



Tawn Hillenbrand <hillenta@co.larimer.co.us>

Newell-Warnock Water Association request

Newell-Warnock Water Association <newellwarnockwaterassociation@gmail.com>

Mon, Oct 31, 2022 at 7:53 PM

To: JShaddockMcNally@larimer.org, jkefalas@larimer.org, kstephens@larimer.org, ellislk@co.larimer.co.us, laffermn@co.larimer.co.us, threewdl@co.larimer.co.us, whitlemd@co.larimer.co.us, mottsb@co.larimer.co.us, mckennvi@co.larimer.co.us, maydw@co.larimer.co.us, hillenta@co.larimer.co.us, martinad@co.larimer.co.us, lashersm@co.larimer.co.us, hickstt@co.larimer.co.us, hastinta@co.larimer.co.us

Dear Larimer County Commissioners and Development Planning,

We are writing to communicate concerns and a resolution by our water members at our recent annual meeting on October 20, 2022. The Newell-Warnock Water Association Membership and Board of Directors voted to request that Larimer County postpone approval of Short Term Rental applications for properties that are within the NWWA distribution boundaries. Short Term Rental approvals will require that our water association address infrastructure improvements, related costs and additional maintenance required to support higher usage and stress to our current water system.

Additionally, the NWWA Board requests a water utility consultation with your staff for any future STR applications that will affect our water association.

Thank you for your consideration,

Newell-Warnock Water Association Board of Directors
[498 Greenwood Dr.](#)
[Loveland, CO 80537](#)



LUC 2020 <luc2020@co.larimer.co.us>

Response to Larimer County's Proposed Short-term Rental and Lodging Regulations

ROMO Planning, NPS <ROMO_Planning@nps.gov>

Tue, Nov 29, 2022 at 2:32 PM

To: "luc2020@co.larimer.co.us" <luc2020@co.larimer.co.us>, "ellislk@larimer.org" <ellislk@larimer.org>

Cc: "ROMO Superintendent, NPS" <ROMO_Superintendent@nps.gov>, "Yost, Cheria K" <Cheri_Yost@nps.gov>

Greetings,

Please see the attached letter from Superintendent Darla Sidles in response to the county's proposed Short-term Rental and Lodging Regulations. Thank you for considering our comments, and we look forward to working with Larimer County on future short-term rental and lodging proposal reviews.

Kind regards,
Desirée

Desirée Fiske
she/her(s)
Outdoor Recreation Planner
Rocky Mountain National Park
Office: 970-586-1484



Larimer Country Short-Term Rental and Lodging Regulations Letter_signed.pdf

1795K



United States Department of the Interior
NATIONAL PARK SERVICE
Rocky Mountain National Park
Estes Park, Colorado 80517



IN REPLY REFER TO:
A32 (ROMO)

NOV 28 2022

Lesli Ellis
Director Community Development
Larimer County
200 West Oak Street, Third Floor
Fort Collins, CO 80521

RE: Larimer County's Proposed Short-Term Rental and Lodging Regulations

Dear Lesli:

Rocky Mountain National Park appreciates Larimer County's forethought in short-term rental planning and looks forward to continuing communication on short-term rental proposals adjacent to the park boundary. The park did not receive correspondence about Larimer County's proposed Short-Term Rental and Lodging Regulations from the county directly, but rather we learned about the planning efforts through general notification during the public engagement phase. Because Larimer County's short-term rental permit regulations can potentially impact park resources and visitor experiences, we request that Larimer County consider Rocky Mountain National Park as an agency in these types of planning efforts, rather than a member of the general public. We greatly support Larimer County's effort to better regulate short-term rentals, and provide the following comments on the proposal.

Agency Notification

The draft Short-Term Rental and Lodging Regulations draft proposes potential changes to review procedures that require agency notification. Currently, the park is notified about proposals inconsistently: sometimes we are notified as an agency and sometimes we are notified via postcard as a neighbor. The park requests that the county forward all permit applications for properties adjacent to the park for review and comment, as an agency, so that our comments can be considered early in the process. neighbor.

Definitions

The proposed reclassification of the terms "Full STR" and "Limited STR", outlined in the regulations draft, may better support park review of short-term rental proposals. When reviewing a proposal, we would be able to consider seasonality of operations and frequency of use to potentially provide more detailed responses. The proposed definitions would also help us understand the use patterns of short-term rentals within nearby neighborhoods.

Impacts to Public Lands

The park appreciates the proposed direction for incorporating public open/space impacts in reviews and the additional scrutiny for proposals within 1,000 feet of the boundary of a public open space or park land. We also appreciate the attention to garbage storage, exterior lighting, quiet hours, and restrictions to exterior appliances within identified wildfire hazard areas. Proposal reviews from the park consider these topics in the context of resource protection and human and wildlife safety. In addition, we consider the proximity of a property to the park and the potential for visitor-created trails or guests entering the park without a pass, as well as wildlife familiarity, safety, and migration. Please see considerations on these topics below:

Fire Protection – We appreciate the county's attention to fire danger and attempts to minimize risk by limiting use of exterior appliances. We encourage the establishment of a designated smoking area, a container for cigarette butts and ashes, and prohibiting use of fireworks and other open flames on the property. Fireworks should be prohibited all months of the year.

Garbage – Bears, skunks, racoons, and other wildlife are active in this location and are attracted to food odors. We strongly recommend securing food, garbage, and recycling inside the short-term rental/lodge at all times or storing these items in a wildlife-resistant canister. Guests should close and lock windows and doors of vehicles and the rental, even when present and especially at night. Preventing food rewards is fundamental to ensuring human safety and protecting bears.

Wildlife – Guests should be cautioned from approaching wildlife to prevent human-wildlife conflicts. Elk, moose, and deer are abundant within and near RMNP, and can be aggressive during rut (late summer/fall) and birthing (spring) seasons. Guests should be especially aware of the potential safety issues during these times of year (e.g., avoid bulls and bucks during rut; do not approach calves or get between calves and cows). Bears may enter neighborhoods and should be avoided. Mountain lions are less frequently seen but do live within and near the park. Guests should be informed on how to react if they encounter mountain lions or bears.

Visitor-Created Trails and Park Access – Unofficial trails created by visitors can result in damage to resources, encourage unauthorized uses such as motorized vehicles and dogs, and confuse park visitors. Guests should use existing roads or official, designated trails to access RMNP from the property.

