

QUIZ

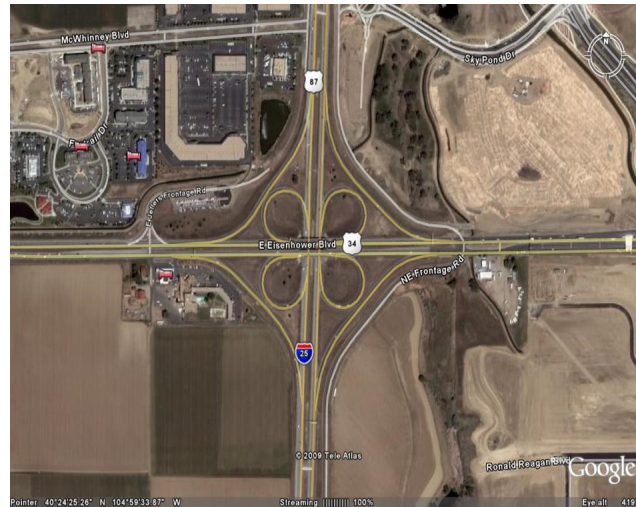
Which is a “public improvement” paid by
Tax Dollars?

A.



Auto Plaza Sign

B.



Highway Intersection

C.



Shopping Center Sign

QUIZ

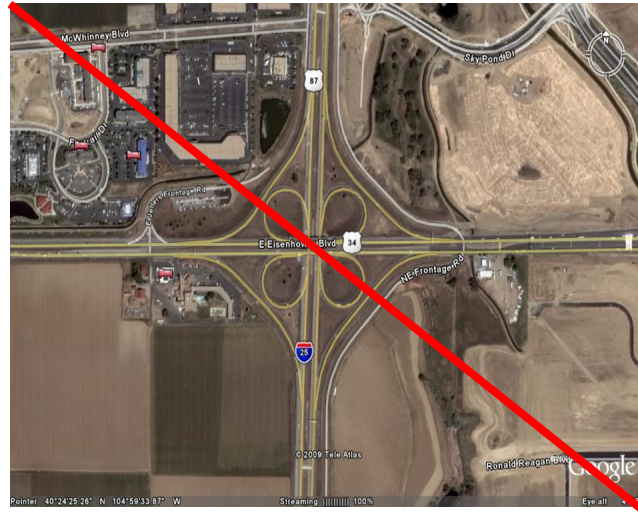
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Authority of Cities In Colorado

The regulatory authority of counties and municipalities emanates from the “**police power**” of the state.

The state delegates this authority to local governments through enabling legislation. The exercise of this **police power**, be it in the enactment of land use controls or any other decisions enforcing local regulations, must bear a rational relationship to the **health, safety, and welfare of the community**.

Police power must be exercised in a manner consistent with federal and state constitutional rights.

| | |
|---|--------------|
| Active Local Governments In Colorado | 3,251 |
| Total Active Title 32 Districts | 1,871 |
| Total Active Title 32, Article 1 Districts | 1,855 |

“Quasi-governmental” entities created as joint ventures through intergovernmental agreements and some component units, which can be considered “sub-governments” of their parent local government not listed by State of Colorado as the count grows daily and are too difficult to track

Local Government Mission Creep

1. Emergency Services / Public Safety – Police, Fire & Rescue
2. Utilities – Sewer, water, electricity etc...
3. Transportation – facilitating movement of citizens and goods over publicly maintained roads
4. Record keeping – Property titles, elections, tax collections
5. Public education (School Districts) and libraries
6. Public spaces (Parks and Recreation)



- Land Use Planning (**1926 Supreme Court decision *Village of Euclid Vs. Amber Realty Co.***)
- Social Engineering
 - Government subsidized housing (***Began in late 1960's Johnson's War on Poverty - began in Loveland 1972***)
 - First for elderly and disabled but now for anyone (Loveland resident or not) young and healthy included.
 - Eminent Domain for private purposes (***Loveland City Council March 16, 2004 allowed***)
- Business promotion and incentives
- Redistribution of Wealth (***inequitable tax schemes that possibly violate 14th Amendment***)
 - Private Metro Districts allowed to impose Mill Levies (***Castle Pines residents taxed out of homes***)
 - Urban Renewal Districts / TIFs for vacant land (***contrary to original intent of curing Urban Blight***)

**No constitution, no court, no law can save liberty
when it dies in the hearts and minds of men -John Perkins**

Judging Local Government Candidates

Good local government candidate: A guiding principle or philosophy about local government that is easily understood. For example, more service and taxes or less so voters can choose their option. Understand limits of power and public process.

