



City of Glenwood Springs
101 West 8th Street
Glenwood Springs, CO 81601

PRESS RELEASE

September 1, 2022

Contact: Bryana Starbuck, Public Information Officer, bryana.starbuck@cogs.us

Glenwood Springs Accommodations Tax Question Referred to November Ballot

Election is November 8, 2022

Glenwood Springs, Colo. – On September 1, 2022, Glenwood Springs City Council voted to refer an accommodations tax question asking voters whether to increase taxes on overnight stays at hotels, motels, short-term rentals and similar accommodations within Glenwood Springs by 2.5 percent. If approved at November’s election, up to an estimated \$2.5 million per year would be generated for a Workforce Housing Fund to help address the housing needs being faced by city residents and employers in the private, nonprofit and public sectors.

Adding this question to the November ballot came at the recommendation of an ad hoc housing committee appointed by Glenwood Springs City Council in early 2022 to investigate and make recommendations on funding to provide critically needed housing for the Glenwood Springs workforce. The ad hoc committee, which evolved into the Glenwood Community Workforce Housing Coalition, was composed of more than 20 volunteer residents including representatives from several non-profits (Valley Settlement, Mountain Voices Project, Community Builders), Roaring Fork School District, hotels, local businesses and employers, and others. After more than a dozen meetings, community engagement, meetings with stakeholders and briefing with City Council, the Ad Hoc committee recommended the 2.5 percent accommodations tax and the creation of the Workforce Housing Fund.

The ballot proposal includes several fiscal-accountability and transparency requirements, including an annual audit of the tax collections and expenditures that will be posted online each year for public review and language stating that the fund’s revenue will be used for direct expenses of these programs. This is to ensure that the maximum amount of resources generated through the tax are going to address the city’s growing housing needs. A 20-year sunset was also included in the question so that taxpayers can have an opportunity to review the program in the future.

The question will appear on the Tuesday, November 8, 2022 ballot as follows:

SHALL THE CITY OF GLENWOOD SPRINGS TAXES BE INCREASED \$2,500,000 IN THE FIRST FULL FISCAL YEAR (2023) AND BY WHATEVER AMOUNTS ARE RAISED ANNUALLY THEREAFTER THROUGH THE IMPOSITION AND ASSESSMENT OF A TWO AND ONE HALF PERCENT (2.5%) EXCISE TAX TO BE PAID BY LODGERS WITHIN GLENWOOD SPRINGS AND BRINGING THE TOTAL EXCISE TAX PAID TO 5% ON THE PURCHASE PRICE PAID OR CHARGED FOR THE FURNISHING OF ANY HOTEL ROOM, MOTEL

ROOM, LODGING ROOM, MOTOR HOTEL ROOM, GUEST HOUSE, SHORT-TERM RENTAL OR OTHER SIMILAR TEMPORARY ACCOMMODATION OF LESS THAN THIRTY (30) CONSECUTIVE DAYS; AND SHALL ALL REVENUES FROM SUCH EXCISE TAX BE DEPOSITED IN A DEDICATED FUND TO:

- INCREASE THE SUPPLY OF WORKFORCE HOUSING FOR GLENWOOD SPRINGS RESIDENTS AND EMPLOYEES OF GLENWOOD SPRINGS BUSINESSES INCLUDING, BUT NOT LIMITED TO, PURCHASING REAL PROPERTY, ADDRESSING INFRASTRUCTURE, AND REDEVELOPING EXISTING HOUSING;
- PROVIDE RESOURCES FOR THE CITY TO FORM PARTNERSHIPS WITH THE PRIVATE AND NON-PROFIT SECTORS, AND OTHER PUBLIC ENTITIES, TO DEVELOP WORKFORCE HOUSING;
- SUPPORT PROGRAMS TO REDUCE THE COST OF RENTING OR PURCHASING WORKFORCE HOUSING, PROVIDE AVAILABLE HOUSING, AND MAINTAIN EXISTING AFFORDABLE HOUSING WITHIN THE CITY;
- AND OTHER DIRECT EXPENSES OF THE CITY USED SOLELY TO IMPLEMENT THESE PROGRAMS SUCH TAX TO END IN FISCAL YEAR 2042, TO BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND SUCH EXPENDITURES WILL BE REPORTED IN THE CITY'S INDEPENDENT AUDIT PUBLISHED ON THE CITY'S WEBSITE?

The primary goal of the Workforce Housing Fund is to increase the supply of workforce housing for individuals and families living and working within the city. This is not a program meant to house those working outside of Glenwood Springs. The Workforce Housing Fund would be focused on maintaining the city's existing workforce housing stock and providing new workforce housing for Glenwood workers through these programs:

1. Property Acquisition, including land banking, rehabilitation of existing buildings, hotel or motel conversions, maintaining mobile home parks and other expenses related to maintaining other existing workforce housing.
2. Forming partnerships with private, nonprofit and other public entities to develop workforce housing, including filling financing gaps and leveraging additional resources to create affordable workforce housing.
3. Buy-downs and incentives, including using funds to defray the cost of existing housing stock for the purpose of affordable workforce housing.
4. Down Payment Assistance, including providing a secondary loan to help potential home buyers enter the homeownership market.

An informational fact sheet can be found at www.cogs.us/DocumentCenter/View/8718. For questions about the Workforce Housing Fund and the city's workforce housing program, please contact Hannah Klausman at hannah.klausman@cogs.us.

###