

RESOLUTION NO. 1240

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLDEN URGING VOTERS TO REJECT A PROPOSED HOME RULE CHARTER AMENDMENT PROHIBITING THE GRANTING OF ECONOMIC INCENTIVES IN CONNECTION WITH BUSINESS, COMMERCIAL AND RESIDENTIAL DEVELOPMENT

WHEREAS, a citizen initiated charter amendment limiting the ability of the City to enter into economic incentive agreements for certain developments will be presented to the voters at the general election on November 6, 2001; and

WHEREAS, the proposed charter amendment would require prior voter approval to authorize the City to enter into economic incentive agreements to encourage beneficial business, commercial and residential development in the City, subject to certain exceptions; and

WHEREAS, the current economic incentive program utilized by the City provides for economic incentives to developments only when the net effect of the development upon the City is positive, that is social, economic and tax benefits to the community. Historically, for each dollar of economic incentive offered by the City, the City realizes \$2.00 of additional tax revenues. The City's current economic incentive program pays for itself. For example, if there is not a net increase in tax revenues generated by the business for the community, no economic incentive payment is required or provided; and

WHEREAS, economic incentives are sometimes necessary to allow the City to compete with neighboring communities to attract business that will have a positive affect on the City. The ability for the City to act promptly in those situations is essential. A requirement that voter approval be obtained to authorize economic incentive agreements with those beneficial business will effectively preclude the City's ability to compete with neighboring jurisdictions to attract and keep businesses and employees within the community; and

WHEREAS, the existing economic incentive agreements were negotiated by the City in good faith and have resulted in a net increase in the tax revenues for the City, primarily because of sales to and spending by non-residents of the Golden. If the City fails to honor these existing contracts that were negotiated in good faith, the City's reputation and credit rating will be impaired, affecting the ability of the City to attract and retain businesses in the future; and

WHEREAS, if the City fails to honor its contracts with these businesses, it may be subject to costly lawsuits and perhaps be liable for damages to the businesses who's contracts were broken by the City as a result of this proposed charter amendment; and


WHEREAS, City Council believes that economic well being and quality of life of the citizens of Golden will be jeopardized if the proposed charter amendment passes; and

WHEREAS, City Council wishes to implore the voters to reject the proposed charter amendment providing for limitations and prohibitions on economic incentive agreements.


THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLDEN, COLORADO:

That the City of Golden City Council urges the voters of the City of Golden to vote NO on the proposed amendment to the City of Golden Home Rule Charter pertaining to limitations on incentives for certain developments.

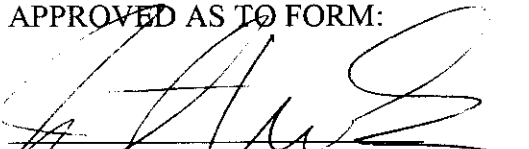
Adopted the 11th day of October 2001.


Jan C. Schenck
Mayor

ATTEST:


Susan M. Brooks, MMC
City Clerk

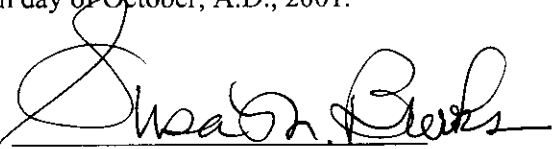
APPROVED AS TO FORM:


James A. Windholz
City Attorney

I, Susan M. Brooks, City Clerk of the City of Golden, Colorado, do hereby certify that the foregoing is a true copy of a certain Resolution adopted by the City Council of the City of Golden, Colorado at a regular meeting thereof held on the 11th day of October, A.D., 2001.

(SEAL)

ATTEST:


Susan M. Brooks, City Clerk of
the City of Golden, Colorado