“Your freedom to swing your arm ends where your neighbor’s nose begins”

Common local government candidate: Doesn’t understand local government but took “leadership” courses at Loveland Chamber and wants to be a community leader. Uses terms like “conservative” or “limited government” but instead follows city staff lead when elected.

Worst candidate: One whose industry or business relies on local government regulations and has an inherent conflict of interest in the process. In addition, candidates who rely on the regulated industries for income and will be unable to say no without risking a loss of income on important votes.

How accurately did LovelandPolitics predict Don Marostica's Abandonment of his campaign promises? Ad from 2005 State House Primary

Could You Support A Candidate Who Says One Thing But Does Another?



1. Marostica voted to raise your taxes while on City Council (*Aug. 27, 2002 City Council meeting*) *He also supported Referendum C*
2. Marostica presided over the Loveland Housing Authority that provides Spanish language applications for taxpayer subsidized housing in Loveland *Now Marostica claims he will be "tough on immigration" (He served as City Council Liaison to the Housing Authority and also on the Affordable Housing Commission)*
3. Marostica requested and received waivers from conflict of interest laws (**Code Section 2.14.015 D**) so his company could get a contract with the City of Loveland while he was on City Council (*Aug. 13, 2002 Res. # 55-2002*)
4. Marostica's company gave \$1,500 to a Democrat running for State Senate (*2-06-2002 Gilliland for State Senate campaign*) and no money to Republicans running for office (*Sec. of State records for Loveland Commercial, LLC*)
5. As a City Councilman, Marostica voted to waive city fees for Waterford Place, a development he was involved in creating and selling to the people he assisted in avoiding fees otherwise legally required by the City of Loveland (*June 2002*) *Subsequently, Waterford Place later phase declared bankruptcy.*

See documents and details at the website:

LovelandPolitics.com

This is an independent expenditure not associated or controlled by any candidate or committee. It is allowed under Colorado Constitution, Article XXVIII Section 5. Independent Expenditures Statute

PAID POLITICAL ADVERTISEMENT

Eminent Domain In Loveland (Remember Kelo?)

On March 16, 2004, then City Councilman Don Marostica seconded a motion to impose Eminent Domain on the Hein family property in Loveland. Despite pleas from the family and the public, Marostica was active in trying to assist a fellow developer (KB Homes of California) obtain through government fiat what they were either unwilling or unable to obtain from the proper owners through normal business.

Ultimately the victims dropped their objections due to the inevitable Eminent Domain action approved by Loveland' City Council. Marostica and others today argue it wasn't imposed so they never did it.

“Like a thief who robs a bank and argues he didn't use the loaded weapon because he never fired a single shot”

Which Candidates Voted For This In 2004?

2009 Mayoral Candidates

David Clark, Glenn Rousy & Walt Skowron

2009 Council Candidate

Andrea 'Jan' Brown

Chronology of Loveland “Partnership” With McWhinney



• **2004** – Deal to Flow **\$691 million** in future sales taxes and property taxes to McWhinney Controlled Centerra Metro Districts

➤ **Master Financing Agreement (MFA)**

➤ **Urban Renewal Authority (rural land declared blighted)**

• **2004** - McWhinney’s Centerra Metro District Creates \$57,000,000 in Public Bond Debt to spend on “public improvements”

• **2006** – Rich Shannon, McWhinney VP, joins effort by RTA to create a regional 1% sales tax to pay for regional transportation projects.

• **2006** – Loveland City Council (with help from Shannon) includes ONLY McWhinney obligated “regional transportation projects” for Loveland’s share of RTA

• **Dec. 5 2006** – Loveland City Council amends MFA stating McWhinney will be released from obligation to fund “regional transportation” projects if “other” public funds become available.

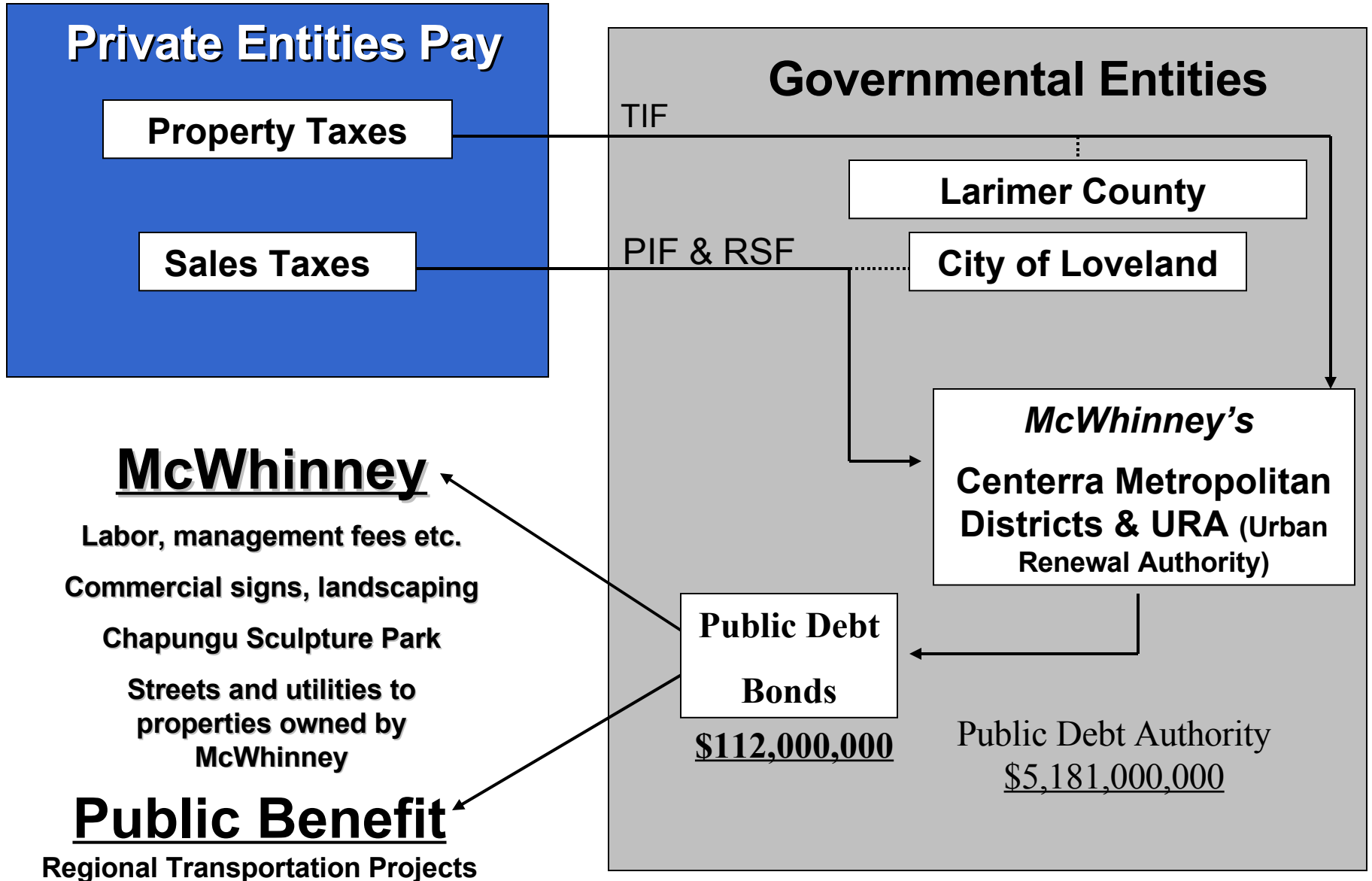
• **2007** – RTA falls apart due to neighboring cities angered that Loveland diverting proposed RTA funding into already funded McWhinney obligated improvements

• **2008** – McWhinney’s Centerra District takes out \$112,000,000 million in public debt (pays off 2004 issue) with floating interest rates fixed through “synthetic” fixed rate agreement with RBC – Standard & Poors rates “Credit Watch Risk” – McWhinney spends through the public monies and now want \$12 million in escrow for I/25-34

• **2009** - Loveland proposes only McWhinney obligated improvements for I-25 / Crossroads Blvd. improvement’s for federal “stimulus” dollars (\$3,000,000) thus again letting McWhinney off-the-hook for prior obligations

