



# WESTERN MOUNTAIN RESORT ALLIANCE

ECONOMIC & WORKFORCE HOUSING IMPACTS OF SHORT-TERM RENTALS & STR REGULATIONS

PITKIN COUNTY, CO | FEBRUARY 2024



CONDUCTED BY:



**RRC Associates**

(303) 449-6558  
www.rrcassociates.com  
Boulder, CO 80303

**INNTOPIA**

(802) 253-2905  
www.inntopia.com





# TABLE OF CONTENTS



	<i>Page</i>
Introduction	<b>3</b>
Methodology and Report Organization	<b>4</b>
STR Profile	<b>5</b>
Economic Impacts of STRs	<b>31</b>
STRs & the Housing Market	<b>48</b>
Housing & Economic Impacts of STR Regulations	<b>69</b>
STR Contributions to Affordable Housing Efforts	<b>91</b>
Community Survey Results	<b>96</b>
<ul style="list-style-type: none"><li>• Appendices (<i>under separate cover</i>)</li><li>• Executive Summary (<i>under separate cover</i>)</li></ul>	



# INTRODUCTION

The purpose of this study is to provide the Western Mountain Resort Alliance (WMRA) with an unbiased study of the economic contributions and workforce housing impacts of short-term rentals (STRs) in the counties of **Pitkin** (CO/Aspen), **Summit** (CO/Breckenridge), and **Teton** (WY/Jackson Hole).

In this study, RRC and Inntopia have employed a variety of primary and secondary data sources to inform the multifaceted conversations around the tourism, economic, and housing impacts of STRs in mountain communities.

This report is focused on Pitkin County and the submarkets within the County with high concentrations of STR units.







# METHODOLOGY AND REPORT ORGANIZATION

RRC and Inntopia conducted extensive primary research as well as collected a wide variety of pre-existing data to inform their assessment of the status and impact of STRs in mountain resort communities. The following data were used:

- Pitkin County Assessor records; City and County sales, lodging and STR tax records; STR licensing databases; Colorado State Demographer Office; Colorado Department of Revenue; US Census data; AirDNA; and numerous other statistical data sources.
- Community Surveys conducted within each county of interest. Surveys were completed online via a **randomly mailed survey invitation** with texted reminders, supplemented with other outreach/publicity.

This report focuses on the present state and impact of STRs within **Pitkin County**, with comparisons in data made over time and between other mountain resort counties where appropriate. Separate reports are provided for **Summit** and **Teton** counties. Each chapter in this report contains a summary of key findings, followed by annotated slides that present detailed findings in chart and graphic formats. Also included as appendices to this report are a written Executive Summary of the findings, and a compilation of the results from the Pitkin County Transient Inventory Study and supporting tables and comments from the Community Survey.

The chapters in this report are as follows:

- STR Profile
- Economic Impact of STRs
- STRs & the Housing Market
- Housing & Economic Impact of STR Regulations
- STR Contributions to Affordable Housing Efforts
- Community Survey Results





# | STR PROFILE







# FINDINGS

Overall, the **total number of active STRs** (i.e. rented or advertised for rent) in the Pitkin County area (including the non-Pitkin County portions of the Carbondale and Basalt zip codes) **has trended roughly flat** between 2018 and 2023. The same flat trend has occurred in the Aspen, Snowmass Village, Carbondale and Basalt postal areas.

- There were **2,066 governmentally licensed STRs** in Pitkin County as of July/August 2023, including 1,182 in Aspen, 767 in Snowmass Village, 115 in unincorporated Pitkin County, and two STR permits in the Pitkin County portion of Basalt.
- Based on STR licensing records and the Pitkin County Assessor database, **most STRs in Pitkin County are condominiums** (71%), while 15% are single family units, and 4% are duplex condominiums. (An additional 10% have other or undetermined unit type.)
- **A large majority of STRs are also condominiums** in Aspen (73%) and Snowmass Village (76%). By contrast, in unincorporated Pitkin County, most STRs are single-family residences (81%).
- Most of the active STRs in the Pitkin County area have **one (20%), two (31%) or three (23%) bedrooms**. Most multi-family STRs units also have 1-3 bedrooms (88%), while most single-family STRs have 3 or more bedrooms (81%).
- Most STR units in Pitkin County were **built in the 1960s and 1970s** (71%), mirroring the County's growth boom in that period, and underscoring the long history of STRs in the community (as many such units were originally designed for STR use).





# FINDINGS

## Ownership & Management

- **Most STRs are owned by second homeowners from outside Colorado (72% overall).** Of those owned by out-of-state owners, the top owner states are California, Florida, and Texas – also the top out-of-state visitor markets in Aspen (and likely the County overall as well). In-state STR owners mostly reside in Pitkin County (18% overall), with the remainder split between downvalley locations (2%), the Front Range (6%), and elsewhere in Colorado (2%).
- **Most STRs in the Pitkin County area are professionally managed (71%).** Professional management of STRs is least evident in the Carbondale and Basalt postal areas, accounting for 45% and 35% of STRs within each community, respectively.
- **Owners of multiple STRs are uncommon.** 90% of STRs in Pitkin County are owned by persons who own just one STR. Most owners of multiple STRs have two properties. As such, the data suggest that widespread investment in multiple units by a single owner is not prevalent in Pitkin County.



