



Town Council

Board Meeting Date: 11/12/2019

File #: 19-533, Version: 1

**SUBJECT: Staff Report
Home Rule Action Plan**

DEPARTMENT: Administration

PRESENTER: Malcolm Fleming, Town Administrator

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

During the Board of Trustees October 15 Study Session, the Board asked staff to provide analysis of how the Town could facilitate a November 2020 Home Rule Charter election, what kind of outreach/engagement would be necessary to inform the electorate and get enough interested candidates to run for the Home Rule Commission.

To achieve successful community engagement and informed decisions on this important matter, staff recommends the following schedule:

- **May-July 2020:** Community engagement on Home Rule and process
- **August 2020:** BoT calls election to form a Charter Commission and vote on commissioners
- **September 2020:** Within 30 days of notice of election, Commission candidates must file nomination petitions
- **November 2020:** Electors vote on (1) whether to pursue home rule; and (2) elect commissioners to serve on the Charter Commission if Home Rule is pursued
- **December 2020:** *If* voters approve (1) and (2), Charter Commission must have first meeting within 20 days of election being certified
- **December-May 2021:** Charter Commission develops proposed Charter, conducts public hearing(s) and submits proposed charter to Board of Trustees
- **June 2021:** Within 30 days of receiving proposed charter, BoT calls election and publishes notice of election and text of proposed charter.
- **July-October:** Community engagement on proposed charter
- **November 2021:** Election on proposed charter

If the Board wants to pursue a faster schedule, the following is theoretically possible, but would have fewer opportunities for community engagement:

- **December 10, 2019** - BoT calls election to form a Charter Commission and vote on commissioners

- **January 2020:** Within 30 days of notice of election, Commission candidates must file nomination petitions
- **April 7, 2020** - Regular Municipal Election: electors decide (1) whether to pursue Home Rule; and (2) elect commissioners to serve on the Charter Commission if electors approve pursuing Home Rule
- **April 17, 2020** - election results are certified (could be longer if April election is coordinated with the counties)
- **May 7, 2020 (at the latest) - First meeting of Charter Commission** (not more than 20 days after certification of election results)
- **May 7 to August 25 - Charter Commission drafts proposed Charter**
 - After first meeting set by BOT, commission meets as needed at meetings set by the chair or a majority of the commission
 - Commission elects its own officers and adopts rules of procedures
 - Must hold one public hearing in preparation of a proposed Charter - C.R.S. § 31-2-206 (9)
- **August 25, 2020 - Charter Commission submits proposed charter to Board of Trustees.** Note: this date would give the Charter Commission only 110 days to draft and submit the proposed charter to the Board of Trustees. The Charter Commission could ignore this timeline, as State law only requires the Charter Commission to submit the proposed charter to the Board within 180 days after election of the Commission - C.R.S. § 31-2-206(10)
- **September 4, 2020 (or sooner) - Last possible date to publish proposed charter** and give notice of 11/3 election to approve or reject charter. Election must be no less than 60 and no more than 185 days away; November 3 election is 60 days away.
- **November 3, 2020 - State general election**

Background.

The two most recent home rule charter elections in Colorado illustrate the schedule followed and approach to community engagement pursued by:

- [Castle Pines <https://engage.castlepinesco.gov/home-rule>](https://engage.castlepinesco.gov/home-rule)
- [Eagle <https://www.townofeagle.org/756/Home-Rule-Governance>](https://www.townofeagle.org/756/Home-Rule-Governance)

Budget and Staffing Implications.

Depending on the election timeline selected and the number of special elections required, it will cost \$140,000 to \$180,000 to fully cover all costs associated with requesting voter approval to pursue Home Rule, providing legal and staff support for the Charter Commission, Commission meeting expenses (food and meeting materials), conducting two elections, publication expenses, and costs to codify the Charter and complete Municipal Code updates. The 2020 Budget includes funding to cover these expenses. An intern/temp will be needed to assist the Town Clerk's Office to address the daily needs of the office while elections are occurring. Staff from multiple departments will need to address the Charter Commission's questions and provide information on departmental operations and issues; time demands will be high on all parties involved.

Fiscal Implications.

Assuming the Town's tax base doesn't change through the Home Rule process, the Town could continue to have the State collect sales taxes for the Town. However, if the Town expands the sales tax base the Town would potentially have to self-collect. Additionally, the State does not collect use tax, so if voters approved a use tax, the Town would need to self-collect and that would take some level of additional staff.

If the voters approve a Charter, at some point the town would want to self-collect. But that would not be until the Town has a larger level of sales tax activity - or as above if the Town's tax base is different from what the State could collect.

Economic Development Implications.

The only Economic Development incentives not possible without a Home Rule Charter would be Property Tax Increment Financing outside of designated Urban Renewal Planning Areas, which is not something currently contemplated. Consequently, a Home Rule Charter is not necessary to implement the incentive program currently directed by the Board, which staff is working on.

Process

The Home Rule process consists of three major steps; adoption of an ordinance to initiate the Home Rule process, an election to pursue Home Rule and, if the voters approve pursuing Home Rule, electing the Charter Commission, and an election to approve the proposed Home Rule Charter. The attached Home Rule Summary provides a very brief overview of Home Rule and summarizes the advantages and disadvantages of Home Rule.

Much of the information in the attached summary is drawn from the Colorado Municipal League, Home Rule Handbook for Colorado's Cities & Towns (January 2017). Staff has distributed copies of this Handbook to each member of the Board of Trustees.

ATTACHMENTS:

1. Home Rule Summary
2. September 17, 2019 Presentation by Tami Tanoue, CIRSA Executive Director regarding Home Rule Issues