



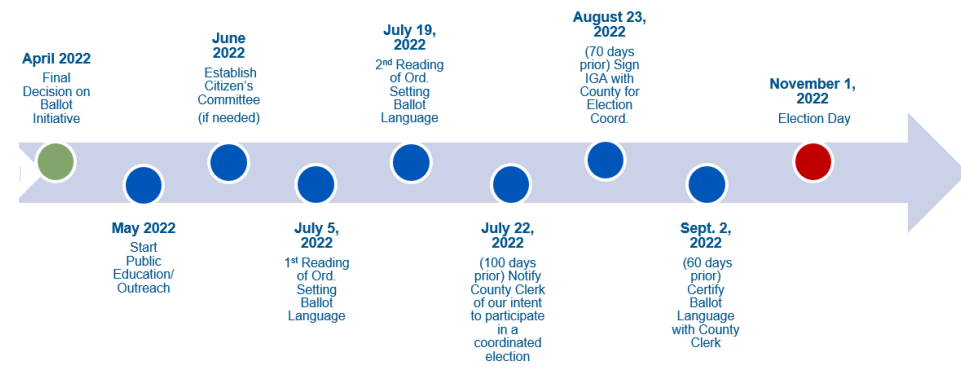
Fiscal Sustainability – Short-Term Rental Taxes, Fees & Incentives
Kim Weber, Finance Director

1. Do you want to move forward with Short-Term Rental Tax?
2. Do you want to move forward with Short-Term Rental Fee?
3. Do you want to evaluate STR to LTR incentives?



Excise tax on non-hotel type short-term rentals

- Percentage applied to total price to customer
- Based on 2021 estimates 1% = \$1,090,000 tax revenue
- Tax requires voter approval
- Tax can be unrestricted
 - Annually appropriated by City Council
- Tax can be restricted
 - Workforce/Affordable Housing
 - Transportation
 - Etc.



Regulatory Fees

Workforce/Affordable Housing Fee →

Licensing Fee →



Licensing Fee

Offset administrative costs of licensing & enforcement

- Costs calculated by staff
- Administrative approval (City Manager)



CITY OF STEAMBOAT SPRINGS

137 10TH STREET
P.O. BOX 777088
STEAMBOAT SPRINGS, COLORADO 80477
(970) 879-2060

LICENSE NUMBER:

LICENSE

A LICENSE IN THE CITY OF STEAMBOAT SPRINGS IS GRANTED FOR THE LOCATION DESIGNATED BELOW SUBJECT TO ALL CITY ORDINANCES.

THIS LICENSE MUST BE POSTED IN A CONSPICUOUS LOCATION AT ALL TIMES.

THIS LICENSE IS NOT TRANSFERABLE AND MUST BE SURRENDERED UPON REVOCATION SUSPENSION, TERMINATION, OWNERSHIP TRANSFER OR CHANGE OF LOCATION.

TYPE OF LICENCE

LICENSE ISSUED TO:

DATE OF ISSUE:

LOCATION:

Workforce/Affordable Housing Fee

Fee to mitigate housing shortage

- Council approval (no citizenry vote required)
- 3rd party study needed
 - Evidence that short-term rentals reduce long-term rental supply
 - Evidence that STR increase demand for LTR supply
- Use funds for workforce housing policies and programs
 - STR to LTR conversion incentives
 - Construction or acquisition of workforce housing units
 - Offset costs (land acquisition, development cost, etc.)



What:

- Provide financial incentive to property owners to convert short-term rentals to long-term rentals

Examples:

- Summit County & Town of Breckenridge
- Town of Winter Park

Incentivizing Long-Term Rentals (continued)

Considerations of converting short-term rentals to long-term rentals:

- What is the goal?
- Determine the adequate resources needed
- Determine the adequate fee/incentive schedule
- Create a “right-sized” potential program
- How would it be administered?
- What is the funding source?
- How is this monitored and measured?
- Short-term or long-term fix?



- Do you want to move forward with Short-Term Rental Tax?
 - If yes, next steps would be:
 - Determine tax amount?
 - Determine restrictions on revenue?
- Do you want to move forward with Short-Term Rental Fee?
 - Licensing Fee ✓ - Implement after policy decisions are complete.
 - Workforce/Affordable Housing Fee – If yes, next step would be:
 - Commission a study to substantiate nexus between short-term rentals and long-term rental supply.
- Do you want to evaluate STR to LTR incentives?
 - If yes, next steps would be:
 - Approach strategically
 - Grant to explore opportunities to develop additional policy tools to support the creation of affordable housing, including but not limited to incentives.