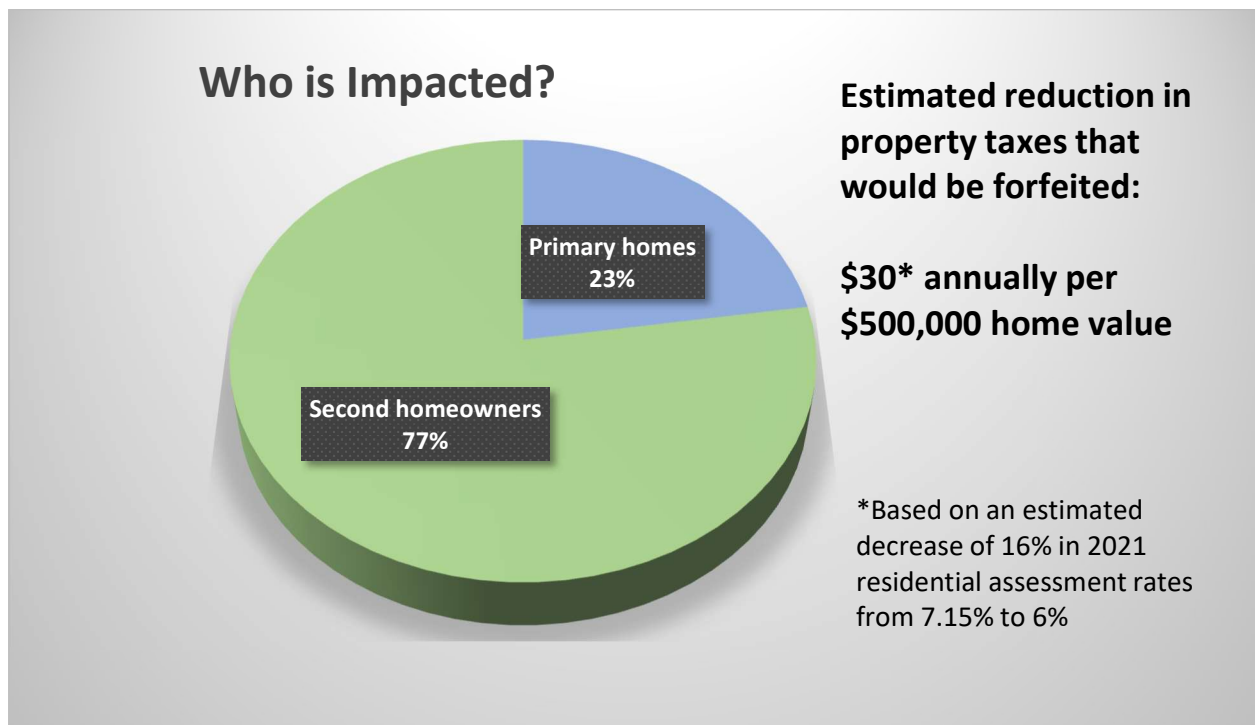


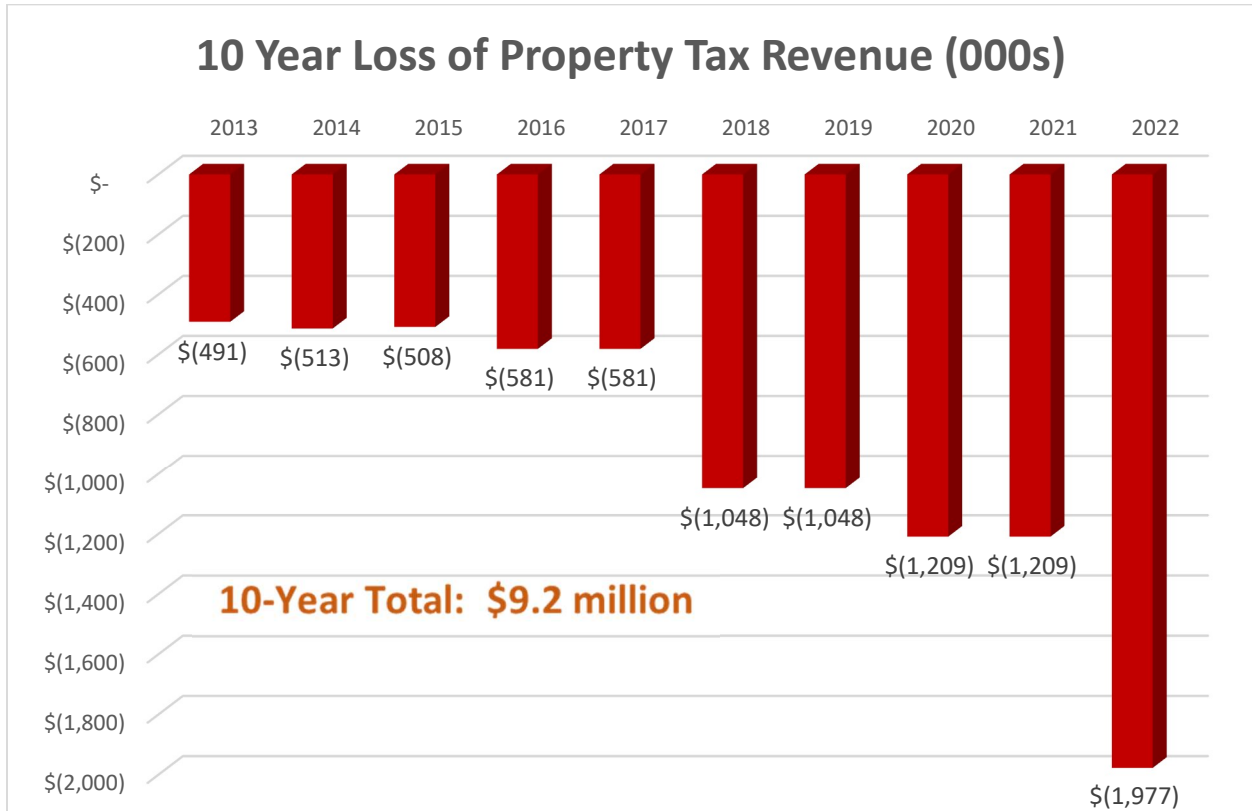
Town of Vail “Gallagher” Property Tax Stabilization Ballot Question 2G