Night Skies and Natural Quiet – RMNP values dark night skies and natural quiet. Noise generated from vehicle traffic and large gatherings or music played from outdoor speakers may disrupt natural quiet that is essential to the surrounding wilderness character of RMNP. At night, lights from the property may have a negative effect on park visitors and wildlife. To minimize impacts from outside lighting, we recommend motion-activated lights that time out after 10 minutes, covered with a hood, and no spotlights.

Thank you for considering our comments, and we look forward to working with Larimer County on future short-term rental and lodging proposal reviews.

If you have any questions, contact Cheri Yost, Park Planner, at cheri_yost@nps.gov or (970) 586-1320.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Darla Sidles'.

Darla Sidles
Superintendent

Thank you
so much,
Lesli!

EVSTRA Comments on
Draft County Short-Term Rental Regulations

EVSTRA believes in reasonable regulation of STVRs¹ in the Estes Valley. Unregulated short-term rentals risk life and safety violations which could endanger guests and neighbors. In addition, unregulated short-term rentals likely would not be collecting lodging taxes and sales taxes on rentals, thereby impairing important sources of local financing for community needs.

The Estes Valley Short-Term Rental Alliance (EVSTRA) has reviewed in detail the proposed new county short-term rental regulations and have the following comments:

Unlicensed Short-Term Rentals

The county should call for an immediate cease-and-desist by the owner of an unpermitted short-term rental with immediate verification that all advertising of the property for short-term rental has been discontinued. In addition, the county should require an application for a short-term rental permit to be made within 30 days of the cease-and-desist call by the county, providing that the property will not be permitted for short-term rentals unless application is made within that time frame. The owner should not be permitted to lease the property as a short-term rental until an application is approved by the county and should be penalized if the property is leased as a short-term rental prior to such approval.

The county should aggressively go after unlicensed short-term rentals and impose significant penalties for unlicensed short-term rentals that continue to violate county regulations after notification from county officials.

Enforcement

EVSTRA believes that the principal problem with short-term rentals is inadequate enforcement. This is a major problem with unlicensed short-term rentals. EVSTRA believes that this is a significantly lesser problem with licensed short-term rentals because of attention given by managers and owners and requirements of hosting listing sites. A central repository for complaints should be established and contact information for this central repository should be referenced in any notices to neighbors with respect to a license application.

Reduction in Number of Short-Term Rentals in Residential Zones in the Estes Valley

While the proposed new regulations do not assert that they are intended to reduce the number of short-term rentals in residential zones in the Estes Valley, it is clear that they are intended to do so based on the following proposals in the regulations:

- Elimination of short-term rentals in certain residential zones in which they are currently permitted – this will impair new short-term rentals as existing licenses are revoked or abandoned because of the further limitation on where short-term rentals can be located.
- Limitation on number of days rented of Limited Short-Term Rentals in zones in which such short-term rentals are permitted – this is a direct economic attack on short-term rentals by making

¹ The term STVR is used to cover vacation rentals (town of Estes Park term), short-term rentals (Larimer County term) and legal nonconforming use rentals (those vacation rentals with licenses issued under the prior Estes Valley land use code prior to the severance of the joint planning area in 2020).

them less economically viable, thus resulting in some short-term rental licenses being abandoned.

- New requirements relating to roadways and driveways will not be able to be met in many residential areas, thus reducing the number of short-term rentals.
- Discussion about limiting transferability of short-term rental licenses – if licenses are not transferable, upon a sale the number of short-term rental licenses will be necessarily reduced.
- Absence of any discussion about grandfathering of existing short-term rental licenses – if existing licenses are not grandfathered, many existing short-term rentals will not meet the new licensing requirements and their licenses will be revoked.

Short-term rental licenses in residential zones are currently capped at 222 licenses. This means that there can be no growth in short-term rentals under current regulations. While the county does not propose changing the cap, it is abundantly clear that the issues discussed above will over time substantially reduce the number of short-term rentals in residential zones.

While EVSTRA supports the continuation of the cap, EVSTRA does not believe that reducing the number of short-term rentals in residential zones is in the best interest of the Estes Valley community. Tourist lodging is a major driver to our local economy. The lodging tax imposed by our local marketing district, Visit Estes Park, currently generates around \$3 million per year for promotion of the Estes Valley and is collected throughout the Estes Valley, including from the county areas within the valley. The newly passed increase in the lodging tax will provide between \$5 million and \$6 million of funding for workforce housing and child care initiatives in the Estes Valley. Currently, according to our local marketing district (Visit Estes Park) around 40% of these taxes are generated by short-term rentals in the Estes Valley, including in the county areas in the valley. Reducing the number of short-term rentals in the county areas will therefore reduce the funding both for Estes Valley promotion and for the important workforce housing and childcare funding urgently needed in the Estes Valley. Moreover, the limitation on number of days rented of Limited Short-Term rentals further erodes this tax base.

EVSTRA objects to either of the two options presented regarding short-term rentals in residential zones but supports maintenance of the cap, as we believe the cap best serves the objective of limiting short-term rentals in residential zones without adversely affecting the interests of the residents of the Estes Valley.

Limitation on Days Rented – “Limited” Short-Term Rentals

The county has proposed a new classification of “Limited” Short-Term Rentals which are permitted in some zoning districts in which “Full” Short-Term Rentals are prohibited. “Limited” Short-Term Rentals can be rented for no more than 135 days (or whatever other day limitation is adopted) while “Full” Short-Term Rentals are not limited on the number of days rented.

The county appears to justify this distinction based on the alleged lesser impact on the neighborhood if the property is rented for a lesser number of days. However, the true objective of this distinction is to reduce the number of short-term rentals by making “Limited” Short-Term Rentals less economically viable.

Most of the citizen complaints about vacation rentals are the same complaints as are made with other residential properties, whether long-term rentals or owner occupied properties – noise, parking and

trespassing. There is no evidence that these complaints are more prevalent with short-term rentals which are rented for less than a year than long-term rentals or owner occupied properties occupied for the entire year. Limiting the number of days rented does nothing to address the true problem – lack of adequate enforcement of existing regulations. The county should not make the mistake of thinking that additional regulation will solve a problem that is an enforcement problem. A days rented limitation is a direct financial attack on a homeowner's rights to lease their property by taking away part of the productivity associated with the property. It is a direct incursion into the rights associated with property ownership.

