CITY COUNCIL COMMUNICATION
AGENDA ITEM 10F

SUBJECT: **ORDINANCE NO. 1878, SERIES 2024 – AN ORDINANCE EXEMPTING CONSTRUCTION MATERIALS FROM THE CITY'S USE TAX FOR BUILDING PERMITS ISSUED FOR REPAIR AND RECONSTRUCTION OF FENCES, WALLS, AND ACCESSORY STRUCTURES THAT SUSTAINED FIRE, SMOKE, HEAT, WATER, ASH OR OTHER DAMAGE AS A RESULT OF THE MARSHALL FIRE – 2nd READING – PUBLIC HEARING (advertised *Daily Camera* 7/21/24)**

DATE: **AUGUST 6, 2024**

PRESENTED BY: **ROB ZUCCARO, COMMUNITY DEVELOPMENT DIRECTOR**

SUMMARY:
Attached for consideration is an ordinance that would extend the current City use tax exemption program for the Marshall Fire to any structure requiring a city-issued building permit that is being repaired or rebuilt due to damage from the Marshall Fire (see Attachment 1). Previously approved use tax exemptions were limited to the rebuilding or repair of the residential structure itself, and did not cover other structures such as fences, walls and detached accessory structures (see Attachments 2 and 3 for Ordinance 1841, Series 2022 and Ordinance 1867, Series 2023 respectively).

Second Reading Amendments:
Based on resident feedback following first reading, staff amended the language in Section 1.A. of the ordinance to expand the use tax credit to structures being built as part of rebuilding even if that structure may not have existed when the fire took place. For example, if someone rebuilding did not have a retaining wall before the fire, but needed one to accommodate their rebuild, or if they did not have solar panels prior to the fire, but chose to add solar panels to their rebuild, then these items would also be eligible for the City use tax exemption.

> *Section 1. A. The building permit application is for repair or rebuilding of any structure requiring a city-issued building permit, including walls, fences, **solar panels,** and accessory structures, **relating to the repair or rebuilding of homes** that sustained direct fire, smoke, heat, water, ash or other damage from the Marshall Fire.*

PROPOSAL:
Use Tax Exemption
Ordinance No. 1878, Series 2024 would extend the City use tax exemption to the repair or rebuilding of any structure requiring a city-issued building permit that sustained damage from the Marshall Fire. This exemption would cover fences, walls and accessory structures such as storage sheds.

The City collects use tax at the time of issuing a building permit. This tax applies to the construction materials associated with the project and replaces the City's portion of sales tax at the point of sale for those materials. The City also collects County use tax and remits those funds to the County. State use tax is paid at the point of sale. This ordinance would only exempt the City's portion of the use tax.

The City's construction use tax totals 3.650%, broken out as follows:

- 3.000% restricted for capital improvements.
- 0.375% restricted for acquisition and maintenance of land in and around the city used for open space buffer zones, trails, wildlife habitats, wetlands preservation and parks.
- 0.125% restricted for historic preservation and operations of the Louisville Historical Museum.
- 0.150% restricted for operating and maintaining the Louisville Recreation & Senior Center and pool facilities at Memory Square Park.

The amount of use tax collected is determined by the reported valuation of the construction project. The formula assumes that a project's valuation is split 50/50 between labor and materials. Therefore, the use tax collected totals 50% of the reported valuation multiplied by 3.650%. For example, a permit for installation of new fence with a reported valuation of $10,000 would pay ($10,000/2) x .0365 = $182.50 in City use tax.

FISCAL IMPACT:
Current use tax collected for fences, walls and accessory structures on lots impacted by the Marshall Fire is estimated at $44,438. Assuming full compliance with city permitting requirements, staff estimates that total fiscal impact may be up to $200,000. Additional city staff time will also be needed to create communications and application procedures, and process refunds.

STAFF RECOMMENDATION:
Staff recommends approval of Ordinance No. 1878, Series 2024.

ATTACHMENTS:

1. Proposed Ordinance No. 1878, Series 2024
2. Ordinance 1841, Series 2022
3. Ordinance 1867, Series 2023
4. Public Comments

STRATEGIC PLAN IMPACT:

☒	Financial Stewardship & Asset Management	☒	Reliable Core Services
☐	Vibrant Economic Climate	☐	Quality Programs & Amenities
☒	Engaged Community	☐	Healthy Workforce
☐	Supportive Technology	☐	Collaborative Regional Partner

Second Reading Amendments

Ordinance No. 1878, Series 2024 is revised to read as follows (amendments are shown in **bold underline** and **~~bold strikeout~~**):

ORDINANCE NO. 1878
SERIES 2024

AN ORDINANCE EXEMPTING CONSTRUCTION MATERIALS FROM THE CITY'S USE TAX FOR BUILDING PERMITS ISSUED FOR REPAIR AND RECONSTRUCTION OF FENCES, WALLS, AND ACCESSORY STRUCTURES THAT SUSTAINED FIRE, SMOKE, HEAT, WATER, ASH OR OTHER DAMAGE AS A RESULT OF THE MARSHALL FIRE

WHEREAS, on December 30, 2021, the Marshall Fire ignited and quickly spread to the City of Louisville, resulting in severe damage or total loss of almost six hundred (600) structures within the City of Louisville, most of them residential homes; and

WHEREAS, also on December 30, 2021, the Mayor of the City of Louisville, pursuant to Chapter 2.32 of the Louisville Municipal Code and C.R.S. § 24-33.5-709, executed a Declaration of Local Disaster Emergency in and for the City of Louisville, which Declaration was thereafter continued in effect by resolution of the City Council, and the Governor of the State of Colorado issued a Declaration of Statewide Emergency in response to the Marshall Fire; and

WHEREAS, on January 1, 2022, President Joseph R. Biden approved a Major Disaster Declaration for the Event (DR-4634-CO) beginning on December 30, 2021 and continuing thereafter; and

WHEREAS, the structures damaged and destroyed by the Marshall Fire comprise significant portions of several residential subdivisions within the City; and

WHEREAS, pursuant to Sections 3.20.300 and 3.20.305 of the Louisville Municipal Code, the City imposes a use tax on construction and building materials; and

WHEREAS, pursuant to Section 3.20.330 of the Louisville Municipal Code, the use tax for construction and building materials is determined based on fifty percent (50%) of the estimated general contract costs and fifty percent (50%) of the estimated mechanical contract costs, which is deemed to be the purchase price of such construction and building materials; and

WHEREAS, also pursuant to Section 3.20.330 of the Louisville Municipal Code, the full amount of the use tax is collected prior to issuance of a building permit; and

WHEREAS, many of the City's residents affected by the Marshall Fire have learned they may be significantly underinsured and will thus face financial hardships rebuilding their fire-damaged homes; and

WHEREAS, the City Council finds that repairing and rebuilding of homes lost to the Marshall Fire is essential to maintaining the fabric of the community, and that providing a use tax exemption for homeowners affected by the Marshall Fire who are underinsured will help those residents return to the City; and

WHEREAS, the exemption of construction and building materials from the City's use tax may only be made based upon satisfaction of those criteria set forth herein, to ensure the exemption is provided only to the extent reasonably necessary to facilitate the repair and rebuilding of fire-damaged homes within the community; and

WHEREAS, the City Council finds that restoring a vibrant and robust community requires rebuilding to occur within a reasonable amount of time, and that the relief set forth herein afforded those who lost their homes in the Marshall Fire who are experiencing financial hardship is rationally related to the important government function of fostering and maintaining a vibrant and robust community; and

WHEREAS, the City Council finds those persons who lost their homes or ability to live in their homes due to the Marshall Fire have experienced and been impacted by a natural disaster of epic proportions, and thus are differently situated from those within the City who choose to repair or remodel an existing residence, or build a new residence; and

WHEREAS, by this ordinance, the City Council furthers its established policy of facilitating rebuilding of structures damaged or destroyed by the Marshall Fire as set forth in previous actions of the City Council; and

