

TO: ALL REGISTERED VOTERS

**NOTICE OF ELECTION TO INCREASE TAXES AND DEBT
ON A REFERRED MEASURE**

CITY OF ASPEN
Pitkin County, Colorado

Election Date: Tuesday, November 4, 2025
Election Hours: 7:00 a.m. to 7:00 p.m.

Local Election Office Address and Telephone Number:

Nicole Henning, City Clerk
427 Rio Grande Place
3rd Floor
Aspen, CO 81611
Telephone: (970) 429-2685

Ballot Title and Text:

City of Aspen Ballot Question 2A – Tax Increase for Public Education

SHALL THE CITY OF ASPEN TAXES BE INCREASED \$4.75 MILLION IN 2026 AND BY WHATEVER AMOUNTS AS ARE GENERATED ANNUALLY THEREAFTER BY IMPOSING AN ADDITIONAL CITY SALES TAX AT A RATE OF .30% EFFECTIVE JANUARY 1, 2026, AND SHALL THE CITY SALES TAX OF .30% APPROVED BY VOTERS IN 2012 AND EXTENDED BY APPROVAL OF THE VOTERS IN 2016 AND 2020 (WHICH EXISTING TAX IS ALSO EXPECTED TO GENERATE APPROXIMATELY \$4.75 MILLION IN 2026, FOR AN AGGREGATE OF APPROXIMATELY \$9.50 MILLION), CONTINUE TO BE COLLECTED ON AND AFTER JANUARY 1, 2026, WITH EACH SUCH TAX CONTINUING THROUGH DECEMBER 31, 2031, FOR THE PURPOSE OF PROVIDING SUPPORT FOR ASPEN SCHOOL DISTRICT NO. 1 AS DESCRIBED IN THE PRIOR BALLOT QUESTIONS; AND SHALL THE REVENUE FROM SUCH SALES TAX AND EARNINGS THEREON BE COLLECTED, RETAINED AND SPENT BY THE CITY AS A VOTER APPROVED REVENUE CHANGE NOTWITHSTANDING ANY LIMITS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

City of Aspen Ballot Question 2B - Debt for Lumberyard Affordable Housing Project

SHALL CITY OF ASPEN DEBT BE INCREASED BY AN AMOUNT NOT TO EXCEED \$70,000,000, WITH A TOTAL REPAYMENT COST NOT TO EXCEED \$152,550,000, FOR THE PURPOSE OF FINANCING THE LUMBERYARD AFFORDABLE HOUSING DEVELOPMENT; SUCH DEBT TO BE ISSUED IN THE FORM OF MUNICIPAL REVENUE BONDS OR OTHER MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION, WITH SUCH TERMS, AND BEARING INTEREST AT A RATE HEREAFTER APPROVED BY COUNCIL, PAYABLE FROM THE CITY'S AFFORDABLE HOUSING FUND OR ANY OTHER AVAILABLE REVENUE OF THE CITY, WITHOUT ANY INCREASE IN TAXES, AND TO COLLECT, RETAIN, AND SPEND ALL REVENUE AND INTEREST FROM THESE BONDS AS A VOTER-APPROVED CHANGE TO THE CITY'S REVENUE LIMITS UNDER COLORADO LAW, ALLOWING THE CITY TO USE THESE FUNDS TO PAY FOR THE PROJECT OR ANY REFUNDING THEREOF?

Total City Fiscal Year Spending

| <u>Fiscal Year</u> | |
|--------------------|---------------|
| 2025 (estimated) | \$227,400,000 |
| 2024 (actual) | \$198,800,000 |
| 2023 (actual) | \$181,600,000 |
| 2022 (actual) | \$158,300,000 |
| 2021 (actual) | \$157,100,000 |

Overall percentage change from 2021 to 2025: 44.7%
Overall dollar change from 2021 to 2025: \$70,300,000

Proposed Tax Increase

City Estimate of the Maximum Dollar Amount
of the Proposed Tax Increase For Fiscal Year 2026
(the First Full Fiscal Year of the Proposed Tax Increase):

BALLOT ISSUE NO. 2A: \$4,750,000

City Estimate of 2026 Fiscal Year Spending
Without the Proposed Tax Increase: \$250,140,000

Information on City's Proposed Debt

BALLOT ISSUE NO. 2B:

| | |
|-------------------------------------|-----------------------------|
| Principal Amount of Proposed Bonds: | Not to exceed \$70,000,000 |
| Maximum Annual City Repayment Cost: | Not to exceed \$6,500,000 |
| Total City Repayment Cost: | Not to exceed \$152,550,000 |

Information on City's Current Debt¹

| | |
|------------------------------------|-------------|
| Principal Amount Outstanding Debt: | \$8,720,000 |
| Maximum Annual Repayment Cost: | \$3,511,000 |
| Remaining Total Repayment Cost: | \$9,367,635 |

Summary of Written Comments FOR Ballot Issue No. 2A:

