CITY OF LEADVILLE, COLORADO RESOLUTION NO. 29 SERIES OF 2021

A RESOLUTION IN SUPPORT OF BALLOT ISSUE 2A APPEARING ON THE NOVEMBER 2, 2021 BALLOT REGARDING IMPLEMENTING A CITY ACCOMMODATIONS TAX

WHEREAS, the City of Leadville ("City") has referred to the registered electors of the City Ballot Issue 2A, which asks voters to approve an accommodations tax of 4.92% within the City to be effective January 1, 2022; and

WHEREAS, in accordance with the Colorado Fair Campaign Practices Act, the Leadville City Council may pass a resolution taking a position on any ballot issue; and

WHEREAS, if Ballot Issue 2A is approved, the City would be authorized to collect a new tax levied on users of public accommodations within the City, such as the users of short-term rental units, hotels, motels and bed-and-breakfast establishments; and

WHEREAS, the provision of these types of public accommodations to the traveling public results in increased use of City street and rights-of-way, increased traffic, increased demands upon municipal services, such as police protection, and otherwise has impacts on the health, safety and welfare of the citizens of Leadville; and

WHEREAS, short-term rental units in particular contribute to a constrained housing supply which, in turn, contributes to a lack of affordable, attainable, and other community housing within the City; and

WHEREAS, the revenue from the accommodations tax, if approved, will be placed in a separate housing fund of the City dedicated, subject to the additional use set forth below, exclusively to affordable and community housing, affordable and community housing programs, and related lawful municipal expenses; and

WHEREAS, the City would also use a portion of the revenue from the accommodations tax to provide financial support to the Lake County Tourism Panel in an amount that maintains the Panel's existing revenues from Lake County's lodging tax because Lake County will likely be prohibited from collecting its lodging tax, which currently funds the Lake County Tourism Panel, due to the imposition of a City accommodations tax; and

WHEREAS, if voters approve Ballot Issue 2A, the City will have a dedicated funding source for affordable and community housing projects and programs, which will help the City become eligible for affordable housing grants from the State of Colorado; and

WHEREAS, because the City of Leadville and the surrounding community is experiencing a housing crisis, the accommodations tax would not be directly levied on Leadville residents, and the tax revenues would allow the City to take a more proactive role in addressing affordable and community housing issues, the City Council enthusiastically supports the passage of Ballot Issue 2A and urges all registered electors of the City to vote "YES" on Ballot Issue 2A.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Leadville, Colorado as follows:

Section 1. The City Council hereby unanimously supports the passage of Ballot Issue 2A and urges all registered electors of the City to vote "YES" on Ballot Issue 2A.

<u>Section 2.</u> <u>Severability</u>. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

Section 3. Effective Date. This Resolution shall take effect upon its adoption by the City Council.

APPROVED AND ADOPTED THIS 19TH DAY OF OCTOBER, 2021 by a vote of \overline{Z} in favor and $\underline{\mathscr{O}}$ against, and $\underline{\mathscr{O}}$ abstaining.

CITY OF LEADVILLE, COLORADO:

Greg Labbe, Mayor

ATTEST:

Deputy City Clerk