WHEREAS, the City Council recognizes those residents whose homes were damaged or destroyed by the Marshall Fire have suffered great losses and it is the policy of the City to assist and encourage these residents to return to the community; and

WHEREAS, it is the intent of the City Council that adoption of this ordinance shall provide only the limited relief under the specific circumstances set forth herein, and the short-term exemption provided shall not alter the property and services taxed in Section 3.20.305 of the Louisville Municipal Code for construction and building materials, and as such will not constitute a new tax, tax increase, or tax policy change directly causing a net tax revenue gain as those terms are used in Article X, Section 20 of the Colorado Constitution (the "Taxpayer's Bill of Rights" or "TABOR") when the conditions for the exemption no longer exist; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Requirements for Exemption. In addition to those exemptions from the City's use tax set forth in Section 3.20.310 of the Louisville Municipal Code, and those exemptions approved by Ordinance 1841, Series 2022 and Ordinance 1867, Series 2023 for the repair and rebuilding of a residence that sustained fire damage, construction and building materials shall be exempt, or partially exempt, from the imposition of the tax levied by Section 3.20.300 of the Louisville Municipal Code when all of the following requirements are met:

A. The building permit application is for repair or rebuilding of any structure requiring a city-issued building permit, including walls, fences, **solar panels,** and accessory structures, **relating to the repair or rebuilding of homes** that sustained direct fire, smoke, heat, water, ash or other damage from the Marshall Fire.

B. The building permit application has been filed by a person who, on December 30, 2021, was the owner of record of property in any jurisdiction on which a residence was damaged or destroyed by the Marshall Fire.

C. The building permit application is filed with the City of Louisville on or before December 31, 2025.

D. The building permit applicant attests on the building permit application that they are requesting a use tax exemption due to financial hardship caused by inadequate insurance or a gap in insurance coverage when compared to the cost of repairs.

Section 2. Amount of Exemption. The amount of the use tax exemption provided by this ordinance shall equal the full amount of the City use tax due for the construction and building materials.

Section 3. Refunds of City Use Taxes. City staff is authorized and directed to issue refunds of City use taxes paid in connection with building permits issued prior to the effective date of this ordinance, and which permits meet the requirements for exemption set forth in Section 1 of this ordinance. The amount of such refunds shall be determined as set forth in Section 2 of this ordinance.

Section 4. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

<u>Section 5.</u> The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

<u>Section 6.</u> All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

<u>Section 7</u>. The City Council herewith finds, determines and declares that this ordinance is genuinely and urgently necessary for the immediate preservation of the public health, safety, and welfare due to the impacts of the Marshall Fire set forth herein.

INTRODUCED, READ, PASSED ON FIRST READING AND ORDERED PUBLISHED this 16th day of July, 2024.

____
Christopher M. Leh, Mayor

ATTEST:

____
Meredyth Muth, City Clerk

APPROVED AS TO FORM:

____
Kelly PC, City Attorney

PASSED AND ADOPTED ON SECOND AND FINAL READING, this 6th day of August, 2024.

____
Christopher M. Leh, Mayor

ATTEST:

____
Genny Kline, Interim City Clerk

ORDINANCE NO. 1841
SERIES 2022

AN EMERGENCY ORDINANCE EXEMPTING CONSTRUCTION MATERIALS FROM THE CITY'S USE TAX FOR BUILDING PERMITS ISSUED FOR RECONSTRUCTION OF HOMES DAMAGED OR DESTROYED IN THE MARSHALL FIRE BURN AREA

WHEREAS, on December 30, 2021, the Marshall Fire ignited and quickly spread to the City of Louisville, resulting in severe damage or total loss of almost six hundred (600) structures within the City of Louisville, most of them residential homes; and

