipal Code are hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

Sec. 3.20.605. Historic preservation tax and fund.

A. The historic preservation fund is established as a special revenue fund to account for revenues derived from the temporary one-eighth of one percent sales tax for historic preservation purposes ~~imposed for the ten-year period beginning on January 1, 2019~~, and from the one-eighth of one percent rate of use tax allocated to such fund.

B. Revenues from such temporary one-eighth percent sales tax and such one-eighth percent rate of use tax shall be deposited into the historic preservation fund and the net proceeds of such one-eighth percent rate of sales and use tax shall be collected, retained and spent exclusively for the following purposes; provided, that prior to January 1, 2019, such funds shall be spent exclusively within historic Old Town Louisville, which area includes the “Historic Old Town Overlay District” and “Downtown Louisville” as defined by the city zoning map and ordinances, in order to preserve the unique charm and character of historic Old Town Louisville; and provided, further, that on and after January 1, 2019, any funds within the historic preservation fund may be spent within historic Old Town Louisville or within any other area within the boundaries of the City, as existing from time to time, provided that any expenditure of such funds outside historic Old Town Louisville is approved by the affirmative vote of not less than five members of the entire city council:

1. Provide incentives to preserve historic resources, including funding of programs to identify and attempt to preserve buildings which qualify for listing on the Louisville Register of Historic Places;

2. Provide incentives to preserve buildings that contribute to the historic

character of Louisville but do not qualify for listing on the Louisville Register of Historic Places, with such buildings to be treated the same as historic buildings but with lower priority;

3. Provide incentives for new buildings and developments within Louisville to limit mass, scale, and number of stories; to preserve setbacks; to preserve pedestrian walkways between buildings; and to utilize materials typical of historic buildings, above mandatory requirements;

4. For city staff time to administer these programs; ~~and~~

5. For operating and maintaining the Louisville Museum Campus, subject to the limitation that, on the city's annual fiscal year basis, no more than thirty percent (30%) ~~twenty percent (20%)~~ of the net proceeds of such one-eighth of one percent rate of tax shall be used for such operation and maintenance purposes~~.~~; and

6. For City programs and capital projects that promote and preserve the City's history and cultural heritage.

F. Following a recommendation by the Historic Preservation Commission, ~~All~~ all incentive funding decisions and expenditures described in subsection B of this Section shall be approved by the City Council. Incentive programs and the procedures applicable to the administration and receipt of such incentives shall be as provided by City Council ordinance or resolution, the provisions of which shall not be inconsistent with the provisions of this section and applicable ballot issues ~~2A approved at the November 4, 2008~~.

Section 5. Total City tax revenues are estimated to increase by up to $1.5 million in the first full year in which the sales tax provided for in this ordinance is in effect. However, the revenues from said sales tax may be collected and spent, regardless of whether said revenues, in any year after the first full year in which said sales tax is in effect, exceed the estimated dollar amount stated above, and without any other limitation or condition, and without limiting the collection or spending of any other revenues or funds by the City of Louisville, under Article X, Section 20 of the Colorado Constitution or any other law.

Section 6. The provisions of this ordinance relating to the amendment to Section 3.20.200.A of the Louisville Municipal Code shall take effect following passage and approval thereof as provided in Section 4, on January 1, 2029. The amendment to Sections 3.20.605.A, B, and F of the Municipal Code of the City of Louisville shall take effect following passage and approval thereof as provided in Section 4, on January 1, 2027.

Section 7. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council and the registered voters of the City hereby declare that they would have passed and approved this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 8. The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 9. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, PASSED ON FIRST READING AND ORDERED PUBLISHED THIS _____ DAY OF ____________________, 2026.

PUBLIC HEARING AND SECOND READING WILL BE THE _____DAY OF ____________, 2026, AT 6:00 P.M. AT LOUISVILLE CITY HALL, 749 MAIN STREET, LOUISVILLE, CO 80027.

____
Christopher M. Leh, Mayor

ATTEST:

____
Genny Kline, City Clerk

PASSED AND ADOPTED ON SECOND AND FINAL READING, THIS _____ DAY OF __________, 2026.

____
Christopher M. Leh, Mayor

ATTEST:

____
Genny Kline, City Clerk

APPROVED AS TO FORM:

KELLY PC

By: ______________________________
Melinda Culley, Deputy City Attorney