

RIDGWAY TOWN COUNCIL

MINUTES OF WORKSHOP

FEBRUARY 15, 2023

The Town Council convened for a workshop meeting at 6:00 p.m. in the Ridgway Community Center at 201 N. Railroad Street. The meeting was held both in person and via Zoom Meeting, a virtual meeting portal, pursuant to the Town's Electronic Participation Policy.

The Council was present in its entirety with Councilors Grambley, Kroger, Lakin, Schuyler, Thomas, Mayor Pro Tem Meyer and Mayor Clark in attendance.

Town Clerk's Notice of Budget Workshop Meeting dated February 2, 2023.

The Council received a Staff Report from the Town Manager dated February 10th presenting a background and options to create a dedicated revenue source to address affordable housing challenges.

Through a PowerPoint presentation the Town Manager presented an overview of potential revenue sources which included increases to sales tax, property tax, lodging tax; creation of impact fees, inclusionary zoning in-lieu of fee and a short term rental tax. He gave a broad overview of the Town's tax portfolio. He explained staff is recommending creation of a short term rental tax as short term rental has reduced the affordable housing supply by removing units which were previously occupied by residents. Rentals would be subject to the short term rental tax in addition to the existing lodging tax. If implemented the projected annual revenue from the new tax would be between 2% and 8%, and produce \$15,190 to \$60,760. Manager Neill noted if a tax option is pursued, staff will need to prepare resolutions creating ballot language as it relates to the Taxpayer Bill of Rights.

There was discussion by the Council regarding other revenue sources such as a speculative real estate tax or unoccupied home tax. There was discussion how the funds would be allocated.

Speaking from the audience, Andrea Sokolowski with the Home Trust of Ouray County, and Ouray County Commissioner and member of the Home Trust board, Jake Niece, spoke in support of implementing a dedicated revenue source. Ms. Sokolowski presented findings on the projected number of affordable housing units needed for rentals and home ownership over the next ten years. Commissioner Niece presented an update on state legislation and activities in other jurisdictions as it relates to dedicated revenue.

There was discussion by the Council.

The Town Manager summarized the direction given to staff research a vacant home or second homeowner tax, a short term rental tax in the ten to fifteen percent range, lodging tax increase of five percent and modifying how proceeds would be earmarked; enacting of an in-lieu of fee.

There was further discussion by the Council.

The meeting adjourned at 7:25 p.m.

Respectfully Submitted,

Pam Kraft, MMC  
Town Clerk