

RESOLUTION NO. 33  
(SERIES OF 2020)

**A RESOLUTION ADOPTING FIVE OUTCOME STATEMENTS AND RELATED OBJECTIVES  
FOR THE CITY OF ASPEN COVID-19 RELIEF EFFORTS AND DIRECTING THE CITY  
MANAGER TO PREPARE SPECIFIC TACTICS TO IMPLEMENT THE OBJECTIVES.**

WHEREAS, there have been proposals brought before City Council to fund relief and recovery efforts related to the City of Aspen's Local Disaster Emergency Declaration; and

WHEREAS, the City Council has evaluated these proposals and believes adopting specific outcome statements and related objectives for the City and directing the City Manager to prepare specific tactics to implement the objectives will best serve the City in providing relief efforts.

NOW THEREFORE, be it resolved by City Council, that the City of Aspen hereby adopts the following five outcome statements and related objectives for the City of Aspen Covid-19 relief efforts and to direct the City Manager to prepare specific tactics to implement the objectives:

*Outcome #1: Increase economic security for vulnerable people by aiding in securing shelter, food, utilities, healthcare, childcare and transportation.*

Objectives:

- A. Quickly distribute funds to individuals and families through non-profit and governmental partners.
- B. Amend City housing policies that can provide temporary relief.
- C. Educate residents on how to communicate with lenders and landlords regarding changes in personal financial circumstances
- D. Reduce barriers to accessing healthcare through education.
- E. Deliver public transit in a safe and reliable manner.
- F. Ensure safe, reliable and affordable childcare remains in the community for working families.

*Outcome #2: Encourage good mental health hygiene.*

Objectives:

- A. Regularly encourage neighbor-to-neighbor connection in new ways that account for social distancing requirements.
- B. Financially support professional mental health services in the community.

*Outcome #3: Support the Pitkin County Incident Management Team.*

Objectives:

- A. Frequently communicate with the Incident Management Team Incident Commanders and the community.
- B. Provide staffing for the Incident Management Team.
- C. Advocate for and be a funding partner for COVID-19 testing for the community at-large.
- D. Advocate for and be a funding partner for purchasing personal protective equipment.
- E. Assist with planning for 'opening of town' with protocol to minimize disease relapse in the community.

*Outcome #4: Proactively and swiftly work to minimize further economic disruption and actively encourage its recovery.*

Objectives:

- A. Serve as a connector to aid small businesses and landlords seeking assistance through state and federal programs.
- B. Leverage business expertise to establish Aspen-centric economic recovery roundtables
- C. Provide flexibility to commercial leaseholders in City-owned properties.
- D. Take a regional approach to recovery efforts to leverage the Western Slope's collective business, educational and government expertise and voice with state and federal agencies
- E. Identify and respond to gaps in state and federal business aid programs that can be reasonably be filled by the City of Aspen through a loan or grant program.

*Outcome #5: Provide essential municipal government services with minimal interruption.*

Objectives:

- A. Prioritize services and service levels.
- B. Plan services to match available financial resources.
- C. Be a responsible employer in the care and welfare of City employees.

*Outcome #6: Effectively and regularly communicate with, and listen to, the community during the response and recovery efforts.*

Objectives:

- A. Provide timely and accurate information on the City's progress towards these outcomes.
- B. Collaborate and utilize extensive communication strategies and tools, including deploying new tools, for ensuring the City is meeting audiences where they are today.

And further, the City Council wishes to have further work sessions to evaluate the community benefits and considerations of:

- Advancing private sector construction projects to shovel ready through permit review and extension of the spring construction season;
- Possible temporary relief of land use code requirements for accommodation, retail and restaurant industries; and
- Collaboration with major tourism partners to emphasize Aspen’s unique and valued experiences to launch an open for business campaign and events when appropriate.

\_\_\_\_\_  
Torre, Mayor

I, Nicole Henning, duly appointed and acting City Clerk of the City of Aspen, Colorado, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the City Council at its meeting held on April 9, 2020.

