

RESOLUTION NO. 21-07

**A Resolution of the Scientific and Cultural Facilities District  
Pertaining to the COVID-19 Pandemic and  
Distribution of Tier II Funds in Distribution Year 2022**

WHEREAS, the legislation enabling and establishing the Scientific and Cultural Facilities District (“SCFD”), set forth in Article 13 of Title 32, Colorado Revised Statutes, contains a finding, determination, and declaration by the general assembly in C.R.S. 32-13-102 that “the scientific and cultural facilities located in the state of Colorado are a rich source of knowledge and inspiration to all of the residents of the state, that the preservation and development of such facilities are vital to the cultural and intellectual life of the state, that scientific and cultural facilities are an important factor to the economic well-being of the state, that economic development and tourism are needed to maintain and to promote such facilities, and that creation of scientific and cultural facilities districts will promote the health, safety, and welfare of the residents of the state;” and

WHEREAS, C.R.S. 32-13-107.5 additionally provides that the purpose of Article 13 of Title 32, Colorado Revised Statutes “is to secure a dependable source of revenue to be used by [SCFD] to assist scientific and cultural facilities within said district as set forth in this article and to provide for a source of revenue which will grow in proportion to the expanding financial needs of scientific and cultural facilities;” and

WHEREAS, C.R.S. 32-13-106(2)(h) empowers the SCFD Board of Directors (the “Board”) to administer and use moneys collected pursuant to C.R.S. 32-13-107 in accordance with the guidelines specified in section C.R.S. 32-13-107(3); and

WHEREAS, pursuant to C.R.S. 32-13-107(3)(b), the Board distributes sales and use tax revenues to scientific and cultural facilities known as “Tier II organizations” that meet certain eligibility criteria, including, among other things, having a minimum amount of annual operating income<sup>1</sup> for the previous year; and

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<sup>1</sup> “Annual operating income” is defined in C.R.S. 32-13-103(1.5) to mean “operating income from all mission-based sources, except capital construction fund income, designated funds raised for the purchase of specified capital needs, unrelated business income, funds raised for the purpose of debt reduction, income for endowment corpus, any distribution of moneys by the board, and any restriction established through board policy.”

WHEREAS, following confirmation of the first presumptive positive case of coronavirus disease (“COVID-19”) in the State of Colorado in March 2020, the Governor declared a statewide emergency regarding the occurrence or imminent threat of widespread or severe damage, injury or loss of life or property resulting from the COVID-19 pandemic; and

WHEREAS, since the Governor’s declaration of a statewide emergency and continuing today, scientific and cultural facilities in the Denver metropolitan area have been unable to operate and/or have canceled programming and events to protect the public health, resulting in a substantial loss of operating income; and

WHEREAS, the economic impacts of COVID-19 on Tier II organizations have been significant, such that Tier II organizations are unlikely to have sufficient annual operating income in 2021 to qualify for SCFD funding in distribution year 2022; and

WHEREAS, in order to advance the intent and purpose of SCFD’s enabling legislation, to help preserve the scientific and cultural facilities that are vital to the cultural and intellectual life of the State of Colorado, and to assist Tier II organizations in a time of unprecedented economic and cultural disruption due to COVID-19, the Board desires to authorize scientific and cultural facilities to qualify for Tier II funding distributions in 2022, in addition to meeting all other statutory requirements, by allowing the use of annual operating income numbers from fiscal year 2019.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SCIENTIFIC AND CULTURAL FACILITIES DISTRICT AS FOLLOWS:

Section 1. The Board hereby authorizes scientific and cultural facilities seeking funding in distribution year 2022 pursuant to C.R.S. 32-13-107(3)(b) to qualify for such funding by using and relying upon annual operating income and attendance numbers generated in 2019. Except as modified herein all other eligibility requirements for funding in distribution year 2022 for Tier II organizations remain intact.

Section 2. The qualifying income threshold pursuant to C.R.S. §32-13-107(3)(b) will remain at the distribution year 2020 level for distribution year 2022.

Section 3. This resolution is necessary to advance the intent and purpose of SCFD’s enabling legislation in light of the devastating and

unprecedented impacts of the COVID-19 pandemic on scientific and cultural facilities in the Denver metropolitan area. This resolution applies only to scientific and cultural facilities seeking funding in distribution year 2022 pursuant to C.R.S. 32-13-107(3)(b).

Introduced and approved at a regular meeting of the Board of Directors of the Scientific and Cultural Facilities District, the 26<sup>th</sup> day of August 2021.

  
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Chair

ATTEST:

  
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Secretary