Overview of Centerra Subsidies

25 Years



| Project Name / Description | Responsible Party | Year | Cost |
|---|--------------------------|-------------|---------------|
| Centerra Parkway - US 34 to UPRR Tracks - New 6 lane arterial | Centerra Metro District | 2005 | \$ 6,875,000 |
| Centerra Parkway - UPRR Tracks to 37th St - New 4 lane arterial | Centerra Metro District | 2007 | \$ 5,000,000 |
| Centerra Parkway - 37th St to Crossroads Blvd - New 4 lane arterial | Centerra Metro District | 2007 | \$ 2,625,000 |
| Clydesdale Parkway - 37th St to LCR 3 - New 2 lane arterial | Centerra Metro District | 2012 | \$ 8,962,000 |
| Cordova Pass Drive (aka Kendall Parkway) - US 34 to I-25 - New 2 lane arterial | Centerra Metro District | 2012 | \$ 8,044,250 |
| US 34 - I-25 to Kendall Parkway (LCR 3E) - Intersection Improvements | Centerra Metro District | 2012 | \$ 5,568,000 |
| Centerra Parkway - UPRR Underpass | Centerra Metro District | 2007 | \$ 3,900,625 |
| Cordova Pass Dr (aka Kendall Parkway) - I-25 Underpass | Centerra Metro District | 2008 | \$ 7,920,000 |
| LCR 3E RR Underpass at UPRR | Centerra Metro District | 2018 | \$ 3,752,125 |
| Boyd Lake Avenue - US 34 to Canal - widen 2 lane arterial to 4 lane arterial | Centerra Metro District | 2010 | \$ 2,732,375 |
| Boyd Lake Avenue - Plum Creek Dr to 37th St - widen 2 lane County Road to 4 lane arterial | Centerra Metro District | 2010 | \$ 7,910,750 |
| 29th Street - Rocky Mountain Ave to I-25 - Widen 2 lane County Road to 2 lane arterial | Centerra Metro District | 2010 | \$ 2,792,375 |
| 37th Street - Boyd Lake Ave to Rocky Mountain Ave - Widen 2 lane County Road to 2 lane arterial | Centerra Metro District | 2012 | \$ 6,399,000 |
| Hahn's Peak Drive - US 34 to Rocky Mountain Ave - New 2 lane arterial | Centerra Metro District | 2010 | \$ 2,856,750 |
| US 34 - Boyd Lake to I-25 - Intersection Improvements | Centerra Metro District | 2012 | \$ 1,015,750 |
| Crossroads and I-25 Interchange | Centerra Metro District | 2024 | \$ 25,000,000 |
| US 34 and I-25 Interim Interchange | Centerra Metro District | 2010 | \$ 12,500,000 |
| US 34 and Centerra Parkway Interchange | Centerra Metro District | 2024 | \$ 18,750,000 |
| US 34 and Cordova Pass Dr (LCR 3E) Interchange | Centerra Metro District | 2024 | \$ 18,750,000 |
| US 34 and I-25 Ultimate Interchange | Centerra Metro District | 2024 | \$ 50,000,000 |

PIF / RSF Centerra Sales Fee (Tax) Explained

Understanding McWhinney Sales Taxes

If this outfit (suit, tie, shirt and shoes) was bought in Centerra the sales taxes would be more for the consumer to pay while Loveland receives less sales taxes on the purchase.

The City of Loveland would receive in sales taxes if purchased at:

| | |
|----------|----------------|
| Centerra | Factory Outlet |
| \$9.34 | \$15.66 |

Final cost to shopper of \$522 in merchandise when taxes included:

| | |
|----------|----------------|
| Centerra | Factory Outlet |
| \$562.83 | \$556.97 |

Taxes Going To McWhinney Centerra Metro District:

| | |
|----------|----------------|
| Centerra | Factory Outlet |
| \$11.75 | \$0 |



| Centerra | Cost | Loveland (outside Centerra) | Cost |
|--------------------------|-----------------|-----------------------------------|-----------------|
| <i>Men's Shirt</i> | \$45.00 | <i>Men's Shirt</i> | \$45.00 |
| <i>Dress Tie</i> | \$25.00 | <i>Dress Tie</i> | \$25.00 |
| <i>Socks</i> | \$12.00 | <i>Socks</i> | \$12.00 |
| <i>Suit</i> | \$350.00 | <i>Suit</i> | \$350.00 |
| <i>Shoes</i> | \$90.00 | <i>Shoes</i> | \$90.00 |
| Total | \$522.00 | Total | \$522.00 |
| PIF (1.25%) | \$6.53 | None | \$ 0 |
| RSF (1.0%) | \$5.22 | None | \$ 0 |
| Total | \$533.75 | Total | \$522.00 |
| Sales Tax (5.45%) | \$29.09 | Sales Tax (6.7%) | \$34.97 |
| Total | \$562.83 | Total | \$556.97 |

Urban Renewal TIF (Tax Increment Financing) Explained

Developed Value \$10 Million

McWhinney's Improvement District keeps property taxes collect on post improvement value increases for 20 years



Tax Increment Financing



Farmland Value \$100,000

Government keeps only property taxes for pre-URA value undeveloped property



500 Acres Declared Blight and "Slum" Near Centerra

August 19, 2008 Loveland City Council Approves Phony Designation

In an audacious move to qualify an additional 500 acres of properties owned by McWhinney for new special tax rebates for 25 years, the Loveland City Council has received a study claiming five blocks of land in east Loveland are "blight" and uses terms such as "slums" and "inadequate transportation" to describe the land.

