

**RESOLUTION OF THE TOWN COUNCIL OF BASALT, COLORADO,
SUPPORTING THE PASSAGE OF STATEWIDE AMENDMENT B REGARDING
GALLAGHER REPEAL AND EAGLE COUNTY BALLOT ISSUE REGARDING
GALLAGHER STABILIZATION**

**Town of Basalt, Colorado
Resolution No. 34
Series of 2020**

RECITALS

- A. The Town of Basalt (“Town”), acting by and through its Town Council (“Town Council”), has the power under the Colorado Fair Campaign Practices Act to adopt resolutions in support of or opposition to ballot issues and distribute in normal fashion an adopted resolution regarding any ballot issue of importance to that local government.
- B. The Gallagher Amendment was referred to Colorado voters by the Colorado General Assembly in 1982 in response to concerns about rising residential property taxes as a result of the state’s rapid population growth in the 1970s. In 1982, residential property in Colorado constituted approximately 45% of total property value in the state, with other classes of property such as commercial property, agriculture land, vacant land, industrial property and public utilities making up the other 55%. The Gallagher Amendment proposed to freeze the ratio of the total value of residential property (45%) to the total value of non-residential property (55%) in perpetuity.
- C. Since 1982, the growth of residential property values has outpaced the growth of the value of non-residential property in the state, to the point residential property currently makes up 80% of the total assessed value of all property statewide.
- D. Because the Gallagher Amendment requires residential property constitute 45% of total statewide valuation, the Colorado General Assembly has been required reduce the property tax “assessment rate” on residential property from 21% in 1982 to 7.15% in 2020. It is expected continued residential growth in the State of Colorado will force the Colorado General Assembly to further reduce the residential assessment rate from 7.15% to approximately 5.88% in 2021.
- E. The Gallagher Amendment’s continued erosion of the residential property tax assessment rate has resulted in an almost 300% increase in the shift of the property tax burden from homeowners to business owners. The Gallagher Amendment has eroded the property tax base which funds all local public services.

- F. The reduction in in the assessment rate from 7.15% to approximately 5.88% is expected in result in a revenue loss to the Town of Basalt in the amount of approximately \$105,000.00.
- G. The Gallagher Amendment Repeal and Property Tax Assessment Rates Measure (the “Gallagher Amendment Repeal Measure”) will appear as Amendment B on the statewide ballot in the November 3, 2020 Colorado election, as set forth in Senate Concurrent Resolution 20-001.
- H. If the Gallagher Amendment Repeal Measure passes, Senate Bill 20-223 of the Colorado General Assembly will take effect freezing property tax assessment rates at the current rates (7.15% for residential property and 29% for non-residential property).
- I. Eagle County has placed Ballot Issue 1A on the ballot in the November 3, 2020 coordinated election, which would authorize, but not require, the Board of County Commissioners to adjust it’s mill levy rate for the sole purpose of maintaining revenues that may otherwise result from the Gallagher Amendment or other state imposed reductions in the ratio of assessed property tax valuations in order to avoid the continued erosion of funding of County services.
- J. Accordingly, consistent with the Colorado Fair Campaign Practices Act, the Town Council wishes to express its strongest possible support of the Gallagher Amendment Repeal Measure and Eagle County Ballot Issue 1A and believes that doing so is in the best interests of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Basalt, Colorado, that:

1. Recitals. The foregoing recitals are incorporated herein as findings of the Town Council.
2. Gallagher Amendment Repeal Measure. The Basalt Town Council affirmatively supports the statewide ballot question regarding the Gallagher Amendment Repeal Measure and urges qualified electors to vote YES on Amendment B.
3. Eagle County. The Basalt Town Council affirmatively supports the ballot questions regarding Gallagher stabilization and urges qualified electors to vote YES on Eagle County Ballot Issue 1A.

READ AND ADOPTED by a vote of 7 to 0 this 22nd day of September, 2020.

TOWN OF BASALT, COLORADO

By: *William G. Kane*
William G. Kane, Mayor

ATTEST:
By: *Pamela K. Schilling*
Pamela K. Schilling, Town Clerk