In addition, limiting the nights rented will be difficult or impossible to enforce and will likely drive some vacation rentals underground, resulting in more dangerous housing for our visitors and a major reduction in sales and lodging taxes associated with vacation rentals.

Residential Zones Permitting Short-Term Rentals

A number of the homeowners' associations in the Estes Valley, such as Windcliff, expressly permit vacation rentals under their bylaws or association covenants. Because such associations have come together to expressly permit short-term rentals, EVSTRA believes that short-term rentals should continue to be permitted within the boundaries of the association and that such short-term rentals should not be subject to the cap on short-term rentals in residential zones.

Transferability

The proposed regulations present two options regarding transferability. The first option retains transferability as long as an application for a license is submitted by the transferee within 30 days (or some other period yet to be determined) of the transfer. The second option eliminates transferability altogether.

The county has not been transparent on why transferability should be limited or what objective is being served by limiting transferability. The only objective EVSTRA can see that is achieved by limiting transferability is to further limit the number of short-term rentals since such a limit would necessarily reduce the number of short-term rental licenses.

Limiting transferability also has some adverse and unintended collateral effects. If licenses are transferable, many STRs will simply remain in place after transfer in the same location which they are currently located and no further neighborhood disruption occurs. New licenses in new residential areas would be minimized by the transferability feature and any new neighborhood disruption from a new STR would hence be eliminated.

In contrast, if transferability in residential zones is prohibited, as existing STR licenses are terminated upon transfer, such action will free up the availability of new licenses in different residential locations and hence new STRs may arise in neighborhoods previously free of STRs. This would be disruptive to existing neighborhoods in which STRs are sparse and heighten the concerns that the community has been expressing about new STRs in residential zones.

When STRs were originally permitted, the licenses were made transferable so that any premium on a purchase of an STR did not increase property values of other properties in the Estes Valley. Hence, transferability was intended to insulate residential home prices from those prices derived in part by

investment value. If transferability is eliminated, that insulating effect will be eliminated and likely cause price increases in other properties which then may be eligible for a license. By permitting transferability and hence reducing the number of new STR license issued, the impact on real estate prices in the Estes Valley will be minimized.

Many short-term rental license holders have made substantial capital investments in their property to meet the life and safety requirements of licensure with the expectation that the license would be transferable upon sale of the property. It would be patently unfair to these owners to retroactively make these licenses nontransferable since then owners would have no ability to recoup these license related expenses upon a sale of the property.

Many short-term rental owners have acquired family legacy property that they intend to pass on to their heirs, many of whom need the revenue from short-term rental of the property in order to keep the property in the family. Intergenerational maintenance of property ownership would be substantially impaired with transferability restrictions.

Finally, without transferability significant inventory for visitor lodging would be impaired since most of the properties would likely then become second homes not available for visitor lodging.

EVSTRA supports Option 1 in the proposed regulations which will permit transferability upon a timely submission of a license application within a specified period of time after property transfer.

Grandfathering

EVSTRA believes that existing short-term rentals should be grandfathered in from the new requirements in the proposed regulations.

Many current short-term rentals would be unable to meet the new requirements, particularly those relating to access and driveways. As a result, failure to grandfather in existing short-term rentals would result in a dramatic reduction in short-term rental licenses. This would substantially diminish the revenues generated by the local marketing district lodging tax and likely drive many short-term rentals underground.

In addition, since many short-term rental license holders have made substantial capital investments in their property to meet the current life and safety requirements of licensure, it is unfair to these owners to retroactively revoke these licenses because of failure to meet requirements which were not present when the license was initially issued.

Operations Manual

EVSTRA supports requiring each licensed STR to provide an Operations Manual/User Guide for the STR. Such a guide is important both to the visitors and to the owners to insure compliance with rental and regulatory requirements, preserve the condition of the property and minimize occupancy impact on neighbors. However, requiring such an Operations Manual/User Guide in *every guest room* is overkill. The county should require one copy of the Operations Manual/User Guide in a prominent location within the STR.

Entrance/Exit Signing

EVSTRA supports requiring a sign posted in the STR setting forth the information specified in the proposed regulations. However, unlike a hotel room, in a private home it is unreasonable to require such signage *at each entrance and exit*. Many STRs have exits through sliding glass doors onto patios and decks for which posting of an escape route is not necessary. The regulations should provide that this posting be required only at the principal entrance to the property used by visitors.

Reinspections

EVSTRA does not believe that reinspections upon license renewal are necessary or appropriate. Owners should be required to self-certify continuous compliance with licensure requirements on renewal and reinspections should only be required upon a failure to certify continued compliance or upon any material changes made to the property. More frequent reinspections is a waste of county resources and an unnecessary cost to the owner.

Roadway and Driveway Requirements

EVSTRA believes that the extensive roadway and driveway requirements of the proposed regulations are inappropriate in a mountain community with many private roads and roadways that cannot be expected to meet requirements applicable to a town in the flatlands containing more regular streets. While we understand the desirability of meeting all of these requirements for emergency services and evacuation, those desires are aspirational in a mountain community and have not been imposed in residential areas in the past. There is no valid reason for selectively adding these requirements to short-term rentals when not applicable to other homes in the neighborhood, particularly if the Entrance/Exit signing proposed in the regulations is adopted.

Conclusion

Advocates of the changes proposed in the new regulations have not been honest about the objectives of this initiative. As noted previously it is apparent that the objective is to reduce the number of short-term rentals – not address the problems citizens have with certain short-term rentals, such as noise, parking and trespassing. The real citizen concerns are these issues, and those issues can only be addressed by more vigorous enforcement. The county should not make the mistake of thinking they are addressing the core issues when additional regulations will do little or nothing to mitigate those concerns. Enforcement of existing rules is the answer, not more regulation.

EVSTRA supports vigorous enforcement of unlicensed short-term rentals and reasonable regulations for licensed short-term rentals, including the important life and safety issues associated with any lodging.

