



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - City Administrator	November 19, 2024

AGENDA ITEM

Resolution 2024-69, A Resolution of the City Council for the City of Salida Colorado Expressing Support for the Colorado Association of Ski Towns 2024 Legislative Position Statement on Housing Legislative priorities and Colorado Municipal League's Policy Committee Recommendations for CML Initiated Legislation

BACKGROUND

In a statement put out by the Colorado Association of Ski Towns, CAST reported that "The Colorado Association of Ski Towns (CAST) represents the mountain resort communities throughout Colorado. Colorado ski industry generates \$4.8 billion in annual economic output, supports more than 46,000 year-round equivalent jobs, and generates \$1.9 billion per year in labor income. The lack of available and attainable housing for employees in Colorado mountain resort communities has reached a crisis level which is directly impacting the provision of basic services as well as the ability to adequately staff and operate all businesses, from ski resort companies to local, small businesses. CAST supports targeted legislation to provide additional financial tools for Colorado mountain communities to address housing needs."

This statement was shared with the Colorado Municipal League's (CML) Policy committee with a request that that committee recommend support for CML initiated legislation for three proposals.

1. Draft legislation to specifically authorize counties and municipalities to refer short-term rental (STR) taxes to voters with the proceeds dedicated to local workforce and affordable housing. The proposal would create enabling legislation that allows statutory municipalities to ask the voters to establish an STR rental tax similar to the lodging tax that many counties and home rule municipalities are currently able to assess.
2. Draft legislation to specifically authorize municipalities and counties to refer residential vacancy tax questions to their voters. This could be done by allowing the local government to choose between implementing an additional property tax mill levy or a tax assessed on the home's square footage or property value. The vacancy tax idea appears to be the most controversial of the three proposals. In the past County assessors have raised concerns about their potential role in administering this tax. More specific details about how a vacancy tax would be implemented are needed to determine if there is a path forward.
3. Draft legislation expressly allowing municipalities and counties to adopt fees on the transfer of real estate, with the fee revenue dedicated to funding local affordable housing and workforce housing within the municipality and county. Governor Polis has been vocally opposed to such a bill concept and stated last session that he would veto a real estate transfer fee bill if it got to his desk. If the Governor's stance has not changed, there is likely no path forward for such legislation.

Each proposal received support from the Policy Committee to support CML initiated legislation.

RECOMMENDATION

CAST and CML member communities have passed resolutions or made motions supporting the legislative positions. Given the work being done in Salida to increase access to affordable housing, balancing the needs of the community and addressing the statutory limitations the City has when it comes to implementing many solutions, Staff recommends approval of the attached resolution.

FISCAL IMPACT

There is no fiscal impact with this resolution.

MOTION

A Councilmember should state "I move to _____ Resolution 2024-69, A Resolution of the City Council for the City of Salida Colorado Expressing Support for the Colorado Association of Ski Towns 2024 Legislative Position Statement on Housing Legislative priorities and Colorado Municipal League's Policy Committee Recommendations for CML Initiated Legislation.", followed by a second and a roll call vote.

**CITY OF SALIDA, COLORADO
RESOLUTION NO. 69
(Series of 2024)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO,
EXPRESSING SUPPORT FOR THE COLORADO ASSOCIATION OF SKI TOWNS
2024 LEGISLATIVE POSITION STATEMENT ON HOUSING LEGISLATIVE
PRIORITIES AND THE COLORADO MUNICIPAL LEAGUE'S POLICY COMMITTEE
RECOMMENDATIONS FOR CML INITIATED LEGISLATION**

WHEREAS, The City of Salida is a member of the Colorado Association of Skit Towns and the Colorado Municipal League; and

WHEREAS, The City Council recognizes the importance of municipal discretion that best supports the individual needs of each community; and

WHEREAS, The City Council recognizes the need to address the needs of workforce and affordable housing in our community.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

1. The City Council incorporates the foregoing recitals as findings by the City Council.
2. The City Council hereby supports the attached Colorado Association of Ski Town 2024 Colorado Legislative Statement on Housing and subsequent CML Initiated Legislation Recommended by the CML Policy Committee.

RESOLVED, APPROVED AND ADOPTED this ____ day of _____, 20__.

