



**Blue River Staff Report**  
October 2023

Town of Blue River  
0110 Whispering Pines Circle  
Blue River, CO 80424

970-547-0545  
michelle@townofblueriver.org  
<https://townofblueriver.colorado.gov>



## Communications & Happenings

- **Wildfire Mitigation Projects**

- The Town received a \$155,000 grant from Colorado State Forest Service to conduct right-of-way mitigation work on all roads within the Town limits. The project will begin in 2024. Information on the project is attached.
- An in-person presentation was conducted on September 7<sup>th</sup>. Twenty citizens and staff attended. A webinar presentation was held via Zoom on September 21<sup>st</sup> with another 19 residents in attendance.

- **Broadband**

- An application was submitted to the Colorado Broadband Office for \$7 million. Awards will be announced in November.

- **Roads**

- Road grading was completed October 2-13<sup>th</sup>. Crown, Louise Placer Rd, Golden Crown, CR 801, Lakeshore Loop, Gold Nugget, Miners Ct, Coronet, Bonanza, Pennsylvania Creek tr, Holly Ln, Royal Dr, Regal, Blue River Rd, Rock Springs Rd, Blue Rock Rd.
- Mag: Crown, Louise Placer Rd, Golden Crown, CR 801, Lakeshore Loop, Gold Nugget, Coronet, Bonanza, Holly Ln, Royal Dr, Regal, Blue River Rd, Rock Springs Rd, Blue Rock Rd, Wilderness Rd, Mountain View Rd, Gray Squirrel
- **Additional Work completed:**
  - Coronet: It was discovered that an extra long culvert had been installed and had failed. This culvert (500' long) was removed as it wasn't necessary. Rip rap was placed and the drainage ditch was fixed. A culvert on Bonanza and Holly was cleared. The corner of Coronet heading up to the trail head is often cut short and tires spin out to get up the hill causing the hump in the road. This was fixed. 7,700 gallons of mag, one load of road base for Coronet Trailhead, one load of rip rap/cobble for the ditch on Coronet.
  - Bonanza: The sign had been hit by a boulder. Betone Contracting came back and straightened the sign.
  - Blue Grouse: Road base was added to Blue Grouse from Starlit to Theobald Way which was lacking material to grade. In addition, crews crowned the road and cleared the ditch.

- Starlit/Sherwood/Red Mountain: Crews worked on the “pond” that forms at Red Mountain to ensure there is a ditch and crowning. The culvert at Sherwood/Starlit was cleared along with ditch clearing at 0014 Sherwood.
    - Spruce Creek Road: Grading was conducted and minor ditch work with crowning to ensure water stays in the ditch. Additional clearing was conducted at the intersection and mag-chloride applied.
  - **Use of mag-chloride:**
    - Comments have been received concerning the application of mag-chloride. Mag-chloride is a common application utilized on dirt roads. This summer an application of Earth Bind was applied to Spruce Creek Road with success in prolonging the need for additional grading. Plans are to apply this application to Spruce Creek Road and Blue River Road in 2024.
    - To address environmental concerns surrounding mag-chloride the contractor has provided the following information:
      - The solutions we use are roughly 65-75% water, 25-35% magnesium chloride, and less than 5% magnesium sulfate. While we understand that there are environmental concerns, the concentration and application frequency (once per year in most cases) does reduce the potential concerns and overall impact. We do our best to strike a delicate balance between prioritizing road safety and maintenance while minimizing material usage, considering both environmental impacts and budget constraints.
- **Prop HH**
  - A staff report on potential budget impacts for Prop HH and an explanation of the ballot question are included. The report reflects property tax income with the full 12.290 mills; the 5.5% tax limit applied and mill reduction for 2024; implications if Prop HH passes.
- **Town Emails**
  - In an effort create a cohesive system for emails to ensure all communications with Town Officials is consistent, email accounts for Board of Trustees, Planning & Zoning Commission, Citizen Advisory Commission, and Open Space and Trails Advisory Commission will be migrated to townofblueriver.org Microsoft Accounts. The migration is expected to take place by the first of November.