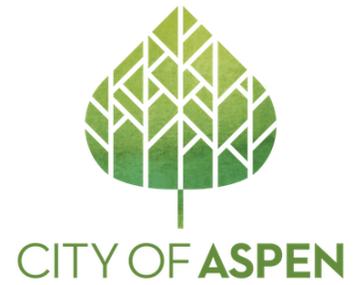
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Nicole Henning

# **AGENDA**

## **CITY COUNCIL SPECIAL MEETING**

**April 9, 2020**

**4:00 PM, City Council Chambers**



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### **I. CALL TO ORDER**

### **II. ROLL CALL**

### **III. ACTION ITEM**

Emergency Relief and Economic Stimulus

### **IV. ADJOURN**



## MEMORANDUM

To: Aspen City Council

From: Sara Ott, City Manager

Date: April 8, 2020

RE: Resolution to Direct the City Manager to implement Emergency Relief and Economic Stimulus in Response to the Local COVID-19 Disaster Declaration, and Ordinance to Appropriate Necessary Funds and a Resolution to Advance Necessary Funds

**Request of Council:** Council is requested to consider Resolution 33-2020 to provide staff direction regarding the desired outcomes and objectives of the City of Aspen's COVID-19 relief and economic stimulus efforts. Should this resolution be adopted, staff seeks necessary appropriations through emergency Ordinance No.5-2020 to appropriate necessary funds, and Resolution 34-2020 to authorize an interfund advance from the Wheeler Opera House Fund to the General Fund for the purposes of financing relief and economic stimulus efforts, in accordance to the City's interfund advance policy.

**Background:** An emergency for a local disaster was declared by the City of Aspen on March 12, 2020 in response to the impact of Coronavirus on the Aspen community. The local economy is severely impacted by the county and state public health orders. Businesses have been forced to close, unemployment has spiked, and major summer events have been canceled.

A successful response requires clear and constant communications, sound financial forecasting and prudent management of the City's financial resources. On March 30, 2020, the City of Aspen Finance Director revised the sales tax revenue forecast. The City anticipates a reduction of \$277M in sales and lodging tax base, translating into a City revenue shortfall of \$12.6M from 2019 actual receipts. A special meeting of the City Council on March 30 considered an emergency ordinance for economic relief for individuals as well as general discussion on relief efforts for individuals and business. Further, City Council discussed desired outcomes, objectives, and funding levels for relief and economic stimulus. The COVID-19 crisis is not only of a magnitude never before faced by cities, states and the federal government, but the speed at which it is manifesting is unprecedented. The basic function of the City of Aspen is to provide essential services. Secondary to that is our role in the Pitkin County response and in filling the gaps that may occur in federal and state relief programs. There is no guarantee that cities under 500,000 will receive funding from the CARES Act. Governor Polis will decide how those funds are distributed and for what purposes those funds will be spent. Without a clear understanding of what financial aid may be coming from the State of Colorado, it is imperative

that we exercise our fiduciary responsibility by holding back adequate financial reserves to maintain essential services in the future.

**Discussion:** No further discussion requested. These resolutions and documents have been prepared to reflect the City Council's discussion and advancement from the April 6, 2020 work session and special meeting. Please note, three topics are listed as requiring additional policy discussion by the City Council before directing the City Manager to develop specific tactics. Staff is preparing materials for future work sessions on:

- Advancing private sector construction projects to shovel ready through permit review and extension of the spring construction season;
- Possible temporary relief of land use code requirements for accommodation, retail and restaurant industries; and
- Collaboration with major tourism partners to emphasize Aspen's unique and valued experiences to launch an open for business campaign and events when appropriate.

**Finance:** City Council is pursuing a \$5M emergency relief and economic stimulus effort. The Council already approved by emergency \$200K for immediate relief from the City's General Fund on March 30. The Housing Development Fund, designated for \$1.5M, and the Kids First Childcare Fund, designated for \$1M, have sufficient fund balances to finance the recovery and economic stimulus outcomes and objectives related to these limited purpose funds.

The General Fund, designated for an additional \$2.3M, does not have sufficient fund balances to meet all the outcomes and objectives and maintain the City's fund balance policy, while incurring an estimated \$3M sales tax revenue shortfall. Therefore, as discussed by Council, an interfund advance of \$2.5M is included to address the General Fund's needs. This interfund advance is subject to the terms of the City's interfund advance policy regarding interest rates and repayment terms. At this time, the proposed resolution dictates a 10-year term, to utilize the highest return rate based upon Treasury rates for the Wheeler Opera House Fund and to reduce the annual repayment amount from the General Fund. In line with the City's policy, there is no penalty for early repayment of principal.