CITY OF SALIDA, COLORADO

By _____

Mayor

[SEAL]

[ATTEST] _____
City Clerk/Deputy City Clerk



COLORADO ASSOCIATION OF SKI TOWNS

2024 COLORADO LEGISLATIVE POSITION STATEMENT ON HOUSING

OVERVIEW: The Colorado Association of Ski Towns (CAST) represents the mountain resort communities throughout Colorado. Colorado's ski industry generates \$4.8 billion in annual economic output, supports more than 46,000 year-round equivalent jobs, and generates \$1.9 billion per year in labor income. ([RRC Associates](#)). The lack of available and attainable housing for employees in Colorado mountain resort communities has reached a crisis level which is directly impacting the provision of basic services as well as the ability to adequately staff and operate all businesses, from ski resort companies to local, small businesses. CAST supports targeted legislation to provide additional financial tools for Colorado mountain communities to address housing needs.

AUTHORIZE LOCAL SHORT-TERM RENTAL TAXES: CAST supports legislation to specifically authorize counties and municipalities to refer short term rental taxes to the voters with the proceeds of such revenues to be dedicated to local workforce and affordable housing.

AUTHORIZE LOCAL VACANCY TAXES: CAST supports legislation to clearly allow municipalities and counties to refer residential vacancy taxes to their voters. Census data shows residential vacancy rates soaring above 40% in some Colorado mountain towns facing acute housing shortages. Vacancy taxes, also known as empty homes taxes, incentivize homeowners to rent their homes to local residents rather than rent them at peak times and leave them empty most of the year. Additionally, this would disincentivize the use of homes as investments and result in a higher utilization as actual homes. Revenue from the tax would fund local affordable and workforce housing. CAST proposes that county assessors or the state facilitate the process by identifying the vacant homes in a taxing jurisdiction and tying enforcement into existing administrative processes

AUTHORIZE LOCAL REAL ESTATE TRANSFER FEES: The Colorado Constitution prohibits new *taxes* on the transfer of real estate, but the courts have long held fees to be different from taxes. CAST supports legislation to expressly allow municipalities and counties to adopt fees on the transfer of real estate, with the fee revenues to fund local affordable and workforce housing. This can be a powerful tool; total revenues from legacy real estate transfer taxes in CAST member municipalities have risen above \$80 million annually.

CAST TO WORK WITH PARTNER ORGANIZATIONS: In supporting this position statement, CAST members support CAST seeking to work with the Colorado Municipal League; Colorado Counties, Inc.; Colorado Counties Acting Together; and any other organizations who agree to support these proposals, and members formally request these organizations initiate and pursue this legislation on their behalf.

CONTACT INFORMATION: For more information please contact, Margaret Bowes, Executive Director, Colorado Association of Ski Towns, (970) 389-4347, mbowes@coskitowns.com; or Dan Kramer, CAST Housing Task Force Chairperson, dkramer@estes.org.

Requests for CML Initiated Legislation

Taxation: Lodging and Vacancy Taxes

The Town of Estes Park, with the support of 12 other member municipalities that are also Colorado Association of Ski Towns (CAST) members, submitted three tax related proposals for consideration. These proposals aim to give municipalities authority and flexibility to raise revenue to support housing initiatives tailored to their individual needs. Representatives of CAST have been discussing these proposals with potential bill sponsors. Listed below is a description and brief discussion of each proposal.

Proposal 1 – Draft legislation to specifically authorize counties and municipalities to refer short-term rental (STR) taxes to voters with the proceeds dedicated to local workforce and affordable housing. The proposal would create enabling legislation that allows statutory municipalities to ask the voters to establish an STR rental tax similar to the lodging tax that many counties and home rule municipalities are currently able to assess.

Proposal 2 - Draft legislation to specifically authorize municipalities and counties to refer residential vacancy tax questions to their voters. This could be done by allowing the local government to choose between implementing an additional property tax mill levy or a tax assessed on the home's square footage or property value. The vacancy tax idea appears to be the most controversial of the three proposals. In the past County assessors have raised concerns about their potential role in administering this tax. More specific details about how a vacancy tax would be implemented are needed to determine if there is a path forward.

Proposal 3: Draft legislation expressly allowing municipalities and counties to adopt fees on the transfer of real estate, with the fee revenue dedicated to funding local affordable housing and workforce housing within the municipality and county. Governor Polis has been vocally opposed to such a bill concept and stated last session that he would veto a real estate transfer fee bill if it got to his desk. If the Governor's stance has not changed, there is likely no path forward for such legislation. *Lobbyist: Elizabeth Haskell*