2022

Tax Impacts of Short-Term Vacation Rentals in the Estes Valley



Jane Livingston & William C. Brown
Estes Valley Short Term Rental Alliance
12/3/2022
info@evstra.org

Tax Impacts of Short-Term Vacation Rentals (STVRs) in the Estes Valley

PURPOSE OF WHITE PAPER

This white paper has been developed to quantify the economic benefits and significant tax collections generated by STVR guests in the Estes Valley to enable policymakers to weigh the adverse economic effects to the Estes Valley from limiting STVRs against the perceived benefits of limiting the number of STVRs, particularly in residential zones.

SOURCES OF INFORMATION AND METHODOLOGY

The data upon which this analysis is based comes primarily from a September 6, 2022, report commissioned by Visit Estes Park, our local marketing district, and prepared by well-known travel industry research specialists, Dean Runyan Associates. This report, developed by the state of Colorado's travel research company estimates the economic impact of travel within the Estes Park local marketing district for 2021.

This data includes data on lodging sales within the local marketing district and total visitor spending in the Estes Valley. The data also includes breakdowns of visitor spending based on STVR occupancy. The data also includes relevant length of stay and average occupancy of STVRs in the Estes Valley used in determining the economic impact of these STVRs.

In addition to the Dean Runyan study, data was also collected by the local marketing district that analyzed the sources of lodging tax collections during 2021 – allocating these revenues amongst large lodgers (>25 rooms), small lodgers (<25 rooms), short-term vacation rentals, RV and campgrounds, and various on-line booking channels which are often referred to by the acronym OTAs or OTRs. This data indicated that in 2021 39.1% of all lodging tax collected in the Estes Valley came from STVRs located in the Estes Valley both within the Town of Estes Park and outside of the Town. (See Appendix 1 containing the charts shared with the Visit Estes Park board of directors by management.)

This analysis also relies on Town and County data relating to the number of licensed STVRs (515 in the Town (59%) and 362 in the County (41%)).

Finally, the analysis applies current and enacted tax rates in determining the tax and economic impact of STVRs as follows:

- Current local marketing district lodging tax rate – 2%
- Enacted local marketing district lodging tax rate effective January 1, 2023 – 5.5% - the 3.5% increase in the tax rate is dedicated to workforce housing and childcare funding
- Town consolidated sales tax rate of 8.7%, apportioned as follows:
 - State sales tax rate – 2.9%
 - Larimer County sales tax rate - .8%
 - Town of Estes Park sales tax rate – 5%
- County consolidated sales tax rate of 3.7%, apportioned as follows:
 - State sales tax rate – 2.9%
 - Larimer County sales tax rate - .8%
- Current consolidated lodging/sales tax on lodging in Town – 10.7%
- Enacted consolidated lodging/sales tax on lodging in Town effective January 1, 2023 – 14.2%
- Current consolidated lodging/sales tax on lodging in Estes Valley outside of Town – 5.7%
- Enacted consolidated lodging/sales tax on lodging in Estes Valley outside of Town effective January 1, 2023 – 9.2%

In determining total taxes on lodging rentals, revenues are divided between STVRs in the Town and STVRs in the Estes Valley outside of Town based on the relative number of licensed STVRs in each jurisdiction.

In calculating sales taxes generated by STVRs, visitor spending in the Estes Valley is then reduced by the applicable lodging expense (including taxes) to determine the visitor spending on other purchases in the Estes Valley. The resulting number is then adjusted to eliminate sales taxes from that spending so as to determine pre-tax non-lodging spending against which sales taxes are applied. The nonlodging expenditures are assumed to be spent in the Town on taxable purchases.

The total taxes generated by STVR visitors are the sum of those generated on the vacation rental revenues and those generated with visitor spending excluding lodging.

KEY FINDINGS

In 2021, STVR visitors in the Estes Valley generated \$12,742,624 (\$15,129,287 pro forma with lodging tax increase) of state, county and local sales and lodging taxes. (See Chart 1)

\$15,129,287 Projected lodging & sales tax collection from STVR visitors to Estes Valley 2021 pro forma

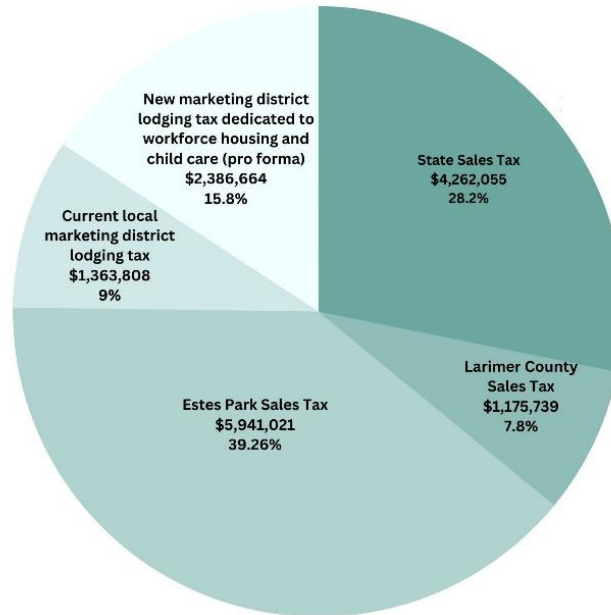


Chart 1

Approximately 59% of these tax collections come from visitors staying in STVRs in the Town and about 41% come from visitors staying in STVRs in the Estes Valley outside of the Town.

The estimated Estes Park Town sales tax generated by STVR visitors represents approximately 28.38% of the 2021 audited Town sales tax collections of \$20,930,809. (See Chart 2)

