



April 14, 2020

Governor Jared Polis

State Capitol Bldg
200 E. Colfax, RM 136
Denver, CO 80203

Stan Hilkey, Executive Director

Colorado Department of Public Safety
700 Kipling Street #1000
Denver, CO 80215 USA

Jill Hunsaker Ryan, Executive Director

Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver, CO 80246

Dear Governor Polis, Stan Hilkey, Executive Director with Public Safety and Jill Ryan, Executive Director of CDPHE:

We write united. We reach out in unison. We care about the CARES Act. We emphasize our shared support and clear need for this legislation, particularly among our rural mountain communities where medical facilities are inundated, resources are scarce, business has declined and unemployment rates are high. We are all on the front lines dealing with significant economic impacts.

The CARES Act, however, provides no foreseeable relief for most Colorado cities and counties - including our own - for the immediate expenses that are being incurred for COVID-19 response. These significant deficiencies can only be ameliorated by how our state leadership manages the appropriated funds or through passage of a fourth stimulus package. We have contacted our federal delegation with requests for a fourth bill that includes direct funding to communities of our size and position. We also write to you now to request your commitment to ensure that monies allocated in the CARES Act will be transferred to our communities.

Simple. Straightforward. Swift. Similar to the effort to put checks in the hands of every American, we need your urgent commitment to funnel CARES Act money to local jurisdictions to use according to each city's needs and priorities. Our federal delegation has been clear that the intent of the CARES Act funding is that local governments with populations below 500,000 should receive their fair share of the remaining funding allocated to the state. The legislation also set forth a 30 day timeline for distribution of funds. Clear direction from you to the Department of Local Affairs and the Office of Economic Development will be essential for swift delivery of funds to communities such as ours. Flexibility of use, inclusivity of all local jurisdictions and speed of delivery will aid in us all #DoingMyPartCO.

Equitable. Relevant. Comprehensive. To ensure equitable distribution of funds, the City of Aspen, Town of Basalt, Town of Snowmass Village, Eagle County and Pitkin County would like to ensure local



governments are reimbursed for all COVID-19 related expenses, including the following: salary and benefits for local and state government employees who have been reassigned in response to the COVID-19 public health crisis; increased operational expense for local health departments; the costs of paid sick and paid family and medical leave for our employees; the costs to communicate or enforce public health orders related to COVID-19; the additional human services costs incurred due to the economic effects caused by actions taken due to the public health emergency (for example, the need to provide immediate economic assistance to those at risk of missing mortgage payments; extension of SNAP and Medicaid benefits to those newly qualified in the context of a pandemic; to rehouse people experiencing homelessness in a manner that reduces the risk of spread of COVID-19; or to expand food delivery for seniors and other vulnerable populations, among many others). These are just a few examples of a much wider array of necessary and unanticipated expenses being incurred by our governments.

We additionally request a strong commitment that funding from the CARES Act will be passed through to our communities to address the drop-off in anticipated revenues that has already been severe and is expected to remain so throughout the public health crisis and in the months following as we rebound during our economic recovery. The language of the CARES Act clearly allows for necessary expenses that are not “accounted for” in the most recent budget, which includes the ability for local governments to fill a gap in revenues resulting from the public health emergency. Ongoing expenses that remain necessary but are no longer able to be financed should qualify by this standard, as they are no longer “accounted for” as they were in the most recent pre-crisis budgets. We understand that some of these requests rely on better guidance from the Treasury Department about the CARES Act, but ask for your implementation along these lines if such guidance is deferred to the state.

Since local disaster emergencies were declared in our communities - March 7, 2020 by Eagle County, March 12 by Pitkin County and the City of Aspen, March 13 by Town of Basalt, and March 16 by Snowmass Village - our community and 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. We implore pushback for backfill of lost revenues. The hit to our local government agencies is only beginning to be understood. To date:

- City of Aspen anticipates a 34% reduction in sales tax and a 41% reduction in lodging tax from 2019 actuals.
- Snowmass Village is projecting a 27% reduction in sales tax revenues for the year from 2019 actuals. For comparison, Snowmass had roughly a 15% reduction in 2009.
- Town of Basalt is anticipating a 21% loss in revenue for the remainder of the year which represents an approximate loss of \$1,565,112 from our unrestricted general fund revenue.
- Likewise, though Pitkin County’s property tax impacts will not be felt until the next reassessment term in 2022, the county sales tax and other revenue sources are expected to experience up to a 9% decline resulting in a \$4M dollar shortfall in 2020.
- Eagle County’s property tax impacts will also not be felt until the next reassessment term in 2022, however; Eagle County’s sales tax and other revenue sources are expected to experience a similar decline resulting in at least a \$10 million shortfall in 2020.

We need reassurance and firm foundation that funding direction will aim to help bridge the revenue gap caused by COVID19 closures and/or be reimbursed for additional expenses incurred in response.



The City of Aspen, Town of Basalt, Town of Snowmass Village, Eagle County and Pitkin County look forward to engaging with Governor Polis with a clear understanding on how the equitable distribution funds from the federal stimulus package will move quickly to our cities and counties. Additionally, we offer our appreciation to those who have worked tirelessly to help protect Coloradans.

Torre, Mayor
City of Aspen

Jacquie Whitsitt, Mayor
Town of Basalt

Markey Butler, Mayor
Town of Snowmass

Kathy Chandler-Henry, Board Chair
Eagle County Board of County Commissioners

Steven F. Child, Board Chair
Pitkin County Board of County Commissioners

Cc: Senator Bennett
Senator Cory Gardner
Representative Scott Tipton
Representative Kerry Donovan
Representative Julie McCluskie
Dylan Roberts
DOLA
OED