## **Town Statistics**

Facebook Page Likes  
Town-1,300  
Police Department-902  
Instagram-1,238 followers  
Twitter (X)-76 followers  
Threads-92  
Residents on Email List-994  
Blue River News-1,171

**Business Licenses-258**

**Lodging Registrations-223**

## **Municipal Court October 2023**

Total tickets written for September Court: 27  
Total on the October Docket: 4  
Total October Failure to appear(s): 4  
Total October OJW(s): 0

## **Building Statistics**

**September 2023**

**Permits Issued: 25**

**YTD: 185**

**Inspections: 65**

**New Construction 2023: 2**

**Certificates of Occupancy 2023: 4**



## End of Month Report: September 2023

### **Calls for Service**

Total number of a calls: 284 Top  
10 calls as follows:

Traffic Stop	138
Area Patrol	49
Trespass	12
Backup Another Agency	10
Parking Violations	7
Suspicious Person	7
Animal Complaint	13
Motorist Assist	7
Extra Watch Request	6
Road Hazards	4

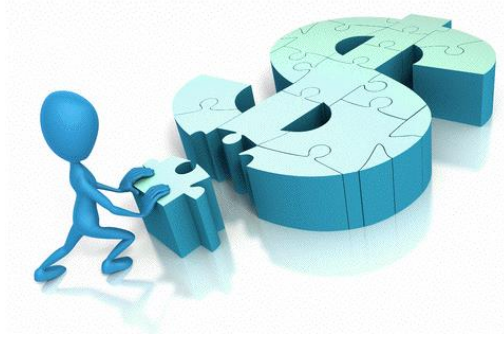
**Summary:** September was the highest call volume thus far for the year. Total motor vehicle accidents are currently equal to last year's total, with two of the most dangerous driving months still ahead.

Arrests: DUI = 2, misdemeanor = 3.

### **Current Administrative Focus**

- Staffing – A new officer has completed training, bringing staff to full capacity.
- Patrol Vehicle– Is still being outfitted with equipment to better serve the community and improve officer safety. Additional improvements are planned for other patrol vehicles.
- Speed Trailer – Trailer has been placed on Hwy. 9 and Spruce Creek Rd. to capture highway safety data and improve driver awareness.
- CDOT – has begun a traffic safety survey along Hwy. 9 as requested by this department.

Report prepared by: Chief,  
David Close



## Financial Summary Report

Prepared by: Michelle Eddy, Town Manager

Month Ending September 30, 2023

### Revenues/Expenditures:

Revenues are tracking ahead of budget by 15.46%. Sales tax is tracking ahead of budget. Building is doing better than expected with many small permits. Other income including interest on investments are ahead of budget. Court is currently tracking behind budget but is picking up momentum as we become fully staffed again. Expenditures are above budget by 3.74%. Utilities continue to increase in expense primarily at Town Hall. Auto repairs are exceeded budget due to unforeseen repairs on the 2015 sedans. The Town is sitting in a good position and staying on track with planned revenues and expenditures.

### Reserve Accounts \*As of 9/30/2023

#### Unrestricted

Reserve accounts Alpine Bank:	\$1,384,970.61
First Bank Time Savings:	\$95,000.00
CD's Citywide Bank:	\$211,498.41
Colorado Trust Assigned to Capital:	\$3,042,523.33
Colorado Trust Assigned to Broadband:	\$100,227.16
CSAFE:	\$100.00
Illiquid Trust Funds:	\$1,187.42
<b>Total Unrestricted</b>	<b>\$4,835,506.93</b>

#### Restricted

American Rescue Plan Funds:	\$234,517.69
Conservation Trust:	\$137,955.81
<b>Total Reserves Restricted</b>	<b>\$372,473.50</b>



# Town of Blue River

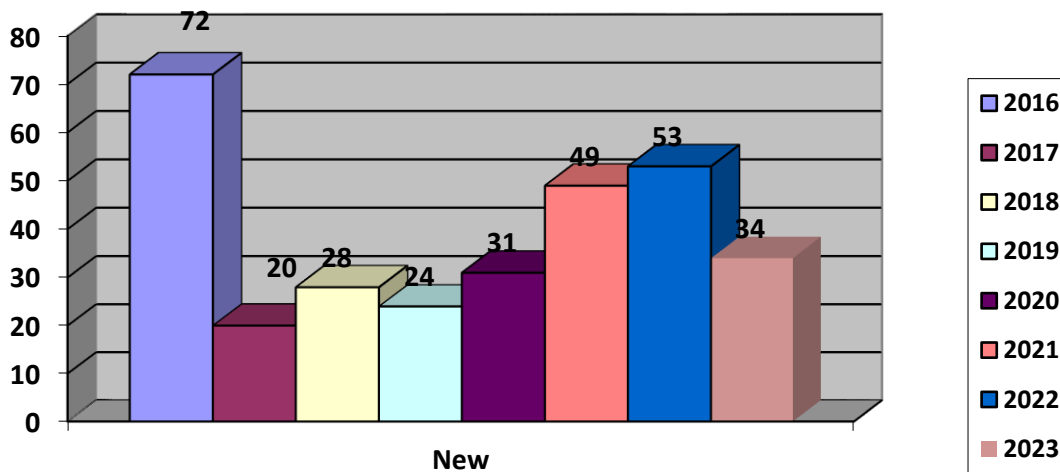
**Staff Report**  
**Short-term Rental Update**  
**August 31, 2023**  
**Submitted By: Michelle Eddy, Town Manager**