2021 Town Sales Tax Collections - \$20,930,809

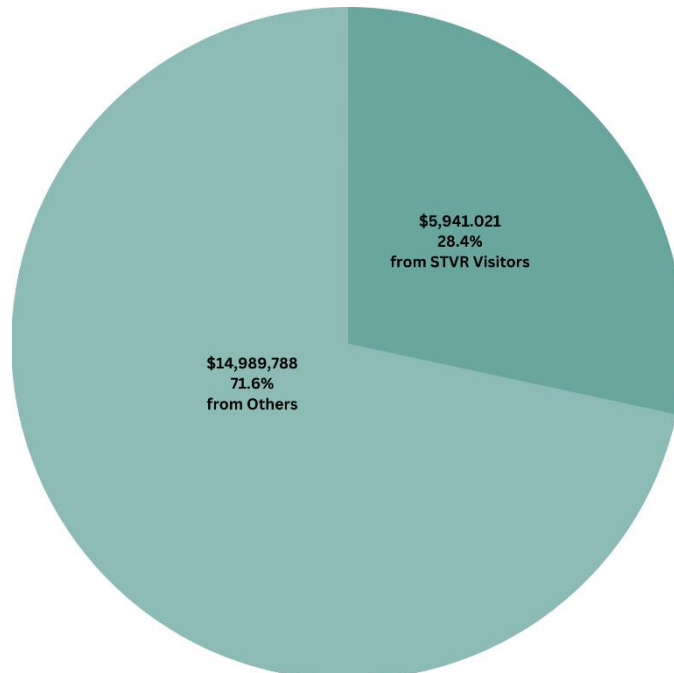


Chart 2

The lodging tax generated by STVR over-night visitors in the Estes Valley represents 39.1% of total lodging tax collections and hence approximately \$2,386,664 of the estimated \$5 million to \$6 million of additional lodging tax dedicated to workforce housing and childcare funding because of the approval of ballot issue 6E this year will come from STVRs in the Estes Valley. (See Appendix 1)

The study also shows that since approximately 266 (73.5%) of the county STVR licenses are in residential zones, eliminating STVRs in residential zones in the county would significantly adversely affect the state and local tax lodging and sales tax collections in the Estes Valley. (See Chart 3)

STVRs in Residential & Accommodation Zones in Estes Valley

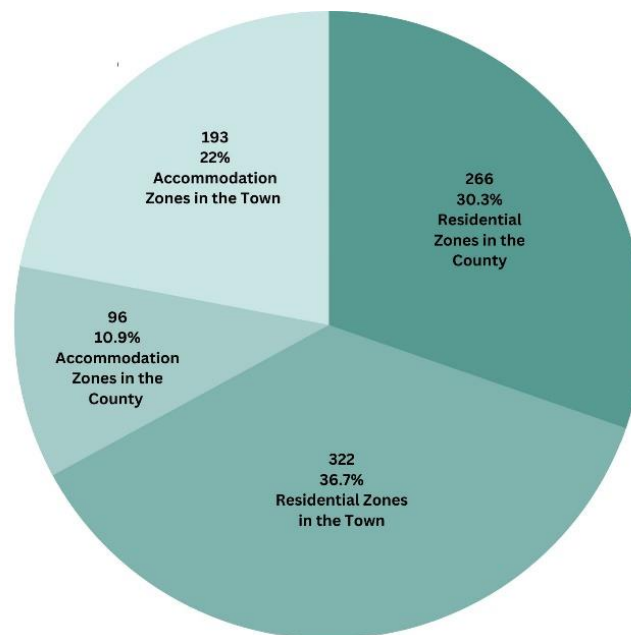


Chart 3

Annual tax collections relating to STVRs in residential zones in the Estes Valley outside of the Town of Estes Park total \$3,365,314 (\$4,089,205 pro forma with lodging tax increase), consisting of the following:

- State sales tax - \$1,328,597
- Larimer County sales tax - \$366,510
- Estes Park Town sales tax - \$1,256,555
- Current local marketing district lodging tax - \$413,652
- New marketing district lodging tax local market district lodging tax (pro forma) - \$723,891

Total annual tax collections relating to STVRs in residential zones in the Estes Valley (including those in the Town and those outside of the Town) totaled \$8,543,515 (\$10,143,696 pro forma with lodging tax increase), consisting of the following. (See Chart 4)

**\$10,143,696 Projected Lodging & Sales Tax Collection from STVR
Visitors to the Estes Valley in Residential Zones in 2021 pro forma**