Wheeler Opera House Inter-fund Advance Repayment Model

\$2.5M

Term (yrs)	3	5	7	10
Interest Rate (as of 4/3/20)	0.30%	0.39%	0.52%	0.62%
Principal	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
<b>Annual Repayment Amt</b>	<b>\$838,338</b>	<b>\$505,865</b>	<b>\$364,610</b>	<b>\$258,604</b>
Total Repayment Cost	\$2,515,015	\$2,529,326	\$2,552,270	\$2,586,040
Total Interest Cost	\$15,015	\$29,326	\$52,270	\$86,040

Staff does not recommend going below the City’s fund balance policy in the General Fund at this time, therefore allowing the City to maintain readiness in the event of a second disaster and because sufficient reserves can be maintained through the interfund advance.

**Recommendation:** Staff recommends City Council affirm or amend the outcomes and objectives, as well as direct the appropriations for implementation of the Council’s work.

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Torre, Mayor

I, Nicole Henning, duly appointed and acting City Clerk of the City of Aspen, Colorado, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the City Council at its meeting held on April 9, 2020.

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Nicole Henning

**ORDINANCE NO. 05  
(SERIES OF 2020)**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ASPEN, ADOPTING EMERGENCY  
APPROPRIATIONS TO THE 2020 MUNICIPAL BUDGET IN RESPONSE TO COVID-19**

**WHEREAS**, the City of Aspen declared a local disaster emergency on March 12, 2020 pertaining to the occurrence or imminent threat of widespread or severe damage, injury or loss of life or property resulting from COVID-19; and

**WHEREAS**, whereas the City of Aspen commenced and continues to support crisis response efforts, through both personal and other resources, led by the Pitkin County Incident Management Team; and

**WHEREAS**, on March 17, 2020 Pitkin County Board of Commissioners adopted emergency spending authority for its Public Health Emergency Response programs to provide additional resources for housing, food and childcare assistance for those experiencing financial distress as a result of the COVID-19 impact; and

**WHEREAS**, current resources dedicated within Pitkin County's budget appropriation are likely to be insufficient to address the aggregate demands for relief, including those from City of Aspen residents; and

**WHEREAS**, on March 30, 2020, City Council adopted Ordinance #4, Series of 2020, an emergency ordinance providing a one-time appropriation of \$200,000 for distribution to Pitkin County pursuant to an Intergovernmental Agreement (IGA) for the purpose of providing financial relief to City of Aspen residents; and

**WHEREAS**, on April 9, 2020, City Council approved a Resolution adopting five outcome statements and related objectives for the City of Aspen Covid-19 relief efforts and directing the City Manager to implement specific tactics to reach the objectives; and

**WHEREAS**, the City Council has determined that additional appropriations to this County fund and other funds that may be deemed appropriate for receipt of funds for emergency relief as approved by Resolution of the City Council are necessary for further economic relief, recovery and stimulus; and

**WHEREAS**, the City of Aspen (the "City") is a legally and regularly created, established, organized and existing municipal corporation under the provisions of Article XX of the Constitution of the State of Colorado and the home rule charter of the City (the "Charter"); and

**WHEREAS**, Section 9.12 of the Charter authorizes the City Council to enact emergency appropriations through an emergency ordinances adopted pursuant to Section 4.11 for the preservation of public property, health, peace, or safety upon the unanimous vote of City Council members present or upon a vote of four (4) Council members, whichever is less; and

**NOW THEREFORE**, be it resolved by City Council,

Section 1. That the budget for the City of Aspen, Colorado for fiscal year 2020 be amended to include an additional emergency appropriations as follows:

