

**ORDINANCE NO. 8
SERIES OF 2022**

(Short Term Rental Tax)

AN ORDINANCE OF THE BOARD OF TRUSTEES SUBMITTING TO THE REGISTERED ELECTORS OF THE TOWN OF CARBONDALE, COLORADO AT THE GENERAL MUNICIPAL COORDINATED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2022, THE ISSUE OF WHETHER, IN CONNECTION WITH LOCAL LICENSING FOR SHORT TERM RENTAL ACCOMODATIONS, THE TOWN OF CARBONDALE SHOULD IMPOSE A TAX OF SIX PERCENT (6.0%) UPON THE REVENUES FROM SHORT TERM RENTALS, AND SETTING FORTH RELATED DETAILS.

WHEREAS, pursuant to Ordinance No. 8, Series of 2022, the Town has recently implemented a new local licensing requirement for short term rental of residences within the Town of Carbondale; and

WHEREAS, there is a lack of affordable housing in and around the Town of Carbondale, and the use of local residences for short term rental accommodations further impacts the local housing supply, so the Town desires to develop additional revenue sources to support local affordable and attainable housing projects and programs, including a new tax of six percent (6.0%) of the gross rental price paid by the customers of residential short term rental accommodations within the Town of Carbondale; and

WHEREAS, it is appropriate and legally required for Carbondale voters to approve collection, retention, and expenditure of the full amounts collected from a proposed new tax on short term rental accommodations further described in the ballot language set forth below; and

WHEREAS, the new tax proposed herein shall be in addition to lodging taxes already levied and collected by the Town for short term rental accommodations and other types of lodging within the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF CARBONDALE, COLORADO, that the Board of Trustees hereby approves imposing a tax of six percent (6.0%) on short term rentals of residences within the Town of Carbondale.

BE IT FURTHER ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF CARBONDALE, COLORADO, that before this ordinance imposing this new tax becomes effective, it shall first be submitted to and receive approval of the majority of the qualified electors of the Town of Carbondale at the general election to be held on November 8, 2022. The form of the ballot question shall be as follows:

Ballot Issue []: TOWN OF CARBONDALE

SHALL THE TOWN OF CARBONDALE'S TAXES BE INCREASED BY \$400,000.00 IN THE FIRST FULL FISCAL YEAR, BEGINNING JANUARY 1, 2023, AND BY SUCH AMOUNTS AS ARE RAISED ANNUALLY THEREAFTER, BY IMPOSING AN ADDITIONAL TAX OF SIX PERCENT (6.0%) OF THE GROSS RENTAL PRICE PAID BY CUSTOMERS OF SHORT TERM RENTAL ACCOMODATIONS, INCLUSIVE OF ANY SERVICE CHARGES OR FEES, WITH THIS TAX RATE

CAPABLE OF BEING LOWERED OR REVOKED IN THE SOLE DISCRETION OF THE BOARD OF TRUSTEES OF THE TOWN OF CARBONDALE, IN ORDER TO FUND THE PROMOTION, REGULATION, PROCUREMENT, DEVELOPMENT AND PROTECTION OF LOCAL AFFORDABLE AND ATTAINABLE HOUSING PROJECTS AND PROGRAMS, INCLUDING CAPITAL EXPENDITURES, AND SHALL THE TOWN BE AUTHORIZED TO COLLECT AND SPEND THE PROCEEDS OF SUCH ADDITIONAL TAX AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE LIMITS THAT WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20, OF THE COLORADO CONSTITUTION OR ANY OTHER LAW ?

Yes _____ No _____

BE IT FURTHER ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF CARBONDALE, that:

1. If the above ballot issue is approved by the registered electors of the Town voting at the regular election to be held on November 8, 2022, this Ordinance shall become effective January 1, 2023.

2. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable, the invalidity or unenforceability of each section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

3. If this Ordinance becomes effective as provided herein, the Board of Trustees is authorized to make additions and amendments to the Town of Carbondale Municipal Code, effective January 1, 2023, to implement this new tax on short term rentals, as may be necessary to implement the intent and purpose of this Ordinance.

4. If this Ordinance does not for any reason become effective, or is declared invalid by a court, the provisions hereof shall have no force or effect, and all other acts, orders or ordinances of the Town shall continue to be effective as if this Ordinance was never adopted.

5. Upon adoption, this Ordinance shall be posted and published in accordance with the Home Rule Charter.

INTRODUCED, READ, AND PASSED this 23rd day of August, 2022.

THE TOWN OF CARBONDALE

By: Ben Bohmfalk
Ben Bohmfalk, Mayor

ATTEST: Cathy Derby
Cathy Derby, Town Clerk

