



**Frequently Asked Questions**  
**Proposed Town of Basalt Bonds for the Basalt River Park Improvement Project**  
**Ballot Questions 2F and 2G**

**Q. What is the Town of Basalt proposing to do at the Pan and Fork (or the Basalt River Park) site?**

1. Finance the acquisition of 2.3 acres of land currently owned by Roaring Fork Community Development Corporation (CDC). One acre of that land would be available for development. The remaining 1.317 acres would be designated for the park and supporting uses. Total size of bond: up to \$3,100,000 with a total repayment cost of up to \$3,800,000.
2. Finance park improvement costs. Total size of bond: up to \$4,120,000 with a total re-payment cost of \$5,050,000. Question 2G will be implemented only in the event Question 2F is approved by the voters.

**Q. What are the two proposed ballot questions?**

**1) 2F. Incur Debt and Raise Taxes to Acquire Property**

2F authorizes the Town to issue up to \$3.1 million in bonds and impose property taxes to pay such bonds for the purpose of acquiring the CDC Property with 1.0 acres of the western portion of the CDC Property to be made available for commercial or public purpose building development and the remaining acres of the CDC Property to be used for a Town river park and supporting uses. The total repayment cost on the bonds, including interest, cannot exceed \$3.8 million and taxes cannot be increased more than \$710,000 in any given year to repay the debt.

**2) 2G. Incur Debt and Raise Taxes to Make Park Improvements**

2G authorizes the Town to issue up to \$4.12 million in bonds and impose property taxes to pay such bonds for the purpose of financing a portion of the costs of the Basalt River Park Improvement Project which will likely include a children's play area, a band shell structure with amenities, restroom facilities and improvements to Two Rivers Road. The total repayment cost on the bonds, including interest, cannot exceed \$5.05 million and taxes cannot be increased more than \$890,000 in any given year to repay the debt. Question 2G will be implemented only in the event Question 2F is approved by voters.

**Q. If Questions 2F and 2G pass, will my taxes increase?**

**A.** Yes. Technically, 2F and 2G are tax increases under TABOR because they extend an existing tax. But if the ballot issues pass, taxes will remain the same as they currently are through 2026. Passage of questions 2F and 2G would extend the existing mill levy, approved in 2013 for river and park improvements, to finance the acquisition of the CDC property and the River Park Improvement Project. The 2013 Bonds are scheduled to mature at the end of 2023, and the existing debt tax levy is scheduled to expire at the same time. That said, the Town believes it will have enough surplus property tax and POST (Parks, Open Space and Trails) revenues saved by the end of 2020 to allow it to pay off all the remaining 2013 bond principal at that time – avoiding the last three years of interest expense on those bonds. If 2F and 2G do not pass, taxes will return to pre-2014 levels in 2020.

**Q. How much would Basalt property owners pay for this mill levy?**

- A.** Residential – Using the 2015 tax base, residents would pay \$146 per year if they own a \$500,000 home.
- B.** Commercial – Using the 2015 tax base, commercial property owners would pay \$533 per year for a commercial property assessed at \$500,000.

This is the same amount that taxpayers are now paying. If the new bonds are approved, these amounts would be extended through 2026.

**Q. Why does the Town need voter support to finance the land acquisition and park improvements?**

**A.** The Colorado Taxpayer Bill of Rights (“TABOR”) requires the Town to seek voter approval before issuing new debt or increasing taxes. Although neither the passage of 2F or 2G will increase property tax rates based on the Town’s current assessed value and tax collection rate, both questions represent a tax increase under TABOR.

Therefore, authorizing the Town to continue to incur debt and impose taxes to repay that debt through 2026 can either be seen as a three-year continuation (2024 – 2026) or a six-year continuation (2021 – 2026).

**Q. Why did the Town split this proposal into two questions?**

**A.** The Town Council was under no legal obligation to split the proposal into two questions. Rather, the Town Council split the proposal into two questions in order to give the registered electors of the Town the opportunity to vote directly on the acquisition of the CDC parcel without having to consider the additional cost associated with park improvements. By splitting the proposal in two questions the registered electors will be able to vote on the acquisition of the CDC parcel and then separately vote to fund the Basalt River Park Improvement project in the event the CDC acquisition is approved.

**Q. What improvements to the park would be made if citizens vote yes on question 2G?**

**A.** The plan is to add a band shell, public restrooms, a children’s play area, ADA-accessible pathways, a great lawn and plantings. Changes would also be made to Two Rivers Road adjacent to the park to make the area more pedestrian-friendly. Bus shelters would be relocated and improved.

**Q. If question 2G is not approved, will improvements to the park still be made?**

**A.** The Town does not know what improvements, if any, would be made in the next couple of years. The Town most likely would evaluate all currently proposed Town park improvements (including the Basalt River Park) and determine priorities for scheduling and funding. The Town could look for grant funding for any of the Town parks.

**Q. Are the park plans final or is there possibility for changes?**

**A.** The park plans are conceptual. A park improvements plan will be refined by the Parks, Open Space and Trails Committee. It will be reviewed by the Basalt Planning & Zoning Commission and Basalt Town Council, which will hold public hearings. The plans will be refined as public input is received. They will evolve into construction and bid documents.

**Q. How were the cost estimates for the park improvements determined?**

**A.** The Town used an outside estimator in association with the Town’s consultant team, DHM Design, Sopris Engineering, and Harry Teague Architects to arrive at the cost estimates.

**Q. What is going to happen if the Town acquires the property?**

**A.** The bond language provides that one acre of the western portion be made available for commercial or public purpose building development and the remainder be used as a park with supporting uses. It is possible that the one-acre could be sold to a private developer.

Supporting uses could include a restaurant and an event center building which could later be built and/or managed by the Town or a private entrepreneur. Commercial and public purpose buildings could potentially include affordable housing needed and required by the development on the property. It is possible that a hotel could be built on the property.

**Q. Is the Town obligated to spend the full amounts authorized?**

**A.** No. The purchase contract, the actual bond issuance(s), and the spending of bond proceeds will all be considered by Town Council. Actual bonding and spending amounts can be less than the maximum authorized amounts.

**Q. If the Town does not have to spend all of the proceeds, why is the Town asking for more than it needs?**

**A.** The dollar amounts contained in the ballot question represent the maximum amount of debt the Town may incur as well as the maximum amount of taxes it may raise in any given year. While the Town is authorized to reach these limits, the dollar amounts are slightly higher than anticipated to account for factors outside of the Town’s control. Such factors

could include a hike in interest rates, which would increase the cost of borrowing, or an increase in construction costs, which would increase the total cost of the project. In addition, with respect to question 2G, the actual park improvement plans have not been finalized, so the total cost may be higher or lower than currently anticipated. The Town would have to find other funds if the costs exceed the bond proceeds.

**Q. If approved, what are the Town's current plans for issuing bonds?**

**A.** If one or both ballot questions are approved, the Town could issue bonds as soon as December 2016. There will be a series of tax-exempt General Obligation (GO) bonds to fund the acquisition of the CDC parcel that will be public space, as well as the park improvements. There will also be a series of taxable GO bonds to fund acquisition of the portion of the CDC parcel slated for development, and possibly a portion of the park improvements.

**Q. How does the Town expect to repay the debt?**

**A.** Under state and federal law, the Town's ballot questions must assume that 100% of the bond debt service will be repaid with property taxes and that such taxes be characterized as a tax increase – the idea being that, without the bonds, the property tax would not exist. The ballot question numbers reflect an estimate of the debt that the Town might incur to fund the CDC parcel acquisition and River Park improvements, and the cost of repaying that debt over the next 10 years.

In actuality, the Town expects to use Parks, Open Space and Trails (POST) revenues (dedicated from sales tax) in addition to property taxes to pay bond debt service.

Under the current fiscal plan, if the Town maintains its debt fund tax levy and collects POST revenues at current levels for the next 10 years (2017-2026), it will have sufficient resources to complete the repayment of the debt associated with the 2013/2014 bonds along with the new debt associated with 2F and 2G.

The Town's projection assumes the 3% maximum interest rate stated in the Ballot Questions, and that the Town will reserve at least 20% of annual POST revenues for purposes other than paying existing and potential new debt service.

**Q. Why hasn't the Town been reimbursed by CDC for making improvements on the CDC property?**

**A.** The initial plan for developing and reimbursing Town expenses on the CDC property did not unfold how either party envisioned. At one time, the CDC envisioned a campus on the property that included 150,000 square feet of development and four-story buildings. During this time, the idea of a large public park and a smaller commercial footprint came to be favored as a result of community input and planning sessions. This most likely would result in less revenues available for CDC to be able to reimburse the Town. The Town and CDC do not have an active agreement which requires reimbursement by CDC.

Despite this, the Town felt it was important to move forward to relocate the mobile home park residents and make floodplain improvements for health and safety reasons.