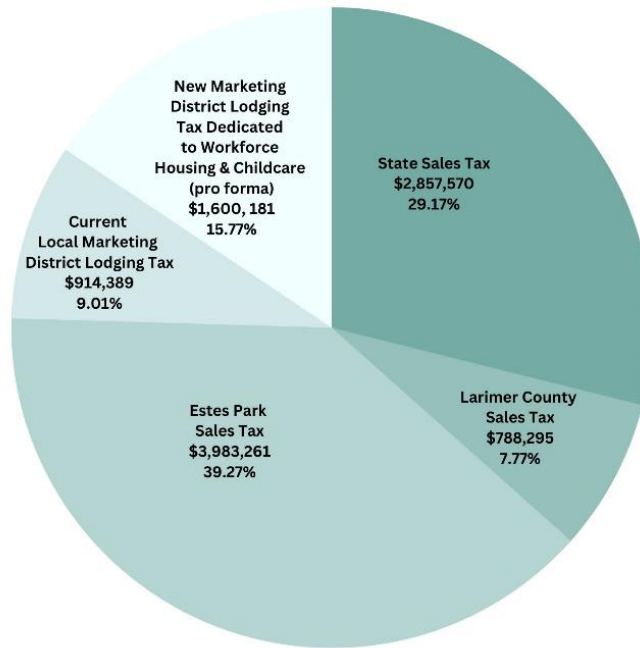
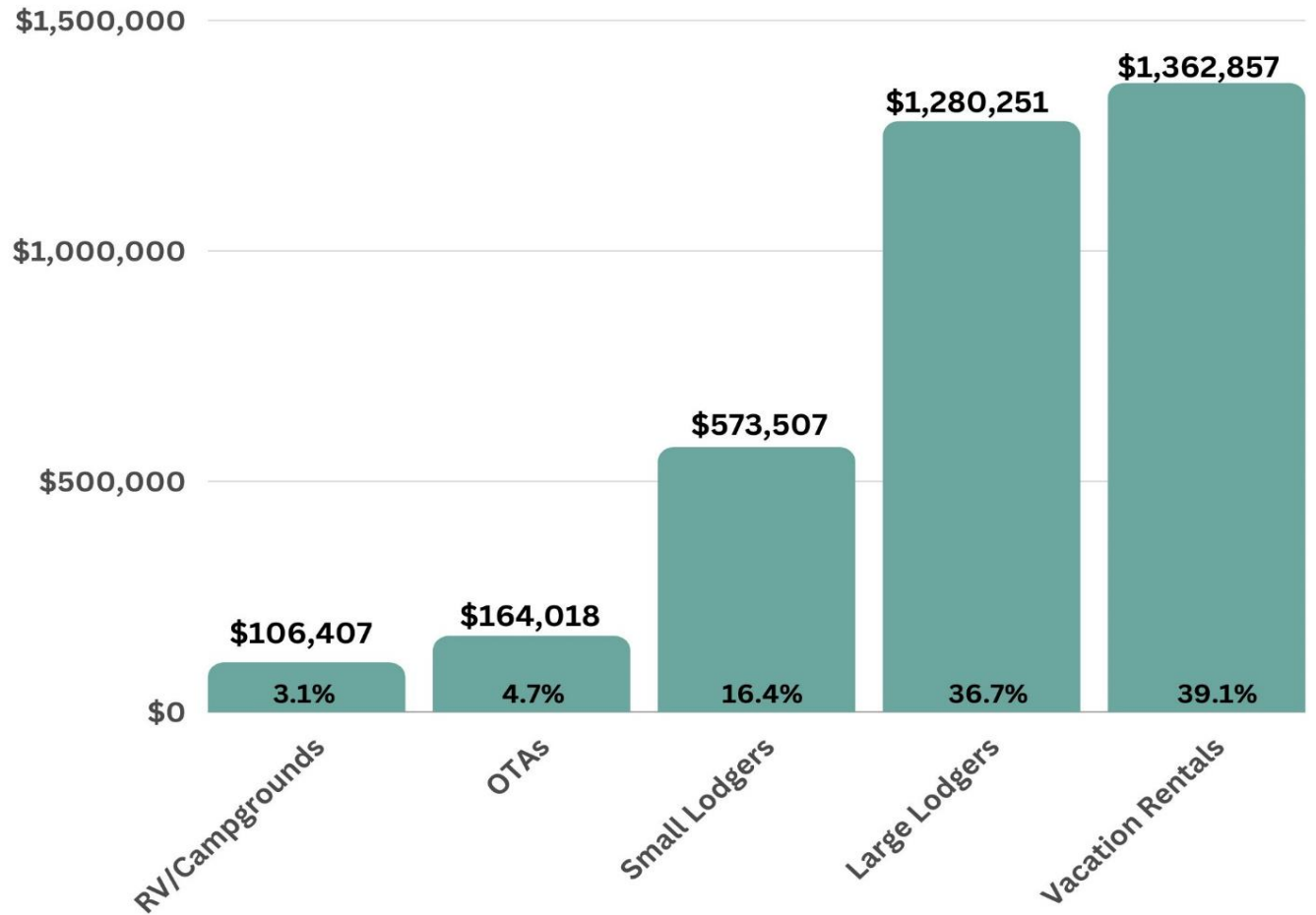


Chart 4

Detailed calculations are contained on the Excel spreadsheet attached to this white paper as Appendix 2. Upon request an electronic copy of this spreadsheet with accompanying formulas will be supplied.

2021 Lodging Tax Collections by Category



Data from Visit Estes Park 2022
Large Lodgers are greater than 25 rooms

Appendix 2

Estimate of state and local taxes, including lodging tax, from STVRs in the Estes Valley Estes Valley Short-Term Rental Alliance

	Number	Percent	Number in R zone	Percent				
STVRs in town	515	59%	322	62.5%				
STVRs in county	362	41%	266	73.5%				
	877	100%	588	67.0%				
						Town	County	Estes Valley
Taxable lodging sales in local marketing district (2021)		\$	174,400,000					
Percent of STVR of lodging sales (2021)			39.1%					
Pre-tax STVR lodging sales (2021)		\$	68,190,400		\$	40,043,393	\$	28,147,007
				* tax rate		1.107	1.057	
STVR lodging sales with tax					\$	44,328,036	\$	29,751,386
							\$	74,079,422
Visitor spending by STVR guests (including tax)		\$	158,000,000		\$	92,782,212	\$	65,217,788
STVR lodging sales with tax					\$	(44,328,036)	\$	(29,751,386)
Visitor spending by STVR guests (excluding lodging and lodging tax)					\$	48,454,176	\$	35,466,402
				/ tax rate		1.087	1.037	\$
Pre-tax visitor spending by STVR guests (excluding lodging)					\$	44,576,059	\$	34,200,966

Total taxes below are sum of taxes on lodging rentals plus taxes on other visitor spending:

				Residential Zones	Residential Zones
	Town	County	Estes Valley	County	Estes Valley
State sales tax (2.9%)	\$ 2,453,964	\$ 1,808,091	\$ 4,262,055	\$ 1,328,597	\$ 2,857,570
County sales tax (.8%)	\$ 676,956	\$ 498,784	\$ 1,175,739	\$ 366,510	\$ 788,295
Town sales tax (5%)*	\$ 4,230,973	\$ 1,710,048	\$ 5,941,021	\$ 1,256,555	\$ 3,983,261
Lodging tax (2%)**	\$ 800,868	\$ 562,940	\$ 1,363,808	\$ 413,652	\$ 914,389
	\$ 8,162,760	\$ 4,579,863	\$ 12,742,624	\$ 3,365,314	\$ 8,543,515
Percentage from STVRs in residential zones	62.5%	73.5%	67.0%	\$ 723,891	\$ 1,600,181
Total taxes from STVRs in residential zones	\$ 5,103,706	\$ 3,365,314	\$ 8,543,515	\$ 4,089,205	\$ 10,143,696
* in county, calculated only on spending excluding lodging	56.1%				
** calculated only on lodging spending					
Projected lodging tax after tax increase (5.5%）**	\$ 2,202,387	\$ 1,548,085	\$ 3,750,472		
Lodging tax at 2%	\$ (800,868)	\$ (562,940)	\$ (1,363,808)		
Additional lodging tax under 6E	\$ 1,401,519	\$ 985,145	\$ 2,386,664		
Percentage from STVRs in residential zones	62.5%	73.5%	67.0%		
Total additional lodging tax from STVRs in residential zones	\$ 876,289	\$ 723,891	\$ 1,600,181		

Town and county short-term rental licenses from a recent search of Town and County records.

The percent of STVR lodging sales from charts presented to Visit Estes Park board of directors from management.

Shaded cells contain data from pages 8 and 9 of the September, 2022 Dean Runyan study.