WHEREAS, also on December 30, 2021, the Mayor of the City of Louisville, pursuant to Chapter 2.32 of the Louisville Municipal Code and C.R.S. § 24-33.5-709, executed a Declaration of Local Disaster Emergency in and for the City of Louisville, which Declaration was thereafter continued in effect by resolution of the City Council, and the Governor of the State of Colorado issued a Declaration of Statewide Emergency in response to the Marshall Fire; and

WHEREAS, on January 1, 2022, President Joseph R. Biden approved a Major Disaster Declaration for the Event (DR-4634-CO) beginning on December 30, 2021 and continuing thereafter; and

WHEREAS, the structures damaged and destroyed by the Marshall Fire comprise significant portions of several residential subdivisions within the City; and

WHEREAS, pursuant to Sections 3.20.300 and 3.20.305 of the Louisville Municipal Code, the City imposes a use tax on construction and building materials; and

WHEREAS, pursuant to Section 3.20.330 of the Louisville Municipal Code, the use tax for construction and building materials is determined based on fifty percent (50%) of the estimated general contract costs and fifty percent (50%) of the estimated mechanical contract costs, which is deemed to be the purchase price of such construction and building materials; and

WHEREAS, also pursuant to Section 3.20.330 of the Louisville Municipal Code, the full amount of the use tax is collected prior to issuance of a building permit; and

WHEREAS, many of the City's residents affected by the Marshall Fire have learned they may be significantly underinsured and will thus face financial hardships rebuilding their fire-damaged homes; and

WHEREAS, the City Council finds that rebuilding of homes lost to the Marshall Fire is essential to maintaining the fabric of the community, and that providing a use tax exemption for homeowners affected by the Marshall Fire who are underinsured will help those residents return to the City; and

WHEREAS, the City Council further finds its adoption of the 2021 IECC was in furtherance of its important policy objectives contained in the City's Sustainability Action Plan, and the incentive provided by the full City use tax exemption set forth in this ordinance for rebuilding of residences pursuant to the 2021 IECC will facilitate such policy objectives to the greatest extent possible; and

WHEREAS, the exemption of construction and building materials from the City's use tax may only be made based upon satisfaction of those criteria set forth herein, to ensure the exemption is provided only to the extent reasonably necessary to facilitate the rebuilding of fire-damaged homes within the community; and

WHEREAS, the City Council finds that restoring a vibrant and robust community requires rebuilding to occur within a reasonable amount of time, and that the relief set forth herein afforded those who lost their homes in the Marshall Fire who are experiencing financial hardship is rationally related to the important government function of fostering and maintaining a vibrant and robust community; and

WHEREAS, the City Council finds those persons who lost their homes in the Marshall Fire have experienced and been impacted by a natural disaster of epic proportions, and thus are differently situated from those within the City who choose to repair or remodel an existing residence, or build a new residence; and

WHEREAS, by this ordinance, the City Council furthers its established policy of facilitating rebuilding of structures damaged or destroyed by the Marshall Fire as set forth in previous actions of the City Council; and

WHEREAS, the City Council recognizes those residents whose homes were damaged or destroyed by the Marshall Fire have suffered great losses and it is the policy of the City to assist and encourage these residents to return to the community; and

WHEREAS, it is the intent of the City Council that adoption of this ordinance shall provide only the limited relief under the specific circumstances set forth herein, and the short-term exemption provided shall not alter the property and services taxed in Section 3.20.305 of the Louisville Municipal Code for construction and building materials, and as such will not constitute a new tax, tax increase, or tax policy change directly causing a net tax revenue gain as those terms are used in Article X, Section 20 of the Colorado Constitution (the "Taxpayer's Bill of Rights" or "TABOR") when the conditions for the exemption no longer exist; and

WHEREAS, the City Council finds that an emergency exists because the preservation of public property, health, safety, and welfare requires the City to take immediate action to provide the relief set forth herein to those whose homes were damaged or destroyed due to the Marshall Fire.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Requirements for Exemption. In addition to those exemptions from the City's use tax set forth in Section 3.20.310 of the Louisville Municipal Code, construction and building materials shall be exempt, or partially exempt, from the imposition of the tax levied by Section 3.20.300 of the Louisville Municipal Code when all of the following requirements are met:

A. The building permit application is for major structural repair or rebuilding of a residence that sustained fire damage from the Marshall Fire, not consisting solely of smoke or ash damage, which rendered the residence not habitable.