**Q. What is the current size of Town-owned land at the Pan and Fork site, and what will be the acreage of the park if the land acquisition is approved?**

**A.** The Town currently owns 2.97 acres on the Pan and Fork site, purchased in 2011. Of that land, 2.36 acres is along the downtown Basalt side of the river and is not under water. If the land acquisition is approved, 1.317 acres would be added for park and supporting uses, bringing the total land dedicated to park and supporting uses to 3.68 acres, which is roughly the size of Sopris Park in Carbondale.

**Summaries of comments filed by persons in favor of and against ballot issues 2F and 2G**

**The following summaries were prepared from comments filed by persons FOR Ballot Issue 2F:**

The purchase of the CDC parcel by the Town is the first step of this two- part bond issue, to ensure the creation of a public-serving river park. Purchase of the former Pan and Fork mobile home park will create an urban riverfront park unmatched in the Roaring Fork Valley.

Passage of 2F will protect previous investments made by the Town in the Pan and Fork. Although it will temporarily extend the annual property taxes associated with the Pan and Fork, taxes are not anticipated to rise above the amounts now being paid annually by each property owner.

If approved, one acre of the 2.3 acres of land must be made available for development. The proposal for an improved park plus the proposed hotel development will be a great addition to the Town core. It could expand the downtown core from Riverside to RMI.

The park can create an interest for residents as well as workers. Just a small time outside will promote good mental health.

The proposed park offers opportunities for both summer and winter recreation, as well as proposed uses including restaurant, retail, hotel, brew pub, and other amenities.

The public has consistently required our leaders to provide and improve our parks and rivers.

The public previously passed a \$5 million bond issue to remove the trailers, stabilize the site and improve the water front to bring more vitality to Historic Basalt.

Interest rates are low. It is an excellent chance to do something for the residents of the Town that will have lasting community benefits for years. Issuance of a new bond for purchase of this parcel is an investment the Town can afford to make at this time.

Purchase of this property will realize the identity of Basalt as the "Confluence of Rivers, Recreation and Culture." The River Park provides the opportunity to distinguish Basalt itself as a dynamic "river town" with core values of conservation and sustainability while maintaining a physical, visual, and emotional connection to the river. The setting, just downriver from the confluence of two gold medal rivers, constitutes a natural town square.

Public space in downtown cores prioritizes people and builds community. An active park complements this area by providing a place for recreation, citizen-driven events and the coming together of residents and visitors.

Preserving public access to the river corridor is on the Downtown Area Advisory Committee's top-five priorities for this site. Downtown Basalt will have unsurpassed access to the river, creating a gateway to the outdoors and cementing its reputation as the pre-eminent river town.

**The following summaries were prepared from comments filed by persons AGAINST Ballot Issue 2F:**

We are a small Town and the size of the proposed park is too large and too costly.

An effective and attractive park demands better design and an operating budget that has not been addressed.

There is a lot of confusion regarding the ballots. Money allocated to 2F should be used to insure a better, yet slightly smaller park with appropriate maintenance, not to purchase more land.

The Town has earned a negative view from proposed developers. If this fails, we risk not getting interested developers to look at the Clark's Market site.

The Town has many needs. We will be saddled with too much of a tax increase to allow other, very-needed projects.

A better use of the money could be to enliven our existing Midland corridor -- stronger pedestrian amenities including new sidewalks, better lighting, improved landscape and graphics.

Linking the cost of minimal park improvements in 2G to the approval of the bond to purchase land in 2F ignores the public good. The community has already invested over \$6 million. Together the two measures represent an increase in debt up to \$1.6 million per year. Extending our taxes over a longer time (to 2026) is a tax increase. This equates to an

increase in rents or cost of goods and services purchased in Basalt. This is due to the disproportionate increase in commercial property taxes on businesses in Old Town, Willits and Southside (7.96% versus 29% for commercial). An owner of a home valued at \$500,000 pays \$146 per year for eight additional years as a result of the 2013 bond, while the owner of a business of the same value pays \$533 per year.

Passage of this measure supports a plan which discourages investment and revitalization of downtown and we will have fallen far short of completing the park improvements originally proposed. To do so will require another request for tax payer support.

If 2F fails, the burden would be placed back on the present owners of the CDC property, our Council and Planning and Zoning Commission and a developer to achieve a resolution favorable to the Town and the developer, and not be passed on to the taxpayer.

Basalt's downtown core is approximately 12 acres. Dedicating nearly 25% of that to "open space" ignores the potential for well thought out design, and shrinks the commercial core's capacities to respond to an increasing population.

