



ADDRESSING UDFCD'S FUNDING GAP

About UDFCD

- The Colorado Legislature created the Urban Drainage and Flood Control District (UDFCD) in 1969 to reduce the impacts of flooding to people and property.
- UDFCD is a very lean agency, utilizing a staff of only 32 to cover a 1,600 square-mile area that includes 60% of Colorado's population. We are able to accomplish this by contracting work to local firms, thus supporting the local economy. Through our watershed planning studies, we have identified \$6 billion in infrastructure needs throughout the UDFCD service area that serves the 7-county Denver metro area.
- Every year we receive requests for new work from the 41 cities, towns, and counties we serve, and the need far exceeds the revenue we are allowed to keep under TABOR. In 2018 alone, the cost of the requested work totaled nearly \$24 million more than revenue could support.

Challenges of TABOR Constraints (Meeting Community Needs)

- UDFCD's taxing mill levy, as set by the Colorado Legislature, is 1.0 mill. The authors of the bill intended for that taxing authority to eventually increase to 2.5 mills (32-11-217 CRS), but that didn't happen before the 1992 Colorado Tax Payer's Bill of Rights (TABOR) constitutional amendment took effect.
- TABOR requires voter approval for any tax increase. This constitutional amendment creates a ratchet-down effect that has reduced UDFCD's current mill levy over time from 1.0 mill to 0.56 mills, a 44% reduction resulting in a current annual funding decrease of \$23 million when compared to the statutory 1.0 mill.
- Over the past 26 years, TABOR restrictions have resulted in UDFCD deferring over \$284 million in infrastructure construction and maintenance needed to protect lives and property, and to preserve open spaces for floodwaters.

A Possible Solution

- UDFCD's Board of Directors has looked at a number of ways to fill the funding gap. After careful consideration, the Board has elected to ask the voters in November 2018 to restore the mill levy, which will allow UDFCD to retain the funding from the original 1.0 mill as was the legislative intent. Nearly 50% of all the special districts in the state have successfully restored their mill levy through voters' approval.
- UDFCD has never before gone to the voters to increase its tax revenue. Doing so now would do nothing more than allow UDFCD to collect and retain revenue under its original taxing authority of 1.0 mill, as directed in statute by the Legislature.

What Would This Mean for Tax Payers?

- For a \$400,000 home, the increase would be less than \$13 per year—that's about the cost of a movie ticket.



HOW WILL COMMUNITIES BENEFIT?

The revenue created by restoring UDFCD's tax authority will be spent on:

DEBRIS REMOVAL FROM STREAMS, CREEKS, AND RIVERS

OPEN SPACE PRESERVATION AND TRAIL DEVELOPMENT IN FLOODPLAINS

PLANNING, DESIGNING, CONSTRUCTING, AND MAINTAINING FLOOD MITIGATION PROJECTS

ADDITIONAL BENEFITS:

Identifying flood risks and educating the public of those risks

Maintaining a Flood Warning/Prediction Program to alert public of impending danger