

ADDENDUM TO 2022 RESTATED AGREEMENT REGARDING THE COLLECTION, TRANSFER AND DISTRIBUTION OF THE 1/2% SALES & USE TAX FOR EDUCATIONAL PURPOSES EXTENDED BY THE CITY'S REGISTERED ELECTORS ON NOVEMBER 6, 2018 ("ADDENDUM")

This Addendum is made and entered into this ___ day of February, 2024 by and between the City of Steamboat Springs ("City"), a Colorado home rule municipal corporation and the Steamboat Springs Education Fund ("Fund"), a Colorado non-profit corporation.

WHEREAS, the City placed a question on the November 1993 ballot seeking a 1/2% increase in sales and use tax (to 4 1/2%), with the 1/2% increase to be used for "educational purposes", with the original stated intent that the revenue generated from such tax be used "for the purpose of supporting, local, public k-12 education"; and

WHEREAS, the citizens approved the 1/2% sales/use tax increase in 1993 and approved extensions of that 1/2% sales/use tax for "educational purposes" in November of 1996, 1999, 2008 and 2018. The most recent extension of the 1/2% sales/use tax for "educational purposes" sunsets on December 31, 2029.

WHEREAS, the Steamboat Springs Education Fund ("SSEF") was later formed to administer such funds collected by the City and the voters authorized the SSEF to share some portion of the tax funds with other school districts in Routt County in addition to the Steamboat Springs RE-2 School District; and

WHEREAS, the City and SSEF are party to an agreement titled 2022 Restated Agreement Regarding the Collection, Transfer, and Distribution of the 1/2% Saels & Use Tax for Educational Purposes Extended by the City's Registered Electors on November 6, 2018 ("2022 Restated Agreement") governing the collection, transfer, and distribution of the tax funds, which specifies that the funds will be used for "public K-12 educational purposes"; and

WHEREAS, the City Council finds that references to "K-12 educational purposes" were the product of the fact that until recently Routt County public school systems did not offer pre-K education and was not intended to limit the permitted uses of 1/2% use tax approved by the voters for educational purposes; and

WHEREAS, the City of Steamboat Springs and the SSEF wish to update the restated agreement to expand the permissible use of the tax funds to include public pre-K educational purposes.

NOW, THEREFORE, IN CONSIDERATION OF THE FOLLOWING MUTUAL COVENANTS AND PROMISES, THE PARTIES AGREE AS FOLLOWS:

Section 1. The reference in Section 4(b) of the 2022 Restated Agreement to “public K-12 educational purposes” is hereby amended to read “public pre-K-12 educational purposes. It is the parties intent that revenues from the ½% sales/use tax approved by the voters for educational purposes may be used to fund public pre-K education.

Section 2. Except as expressly provided in Section 1, this agreement is not intended to modify the terms or conditions of the 2022 Restated Agreement.

CITY OF STEAMBOAT SPRINGS

Gail Garey, City Council President

ATTEST:

Julie Franklin, CMC, City Clerk

STEAMBOAT SPRINGS EDUCATION FUND

Adam Alspach, President
SSEF Board of Directors

ATTEST:

SSEF Secretary