

FRASER RIVER VALLEY HOUSING PARTNERSHIP

Regular Meeting

Monday, September 26, 2022

Winter Park Town Hall

3:00 pm



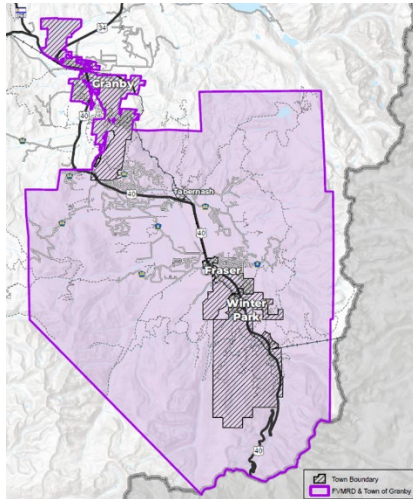
Agenda

1. Meeting Call to Order
 - a. Pledge of Allegiance
 - b. Roll Call of Board Members
2. Public Comment
3. Discussion items
 - a. Updates to Frequently Asked Questions
 - b. Events Calendar
 - b. Follow-Up on Existing Housing Projects
4. Other Topics for Discussion

FAQ Updates

What are the boundaries of the Housing Partnership?

The boundaries are depicted in the map below and include both the boundaries of the Fraser Metro Recreation District as well as the Granby Municipal boundaries.



Do the boundaries determine who will vote in the upcoming ballot question and who will pay the proposed 2-mil property tax?

Only registered voters residing within the boundaries will vote in the upcoming election. Unlike special district elections, such as recent fire district ballot initiatives, property owners who do not reside full-time in Grandy County are not eligible to receive a separate ballot. In this regard the election is more like that of a school district than a special district. The voter eligibility is governed by the enabling legislation that allows for the creation of a multi-jurisdictional housing authority such as the Fraser River Valley Housing Partnership

Why not raise fees or an excise tax on short-term rentals instead of the proposed 2-mil property tax?

The Fraser River Valley Housing Partnership is a multijurisdictional housing authority and subsequently does not have the authority to raise fees or an excise tax on short-term rentals. Multijurisdictional housing authorities in Colorado have three statutorily defined options to raise revenue:

1. 1% general sales and use tax,
2. \$2 per square foot development impact fee
3. Up to a 5-mil property tax assessment.

The housing partnership did do additional research with the help of legal counsel to assess if the 1% general sales and use tax could be applied selectively to lodging properties. The Colorado Department of

Revenue confirmed that this selective application would not be allowed as it is not explicitly stated in the enabling legislation

Short-term rentals do pay residential property taxes and so the proposed 2-mil property tax would be paid by short-term rental owners. Since most of the residential properties impacted by the 2-mil request are second homes and short-term rentals and since properties are impacted proportionally relative to the assessed property value, most of the tax will be paid by short-term rental and second homeowners.

FAQs

Why is a new intergovernmental entity needed to address the housing shortage?

This issue impacts residents, businesses, and communities in several different ways. We need coordination among local leaders and shared resources to arrive at the most cost-effective, efficient, and impactful solutions.

How will year-round residents who live and work in the community be given preference among housing applicants if this new Partnership is fully funded?

There will be a thorough vetting process when applications are reviewed. This is a very high priority for the Fraser River Valley Housing Partnership because it gets to the heart of this issue. Without sufficient housing options for year-round residents there simply will not be much of a community.

Where would this new housing be located?

We do not know exactly where it will be built, however, the Housing Partnership is committed to identifying diverse locations up and down the Fraser River Valley. Preferred locations will be close to Lift Transit services running from Winter Park to Granby. Furthermore, there are cost advantages of building housing in places that are close to a population center, so they are connected to sewer and water lines and other important infrastructure.

Why don't we tax short-term rentals?

A tax on short-term rentals is part of the broader solution, however, this alone would not raise enough revenue. Additionally, a multi-jurisdictional housing authority like the Fraser River Valley Housing Partnership legally cannot impose taxes or fees on short-term rentals or lodging. We are pursuing a property tax first since this would generate at least \$1 million annually in stable revenue to begin addressing the housing shortage in a significant and impactful way.

What would this housing look like?

A broad range of housing would be pursued. Our approach will be to work collaboratively with developers, partner with communities, and find diverse solutions that work and leverage existing opportunities. We plan to stay away from large buildings that do not fit with the character of our community. We really like what the Yampa Valley Housing Authority has accomplished and hope to model some of our work after theirs. You can see their work at <https://yvha.org/>.

What is driving this housing crisis in Grand County?

A combination of factors that includes rapidly rising housing prices, workforce wages not keeping up with rising costs, and short-term rentals and second-homeowners reducing the availability of year-round housing all contribute to the crisis. For example, there is currently a \$100,000 gap in what market-rate homes cost to build and what the local workforce can afford. In addition, only 36% of market rate homes are occupied by permanent residents.

Is this a problem that the government should address?

Given the history, size, and scale of this issue it seems this is the best-- if not the only real choice -- we have. Consider that while 100% of deed-restricted units house permanent residents, only 36% of market rate homes are occupied by permanent residents.

Shouldn't local businesses contribute to funding this since it addresses local workforce housing needs?

The 2-mill property tax proposal applies to residential and commercial property owners. Therefore, local businesses that would benefit from future workforce housing developments will be contributing to the Partnership's \$1.2 million annual budget.

Will an investment in the Fraser River Valley Housing Partnership increase homeownership opportunities for future generations of year-round residents in the valley?

Yes. The sooner we begin to address this issue, the more likely it is that we can move more local residents into homeownership.

Why are some communities in Grand County participating in the Partnership while others are not?

Some communities are being hit harder by the shortage than others at this time. While we expect this shortage to continue to widen in other parts of the County, these are the local jurisdictions that have committed to working together to find collaborative solutions.

Won't a property tax adversely affect seniors on a fixed income?

Seniors may apply with Grand County for a property tax exemption, provided they meet the requirements. More information can be found [here](#).

Aren't second homeowners a part of the problem – and why don't they pay for this?

A significant portion of the potential property taxes would be paid by second homeowners in the Fraser River Valley. Furthermore, this funding proposal is proportional and less of a burden on lower-income, year-round residents than a sales tax.

How much housing is needed in the Fraser River Valley?

We've commissioned an updated housing study which is currently in working draft form – which will quantify the housing gap, among other things. [The housing needs assessment has found a gap of 645-730 units](#). A final version of the report will be released in early August.

Will there be opportunities to rent and to own?

Yes. Our goal is to provide both ownership and rental opportunities to individuals and families making between 30% and 120% of Grand County's Median Household Income, which is \$71,769 according to the 2020 Census [\[3\]](#). There will be more details on this in the coming months. Right now our focus is

to figure out the best means to generate revenue so we can begin our work in earnest to bring more housing to the Fraser River Valley.

What about down payment assistance?

Grand County has a down payment assistance program that it will continue to operate – and it's not limited to first-time homebuyers or low-income households. You can find information on the [county's website](#).