B. The building permit application has been filed by a person who, on December 30, 2021, was the owner of record of property in any jurisdiction on which a residence was damaged or destroyed by the Marshall Fire.

C. The building permit application is filed with the City of Louisville on or before December 31, 2024.

D. The building permit applicant attests on the building permit application they are requesting a use tax exemption due to financial hardship caused by inadequate insurance coverage.

Section 2. Amount of Exemption. The amount of the use tax exemption provided by this ordinance shall be determined as follows:

A. For permits issued pursuant to the 2021 IECC as adopted by the City, with or without Appendix RC, the use tax exemption shall equal the full amount of the City use tax due for the construction and building materials regardless of any increase in the size of the home.

B. For permits issued pursuant to the 2018 IECC as adopted by the City, the use tax exemption shall be a percentage of the City use tax due, based on the size of the home to be rebuilt as compared to the previous home that was located on the lot for which the building permit is issued. The home to be rebuilt will be considered the same size if it is not more than ten percent (10%) larger than the home that was previously located on the lot. For example, if the home that was previously located on the lot for which the building permit is issued was 2,000 square feet, and the home to be rebuilt is 2,200 square feet or smaller, the use tax exemption shall equal the full amount of the City use tax. If the home to be rebuilt on such lot is 3,000 square feet, two-thirds (2/3) of the City use tax due for construction and building materials shall be exempt.

Section 3. Refunds of City Use Taxes. City staff is authorized and directed to issue refunds of City use taxes paid in connection with building permits issued prior to the effective date of this ordinance, and which permits meet the requirements for exemption set forth in Section 1 of this ordinance. The amount of such refunds shall be determined as set forth in Section 2 of this ordinance.

Section 4. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 5. The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 6. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 7. The City Council herewith finds, determines and declares that this ordinance is genuinely and urgently necessary for the immediate preservation of the public health, safety, and welfare due to the impacts of the Marshall Fire set forth herein.

INTRODUCED, READ, PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE BY TWO-THIRDS OF THE ENTIRE CITY COUNCIL, AND ORDERED PUBLISHED this 3rd day of October, 2022.

~~Ashley Stolzmann, Mayor~~
Dennis MALONEY, Mayor Pro Tem

ATTEST:

Meredyth Muth, City Clerk

CITY OF LOUISVILLE SEAL COLORADO

Second Reading Amendments

Ordinance No. 1867, Series 2023, is revised to read as follows (amendments on second reading are shown in track changes format):

ORDINANCE NO. 1867
SERIES 2023

AN ORDINANCE EXEMPTING CONSTRUCTION MATERIALS FROM THE CITY'S USE TAX FOR BUILDING PERMITS ISSUED FOR REPAIR AND RECONSTRUCTION OF HOMES THAT SUSTAINED SMOKE, HEAT, WATER, ASH OR OTHER DAMAGE AS A RESULT OF THE MARSHALL FIRE

WHEREAS, on December 30, 2021, the Marshall Fire ignited and quickly spread to the City of Louisville, resulting in severe damage or total loss of almost six hundred (600) structures within the City of Louisville, most of them residential homes; and

WHEREAS, also on December 30, 2021, the Mayor of the City of Louisville, pursuant to Chapter 2.32 of the Louisville Municipal Code and C.R.S. § 24-33.5-709, executed a Declaration of Local Disaster Emergency in and for the City of Louisville, which Declaration was thereafter continued in effect by resolution of the City Council, and the Governor of the State of Colorado issued a Declaration of Statewide Emergency in response to the Marshall Fire; and

WHEREAS, on January 1, 2022, President Joseph R. Biden approved a Major Disaster Declaration for the Event (DR-4634-CO) beginning on December 30, 2021 and continuing thereafter; and