## Statistics

Issued by Year

2016	72	*Previous number included previous years prior to Town taking over program
2017	20	
2018	28	
2019	24	
2020	31	
2021	49	
2022	53	
2023	34	

**Total Active Licenses as of 9/30/2023: 223**



**New (never rented before) Licenses by year:**

- 2017-20
- 2018-25
- 2019-20
- 2020-25
- 2021-43
- 2022-35
- 2023-25

**License turnover (STR one owner to the next):**

- 2017-0
- 2018-3
- 2019-4
- 2020-6
- 2021-6
- 2022-18
- 2023-9

**Annual Revenue**

<b>Year</b>	<b>Sales Tax</b>	<b>Lodging Tax</b>
2016	\$264,757.05	\$123,742.00
2017	\$237,468.92	\$126,585.55
2018	\$286,968.54	\$155,511.07
2019	\$425,616.72	\$166,883.33
2020	\$842,141.13	\$176,339.81
2021	\$844,558.23	\$228,743.34
2022	\$1,002,256.27	\$327,762.62
2023	\$837,713.93	\$229,940.73



## Percentage of STRs by Subdivision

***\*\*Please note the percentage of STRS is based on total homes built within each subdivision and NOT buildable lots.***

Subdivision	Built Lot	# STR	%STR **	% Build Out	% Full-Time Res.
96 Sub	37	9	24%	90%	30%
97 Sub	41	12	29%	84%	37%
Aspen View	16	7	44%	80%	13%
Blue Rock Springs	50	13	24%	93%	46%
Bryce Estates	4	1	25%	57%	0%
Clyde Lode	1	0	0%	50%	0%
Coronet	31	10	32%	78%	35%
Crown	67	22	33%	93%	28%
DOT Condo	36	6	14%	100%	31%
DOT Placer	2	0	0%	50%	100%
Golden Crown	5	3	60%	63%	20%
Lakeshore	40	12	30%	93%	23%
Leap Year	21	8	38%	91%	43%
Louise Placer	8	4	50%	73%	13%
McCullough Gulch	3	1	33%	43%	67%
Misc Sec TR7-77 Land	5	0	0%	22%	40%
Mountain View	44	13	27%	96%	34%
New Eldorado Sub	8	4	50%	73%	38%
New Eldorado Townhomes	9	1	11%	100%	56%
Pennsylvania Canyon	2	0	0%	100	0%
Pomeroy	0	0	0%	0%	0%
Rivershore	5	0	0%	63%	0%
Royal	67	18	27%	94%	31%
Sherwood Forest	78	19	24%	90%	23%
Silverheels	4	1	25%	67%	29%
Spillway	20	2	11%	90%	25%
Spruce Valley Ranch	45	0	0%	68%	20%
Sunnyslope	30	13	43%	86%	33%
Timber Creek Estates	71	28	39%	89%	7%
Wilderness	55	16	29%	96%	33%

## General Statistics

- Total Percentage of short-term rentals 28%
- “Local” Breckenridge, Dillon, Frisco or Silverthorne addresses with STR License: 26 or 12%

## Code Violations 2015-2023

<b>Total Violations:</b>	<b>301</b>
Violations for STR's while licensed as an STR:	141 (47%)
Percentage of Repeat Offenders:	1%

# **Town of Blue River**

## **Hazard Tree Right-of-Way Mitigation**

### **Project**

#### **2024-2027**

#### **Purpose:**

The Town of Blue River has worked for the last ten years, to encourage residents to create defensible space around their homes. Through the Summit County Wildfire Council grants, 147 homes have been mitigated. An additional 30 homes were mitigated outside of the grant program. The Town has installed 21 cisterns throughout town to provide water resources in case of an emergency. The Colorado State Forest Action Plan identifies the need for proper road construction as well as hazards of narrow roads and densely spaced homes. It is necessary to reduce the risk of uncharacteristic fires. The project will reduce the risk of trees falling and blocking the road. This risk is identified for the Town of Blue River in the Summit County Hazard Mitigation Plan. The project area was selected due to its proximity to a proposed Colorado State Forest Service project. All homes within the project area are served by private wells. By reducing the fire risk, the project is protecting the ground water supply.