FOR: VOTE YES ON 2A TO KEEP TEACHERS ROOTED IN OUR COMMUNITY, MAINTAIN CORE CURRICULUM AND MAKE CLASSROOM IMPROVEMENTS! 2A WILL GENERATE \$4.75 MILLION BY RAISING SALES TAXES BY .3% - AN INCREASE THAT AMOUNTS TO 30 CENTS ON A \$100 PURCHASE. DIFFERENT FROM PROPERTY TAX, SALES TAXES ARE GENERATED IN LARGE PART BY VISITORS. UNLIKE OTHER ALLOCATIONS FOR SALES TAX, THE FUNDS GENERATED BY 2A ARE NOT "FOREVER" TAXES. THAT TAX EXPIRES AFTER FIVE YEARS. STATE CUTS IN K-12

¹ Excluded from debt are enterprise and annual appropriation obligations. The maximum annual repayment of Debt listed above after December 1 2025 will be reduced to \$840,000 due to the retirement of various City bond issues.

FUNDING HAVE COST ASD NEARLY \$24 MILLION OVER THE PAST 15 YEARS. NEW LAWS CAP FUNDING EVEN FURTHER, POTENTIALLY CUTTING ANOTHER \$5 MILLION PER YEAR. THIS LOSS LEAVES ASD ALMOST ENTIRELY DEPENDENT ON LOCAL FUNDING AND MAKES ASD ONE OF ONLY 11 SCHOOL DISTRICTS THAT MUST RELY ON LOCAL TAXPAYERS FOR FUNDING. RISING COSTS ONLY ADD TO THE PRESSURE. WITHOUT LOCAL SUPPORT, OUR SCHOOLS FACE LARGER CLASS SIZES, MORE TEACHER VACANCIES, AND A REDUCTION IN THE PROGRAMS THAT MAKE ASPEN UNIQUE. FOR YEARS, ASD RESIDENTS HAVE PRIDED THEMSELVES ON OUTSTANDING PUBLIC SCHOOLS, SMALL CLASS SIZES, AND INNOVATIVE CURRICULUM. WE TREASURE OUR DEDICATED, TALENTED STAFF MEMBERS WHO HAVE LONG DEFINED OUR COMMUNITY'S COMMITMENT TO EDUCATION. WE ARE SO PROUD OF OUR HIGH-ACHIEVING STUDENTS UPON WHOM WE PIN OUR HOPES FOR A BETTER FUTURE. BUT MAINTAINING THE EXCELLENCE WE HAVE ACHIEVED HAS BECOME INCREASINGLY CHALLENGING. IN ADDITION TO 2A, ASPEN VOTERS WILL ALSO VOTE ON BALLOT ISSUE 4A, A \$5 MILLION MILL LEVY OVERRIDE, PRIMARILY TO PROVIDE TEACHERS WITH COMPETITIVE SALARIES, AND BALLOT ISSUE 4B, A \$95 MILLION BOND PRIMARILY TO ACQUIRE APPROXIMATELY 55 EMPLOYEE HOUSING UNITS AND MAKE SCHOOL INFRASTRUCTURE IMPROVEMENTS. 2D IS A PROPERTY TAX INCREASE THAT WILL BE LEVIED ON HOMEOWNERS ONLY IN SNOWMASS VILLAGE, NOT ASPEN OR PITKIN COUNTY RESIDENTS. THIS NOVEMBER, ASD VOTERS HAVE AN IMPORTANT OPPORTUNITY TO SHAPE THE FUTURE OF OUR SCHOOLS, OUR COMMUNITY, AND OUR CHILDREN. THESE FOUR BALLOT MEASURES - 4A, 4B, 2A, AND 2D - WORK TOGETHER TO ENSURE ASD CONTINUES TO PROVIDE AN EXCEPTIONAL EDUCATION WHILE SUPPORTING THE TEACHERS AND STAFF WHO MAKE IT POSSIBLE. EACH MEASURE IS CRITICAL. TOGETHER, ALL FOUR BALLOT QUESTIONS FORM A COMPREHENSIVE PLAN TO PROTECT WHAT WE VALUE MOST. FOR OUR EXCELLENT TEACHERS, THRIVING STUDENTS AND EXCEPTIONAL SCHOOLS, VOTE YES ON 2A.

THE STATE'S FUNDING FORMULA HAS CAUSED ASD TO LOSE \$6 MILLION IN FUNDING, WITH ANOTHER \$5 MILLION IN THE COMING YEARS. 2A STABILIZES FUNDING BY ENSURING THAT ALL USERS OF OUR COMMUNITY, INCLUDING OUR VISITORS, CONTRIBUTE TO OUR COMMUNITY. 2A IS ASPEN'S WAY TO CONTRIBUTE TO PROTECTING OUR SCHOOLS.