WHEREAS, the structures damaged and destroyed by the Marshall Fire comprise significant portions of several residential subdivisions within the City; and

WHEREAS, pursuant to Sections 3.20.300 and 3.20.305 of the Louisville Municipal Code, the City imposes a use tax on construction and building materials; and

WHEREAS, pursuant to Section 3.20.330 of the Louisville Municipal Code, the use tax for construction and building materials is determined based on fifty percent (50%) of the estimated general contract costs and fifty percent (50%) of the estimated mechanical contract costs, which is deemed to be the purchase price of such construction and building materials; and

WHEREAS, also pursuant to Section 3.20.330 of the Louisville Municipal Code, the full amount of the use tax is collected prior to issuance of a building permit; and

WHEREAS, many of the City's residents affected by the Marshall Fire have learned they may be significantly underinsured and will thus face financial hardships rebuilding their fire-damaged homes; and

WHEREAS, the City Council finds that repairing and rebuilding of homes lost to the Marshall Fire is essential to maintaining the fabric of the community, and that providing a use tax exemption for homeowners affected by the Marshall Fire who are underinsured will help those residents return to the City; and

WHEREAS, the exemption of construction and building materials from the City's use tax may only be made based upon satisfaction of those criteria set forth herein, to ensure the exemption is provided only to the extent reasonably necessary to facilitate the repair and rebuilding of fire-damaged homes within the community; and

WHEREAS, the City Council finds that restoring a vibrant and robust community requires rebuilding to occur within a reasonable amount of time, and that the relief set forth herein afforded those who lost their homes in the Marshall Fire who are experiencing financial hardship is rationally related to the important government function of fostering and maintaining a vibrant and robust community; and

WHEREAS, the City Council finds those persons who lost their homes or ability to live in their homes due to the Marshall Fire have experienced and been impacted by a natural disaster of epic proportions, and thus are differently situated from those within the City who choose to repair or remodel an existing residence, or build a new residence; and

WHEREAS, by this ordinance, the City Council furthers its established policy of facilitating rebuilding of structures damaged or destroyed by the Marshall Fire as set forth in previous actions of the City Council; and

WHEREAS, the City Council recognizes those residents whose homes were damaged or destroyed by the Marshall Fire have suffered great losses and it is the policy of the City to assist and encourage these residents to return to the community; and

WHEREAS, it is the intent of the City Council that adoption of this ordinance shall provide only the limited relief under the specific circumstances set forth herein, and the short-term exemption provided shall not alter the property and services taxed in Section 3.20.305 of the Louisville Municipal Code for construction and building materials, and as such will not constitute a new tax, tax increase, or tax policy change directly causing a net tax revenue gain as those terms are used in Article X, Section 20 of the Colorado Constitution (the "Taxpayer's Bill of Rights" or "TABOR") when the conditions for the exemption no longer exist; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Requirements for Exemption. In addition to those exemptions from the City's use tax set forth in Section 3.20.310 of the Louisville Municipal Code, and those exemptions approved by Ordinance 1841, Series 2022 for the repair and rebuilding of a residence that sustained fire damage, construction and building materials shall be exempt, or partially exempt, from the imposition of the tax levied by Section 3.20.300 of the Louisville Municipal Code when all of the following requirements are met:

A. The building permit application is for repair or rebuilding of a primary residential structure that sustained smoke, heat, water, ash or other damage from the Marshall Fire, not including direct fire damage.

B. The building permit application has been filed by a person who, on December 30, 2021, was the owner of record of property in any jurisdiction on which a residence was damaged or destroyed by the Marshall Fire.

C. The building permit application is filed with the City of Louisville on or before December 31, ~~2024~~ 2025.

D. The building permit applicant attests on the building permit application that they are requesting a use tax exemption due to financial hardship caused by inadequate insurance or a gap in insurance coverage when compared to the cost of repairs.

Section 2. Amount of Exemption. The amount of the use tax exemption provided by this ordinance shall equal the full amount of the City use tax due for the construction and building materials.

