



TOWN OF
ESTES PARK
COLORADO



**Lodging Tax Extension Task Force
Meeting #5
Wednesday, June 15, 2022
12:00 p.m. Via Zoom**

Advisory Members Attending

Cindy Younglund, Scott Webermeier, Deborah Gibson, Sean Jurgens, Rich Chiappe, Jason Damweber, Laura Walker

Voting Members Attending

Michael Andrzejek, David Batey, Austen Bierl, Dan Centurione, Teresa Commerford, John Cullen, Richard James, Dzidra Junior, Trevor Scott McGuire, Michael Romero, Greg Rosener, Suzanne Smikahl, Seth Smith, Scott Thompson

Visit Estes Park Staff Attending

Kara Franker, Michael Zumbaugh, Rebecca Domenico-Gelsinger, Rachel Ward Oppermann

Meeting is called to order at 12:04 p.m.

PUBLIC COMMENT

None.

MEETING QUESTION

What is needed in terms of governance, administration and disbursement of the new lodging tax revenues?

DISCUSSION

Bill Brown starts the meeting by revisiting the June 8th motion. Members who were absent are asked to submit their vote. Dan Centurione votes in favor, Michael Andrzejek is opposed. Votes for the June 8 motion are now 10 in favor, five opposed. Pep Dekker is the only member not present to vote.

Materials distributed prior to the meeting are reviewed, including a census profile of the 80517 zip code, information on the Colorado Housing and Finance Authority, registered vacation homes in town limits, room tax collections with annual analysis, changes in sources of funding of lodging tax from 2015 to 2021 and David Batey's outline of a plan.

Members who are opposed to the motion are asked to state why. Michael Andrzejek: the RV industry has land to house their employees. Their customers bring their own rooms. The RV industry is not putting stress on the system. RV customers should not have to pay these extra taxes. Teresa Commerford: a sales tax would be more representative of all the parties. She is not in support of asking visitors to pay a tax they did not vote for. The workforce housing shortage is not driven solely by overnight visitors. A sales tax would capture day trippers and

second homeowners. Dzidra Junior: the YMCA's mission to offer affordable vacations, their operational costs are going up. They don't know what type of influence they'll have as one of the larger contributors to determine how their staff will be affected. Richard James: it puts the short-term rental industry at a competitive disadvantage. It would be a 6.1% increase on just short-term rental properties when you include the short-term rental fee. He would support the 3.5% increase if the Trustees would move to defer the implementation of the short-term rental fee until the outcome of this election and if the ballot initiative is approved, to repeal the short-term rental fee. Seth Smith: language that would strongly suggest that the local short-term rental fee be repealed as part of this ballot initiative should be included.

John Cullen states the motion on the screen is different from what was voted on. It was much more conditional. What is shown is a shortened version of the June 8 motion. Rachel Ward Oppermann reads the motion from the June 8 meeting minutes.

Bill Brown summarizes the decisions of the Task Force so far, including the passed motion that funds raised would be invested in workforce housing and childcare.

Kara Franker suggests a potential structure for the oversight, prioritization and allocation of the funds. The flow of lodging tax revenues goes from the guests to the lodgers to the Colorado Department of Revenue to Visit Estes Park (VEP). That flow cannot be changed. It must be decided how the money will be disbursed by VEP. The County, the Town and VEP are the governmental entities that legally can collect these funds and disburse them. It could happen at the County level or at the Town level. The County is supportive but has not stated whether they would disburse the funds. The Town is willing to disburse the funds. VEP could disburse the funds but it is strongly preferred that another government entity disburses them.

If it were VEP, Kara Franker proposes this structure: an executive committee or an advisory board is formed under the VEP Board of Directors. It is appointed by the Town and County, similar to how VEP's board is currently appointed. This new group would come up with an annual operating plan, based on an annual analysis, outlining how to disburse the funds. The operating plan would be vetted by the Town and the County, following the same accountability framework as VEP.

The Board of County Commissioners disburses funds for other taxing districts, the County has the knowledge and the capacity to disburse the funds. Housing has become a major focus for the current Board. Laura Walker is pursuing what involvement would look like and how it could function to present an informed question to her board to determine if there is interest in having the County consider disbursing the funds.

The Town is willing to be a partner or the administrator of the funds. The Town would have to hire staff to acquire the expertise to facilitate this type of program.

The Task Force discusses the proposal. The proposed group would be made up of individuals with expertise directly related to the issues. VEP would hire a staff member with pertinent

experience to staff the committee or advisory board. Determining the structure precedes determining a plan. Governance, accountability and transparency need to be present in the disbursement of the funds. An advisory board is a technical competence group. Whatever process is used to seat the board would need to ensure the technical competence needed is present rather than simple political appointments.

John Cullen states governance of the funds requires technical expertise. With a decade of controversy in its history, the money should not be disbursed by VEP. Greg Rosener has faith in the current VEP Board and leadership but acknowledges past governance issues. Kara Franker restates that VEP is not advocating to disburse the funds. Her proposal describes how VEP would do it if necessary.

VEP does an audit every year that follows the Town audit. The budget is included in the operating plan which must be approved by the County, the Town and the VEP Board. No matter which entity disburses the funds, the same level of oversight will be necessary.

Trustee Webermeier is not sure this is a subcommittee that should sit under the VEP Board of Directors. The Town is the better entity for the funds to flow to. The idea of a subcommittee under the Town of Estes Park (the Town) Board of Trustees is something to consider. Trustee Younglund thinks the funds should be disbursed by the Town.

Bill Brown states the Task Force may not be equipped to determine structure, members are not government experts. The government entities involved will need to determine the structure. The Task Force can urge that the structure is clear to the electorate, that there is adequate transparency and accountability.

David Batey reviews his plan that outlines what is necessary to move forward. It's an example of what the elements of a plan would be and could be improved with input from subject matter experts. This kind of detail would give voters confidence.

The group discusses what the voters need to pass a ballot measure. This is a highly educated electorate. A plan is needed. The benefit to the electorate must be clear. This will be a topic of conversation at the next meeting.

The group discusses when a ballot initiative can occur if not November 2022. VEP attorney John Chmil states November elections are the most obvious legal choice. VEP does not hold biennial elections. There is general discomfort in tacking on to a separate election that is not part of the entity that is referring the measure to the electorate, such as adding a Visit Estes Park ballot measure to a Town of Estes Park election.

Bill Brown asks the government actors present to talk to each other to see if they can come to a consensus on structure.

ACTION ITEM:

Greg Rosener moves to approve the minutes from the June 8, 2022 meeting. Austen Bierl seconds. Motion passes 14-0.

ADJOURN: 2:00 p.m.

Rachel Ward Oppermann

Rachel Ward Oppermann,
Recording Secretary

DATE: Jun 23, 2022