AS LOCAL RESIDENTS KNOW, SCHOOLS HAVE WORKED HARD TO MANAGE THE STATE CREATED DEFICIT. 2A IS A WAY FOR VISITORS TO CONTRIBUTE TO OUR COMMUNITY. VISITORS PAY THE LARGEST SHARE OF ASPEN SALES TAX. 2A IS THE MOST DIRECT WAY TO AVOID RELYING ON PROPERTY TAXES ALONE TO SOLVE THE BUDGET GAP. IT ENSURES THAT A MAJOR BENEFICIARY OF THE COMMUNITY, OUR VISITORS, CONTRIBUTE TO SUPPORTING AN ESSENTIAL RESOURCE THAT MAKES OUR COMMUNITY POSSIBLE.

Summary of Written Comments AGAINST Ballot Issue No. 2A:

No comments were filed by the constitutional deadline.

Summary of Written Comments FOR Ballot Issue No. 2B:

FOR: YOUR YES VOTE ON BALLOT QUESTION 2B WILL ALLOW CONSTRUCTION TO PROCEED ON LANDS PURCHASED FOR AFFORDABLE HOUSING OVER A DECADE AGO WITHIN THE URBAN GROWTH BOUNDARY IN KEEPING WITH THE ASPEN AREA COMMUNITY PLAN. YOUR YES VOTE YES ON BALLOT QUESTION 2B DOES NOT CREATE ANY NEW TAXES. THE HOUSING BONDS WILL BE PAID FOR WITH REVENUES FROM THE EXISTING AFFORDABLE HOUSING REAL ESTATE TRANSFER TAX. YOUR YES VOTE ON BALLOT QUESTION 2B SUPPORTS CONSTRUCTION OF HIGHLY ENERGY EFFICIENT, TRANSIT- ORIENTED ONE-, TWO- AND THREE-BEDROOM HOUSING UNITS AT THE AABC, A NEIGHBORHOOD WITH A PUB, BAKERY, RESTAURANTS, A GROCERY, AND LIQUOR STORE. YOUR YES VOTE ON BALLOT QUESTION 2B ALLOWS THE CITY TO MOVE FORWARD WITH A PUBLIC PRIVATE PARTNERSHIP THAT WILL BRING AN ADDITIONAL \$100 MILLION DOLLARS AND FINANCING TO THE PROJECT. YOUR YES VOTE ON BALLOT QUESTION 2B WILL HELP LOCAL BUSINESS FIND WORKERS, AND HELP CURRENT WORKERS, FAMILIES AND FRIENDS MOVE CLOSER TO ASPEN, SAVING THEM THOUSANDS OF COMMUTING HOURS A YEAR TRAVELING TO ASPEN JOBS AND REDUCING TONS OF CARBON EMISSIONS ANNUALLY. YOUR YES VOTE ON BALLOT QUESTION 2B SUPPORTS THE ECONOMIC SUSTAINABILITY OF OUR RESORT. OBTAINING NEW FREE MARKET HOUSING THROUGHOUT THE VALLEY HAS BECOME UNAFFORDABLE FOR THE VAST MAJORITY OF ASPEN'S WORKFORCE FROM BLUE COLLAR JOBS THROUGH CAREER PROFESSIONALS. YOUR YES VOTE ON BALLOT QUESTION 2B CREATES YEAR-ROUND RENTAL UNITS FOR LONG-TERM RESIDENTS, WHO SUPPORT LOCAL BUSINESSES IN THE OFF SEASON AND CONTRIBUTE TO COMMUNITY VITALITY. YOUR YES VOTE ON BALLOT QUESTION 2B WILL HELP ADDRESS ASPEN'S SEVERE LACK OF AFFORDABLE HOUSING AND LOCAL WORKFORCE SHORTAGES W/APPROXIMATELY 277 UNITS IN A MIX OF INCOME CATEGORIES, WITH ALL TENANTS QUALIFIED UNDER APCHA REGULATIONS. YOUR YES VOTE ON BALLOT QUESTION 2B ALLOWS THE CITY TO MOVE FORWARD WITH MUCH-NEEDED AFFORDABLE HOUSING WITHIN A WALKABLE, BIKEABLE DISTANCE FROM DOWNTOWN ASPEN, ON THE RFTA LOCAL AND BRT BUS LINES, TO BE ADDITIONALLY SERVED WITH AN AABC ROUTE.

Summary of Written Comments AGAINST Ballot Issue No. 2B:

AGAINST: THE COSTS OF THE LUMBERYARD ARE GOING TO BE SOCIALIZED TO THE PUBLIC; THOSE COSTS INCLUDE NOT JUST THIS BOND, BUT ALSO A MAJOR NEW TRAFFIC IMPACT ON HIGHWAY 82 THAT WILL NEGATIVELY IMPACT THE ENTRANCE TO ASPEN. MEANWHILE, THE PROFITS TO BE REAPED FROM THIS PROJECT ARE GOING TO BE PRIVATIZED AMONG THE BUILDER/DEVELOPER GORMAN AND THE BUSINESSES WHO WANT TO EMPLOY APCHA'S WORKER BEE

TENANTS BUT NOT PAY A LIVING WAGE. THIS PROJECT IS CORPORATE WELFARE.