1. \$300,000 from the City of Aspen’s General Fund released to Pitkin County pursuant to the intergovernmental agreement entered by these governments for the purpose of providing financial relief to City of Aspen residents in the areas of housing, utility, food and childcare assistance under the existing Pitkin County qualification’s structure for relief.
2. \$2,000,000 from the City of Aspen’s General Fund towards reaching the City of Aspen Covid-19 relief effort outcomes, including:
  - a) immediate economic relief disbursement through the Aspen Community Foundation; and,
  - b) distribution to Aspen area serving non-profits that provide legal aid and mental health services; and,
  - c) community at-large COVID-19 testing and personal protective equipment; and,
  - d) rent assistance/loan to stabilize businesses and non-profits, including providing for a small business loan/stabilization program; and,
  - e) additional communication and temporary city staffing needs to implement the adopted outcomes.
3. \$1,500,000 from the City of Aspen’s Housing Development Fund towards reaching the City of Aspen Covid-19 relief effort outcomes, including
  - a) rent and mortgage assistance for deed-restricted housing units as qualified through Pitkin County Human Services; and,
  - b) additional communication and temporary city staffing needs to implement the adopted outcomes.
4. \$1,000,000 from the City of Aspen Kids First Fund towards reaching the City of Aspen Covid-19 relief effort outcomes, including
  - a) additional childcare financial aid;

- b) aiding in retaining qualified childcare providers and staff in the community; and,
- c) additional communication and temporary city staffing needs to implement the adopted outcomes.

The specific amount provided to any program or programs and the restrictions and conditions of any specific disbursement shall be determined by the City Manager, with consultation and approval of the Finance Director and City Attorney. Any funds not spent at the time the Declaration of Local Disaster Emergency is terminated shall be returned to the particular fund from which the appropriation was designated above.

Section 2. It is hereby declared that, in the opinion of the City Council, an emergency exists; there is a need for the preservation of public property, health, peace, or safety of the City of Aspen, its residents, and guests.

This ordinance shall become effective immediately upon passage by the City Council at the second reading of the Ordinance.

The City Clerk is directed that publication of this ordinance shall be made as soon as practical and no later than ten (10) days following final passage.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional in a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portions thereof.

This ordinance shall not have any effect on existing litigation and shall not operate as an abatement of any action or proceeding now pending under or by virtue of the ordinances amended as herein provided, and the same shall be construed and concluded under such prior ordinances.

INTRODUCED AND READ as provided by law as an emergency ordinance by the City Council of the City of Aspen on the \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Torre, Mayor

ATTEST:

\_\_\_\_\_  
Nicole Henning, City Clerk

FINALLY adopted, passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by

- the unanimous vote of all City Council members present; or
- a vote of four (4) council members.

\_\_\_\_\_  
Torre, Mayor

ATTEST:

\_\_\_\_\_  
Nicole Henning, City Clerk

RESOLUTION NO. 34  
(SERIES OF 2020)

**A RESOLUTION AUTHORIZING AND APPROVING THE INTERFUND ADVANCE  
BETWEEN THE WHEELER OPERA HOUSE FUND AND THE CITY OF ASPEN'S GENERAL FUND  
FOR EMERGENCY RELIEF RELATED TO THE SPREAD OF COVID-19**

WHEREAS, there have been proposals brought before City Council to fund relief and recovery efforts related to the City of Aspen's Local Disaster Emergency Declaration; and

WHEREAS, the City Council has evaluated these proposals and believe that funding such proposals would be in the best interest of the City of Aspen to promote the economic recovery from the devastation that has been caused by COVID-19; and

WHEREAS, Government Accounting and Auditing Financial Regulations do not consider an asset being transferred between City funds as an investment nor the repayment liability as debt, because they are purely internal to the governing entity; and

WHEREAS, pursuant to this criterion, interfund advance remain as allowable transactions relative to the City's financial and investment policies; and

WHEREAS, the City can utilize interfund advance between the Wheeler Opera House Fund and the General Fund to distribute the financial burden of this economic recovery over time and thereby avoid any significant impact to the General Fund in the short term.

NOW THEREFORE, be it resolved by City Council, that the City of Aspen hereby approves an interfund advance of \$2,500,000 from the Wheeler Opera House Fund and to the City of Aspen General Fund, with the following conditions:

- The principal amount will be paid back in equal installments over a ten- year period commencing 2020,
- The interest rate applied to the internal advance will be set equal to the 10- year Treasury rate at the time of the initial advance, and
- There shall be no pre-payment penalty in the event the General Fund repays the remaining outstanding principal prior to the full 10-year period.

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Torre, Mayor

I, Nicole Henning, duly appointed and acting City Clerk of the City of Aspen, Colorado, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the City Council at its meeting held on April 9, 2020.

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Nicole Henning