

Pat Dunahay

From: Pat Dunahay
Sent: Tuesday, March 31, 2020 5:01 PM
To: 'Mark Relph'; 'Denise Stephens'; 'Kathleen Osher'; 'Kathleen Osher'

Subject: Timely Business Request

3/31/2020

Dear City Council & City Management

The Voluntary Leaders of the
Littleton Business Chamber &
Historic Downtown Littleton Merchants Association

Would like your response concerning our requests listed below. As soon as possible.

- 1.) We request deferring all City sales tax due on this April 20th of 2020, For all Littleton Business who wish to participate do too the current shut down or lack of business caused by the Corona Virus. Interest free, principal shall become due 8/20/2020.
- 2.) Consideration of working with us on a joint basis too request deferral of our Property tax's due Arapahoe County 4/30/ 2020 or the second payment due 6/15/2020.
- 3.) Please consider using the voice of the Littleton report and all other media to campaign "Shop & Support Littleton Business."
- 4.) When business is opened back up we will be asking for temporary extension of dining & drinking boundary's onto sidewalks and onto parking lots, this will assure proper safety distance concerns

Much consideration has gone into this request we consider you are partners, we are trying to ensure all possibilities to keep Littleton strong. True good will and consideration should not be forgotten.
Of note most of the business we have spoken too will be applying for either the Cares paycheck program or the SBA loan up money. Please understand details and forms just arrived today too banks for the paycheck relief, we of course have no idea who will qualify and not.

Your Friends

LBC & HDLM

From: Mark Relph <mrelph@littletongov.org>
Sent: Thursday, April 2, 2020 11:05 AM
Subject: RE: Timely Business Request
Attachments: Memo - Proactive Response to COVID-19.pdf

Dear Littleton Business Chamber and Historic Downtown Littleton Merchants,

Thank you for your email and I certainly welcome a discussion regarding what our community might do to approach this issue in the coming months and likely years to follow. However, I must admit I am surprised you would send such a proposal without discussing the issue with me in advance. At some point, I would also appreciate an explanation on why your two organizations felt it was necessary to send the city this proposal and copy our local media at the same time. I fully respect our local newspaper but had thought the relationship between the three entities was at a more collaborative level. Be that as it may, I would be more than happy to respond.

Just a few short weeks ago, many of us were discussing ambitious plans for our community. The excitement was high and now all of this has been turned on its head. I believe, where we are at with this pandemic is just the beginning of a long process that involves not just the virus, but a prolonged recovery. I respectfully offer my response to your proposal:

Item #1 – sales tax

Your first request to defer city sales tax until August is not possible for at least three major reasons.

The first reason is that state sales tax is set by state law and enforced by the state. If someone does not pay, the state will take action. Additionally, the city's ordinances require sales tax to be collected and paid. This is not income tax. The basic principle behind remittance of sales tax is that the monies collected from customers are on top of the price of the goods and are held in trust and therefore belong to the applicable entity. Therefore, keeping the sales tax as you suggest is not a legal mechanism for relief.

The second reason deferring sales tax is not possible is due to the enormous inequity of such a proposal. Even if the council could legislate such an action, the challenge would be to determine who gets this deal and who doesn't. Is this limited to all restaurants and bars regardless of location? What about the other business that collect sales tax? What does that criteria look like? Your proposal would place the city council in an unwinnable position, fraught with serious legal questions and challenges.

The third reason this is not possible is that it would simply mean financial disaster for the city. While the city has reserves within the General Fund, our current estimates project they would be reduced to levels far below the city's adopted "principals of sound financial management" before the end of the year. This could seriously risk our ability to remain solvent and for the city to bond or borrow funds if conditions worsened.

This city and most others in Colorado rely heavily on sales tax cash flow to pay our bills and compensate our employees. Sales tax collection represents over 75% of the city's general fund. This city is no different than a private sector business; no revenue, no service. Even without your proposal, this city is going to have to make deep cuts in services across the organization. With your proposal, the city would have to cut essential services such as police and public works maintenance staff. I cannot imagine any citizen willing to support such an action.

Item #2 – property tax

The deferral of property tax is perhaps even more complex, and I am confident not possible. While your proposal wasn't specific, I am assuming you are suggesting just Arapahoe County. What about Jefferson and Douglas Counties?

If you look at your property tax bill and depending upon where you live, there is a list of entities collecting property tax. For example, a Littleton resident who lives in Arapahoe County will see that Littleton Public Schools collects over 59 mills, Arapahoe County collects over 11.6 mills, South Metro Fire Rescue collects 9.25 mills, and South Suburban Parks and Recreation collects over 8.3 mills, The City of Littleton only collects 2 mills of property tax. The overwhelming majority of property tax collected goes to other taxing entities. The counties rely upon property tax much like we do with sales tax. With your proposal, how would Arapahoe County fund the courts, Tri-County Health Department, the sheriff's office, roads and bridges and more? Are they likely to grant an exception for Littleton and not other cities in the county? I doubt very seriously the other cities and towns within the county would sit in silence with such a proposal.

As mentioned, Littleton Public Schools relies heavily on property tax. Are you suggesting they defer that revenue as well? The district already has a funding crisis and I would suspect they would never support such a request.

