

HOUSING TASK FORCE UPDATE

Friday, August 26, 2022

Dara MacDonald,
Crested Butte
Town Manager



BACKGROUND

- **Housing was identified as a crisis issue for all CAST members at the Telluride CAST in August, 2021**
- **CAST formed the Housing Task Force to focus on Housing solutions**
- **Increased funding was identified as a primary goal in fall, 2021**
- **Focus on 2022 Legislative Session**

ACCOMPLISHMENTS

- Created 2022 Legislative Position Statement
- Updated and Expanded CAST STR Ordinance Matrix
- Briefed by Sen. Bennet's Office on Federal Housing Roundtable
- Partnered with CCAT, CCI & CML
- Supported and commented on five separate housing bills



COLORADO ASSOCIATION OF SKI TOWNS HOUSING TASK FORCE 2022 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 locally-based small businesses. The CAST Housing Task Force supports targeted legislation to provide increased financial resources for Colorado mountain communities to address housing needs.

LODGING TAXES: CAST supports broadening the use of local marketing district and lodging tax revenues by statutory counties and municipalities to include expenditures for local workforce housing purposes.

SHORT-TERM RENTALS: CAST supports legislation to specifically authorize statutory counties and municipalities to refer Short Term Rental taxes to the voters with the proceeds of such revenues to be dedicated to local workforce housing and associated public infrastructure improvements.

INCREASE AMI THRESHOLDS FOR STATE AND FEDERAL FUNDING: CAST supports legislation that would increase AMI thresholds for state and federal funding for local workforce housing purposes up to 150% for rental housing and 200% for ownership housing. Programs offered by state and federal agencies have historically had AMI limits at or around 80%, yet much of the acute need for affordable housing, both rental and ownership, exists for households well beyond 80% AMI. This is hugely important in mountain communities where, for example, free market housing can be unaffordable even to a workforce making over 150% AMI. According to the 2021 Mountain Migration Report, most households earning up to 200% AMI struggle to afford homes in CAST communities.

AMENDING TABOR TO AUTHORIZE RETT: CAST supports legislation which would refer a constitutional amendment to Colorado voters to authorize Real Estate Transfer Taxes (RETT) with a limitation that the revenues from such RETT would be dedicated for local workforce housing purposes. The TABOR constitutional amendment in 1992 prohibited any new or increased RETTs. RETT has been demonstrated to be a valuable revenue generator, especially during periods of extreme price escalation and property speculation. A constitutional amendment would only authorize local county and municipal jurisdictions to refer a RETT question to local voters. Any amendment is not intended to effect, impact, reduce or alter any existing RETTs in Colorado.

CONTACT INFORMATION: For more information please contact, **Margaret Bowes, Executive Director, Colorado Association of Ski Towns**, (970) 389-4347, mbowes@coskitowns.com; or Eric Heil, CAST Housing Task Force Chairperson, (303) 518-4678.

Legislation

Strong advocacy for increasing AMI

- **SB 22-159** Revolving Loan Fund – **PASSED**
Division of Housing, DOLA
- **HB 22-1304** Local Government & Nonprofit Grants – **PASSED**
Division of Housing, DOLA
Division of Local Government, DOLA
- **SB 22-146** Middle Income Access Program Expansion – **PASSED**
Colorado Housing and Finance Authority (CHFA)
- **HB 22-1282** Innovative Housing Incentive (modular) – **PASSED**
Office of Economic Development
- **HB 22-117** Use of Lodging Tax - **PASSED**

NEXT STEPS *Primarily focused on state legislation*

1. Continued collaboration with CCAT, CCI, CML
2. Engage in housing & STR legislation as appropriate (potential STR Transparency & Data bill)
3. Support Counties taxing STRs, rather than taxing as commercial
4. Advocate for State to include Lodging Taxes and STR Taxes in the Sales & Use Tax System (SUTS)
5. Seek Re-Authorization of Real Estate Transfer Tax for Housing
6. Monitor and understand Federal funding and potential use for housing projects
7. Continue Discussion of Housing Goals and Benchmarks

Discussion

1. Feed back on Next Steps?
2. Is there a need for increased planning funds?
3. New STR taxes (Frisco adopted in Spring)
4. New STR regulations (Aspen, Avon recently adopted)
5. Biggest challenges? (Land and construction costs? neighborhood opposition?)

