

TOWN OF PAGOSA SPRINGS

ORDINANCE NO. XX

(Series 2021)

AN ORDINANCE OF THE TOWN OF PAGOSA SPRINGS, COLORADO, SUBMITTING TO THE REGISTERED ELECTORS VOTING IN THE MUNICIPAL ELECTION TO BE HELD APRIL 5, 2022, A BALLOT ISSUE CONCERNING THE USE OF THE TOWN'S EXISTING LODGERS TAX, AND CONTINGENT UPON ELECTOR APPROVAL, AMENDING THE PAGOSA SPRINGS MUNICIPAL CODE TO PROVIDE FOR THE SAME.

WHEREAS, the Town of Pagosa Springs, Colorado ("Town") is a municipal corporation duly organized and existing under the laws of the State of Colorado; and

WHEREAS, the Members of the Town Council ("Council") have been duly elected and qualified; and

WHEREAS, pursuant to Article XX, Section 6 of the Colorado Constitution, the Town has adopted the Pagosa Springs Home Rule Charter and has the full right of self-government in both local and municipal matters, including the imposition and utilization of a lodgers tax, for the benefit of the community; and

WHEREAS, the Council previously adopted and the voters approved Ordinance 647 (Series 2005) and Ordinance 663 (Series 2006) which together imposed a lodgers tax at a rate of four and nine tenths percent (4.9%) of the purchase price for lodging within the Town or which is managed, contracted or leased by persons engaged in lodging business within the Town; and

WHEREAS, Ordinance 647 (Series 2005) and Ordinance 663 (Series 2006) specified that lodgers tax collections would be used to promote and subsidize the local tourism industry; and

WHEREAS, the Pagosa Springs Area Tourism Board has seen its revenues more than double since 2013; and

WHEREAS, the Pagosa Springs community has evolved an economy that currently fails to provide sufficient affordable housing options for working families and individuals; and

WHEREAS, the Pagosa Springs Planning Commission, in July 2021, formally recommended the re-allocation of lodgers tax revenues to support workforce housing development; and

WHEREAS, the Council has determined and hereby declares that the interest of the Town and the public interest and necessity require that the Town be authorized to spend up to fifty percent (50%) of the revenues generated annually from such lodgers tax for the purpose of encouraging workforce housing options in and around Pagosa Springs; and

WHEREAS, if the registered electors of the Town approve an excise tax and if a County-wide funding source for workforce housing is adopted which the Council determines is sufficient to fund workforce housing needs in the community, the Council may choose to reduce the reallocation of the lodgers tax;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Pagosa Springs, Colorado:

Section 1. Use of Revenues. Subject to voter approval as provided in Section 3 of this Ordinance, the Council shall use up to 50% of the annual lodgers tax collections for the encouragement of workforce housing options aimed at households earning 100% AMI or less, in and around Pagosa Springs, for:

- (a) Purchasing property intended for housing;
- (b) Participating in public-private partnerships;
- (c) Providing subsidies and grants to housing providers and housing developers;
- (d) Such other uses determined by the Council to encourage or promote the production of workforce housing options.

Section 2. Before the allocation allowance provided in this Ordinance shall become effective, it shall be submitted to and receive the approval of a majority of the eligible electors of the Town voting thereon at the regular election to be held on Tuesday, April XX, 2022.

(a) Conduct of Election. The election shall be held and conducted in accordance with the Town's Resolution No. XX (Series 2021) and Article X, Section 20 of the Colorado Constitution. The Designated Election Official for the conduct of the election on behalf of the Town is hereby authorized to proceed with any action necessary or appropriate to effectuate the provisions of this Ordinance and all constitutional and statutory provisions governing the conduct of this election.

(b) Ballot Title. The ballot title for the lodgers' tax shall be in substantially the following form:

BALLOT ISSUE NO. XX

SHALL THE PAGOSA SPRINGS TOWN COUNCIL BE AUTHORIZED TO DEDICATE UP TO FIFTY PERCENT (50%) OF THE TOWN LODGERS TAX, COLLECTED ANNUALLY, TO THE PURCHASE OF PROPERTY, PARTICIPATION IN PUBLIC-PRIVATE PARTNERSHIPS, PROVISION OF SUBSIDIES AND GRANTS, AND ANY OTHER USES DETERMINED BY THE TOWN COUNCIL TO PROMOTE AND ENCOURAGE WORKFORCE HOUSING OPTIONS WITHIN PAGOSA SPRINGS AND THE SURROUNDING COMMUNITY?

Section 3. Codification. The allocation of lodgers tax herein shall be implemented and administered pursuant to Article IV, Chapter 16 of the Pagosa Springs Municipal Code. Subsection 16.xxx and Section 16.xxx are hereby repealed and readopted, contingent upon the approval as provided in Section 2 of this Ordinance, to read as follows: