

**Short-Term Fix  
Long-Term Lease Incentive Program  
Participation Agreement**

This Participation Agreement (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2022 (the "Effective Date"), by and between the Town of Winter Park, 50 Vasquez Road, P.O. Box 3327, Winter Park, CO 80482, a Colorado home rule municipality (the "Town") and \_\_\_\_\_, a \_\_\_\_\_ with an address of \_\_\_\_\_ ("Participant") (each a "Party" and collectively the "Parties").

Participant wishes to participate in the Town's Short-Term Fix Long-Term Lease Incentive Program (the "Program") established by Resolution 2007 Series 2022, a copy of which is attached hereto as **Exhibit A**, and to do so, makes the following statements and representations:

1. Participant is eighteen years of age or older and owns real property within the Fraser Recreation District boundaries with a specific address of \_\_\_\_\_ that meets the Program's definition of a dwelling unit (the "Property").

2. The Property has not been long-term leased by the Participant within the past two years. For purposes of this Program, a long-term lease is a lease of more than one month in duration.

3. If Participant uses the Property as a short-term rental, as defined by Title 3, Chapter 9, of the Winter Park Municipal Code, the Property was registered with the Town on or before of August 1, 2022, and is in good standing with the Town.

4. Participant has provided proof to the Town that Participant has entered into a master lease for the Property of a minimum six-month duration with a business with a physical business location within the Town of Winter Park employing a total of 50 employees or fewer (the "Lessee").

5. The Property will be exclusively used and occupied by Lessee's employees for housing.

6. An Incentive Payment under the Program has been negotiated by the Parties and is set forth in **Exhibit B**, attached hereto and incorporated herein. Payment will be made by the Town when Participant has provided an executed lease for the Property with a Lessee, this Agreement, and a W-9.

7. Participant shall return a prorated portion of the Incentive Payment to the Town if the Property is not leased by Lessee for at least a six month term or otherwise fails to comply with the Program's requirements.

8. Participant shall provide the Town access to such records for the Property as may be reasonably necessary for the Town to confirm the Participant's eligibility for and compliance with the Program, and Participant consents to and will cooperate in a Town audit of such records.

9. Participant shall require Lessee to provide the Town access to such records as may be reasonably necessary for the Town to confirm Lessee's eligibility for and compliance with the

Program, and Participant shall require Lessee to consent to and cooperate in a Town audit of such records.

10. This Agreement commences on the Effective Date and continues until completion of Lessee's lease of the Property under this Program unless sooner terminated as provided herein.

11. For Participant's failure to comply with any of its duties under the Program or this Agreement, upon 7 days prior written notice to Participant, the Town may terminate this Agreement and may require Participant to return a prorated portion of the Incentive Payment.

12. Participant agrees to indemnify and hold harmless the Town and its officers, insurers, volunteers, representatives, agents, employees, heirs and assigns from and against all claims, liability, damages, losses, expenses and demands, including attorney fees, on account of injury, loss, or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other loss of any kind whatsoever arising out of or in any manner connected with this Agreement or the Program to the extent that such injury, loss or damage is attributable to the act, omission, error, mistake, negligence or other fault of Participant or any officer, employee, representative, or agent of Participant.

13. Because the Incentive Payment may qualify as a public benefit as defined by C.R.S. § 24-76.5-101, *et seq.*, the Town has verified Participant's lawful presence in the United States by review of an approved form of identification, and by signing below, Participant states he or she is a United States citizen or legal permanent resident or is otherwise lawfully present in the United States pursuant to federal law.

14. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Grand County, Colorado.

15. Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the Town shall not constitute a waiver of any of the other terms or obligation of this Agreement.

16. This Agreement constitutes the entire agreement between the Parties, superseding all prior oral or written communications.

17. There are no intended third-party beneficiaries to this Agreement.

18. Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent pre-paid, first class U.S. Mail to the Party at the address set forth on the first page of this Agreement.

19. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

20. This Agreement may only be modified upon written agreement of the Parties.



**Exhibit A**

*Attach Short-Term Fix Long-Term Lease Incentive Program Ordinance*

**TOWN OF WINTER PARK  
ORDINANCE NO. 566  
SERIES OF 2021**

**AN EMERGENCY ORDINANCE APPROPRIATING FUNDS, CREATING AN INCENTIVE PROGRAM TO ENCOURAGE PROPERTY OWNERS TO ENTER INTO LONG-TERM MASTER LEASES WITH LOCAL SMALL BUSINESS FOR EMPLOYEE HOUSING, AND AUTHORIZING THE TOWN MANAGER TO ESTABLISH GUIDELINES TO OPERATE THE PROGRAM AND TO AWARD INCENTIVE PAYMENTS**

WHEREAS, a critical shortage of workforce housing is straining local businesses and employees;

WHEREAS, local small businesses are reducing operating hours and limiting business operations due to challenges hiring and retaining staff who are unable to find affordable places to live in our community;