PRESS RELEASE



Estes Valley Short-Term Rental Alliance (EVSTRA) Issues White Paper on the **Tax Impacts of Short-Term Vacation Rentals in the Estes Valley**

ESTES VALLEY FACES LOSS OF NEARLY 50% OF EXPANDED LODGING SALES TAX REVENUES

Estes Park, CO., December 5, 2022:

A tax impact study released Monday shows the Estes Valley's recent approval of additional funds for workforce housing and childcare initiatives will be severely reduced should Larimer County institute major regulation changes to Short Term Rental licensing within the unincorporated area surrounding Estes Park.

Nearly \$2.4 million slated for workforce housing and child care in the Estes Valley could be eliminated if Larimer County imposes proposed reductions or bans short term rentals in residential areas. Total estimated receipts from the expanded 6E tax approved by 60% of voters in November has been estimated to be at least \$5 million per year.

Statistics used in the new study were derived from a review of the Estes Park lodging industry conducted by national and state recognized travel industry research specialists, Dean Runyan Associates, and released in September by Visit Estes Park, the local marketing district that is responsible for distributing to the Town of Estes Park funds from the recently approved increased tax revenues earmarked for housing and child care. The formal analysis of STR tax impacts was developed by the Estes Valley Short Term Rental Alliance in an effort to correct publicly endorsed false statements about the value of short-term rentals on the Estes Park economy.

While the county has not specified the number of STR licenses that are at risk, recent public hearings by the Estes Valley Planning Advisory Committee has focused on severe reduction of the number of licenses that will be issued in the future. Additionally, several members of the committee assigned to advance recommendations to the Larimer County Board of Commissioners have openly expressed a desire to eventually eliminate all short-term rentals in residential areas.

Severely restricting short-term rentals in the county will not just impact lodging tax income. According to the Runyan report for the Estes Park area, visitor spending for food service, food stores, local transportation and gas, arts, entertainment and recreation and retail sales will be limited. While those businesses do not collect lodging taxes, visitor spending in those areas will result in reduced sales tax revenue to the Town of Estes Park, Larimer County and the State of Colorado.

As an association of short-term rental owners, property managers, and people in the short-term rental workforce, EVSTRA is an advocacy voice supporting the economic and social well-being of Estes Park and the Estes Valley community as well as protecting the rights of vacation homeowners to responsibly rent their properties. This paper is authored by two of the directors of EVSTRA, Jane Livingston and William Brown.

The Estes Park Runyan report is posted on the Visit Estes Park website and available by emailing the agency at roppermann@visitestepark.com

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Estes Valley Short-term Vacation Rentals Economic Contribution to Estes Park

Jane Livingston <janelivingston@yahoo.com>

Tue, Nov 22, 2022 at 7:11 PM

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To: Wendy Koenig <wkoenig@estes.org>, Scott Webermeier <swebermeier@estes.org>, Marie Cenac <mcenac@estes.org>, "khazelton@estes.org" <khazelton@estes.org>, Barbara MacAlpine <bmacalpine@estes.org>, "pmartchink@estes.org" <pmartchink@estes.org>, "cyounglund@estes.org" <cyounglund@estes.org>, Travis Machalek <tmachalek@estes.org>, "jkefalas@larimer.org" <jkefalas@larimer.org>, "kstephens@larimer.org" <kstephens@larimer.org>, "jshaddockmcnally@larimer.org" <jshaddockmcnally@larimer.org>, "converseevplanning@gmail.com" <converseevplanning@gmail.com>, "eotranch@gmail.com" <eotranch@gmail.com>, Linda Moak <pmoak@aol.com>, "poggenpohl@mac.com" <poggenpohl@mac.com>, Frank Theis <ftheis3@gmail.com>, Drew Webb <dhwebb10@gmail.com>, Lesli Ellis <ellislk@co.larimer.co.us>, LUC 2020 <luc2020@co.larimer.co.us>, Scott Stewart <scottsfast@yahoo.com>

Thank you everyone for your dedication and service to Larimer County and Estes Park. I am sending this to you to provide information regarding the contribution of Estes Valley Short-term Vacation Rentals to the economic health and viability of Estes Park. I hope all of this will be considered when making changes that would restrict or reduce the amount of short-term rentals available for people to rent in the Estes Valley.

Attached you will find an estimated Economic Analysis of Estes Valley Short-term Vacation Rentals to Estes Park. As you will see it is a significant portion of the Estes Park budget contributing 28% of the 2021 Estes Park Revised Sales Tax Budget and 28% of the 2021 Estes Park Sales Tax Collections. Also, Estes Valley Short-term Rentals are a significant contributor to jobs in the Estes Valley employing approximately 201 people in the cleaning profession and 43 people in the maintenance profession. Not quantified are the number of people employed by all of the property management companies in Estes Park.

We were forerunners in the state of Colorado and the USA with the cap and regulations that were put in place and I have no doubt that many tourist destinations across the country would love to have in place what the Estes Valley does when it comes to short-term rentals. I truly believe that we would not be having these discussions if enforcement of the existing regulations in the Estes Valley area of the county was occurring and to put further restrictions in place in the Estes Valley will not solve the few problems that exist . . . enforcement of the existing regulations would solve the few problems that exist.

Please feel free to reach out to me via email or cell phone at 612-991-4000 if you have any questions.

Wishing all of you a wonderful and blessed Thanksgiving.

Thank you,
Jane

Jane Livingston, PhD
612-991-4000 (cell)

2 attachments



Estes Valley STR Economic Impact Contribution 112222.pdf

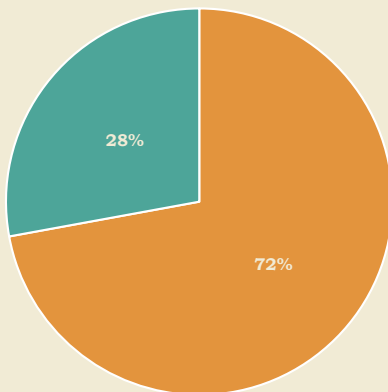
454K



Estes Valley Short Term Rental Chart Sales Tax Revenue Contribution.pdf

36K

2022 Estes Valley Short-Term Rental Vacation Home Yearly Revenue Contribution to Estes Park Town Sales Tax Budget



2021 Estes Park Final Sales Tax Budget	\$21,218,766.00	100%
Short-term Vacation Rental Home Contribution	\$5,915,600.00	28%