What would a “Yes” Vote do? A “Yes” vote would allow the Town of Vail to keep the residential assessment rate FLAT for property taxes. It does NOT increase taxes.

Who is impacted by a “Yes” Vote? By voting “yes”, residents will give up a future reduction in property taxes of \$30 per year on a home valued at \$500,000. Based on total residential values in Vail, 23% of values are owned by primary residents and 77% of values are second homeowners. Commercial property owners will not be impacted.



How has the Gallagher Amendment impacted the Town of Vail? The Gallagher Amendment has reduced property tax collections by \$9.2 million over a 10-year period.



Why does that matter? As new residences are built or remodeled, and existing property values increase, more demand is placed on town services such as public safety, snowplowing, free bus service, parking and town facilities. The town is stretched to meet the demands with reduced revenue.

How would the Town of Vail benefit from the passage of 2G?

The Town of Vail has always worked hard to be fiscally prudent and good stewards of taxpayer’s money. This ballot measure is only being considered in order to stabilize property tax collections and the town’s general budget. It is important to know this ballot measure does not raise property taxes. It will only help the Town maintain existing essential services as we all work towards a healthy economic recovery.

Over a 10-year span, the Town of Vail’s revenue from residential property taxes declined by \$9.2 million because of unanticipated consequences of an amendment to the state constitution called the “Gallagher Amendment”. The Gallagher Amendment lowers the amount of residential property taxes that a town like Vail can collect from residential property owners based on the

amount of commercial property taxes collected, rather than on the assessed value of the residential properties.

The continual loss of millions of dollars in residential property tax revenue to the town in future years will eventually have a negative impact on the essential services provided to you and the Vail community. These negative impacts will include reductions in funding for local police, fire and emergency services, public works, snowplowing and ongoing road maintenance. The loss of revenue could also impact public library services and the town's free bus service.

Why doesn't the Town just cut their budget rather than ask for more money?

The Town Council is asking this ballot question because of the significant drop in sales tax revenue due to the coronavirus. If approved, the ballot measure would significantly help stabilize the town's overall revenue without raising taxes and prevent an eventual reduction in quantity and quality of town's services. The town has already cut 10% of operating budgets (\$4.5 million), used reserves of \$6.3 million, and deferred \$18M in capital projects due to the economic impacts of COVID-19.

Why is Vail asking for this when the State of Colorado is also asking voters to repeal the Gallagher Amendment? Wouldn't it accomplish the same goal?

Yes, if the state ballot measure passes, the same goal of stabilizing property tax collections is achieved. However, the Town of Vail is asking voters to keep control with their local government should the state's ballot question fail.

Who else has asked to stabilize property taxes?

There have been a number of local and regional entities that have been successful in this same ballot question as more and more residents are understanding the problems created by the unanticipated consequences of the Gallagher Amendment to the State Constitution. Local entities that have been successful include Vail Recreation District, Colorado Mountain College, Greater Eagle Fire, and Eagle County Paramedic Service. For this year's November 2020 ballot, Vail voters will also see this from Eagle County and the State of Colorado.