WHEREAS, the recently published Mountain Migration study identified the workforce housing crisis to be at a peak due to increased housing competition with higher-earning remote workers and new part-time residents;

WHEREAS, the COVID-19 pandemic has negatively impacted tourism and the local economy such the employers and employees alike have spent through reserve funds and are operating or living day-to-day; and

WHEREAS, the Town of Winter Park has taken action to bring additional deed-restricted workforce housing units into Town in the longer-term, additional immediate action is needed to address the workforce housing shortage during the construction and completion of these new deed-restricted units.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF WINTER PARK, COLORADO, THAT:

Section 1. The Town council appropriates \$325,000 from the General Fund to be used for the Short-Term Fix Long-Term Lease Incentive Program (the "Program") for use in 2021 in the form of incentive payments to property owners to subsidize rent lost to the property owners by participation in the Program ("Incentive Payments").

Section 2. The Town Manager is hereby directed to establish the Program within the following parameters:

- A) The rental property must be located with the Fraser Recreation District boundaries.
- B) Hotels, bed & breakfasts, and other traditional lodging properties, as defined by the Winter Park Municipal Code (the "Code"), are not eligible rental properties for the Program.

C) To be eligible for the Program, a rental property must be a dwelling unit, as defined by Chapter 11 of the Code, with a minimum size of 300 square feet, a kitchen that contains at least a sink, a refrigerator, and cooking facilities; and a full bathroom with at least a sink, toilet, and shower or bathtub. The rental property must be accessed by a separate outside entrance and must include parking deemed adequate by the Town.

D) To be eligible, a rental property must not have been long-term leased by the owner within the past two-years. For purposes of this Program a long-term lease is a lease of more than one month in duration.

E) A rental property that is an existing short-term rental, as defined by Title 3, Chapter 9, of the Code, must be registered with the Town as of August 1, 2021, and in good standing to qualify as a rental property in the Program.

F) Incentive Payments will be paid directly to a property owner who enters into a master lease of a minimum six-month duration with a business with a physical business location within the Town of Winter Park employing a total of 50 employees or fewer to provide the local business' employees with housing in the rental property.

1. The actual Incentive Payment amount for a rental property will be negotiated with each property owner, and payment from the Town will depend upon the specifics of each rental property, including, without limitation, the demonstrated rent lost by the property owner in placing the rental property in the Program.

2. The Town will make an initial Incentive Payment offer to a property owner upon finding the rental property is eligible for participation in the Program.

3. Incentive Payment guidelines are generally as follows but are subject to adjustment depending on a rental property's specific and documented circumstances: one-bedroom and studio unit would be eligible for a \$5,000 incentive for a six-month lease, or \$10,000 for a 12-month lease; two and three-bedroom units will be eligible for a \$10,000 incentive for a six-month lease or \$20,000 for a 12-month lease.

G) The Program shall contain a provision requiring the rental property owner to return a prorated portion of the Incentive Payment if the rental property is not leased by a local business for the minimum required term.

H) Program participants, both property owners and local businesses, shall agree to audits and to provide the Town with property, tax, business, rental records, and the like, as may be reasonably necessary for the Town to confirm the participants' eligibility for and compliance with the Program.

I) No rental property owner and no local business is guaranteed participation in the Program. Program funds will be awarded on a first-come, first-served basis.

Section 3. Town staff shall develop rules and regulations for the Program's administration, including without limitation, clarifying definitions of eligible local businesses and eligible property owners; developing applications and other forms; establishing a process for reviewing applications and making Incentive Payments; and creating an appeal process for property owners or rental properties denied participation in the Program.

Section 4. The Program will automatically expire on December 31, 2021, unless funded in the Town's 2022 adopted budget and continued by a future action of the Town Council.

Section 5. Pursuant to § 4.11 of the Town Charter, the Town Council hereby finds and declares that this ordinance is necessary for the immediate preservation of the public health, safety and welfare by assisting in ameliorating the negative effects of the COVID-19 pandemic on the local workforce, a lack of affordable workforce housing, and to address the critical employment challenges facing restaurants and other businesses in the Town.

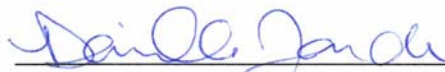
Section 6. This ordinance shall take effect immediately upon approval by 5 affirmative votes.

INTRODUCED, ADOPTED, AND ORDERED PUBLISHED this 7<sup>th</sup> day of September 2021. Publication in summary shall occur within 10 days after adoption or as soon as possible thereafter.

TOWN OF WINTER PARK

  
\_\_\_\_\_  
Nick Kutrumbos, Mayor

ATTEST:

  
\_\_\_\_\_  
Danielle Jardee, Town Clerk

**Exhibit B**

*Describe Incentive Payment*

**\$20,000 for a one year**

**lease of a two-**

**bedroom unit**