

Colorado Special Session

- Colorado lawmakers managed to close about \$250 million of a projected \$783 million state budget shortfall during their special session. Governor Polis will now have to balance the remaining \$530 million in the coming days through spending cuts and by tapping the state's rainy-day fund. The session wrapped up with 11 bills headed to his desk, including five aimed at rolling back tax breaks for businesses and high-income earners.
- Here's more info from the Denver Post.

Colorado Business Update

• According to Leeds School of Business <u>Colorado Business Review</u>, by mid-2025, Colorado's job growth had cooled to 0.4% year-over-year, with nearly 3 million jobs and unemployment steady at 4.8%. The labor force grew 0.6% and had a strong 67.7% participation rate—6th highest in the nation. Job growth projections were cut from 36,700 to 22,200, with the biggest gains expected in education, health, information, and mining, and losses in finance, construction, and trade. Business confidence ticked up slightly for Q3 but stayed pessimistic, as uncertainty, tariffs, and federal policies weighed on outlooks.

Durango Minimum Wage Discussion

- At a study session on August 5th, the City Council heard a presentation from a panel of people put together by a
 local group called DuranGo Forward speaking in favor of an increase to the minimum wage in Durango.
 Councilor Shirley Gonzales commented that if the City considered an increase, it should start in the public sector,
 with the City of Durango leading the way. None of the other council members stated support or opposition. No
 decisions were made.
- The study session was a continuation of the minimum wage discussion that took place in May. More information is in this May report.

La Plata County Ballot Question Update

• The La Plata County Commissioners voted unanimously to place a one-cent sales tax increase on the Nov. 4 ballot, citing financial challenges as revenues lag behind rising costs. The measure would help maintain and improve essential services such as road and bridge maintenance, law enforcement, disaster response, support for veterans, seniors, and at-risk families, and other critical county programs as community needs grow. Here's the ballot language:

SHALL LA PLATA COUNTY TAXES BE INCREASED \$18,065,988 IN THE FIRST FULL YEAR (2026) AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER BY INCREASING THE COUNTY'S SALES TAX, BEGINNING JANUARY 1, 2026, 1.0 PERCENT, WITH THE REVENUE FROM SUCH TAX TO BE USED TO SUSTAIN AND ENHANCE THE QUALITY OF LIFE FOR RESIDENTS OF THE COUNTY, AS FOLLOWS:

- CONSTRUCTING, MAINTAINING AND IMPROVING COUNTY ROADS, BRIDGES, PUBLIC BUILDINGS AND OTHER INFRASTRUCTURE TO ENSURE SAFETY, AND SERVICE RELIABILITY;
- SUPPORTING LAW ENFORCEMENT AND OTHER PUBLIC SAFETY FUNCTIONS;
- PREPARING FOR AND RESPONDING TO WILDFIRES, FLOODS, AND OTHER NATURAL DISASTERS;
- PROVIDING SERVICES AND SUPPORT PROGRAMS FOR VETERANS, SENIORS AND AT-RISK CHILDREN AND FAMILIES: AND
- PRESERVING AND ENHANCING COUNTY SERVICES, AS COMMUNITY NEEDS EVOLVE, AND ANY OTHER LEGALLY PERMITTED USES

ALL IN ACCORDANCE WITH RESOLUTION NO. 2025-16 ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS, AND SHALL THE COUNTY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE REVENUES FROM SUCH TAX



AND ANY EARNINGS THEREON WITHOUT LIMITATION OR CONDITION AS A VOTER-APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND ANY OTHER LAW?

Durango Fire Protection District Ballot Question Update

• The Durango City Council approved the language to go on the ballot in November on behalf of the Durango Fire Protection District (DFPD). The DFPD chose a property tax increase of 4.45 mills and the proceeds would potentially fund a new fire station at Three Springs. Here's the ballot language:

QUESTION 1-A: AUTHORIZATION TO INCREASE CITY PROPERTY TAXES 4.45 MILLS FOR THE PURPOSE OF PAYING FOR FIRE PROTECTION AND EMERGENCY SERVICES PROVIDED WITHIN THE CITY BY THE DURANGO FIRE PROTECTION DISTRICT AND TO AMEND THE AGREEMENT WITH THE DISTRICT TO INCREASE THE ANNUAL FEE PAYABLE BY THE CITY TO THE DISTRICT.