In addition to the right of way mitigation, the Town of Blue River will host a one-day chipping event to allow residents the opportunity to bring slash to the Town Park to be chipped. The wood chips will then serve for playground surface.

#### **Goals:**

The goal of the project is to enhance the safety of the roads and property through the entire town for emergency and mitigation purposes.

#### **Tentative Schedule:**

**2024:** 96 Sub; Blue Rock Springs; Coronet; Mountain View; Royal; Sherwood Forest; Wilderness

**2025:** 97 Sub; Aspen View; Crown; Golden Crown; Leap Year; Louise Placer McCullough Gulch; New Eldorado; Silverheels; Sunnyslope;

**2026:** Bryce Estates; Lakeshore; Rivershore; Spillway; Spruce Valley Ranch; Timber Creek Estates

#### **Process:**

The Town will work with Red, White and Blue Fire along with Beetle Kill Tree Service and TSH to identify hazard trees within 5' of road right-of-way on both sides of the road. Once identified, the Town will work with residents for agreement to remove the hazard trees.

## **Proposition HH: Reduce Property Taxes and Retain State Revenue**

Proposition HH will appear on Colorado voters' November ballots. In addition to the below summary and analysis from CML, a detailed analysis of the measure by the General Assembly's Legislative Council Staff is available at <http://leg.colorado.gov/ballots/reduce-property-taxes-and-retain-state-revenue>.

### **CML Summary and Analysis**

*Assessment rate/valuation changes:* The General Assembly referred Proposition HH to voters by [SB 23-303](#). The measure temporarily lowers the assessment rates for both residential and certain types of nonresidential properties for a ten year-period. For the 2023 property tax year, the measure provides all residential properties with a \$50,000 reduction in value, and for the 2024 property tax year, provides all residential properties with a \$40,000 reduction in value. Starting in the 2025 tax year, the measure creates a distinction between owner-occupied primary residences and non-owner-occupied residences and, starting that same year, only owner-occupied homes will be afforded the \$40,000 reduction in actual value on an annual basis. The measure also creates a "qualified-senior primary residence" exemption of \$140,000 starting in the 2025 property tax year, which will be portable. Both the owner-occupied primary residence exemption and qualified-senior primary residence exemption require taxpayers to apply with their respective county assessor to obtain the exemption.

These changes to assessment rates and valuation provide some property tax relief by lowering the property taxes owed by property owners, compared to what would be owed without the measure. This results in a decrease in property tax revenue collected by local governments, compared with what is authorized under current law. This means that in property tax years when property values increase, like the 2023 property tax year, taxpayers will still see an increase in property taxes under Proposition HH, but the increase will likely be less than the increase would be without the measure; likewise, local governments may see an increase in property tax revenue even if Proposition HH passes, but it will likely be less of a revenue increase than would occur without the measure. If property values remain stagnant or decrease in future property tax years, Proposition HH may result in a greater decrease in property taxes owed by taxpayers and may result in a greater decrease in property tax revenue for local governments. This analysis rests on the assumption that local governments keep their mill levy the same each year, which is not typically the case, and would further impact the analysis.

*Revenue limit:* Starting in the 2023 property tax year, Proposition HH limits growth in property tax revenue for local governments, except for school districts and home rule municipalities and counties (but not any of their special purpose districts). The limit is the rate of inflation, as dictated by the Denver-Aurora-Lakewood CPI (based on the most recently published estimate of inflation for the prior calendar year), over the prior year's property tax revenue. The measure sets forth certain categories of revenue that are exempt from this limit.

## **CML Opposes Proposition HH**

### **Reduce Property Taxes and Retain State Revenue**

The General Assembly referred Proposition HH to voters through **SB 23-303** for the November 2023 election.

#### WHAT DOES PROP HH DO?

Please review CML's **detailed summary and analysis of Proposition HH**, particularly the aspects that restrict local governments from properly addressing local government revenues.

Proposition HH contains three main components:

1. Provides some property tax relief by lowering assessment rates for both residential and certain types of nonresidential properties, providing a reduction in value for certain residential properties, and by increasing the senior homestead exemption and making that exemption portable.
2. Imposes a limit on growth in property tax revenue for local governments (except for school districts and home rule jurisdictions), which would be capped at the rate of inflation. Local governments can exceed the revenue limit if the governing body, on an annual basis, notifies the public, holds a meeting for public comment, and adopts an ordinance or resolution.
3. Seeks a voter-approved revenue change that would allow the state to retain and spend part of the state surplus (TABOR cap) up to the "Proposition HH cap." This money will then be used to provide a partial and contingent backfill for the property tax revenues that local governments will lose out on because of the various reductions that will go into effect and to provide rental assistance; the largest portion of the state-retained revenue will go to fund K-12 education.