	A	B	C	D	E	F	G	H
1	Economic Contribution of Short Term Vacation Rental Homes (STVR) to The Estes Valley Annually							
2								
3								
4			Total Estes Valley STVR State Tax Contribution = \$4,241,830					
5			Total Estes Valley STVR Larimer County Tax Contribution = \$1,170,160					
6			Total Estes Valley STVR Estes Park Town Tax Contribution = \$5,915,600 (\$5,915,600 is of the 28% of 2021 Estes Park Town General Sales Tax Budget and Sales Tax Collections)					
7			Total Estes Valley STVR Local Marketing District Tax Contribution = \$3,750,450					
8			Total Estes Valley STVR Tax Contribution = \$15,078,040					
9			Approximately 877 STVRs in Estes Valley - 515 in Town (59%), 362 in County (41%)		(footnote 1)			
10								
11			Estes Valley STVRs Annual Taxable Lodging Sales = \$174,400,000 Total Taxable Lodging Sales (Footnote 2, pg 8) X .391 (39.1% STVR Percentage of Total LMD Tax) = \$68,190,400		(footnote 3)			
12								
13			\$68,190,400 x .59 = \$40,232,000 (excluding taxes) Visitor Spending on STVR Lodging in Estes Park Town Limits					
14			\$40,232,000 + 10.7% (total tax)= \$44,536,824 Visitor Spending on STVR Lodging including taxes in Estes Park Town Limits					
15								
16			\$68,190,400 x .41 = \$27,958,000 (excluding taxes) Visitor spending on STVR Lodging in Estes Valley outside of town limits					
17			\$27,958,000 + 5.7% (total tax) = \$29,551,606 Visitor Spending on STVR Lodging including taxes in Estes Valley outside of town limits					
18								
19			\$44,536,824 + \$29,551,606 = \$74,088,430 STVR Guest Spending on STVR Lodging in Estes Valley including taxes					
20								
21								
22			Vacation Rental Homes Guest Economic Contribution to Estes Park excluding Lodging					
23			\$158,000,000 Visitor Spending by STVR Guests - \$74,088,430 STVR Guest Spend on STVR Lodging = \$83,911,570 Annual Spending by STVR Guest (excluding lodging)					
24			\$83,911,570/745,500 STVR Person nights per year (footnote 2, pg 13) = \$112.56 Per STVR person guest spent per day in Estes Valley excluding lodging					
25			\$83,911,570 (footnote 2, pg 9) spent yearly at Estes Park businesses other than lodging by People staying in STVRs (excludes lodging \$ spent)					
26								
27			\$83,911,570 x .59 = \$49,507,826 approximate spend (excluding lodging) in Estes Valley by STVR guests staying in Estes Park Town					
28			\$83,911,570 x .41 = \$34,403,743 approximate spend (excluding lodging) in Estes Valley by STVR guests staying in Estes Valley outside of Estes Park Town					
29								
30			\$49,507,826 (including taxes) spent in Estes Park by STVR Guests staying in Estes Park town limits is approximately \$45,540,000 (excluding taxes) spent in Estes Park (excluding lodging)					
31								
32			\$45,540,000 (STVR spending excluding lodging) +\$40,232,000 (STVR lodging) = \$85,772,000 spent by Guests staying in STVRs in Estes Park town limits generates State Sales Tax (2.9%) of \$2,487,388					
33			\$45,540,000 (STVR spending excluding lodging) + \$40,232,000 (STVR lodging) = \$85,772,000 spent by Guests staying in STVRs in Estes Park town limits generates County Sales Tax (.8%) of \$686,176					
34			\$45,540,000 (STVR spending excluding lodging) + \$40,232,000 (STVR lodging) = \$85,772,000 spent by Guests staying in STVRs in Estes Park town limits generates Estes Park Town Sales Tax (5%) of \$4,288,600					
35			\$40,232,000 spent by Guests staying in STVRs in Estes Park town limits on lodging generates LMD Tax (2%) of \$804,640 at LMD Tax (5.5%) of \$2,212,760					
36								
37			\$34,403,743 (including taxes) spent in Estes Park by STVR Guests staying in Estes Valley outside of Estes Park Town is approximately \$32,540,000 (excluding taxes) spent in Estes Park (excluding lodging)					
38								
39			\$32,540,000 (STVR spending excluding lodging) + \$27,958,000 (STVR lodging) = \$60,498,000 spent by Guests staying in STVRs in Estes Valley outside of town limits generates State Sales Tax (2.9%) of \$1,754,442					
40			\$32,540,000 (STVR spending excluding lodging) + \$27,958,000 (STVR lodging) = \$60,498,000 spent by Guests staying in STVRs in Estes Valley outside of town limits generates County Sales Tax (.8%) of \$483,984					
41			\$32,540,000 (STVR spending excluding lodging) = \$32,540,000 spent by Guests staying in STVRs in Estes Valley outside of town limits generates Estes Park Town Sales Tax (5%) of \$1,627,000					
42			\$27,958,000 (STVR lodging) = \$27,958,000 spent by Guests staying in STVRs in Estes Valley outside of town limits on lodging generates LMD Tax (2%) of \$559,160 at LMD Tax (5.5%) of \$1,537,690					
43								
44			STVR Contributions to Estes Valley Employment					
45			Homes average \$135 cleaning 68 times a year=\$9,180 cleaning/home/yearly x 877 homes = \$8,050,860					
46			\$8,050,860 spent yearly by STVR Owners employing House Cleaners in Estes Valley is approximately 201 jobs (average \$40K year) in the Estes Valley					
47								
48			\$1950/year spent per home on hot tubs, snowplowing, lawn care, repair, painting, electrician, plumbing etc. \$1950 x 877 = \$1,710,150					
49			\$1,710,150 spent yearly by Vacation Rental Owners employing Maintenance People in Estes Valley is approximately 42 jobs (average \$40K year) in the Estes Valley					
50								
51			Note: Not quantified is the contribution by Vacation Rental Owners employing Property Management Companies					
52								
53								

	A	B	C	D	E	F	G	H
54	footnote 1 - Source Town of Estes Park and Larimer County							
55	footnote 2 - Source VEP September 2022 Economic Study							