SHALL THE CITY OF DURANGO TAXES BE INCREASED NOT MORE THAN \$2,800,000 IN 2025 FOR COLLECTION IN 2026, AND ANNUALLY THEREAFTER BY THE IMPOSITION OF AN ADDITIONAL PROPERTY TAX MILL LEVY OF NOT TO EXCEED 4.45 MILLS, FOR THE PURPOSE OF PAYING FOR FIRE PROTECTION AND EMERGENCY SERVICES PROVIDED WITHIN THE CITY BY THE DURANGO FIRE PROTECTION DISTRICT; AND SHALL THE CITY BE AUTHORIZED TO AMEND THE AGREEMENT BETWEEN THE CITY AND THE FIRE DISTRICT APPROVED BY THE VOTERS IN 2013, AND AMENDED IN 2017, TO INCREASE THE ANNUAL FEE PAYABLE TO THE DISTRICT BY THE AMOUNT GENERATED BY THE 4.45 MILL LEVY INCREASE, AND TO AMEND THE TERM OF THE AGREEMENT AS DEEMED NECESSARY BY CITY COUNCIL IN ORDER TO COMPLY WITH THE CITY'S HOME RULE CHARTER; PROVIDED THAT SUCH MILL LEVY INCREASE SHALL NOT BE IMPOSED UNLESS AND UNTIL THE FIRE DISTRICT VOTERS APPROVE A SIMILAR 4.45 MILL LEVY INCREASE?

Bayfield Ballot Questions

• The Town of Bayfield is asking voters to add 1% to the town sales tax starting January 1, 2026 and ending December 31, 2045. It would raise an estimated \$600,000 in 2026 specifically for Joe Stephenson Park, the unnamed park south of Schiller Street, park operations & maintenance, and projects in the town's Parks Master Plan. Here's the ballot language:

SHALL THE TOWN OF BAYFIELD'S TAXES BE INCREASED \$600,000.00 ANNUALLY FOR TWENTY YEARS (FIRST FULL FISCAL YEAR DOLLAR INCREASE) AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER BY AN ADDITIONAL ONE PERCENT (1%) SALES TAX, BEGINNING JANUARY 1, 2026 AND ENDING DECEMBER 31, 2045; PROVIDED THAT THE ADDITIONAL SALES TAX AUTHORIZED HEREIN SHALL BE APPROVED AND PLEDGED TO THE TOWN OF BAYFIELD GENERAL FUND TERMS STATED IN TOWN OF BAYFIELD ORDINANCE NO. ###, TO BE USED SOLELY FOR JOE STEPHENSON PARK AND THE UNNAMED PARK SOUTH OF SCHILLER STREET, PARK OPERATIONS AND DEVELOPMENT OF THE PARK MASTER PLAN, AND SHALL SUCH INCREASE IN REVENUES AND ANY INVESTMENT INCOME THEREON BE COLLECTED, SPENT AND RETAINED AS A VOTER APPROVED REVENUE AND SPENDING CHANGE NOTWITHSTANDING THE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

• Bayfield will also ask voters whether to implement a 4% accommodations tax starting January 1, 2026. The tax would apply to short-term stays (30 days or less) in hotels, motels, bed-and-breakfasts, RV/camping sites, cabins, etc.. It is expected to generate \$20,000 in its first year to fund parks, economic development, affordable/community housing, and other municipal expenses. Here's the ballot language:

SHALL TOWN OF BAYFIELD TAXES BE INCREASED BY \$20,000 ANNUALLY (FIRST FULL FISCAL YEAR INCREASE) AND BY WHATEVER AMOUNTS ARE RAISED ANNUALLY THEREAFTER, BY THE ADOPTION OF AN ACCOMMODATIONS TAX IN THE AMOUNT OF 4% ON THE AMOUNT PAID BY OR CHARGED TO THE USERS OF ACCOMMODATIONS KNOWN AS SHORT TERM RENTAL ESTABLISHMENTS WITHIN THE TOWN, INCLUDING HOTELS, MOTELS, BED-AND-BREAKFAST, RV OR CAMPING SPACES, AND CABINS, FOR PUBLIC



