

## **Government Affairs Update**

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### **LOCAL**

#### **Larimer County**

**Mental Health Measure Passes:** A sales tax increase designed to build a mental health facility and pay for mental health services passed handily across the county. Ballot Question 1A was endorsed by the Loveland-Berthoud Association of REALTORS®.

**School District Ballot Measures Pass:** The second time was the charm for the Thompson School District. Ballot measures 5A and 5B, passed easily. 5A is a mill levy override and 5B allows the District to bond. Both questions were supported by the Loveland-Berthoud Association of REALTORS®.

**REALTOR® Loses Commissioner Race:** REALTOR® Sean Dougherty ran a very positive campaign against Senator John Kefalas but failed to garner enough votes in Fort Collins, Larimer's largest city, to counteract the blue wave. It will be interesting to see how effective Kefalas can be, and how he works with his fellow Republican commissioners. The Fort Collins Board of REALTORS® and the Loveland-Berthoud Association of REALTORS® supported Dougherty.

#### **Berthoud**

**Fire District Funding:** The Berthoud Fire District will be allowed to protect its funding. Voters approved Ballot Question 7B which allows the District to "de-Gallagherize" residential property tax revenues. This measure was supported by the Loveland-Berthoud Association of REALTORS®.

#### **Loveland**

**No Broadband Special Election After All:** After private discussions, some key members of the Loveland City Council changed their minds about asking voters if the City should proceed with the creation of a broadband utility. Dave Clark opened the discussion on November 6 with a prepared statement. He said he was now satisfied that the risk to current Loveland utility customers is minimal. He said this precludes the need for a citywide election.

Not all members of the Council agreed with Clark. Jeremy Jersvik abstained from the vote to proceed without an election and Mayor Jacki Marsh maintained her position to oppose. She said the voters should approve the debt to be incurred by the City through the issuance of bonds.

City Manager Steve Adams outlined some other provisions of the plan that eased the concerns of some Councilors. He said the City will maintain a \$4 million cash fund that can be used to mitigate risk and improve the risk profile. He added that the Council will have to approve any funds borrowed from utility reserves for the project and noted that the City can lease some of its bandwidth to other internet providers. The City's utility will compete with other internet providers and residents and businesses will choose which service works best for them.

The final issue that generated some discussion is the City's requirement that any capital project is required to transfer one percent of the total cost to Loveland's arts fund. This policy has been in place since 1985 and several councilors argued citizens would not understand the requirement and that it shouldn't apply to the broadband project. However, without enough votes to exempt the project from this requirement, Olson, Overcash and Clark agreed to allow the requirement to pertain to the project as long as possible revisions to the policy are discussed at a Council retreat later this year.

## **STATE**

**CAR State-level Candidates Defeated:** CAR endorsed a Republican slate of candidates for governor, secretary of state, treasurer and attorney general, but the "blue wave" descended on Colorado and their Democratic opponents won handily. There haven't been any post-election polls, so we don't know why voters chose them. It was an expensive election, that is for sure. Jared Polis, Colorado's Governor-Elect, spent \$20 million on his campaign.

**CAR General Assembly Candidates Mostly Successful:** There are several legislative races that are too close to call at this time but most of the candidates endorsed by CAR won their elections. Eleven of thirteen senatorial candidates supported by CAR won. In the House, 44 of 48 candidates CAR endorsed were successful including CAR's Legislators of the Year, Tracy Kraft-Tharp, Kevin Van Winkle, Terri Carver, Matt Gray, and Alec Garnett. Hopefully CAR's positive relationships with these legislators will prove helpful in the 2019 legislative session. Note: Although CAR received some criticism for endorsing all GOP candidates for state-level candidates, the Association endorsed equal numbers of legislative candidates from both sides of the aisle, which demonstrates CAR's non-partisan philosophy.

**Ballot Question Results Contradict Blue Wave:** Amendments Y and Z, supported by CAR, passed. This means that when redistricting happens in 2020, we should see more competitive districts, which is better for everyone.

Amendment 73, which would have increased income taxes for people in higher tax brackets as well as corporations to fund K-12 education, failed, with 54 percent of voters opposing it. This is frustrating to educators and many Democrats. Now that the Dems have a majority in both chambers, they will look for another funding solution. CAR opposed Amendment 73.

Amendment 74, the takings initiative, was also defeated. CAR spent a lot of time educating its members on this measure, which sounded simple but could have many negative consequences for government. CAR opposed Amendment 74.

Proposition 110, the sales tax measure that would fund transportation at state and local levels was opposed by nearly 60 percent of voters. CAR supported this ballot question but apparently voters across Colorado were in no mood to increase sales tax and feel the State will have to find another way to fund transportation. Transportation wasn't a high priority with Governor-Elect Polis, however, and it remains to be seen if it will be an important issue in the legislature.

Proposition 112, which would have increased oil and gas setbacks, was defeated with over 53 percent of voters saying no. The polling on this measure went back and forth but, in the end, the industry's barrage of ads against it turned the tide. However, the new Speaker of the House, KC Becker, said even before the election that she will support legislation to increase local control over the industry. With a Democratic majority in the House and the Senate, we can expect to see new gas and oil legislation introduced in 2019.