It is important to note that on March 20, Governor Polis signed an Executive Order granting county treasurers the authority to waive delinquent interest on late tax payments. This order will remain in effect for 30 days, until April 20, 2020. As a result of the order, Arapahoe County will be waiving delinquent interest. I have not checked with our other two counties, but would hope they would also act on the Governor's order.

Item #3 – promoting our city

The City of Littleton will certainly continue to use our print and social media resources to promote shopping within the city. We have already hung a banner over Main Street and will follow through with this summer's planned special events in Downtown Littleton as long as the status of the pandemic allows it. This is clearly in everyone's best interest. As you are aware, the city had funded a project to help promote tourism in our city. This work is now even more important since we are likely faced with a significant financial recovery.

Item #4 – expanding outside dining

I had talked to many of you about such opportunities prior to this pandemic. I find this topic exciting and would certainly welcome a discussion on what might be possible.

All of us are trying to get our arms around the impact of this issue and certainly appreciate the extremely difficult position many of our business now face. However, there are limitations with what local government can do in such instances. It is my belief that we must work together and look to our state and federal governments for aid. To that end, I have attached a memo from Denise Stephens, Economic Development Director, that explains what we have done to date and what we see as our current role for the future.

HDLM & LBC

Littleton Colorado

4/12/2020

Mark Relph
City of Littleton

MARK,

Thank you for your response, we must clarify our position so there isn't any misunderstanding. We are volunteer's!! with the goal of helping Business, Community & the City. The City of Littleton has requested several challenging things from the Chamber over the past three years. Some of that support included a monetary sacrifice of Littleton's commercial property owners. We believe we have fully supported and endorsed those requests even those that were challenging. The last thing we are looking to do is upset anyone!! Especially You. We are supposed to be partners. We believe this relationship should work both ways. There shouldn't be rules or personality in trying to help business in conditions like this, even if it suggests a sacrifice and some extra effort from the City.

We don't need business failure period. We have included the press on this request because they called us over two weeks ago, and are very concerned about all issues and affairs of Littleton, including our very recent conversations with them about what is going on with business and what are our plans to help. The independent is very important to the Chamber & HDLM, they have been helpful on all fronts in caring about business including running an article about the hardships and devastation business is facing. They have offered all members large 50% and more discounts on advertising. Possibly you saw last week's paper where we ran an ad supporting Littleton Business. It is not unreasonable too simply ask for help, consideration & good will. We have the same obligations to business that we have to you fight for Survival.

Item 1,

We were not asking for state tax help we will ask them separately. We pay them separate from you. The state distributes funds to RTD, Special districts & Arapahoe County you do not. We pay you completely separate. As you are aware, many of our Businesses are shut down and their people are not being paid. We don't know what your cash availability is at the City we just assumed it was better than our Businesses so it was a necessary respectful request. If you are not in a position to help we must respect that.

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HDLM & LBC

Littleton Colorado

4/17/20

City Management & Council

When the economy and City start to reopen we believe having some new exciting Business changes and programs in place will help stimulate business as well promote goodwill throughout the community. We understand that many details will need work such as expanded liquor boundaries' ETC. We believe these items are low cost with potential high returns.

SUGGESTIONS

Main street closings

Close down main street Thursday & Friday evening 4pm – 10 pm. Saturday 10 am till 10pm Sunday 10am till 5pm. Allow all the retailers, service facilities, restaurants & bars expansion into parking and streets which will allow for proper business efficiency & comfortable social distancing and promotion.

City Center Parking & Shuttle Service

Detour and direct traffic down Rio Grande to City center parking lot, shuttle people from there to Main and Prince.

Expand the City's concert program

Allow other areas of the City to benefit such as SouthPark & Aspen Grove. Possibly expand opportunities to a variety of Businesses to showcase their products and services.

Partner with the Chamber to Create a free - Consumer Map & Guide Magazine

Publication to include,

- Town facts
- A note from City Council & Management
- A note from the Littleton Business Chamber & HDLM
- Outdoor and recreation features of the City
- Demographics
- Do & dine guide

- City map
- Resources
- Business directory
- Allow advertising

Encourage all City departments to purchase local products and services

Consider using local business whenever possible, for City services & products.

Expand Service Areas for All Business

Allow Retailers to expand their business areas into their parking lots wherever reasonable to allow for consumer distance comfort.

Create a Business Challenges Action group

Stay in front of our current and future challenges. An open discussion and action group meeting every other week for 2 hours.

Suggested topics & Action plan,

- consumer spending and the psychology of social distancing
- creating the safest programs for anti-virus health
- current business levels
- objectionable governance
- Littleton to Littleton business enhancement
- Littleton Business awareness and promotion
- Business Recruiting

Include 3 leaders from the City, 2 Council members, 2 staff members from economic development, 2 members from the Chamber, 2 members from HDLM,

1 Business Representative from each of the following areas,

Woodlawn
 Riverwalk
 Old Town
 Santa Fe Corridor
 Aspen Grove
 Southpark
 Hilltop
 Broadway Corridor
 ACC
 Other

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The Chamber would be willing to orchestrate and select the outside group, as well get an outside officiator. We could start by conversations via of e-mail. When conditions allow we would like to hold the meetings if possible in the City Community room.

Please respond with your initial thoughts as soon as possible.

Respectfully

The Chamber & HDLM