The increase in indebtedness discourages new business, makes present businesses less competitive and makes affordable/attainable housing further out of reach. This "investment" would take money from working families while adding little to the spark needed to reignite Old Town Basalt. It ignores Town planning efforts of the last twenty years and fails to bring much needed revenues to "Greater Basalt" while draining revenues from our Willits commercial core for the benefit of the few for only six months of the year.

**The following summaries were prepared from comments filed by persons FOR Ballot Issue 2G:**

Passage of 2G will complete the public investment needed for the Pan and Fork River Park complex, making the planned park "event ready" quickly, for the lowest cost. It will enhance the value and attract the most advantageous development proposals for the one-acre development parcel to be owned by the town, with the park portion beautifully improved and landscaped from proceeds of this bond issue. It is projected that the property tax levy associated with the "Pan and Fork" will not rise above tax amounts now being paid annually by each property owner. Some or all of the taxes property owners pay should be offset when the park and related development is completed and begins to provide a perpetual base of economic stimulus with accompanying sales tax revenue to Basalt.

Approval of a bond up to \$4.12 million for River Park improvements supports the Parks and Open Space (POST) Advisory Committee's vision for connectivity from the downtown area to an active waterfront park. Trails, facilities, landscaping, and infrastructure along with long-sought-after improvements to Two Rivers Road are an integral part of ensuring the vitality of the River Park.

The improvements proposed by POST provide community amenities and build on the hundreds of comments submitted through the Our Town Planning process. A thoroughly vetted park plan will secure Basalt's reputation as the river town of the Western Slope, the only downtown area park at the confluence of two gold medal rivers.

With low interest rates, it is an excellent chance to do something with lasting community benefits.

As developers bring more employees to town, it is important to have places to relax from the stress of work, traffic and even crowded grocery stores. Even condo living could promote stress. A small amount of time outside will promote good mental health.

The Roaring Fork river frontage plus open space in front of the library could create one of the greatest parks in Colorado.

The proposal for an improved park plus the proposed hotel development would be a great addition to the Town core.

With 150 new people working in Basalt yet not living here, it can create an interest both mid-day and after work.

The proposed park offers recreational opportunities for residents, visitors, children and seniors in both summer and winter, as well as potential restaurant, retail, hotel, and other amenities.

The public has consistently required our leaders to provide and improve our parks and rivers.

The development can expand our downtown core from Riverside to RMI.

The public previously passed a \$5 million bond for removal of trailers from the flood plain, stabilize the site, and improve the water front to bring more vitality to Historic Basalt.

**The following summaries were prepared from comments filed by persons AGAINST Ballot Issue 2G:**

The proposed park is too large and costly for a small town.

The proposed park demands better design and an operating budget that has not been addressed.

The public does not trust the leadership to purchase the entire parcel and then control the development. This distrust was born out of the failed follow-through with the \$5million bond previously passed.

There is confusion regarding the ballots. A new park should not be the priority. Money used for a new park should deal with the park property along the river and use the funds to insure a better, slightly smaller park with less maintenance.

We will be saddled with too much tax to allow other needed projects.

The money could be better used to enliven the existing Midland corridor with better pedestrian amenities like improvements to sidewalks, lighting, landscape and graphics.

Making the cost of minimal park improvements in 2G contingent on approval of the bond to purchase the land in 2F, ignores the public good. The community has already invested over \$6 million. Together the two measures represent an increase of debt up to \$1.6 million per year.

Extending our taxes over a longer time (to 2026) is a tax increase. This equates to an increase in rents or cost of goods and services purchased in Basalt. Commercial property taxes are higher than residential (29% versus 7.96%). A home valued at \$500,000 pays \$146 tax per year while a business of the same value pays \$533 per year for an additional 8 years as a result of the 2013 bond.

Passage of this measure supports a plan that discourages investment and revitalization of our downtown, and we will have fallen far short of completing the park improvements originally proposed, and to do so will require yet another request for tax payer support.

If 2G fails, the burden would be placed back on the present owners of the CDC property, our Council and Planning and Zoning Commission to work out a solution with a developer favorable to the Town and the developer and not be passed on to the taxpayer.

Dedicating nearly 25% of our downtown core to "open space" ignores the potential for well thought out design and shrinks the commercial core's capacities for responding to an increasing population.

This increase in indebtedness discourages new businesses from locating here, makes our present businesses less competitive and makes affordable/attainable housing further beyond reach. This "investment" would take money directly out of the pockets of working families while adding little to the spark needed to re-ignite Old Town Basalt. It ignores Town planning efforts of the last 20 years and fails to bring much needed revenues to "Greater Basalt" while draining revenues from our Willits commercial core for the benefit of the few for only six months of the year.