Section 3. Refunds of City Use Taxes. City staff is authorized and directed to issue refunds of City use taxes paid in connection with building permits issued prior to the effective date of this ordinance, and which permits meet the requirements for exemption set forth in Section 1 of this ordinance. The amount of such refunds shall be determined as set forth in Section 2 of this ordinance.

Section 4. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 5. The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 6. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 7. The City Council herewith finds, determines and declares that this ordinance is genuinely and urgently necessary for the immediate preservation of the public health, safety, and welfare due to the impacts of the Marshall Fire set forth herein.

INTRODUCED, READ, PASSED ON FIRST READING AND ORDERED PUBLISHED this 28th day of November, 2023.

Christopher M. Leh, Mayor

ATTEST:

Meredyth Muth, City Clerk

SEAL
CITY OF LOUISVILLE
COLORADO

APPROVED AS TO FORM:

Kelly PC, City Attorney

PASSED AND ADOPTED ON SECOND AND FINAL READING, this 19th day of December, 2023.

Christopher M. Leh, Mayor

ATTEST:

Meredyth Muth, City Clerk

SEAL
CITY OF LOUISVILLE
COLORADO

From:	Tawnya Somauroo
To:	City Council
Subject:	Tonight"s Use tax ordinance - TWO AMENDMENTS PLEASE!
Date:	Tuesday, July 16, 2024 2:53:53 PM

Dear Council,

I am very happy to see use tax relief come before Council tonight for fences, walls, and accessory structures for damaged and destroyed properties after the Marshall Fire! Every little bit helps, especially at the end of the project when so many of us are scraping to pay for fences and landscaping. Almost everyone is facing insurance shortfalls for fences: most of us only had insurance coverage for the depreciated value of our fences, not replacement costs. I hope that you will vote to move this ordinance forward.

I have **two amendments** that I hope you will consider, however.

1) As presently drafted, the ordinance is only for the repair and rebuild of structures damaged or destroyed by the Marshall Fire. Some of us ended up needing to install retaining walls that did not have them before, myself included. In another case, a family had a very fairly large retaining wall that survived the fire but got destroyed during construction and now needs a complete rebuild. Repairing that wall is part of that family's journey to rebuilding their home. It would be helpful if the City would include **all** retaining walls, structures, and fences that are part of a Marshall Fire rebuild/repair (damaged in the fire or needed due to the rebuild). Suggested amendment:

A. The building permit application is for repair or rebuilding of any structure requiring a city-issued building permit, including walls, fences, and accessory structures[**[,]**] **relating to the repair or rebuilding of homes** that sustained direct fire, smoke, heat, water, ash or other damage from the Marshall Fire.

2) Please consider including solar panels in the use tax relief! Many of us installed or are working to install solar to meet the City's code and decarbonization goals. In my family's case, we pulled the solar out of our project and went with a solar farm initially so that we could determine our usage to properly size our system. Especially now that so many of us have learned that we are in the Xcel preemptive power-down area, many more of us will be adding solar to our homes.

Best regards,
Tawnya Somauroo
944 Larkspur Ln

From:	Brooke Mann
To:	City Council
Cc:	Rob Zuccaro; billyod444@gmail.com
Subject:	Feedback: Expansion of Marshall Fire Use Tax Exemption
Date:	Tuesday, July 16, 2024 5:27:14 PM

Hi Council Members,

I just learned that you'll be considering an expansion of the Marshall Fire use tax exemption tonight.

Please consider including **concrete flatwork** in the new ordinance (assuming concrete flatwork is currently subject to use taxes when permitted?).

At the Wildflower Condominiums, we're having to do a significant amount of concrete flatwork replacement (specifically, parking areas and walkways) due to damage from the debris removal process, damage from heavy construction equipment traffic over the past year, and slightly different building footprints.

A use tax exemption for concrete flatwork would help mitigate our ongoing financial struggles at the HOA and individual owner level.

Thank you,
Brooke

B. Brooke Mann
Wildflower Condominiums Resident
Louisville, CO