#### CML OPPOSES PROPOSITION HH

On Sept. 8, the CML Executive Board approved a position of opposition on Proposition HH, a measure on this fall's ballot.

***CML opposes Proposition HH because of the unnecessary constraints on municipal authority to provide appropriate localized property tax relief, and the restriction of municipal tax revenue.***

If approved by voters, this measure will impact 2024 budgets for local governments, specifically property tax revenues.

## MUNICIPALITIES ENCOURAGED TO DETERMINE LOCAL IMPACT BEFORE CONSIDERING A POSITION

CML encourages municipalities to first determine the local impact of Proposition HH before considering a position.

Municipalities may adapt this **sample resolution in opposition** if they choose to take a position on Proposition HH. The sample resolution includes areas for a municipality to describe how it relies on property tax revenue and the potential reductions in revenue. County data on the estimated revenue reductions under SB 22-238 and Proposition HH is available below and can be used to help estimate the fiscal impact on each municipality's 2024 budget. Municipalities should also consider the impact of backfill funding from the state in determining the fiscal impact of SB 22-238 and Proposition HH. *Any resolution should be reviewed by your municipal attorney.*

### BUDGETING RESOURCES

Given that local governments are in the process of establishing 2024 budgets now, but do not know whether Proposition HH will pass, local governments should consider budgeting for 2024 under either potential outcome. To assist local governments in the budgeting process, the Department of Local Government has added some new resources to their **Budget Information and Resources** webpage, including a **Modified Proposition HH Calendar** that lays out potential budget date changes in the event Proposition HH passes in November 2023, as well as a **Proposition HH Budget Planning** resource created in collaboration with CML, the Special District Association of Colorado, and Colorado Counties, Inc.

Additionally, under SB 23-303, county treasurers were required to report certain property tax data for each taxing jurisdiction within the county to the State Property Tax Administrator by September 15, 2023. The reported data includes the estimated total property tax revenue reduction for the 2023 property tax year and the estimated increase in assessed value from the 2022 property tax year to the 2023 property tax year. Both the estimated revenue reduction and increase in assessed value must be calculated (1) based on the temporary reductions in valuation from SB 22-238, and (2) based on the cumulative temporary reductions in valuation from SB 22-238 and SB 23-303, if Proposition HH passes. The Division of Property Taxation (DPT) created **two spreadsheets** (one for standard reporting and one for reporting with TIF) that counties could elect to use in calculating this information for each taxing jurisdiction within the respective county. After creating the first iteration of this spreadsheet, DPT held a stakeholder meeting (**recording available**), primarily to educate county treasurers and assessors on how to complete the spreadsheet. The State of Colorado additionally provided CML with the compiled spreadsheet from **county submissions** on September 15, and a link to **individual county spreadsheets**. CML recommends contacting your respective county treasurer or assessor if you have questions about this data when working on your 2024 municipal budget.

### CONTACT

**Kevin Bommer** | CML executive director

## Budget Implications/Impacts

Level	Mill Levy	Property Tax Revenue	Mill Levy Reduction	Property Tax Revenue Reduction
No Limit**	17.05	\$1,642,898.44		
12.290 Voter Approved Mills	12.290	\$1,184,235.89	(4.76)	(\$458,662.55)
5.5% Tax Limit not currently waived	8.4962	\$818,682.00	(3.7938) from voter approved mills	(\$365,553.89)
			(8.5538) from no limit	(\$824,216.44)
With Prop HH	6.70	\$583,304.55	(5.59) from voter approved	(\$600,931.34)
			(10.35) from no limit	(\$1,059,593.89)
			(1.7962) from 5.5% limit	(\$235,377.45)

- \*\*No limit does not apply as the Town approved a 12.290 mill levy. If the Town were a Home Rule municipality with no limit, this may apply.
- Based on the State's proposal, backfill will only apply to those with less than a 20% increase in valuations. It is likely that Blue River would not qualify for a backfill.
- For understanding of where the missed funding could be applied:
  - 2024 Road Maintenance Budget \$300,000
  - 2024 Snow Plow Contract \$245,000
  - Estimated capital improvement project (based on the 2018 Capital Improvement Plan)
    - Spruce Creek Road: \$484,000
    - Sherwood/Starlit: \$237,000
    - Coronet: \$107,000