1. **April 16, 2008** - Secret meetings held with McWhinney to brief a "land swap" to Council without public knowledge
2. **June 2, 2008** - "Flexibility" plan announced and purpose of secret meetings disclosed – First Known time in country city contemplate abdicating local authority to designate "Urban Renewal" designations to a developer controlled local "Authority"
3. **June 24, 2008** - "Cornucopia" Council annexes and zones parcels in preparation for "Flexibility" plan
4. **July 2, 2008** - City Council tense as Councilman Kent Solt reminds Council that he can't support annexations since "entire picture" has not yet been revealed to the public.
5. **August 19, 2008** - the Loveland City Council majority approves the plan

Approximation of areas McWhinney wants declared blight

Block 1

A rural area of productive farm land just east of Boyd Lake

Block 2

Agricultural land along highway 34 in Loveland

Block 3

A small parcel of land along highway 34 next to 'Grand Station'

Block 4

Open land east of Centerra

Block 5

The old dog racing track - the report notes it is mostly parking area.



| Mayor | Age | Home Address | Apparent Affiliation leanings at this time or voting history (could change) | Profession | Telephone |
|----------------------|-----|---------------------------|--|--------------------|----------------|
| Mayor | | | | | |
| Alexi S. Grewal | 48 | 5531 W. Fifth Street | New on the scene | Handyman | (970) 669-1007 |
| Cecil A. Gutierrez | 62 | 1035 Crabapple Drive | Independent voting City Councilman | Retired | (970) 667-4478 |
| David J. Clark | 53 | 2526 Tupelo Drive | McWhinney Factotum | Developer | (970) 667-8237 |
| Walt A. Skowron | 76 | 2006 Frances Drive | McWhinney Factotum | Retired | (970) 667-5800 |
| Glenn C. Rousey | 65 | 3872 Foothills Drive | McWhinney Light Factotum | Retired | (970) 613 9158 |
| Ward 1 | | | | | |
| Andrea J. Brown | 60 | 1915 Massachusetts Street | McWhinney Incumbent (until 2007) | Massage therapist | (970) 669-2259 |
| Adam A. Koniecki | 23 | 2708 Lakecrest Place | Loveland 912 Member | Machinist | (970) 663-5978 |
| Daryle W. Klassen | 75 | 3687 Vista Drive | Current McWhinney Incumbent | Retired | (970) 667-6148 |
| Ward 2 | | | | | |
| Joan T. Shaffer | 51 | 4055 Fox Circle | Measure 2C Organizer | Public Relations | (970) 669-0030 |
| Robert E. Snyder Jr. | 42 | 427 Wapola Ave. | Chamber/McWhinney backed | Insurance Broker | (970) 203-0755 |
| Ward 3 | | | | | |
| Joseph L. Hertwig | 50 | 2002 Frances Drive | Endorsed by Skowron | Airline Pilot | (970) 227-7182 |
| Janet Bailey | 58 | 227 Dean Circle | Says not going to campaign | Real Estate Broker | (970) 593-1947 |
| Hugh McKean | 41 | 1645 Carol Drive | Likes status quo / independent? | Contractor | (970) 663-1114 |
| Ward 4 | | | | | |
| Carl B. Fritz | 74 | 1420 Sunset Place | Conservative Activist | Retired | (970) 669-7778 |
| Cathleen McEwen | 54 | 1140 N. Lincoln Ave. | Independent | Attorney at Law | (970) 231 9637 |
| Teri J. Volk | 46 | 4270 Tarryall Court | Recruited by David Clark | | (970) 622-8655 |

**McWhinney
Factotums**



**Independent
Candidates**

Mayor's Race

David Clark

Cecil Gutierrez

Walt Skowron

Glenn Rousey

Alexi Grewal

Wards 1 - 4

Jan Brown

Adam Koniecki

Daryle Klassen

Janet Bailey

Joan Shaffer

Teri Volk

Hugh McKean

Carl Fritz

Bob Snyder

Joe Hertwig

Cat McEwen