ACCOMMODATIONS SERVICES OF THIRTY (30) DAYS OR LESS THAN IN THE TOWN OF BAYFIELD, AND SHALL ALL REVENUES DERIVED FROM SUCH ACCOMMODATIONS TAX BE COLLECTED AND SPENT FOR THE PURPOSE OF FUNDING PARKS, AFFORDABLE AND COMMUNITY HOUSING, ECONOMIC DEVELOPMENT AND RELATED LAWFUL MUNICIPAL EXPENSES WITH ACCOMMODATIONS TAX REVENUES TO BE COLLECTED AND SPENT AS A VOTERAPPROVED REVENUE CHANGE NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

La Plata County Budget Update

• The La Plata County Board of County Commissioners on August 20th discussed staff's proposal to cut about 31% of the funding to public service agencies. These are agencies that have been at least partially government-funded in the past and provide essential services to the public. Commissioners stressed the current budget crisis and said that they did not want to make the cuts. The county is considering the elimination of funding for all the organizations doing work that doesn't specifically align with county functions or statutory requirements. Nearly every other public service agency was proposed to get a 20% reduction in funding. A first draft budget is expected in September.

La Plata County Land Use Code Update

- The Board of County Commissioners approved a resolution amending the Land Use Code Sections 67-1, 67-9, and 67-14 regarding boundary adjustments, lot consolidations, and lot legalizations. The amendments aim to make it easier to address issues with illegal lots—parcels created without proper approval that are currently ineligible for building permits or land use applications—as well as to simplify and clarify processes.
- La Plata County aims to adopt a code for the Wildland-Urban Interface (WUI) by April 1, 2026. Members of the Wildfire Advisory Board (WAB) told the Board of La Plata County Commissioners it will take a lot of collaboration and a number of intergovernmental agreements (IGAs) to make that happen. The WAB is suggesting a task force be created and a facilitator be acquired to accomplish the work and that La Plata County take the lead in creating the IGAs.

Durango Land Use Code

Durango's Community Development Commission in July approved several Land Use Code text amendments
updating parking standards along with minor amendments to the lighting code, flood hazard elevation
requirements, and definitions. The goals of the changes include expanding the Change of Use parking exemption
from the Main Avenue Character Area to the MidTown Urban Renewal Area and Central Business District Zone
and updating the electric vehicle standards to align with new State legislation. City Council will make final
approval of the changes.

Durango / La Plata County Airport Update

- Durango City Council on August 19th approved a five-year lease with Agile Space Industries at the Airport. Agile will lease 40,225 square feet at 820 Airport Rd. for design, manufacturing, assembly, and testing of in-space propulsion systems. The company, which already employs 113 people, plans to add 70 new jobs in Durango by the end of 2026.
- The airport opened more than 8,000 square feet of new terminal space, featuring an expanded baggage claim, modern arrivals area, and local art displays. That's following a ribbon-cutting which marked completion of the first major phase of the expansion project. The airport had a record 500,000 passengers in 2024 and a 12% increase in 2025 traffic to date.



Development Projects

• The Joint Durango La Plata County Planning Commission approved Elevation Park Phase 2 Subdivision Preliminary Plat on August 21st. This is a major subdivision application for five residential lots, three open space areas, and two tracts (one for a park for the Elevation Park Development and one for future right-of-way to the adjacent parcel to the south). The project is located on a 10.78-acre parcel southeast of the intersection of Three Springs Blvd. and Hwy 160.

Meetings attended July 24-August 28

7/24 - 6 pm LPC Planning Commission 7/28 - 5 pm Durango Comm Dev Commission 7/29 - 10 am LPC Planning with Energy Council 8/5 - 10 am BOCC Meeting 8/5 - 2:30 pm Sen. Bennet Town Hall 8/5 - 2:45 pm Durango Council Study Session 8/5 - 5:30 pm Durango City Council Meeting 8/6 - 8:30 am BOCC Discussion Time	8/12 - 8 am Alliance Investor Meeting 8/12 - 10 am BOCC Meeting 8/13 - 8:30 am BOCC Discussion Time 8/19 - 10 am BOCC Meeting 8/19 - 5:30 pm Durango City Council Meeting 8/20 - 8:30 pm BOCC Discussion Time 8/21 - 6 pm Joint Planning Commission 8/26 - 10 am BOCC Meeting
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