# FINDINGS

## Occupancy & Rates

- Based on data from AirDNA, **STR occupancy rates have been trending up** in Pitkin County, rising from 25% in 2018 to 35% in 2022, with an upward trend in all communities.
- STR average daily rates (**ADRs**) **have also been trending up countywide**, rising from \$680 in 2018 to \$891 in 2022.
- Given that the number of STRs has trended relatively flat, the data indicate that STR revenues have grown due to **more intensive use of the STR inventory** (more nights occupied at a higher price per night), rather than an expansion in the number of STR units.
- As would be expected, STR occupancies follow a highly **seasonal trend**, with peaks in summer and winter, and troughs in May and November.
- Average occupancy rates are slightly higher for multi-family units than single-family units. Conversely, average ADR is significantly higher for single-family units than multi-family units.



# REFERENCE GEOGRAPHIES

The data shown in the next several slides is for the following Pitkin County/Upper Roaring Fork Valley market areas:

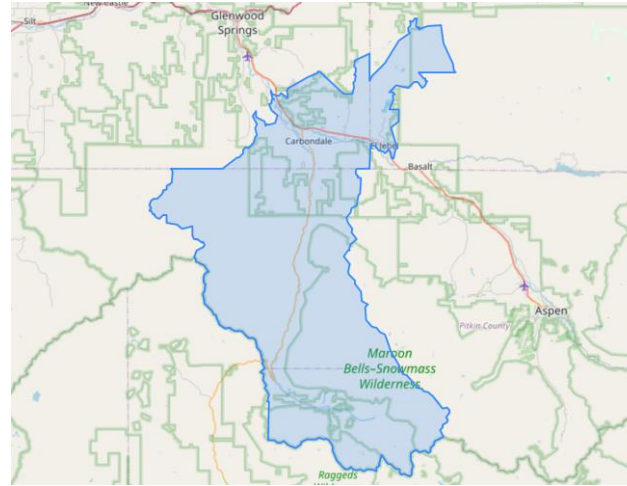
- Aspen
- Snowmass Village
- Basalt
- Carbondale (incl. Redstone & Marble)

Notes:

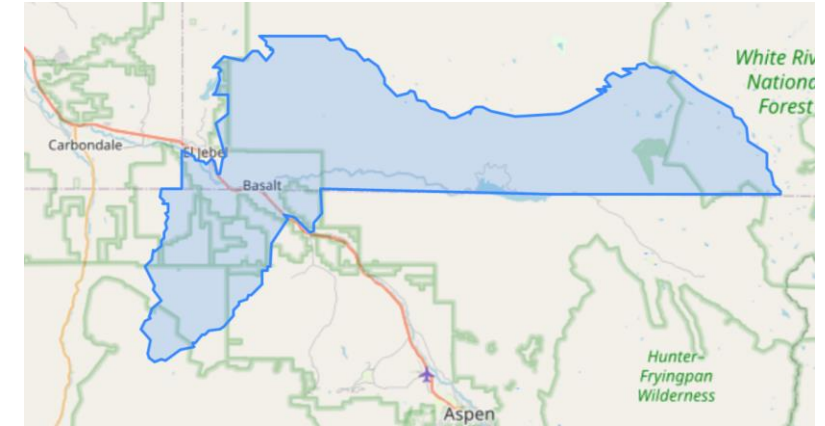
1. The Basalt Market area encompasses parts of Pitkin and Eagle counties.
2. The Carbondale market area encompasses parts of Pitkin, Gunnison, Eagle and Garfield counties.
3. The analysis excludes smaller market areas in the Pitkin County area: Old Snowmass (34-41 STRs per AirDNA), Meredith (23 STRs), and Woody Creek (3-4 STRs).
4. The end of this chapter contains additional slides based on Assessor data and is for Pitkin County and municipal geographies (not market area geographies).

Source: AirDNA.

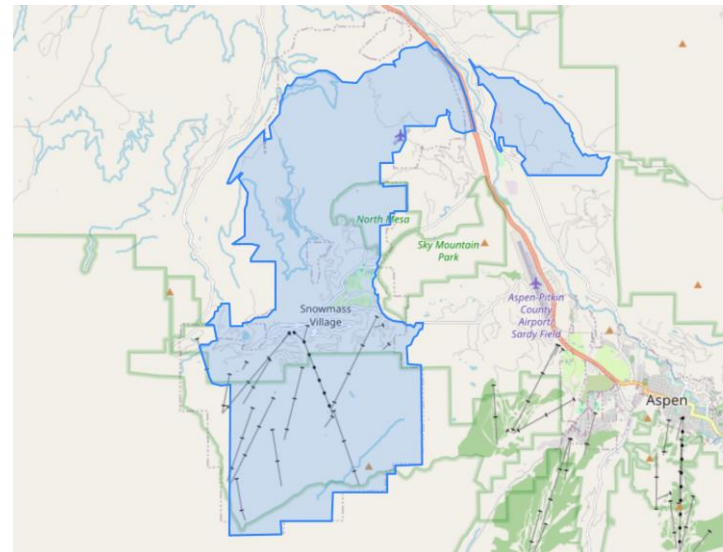
**Carbondale Market Area**



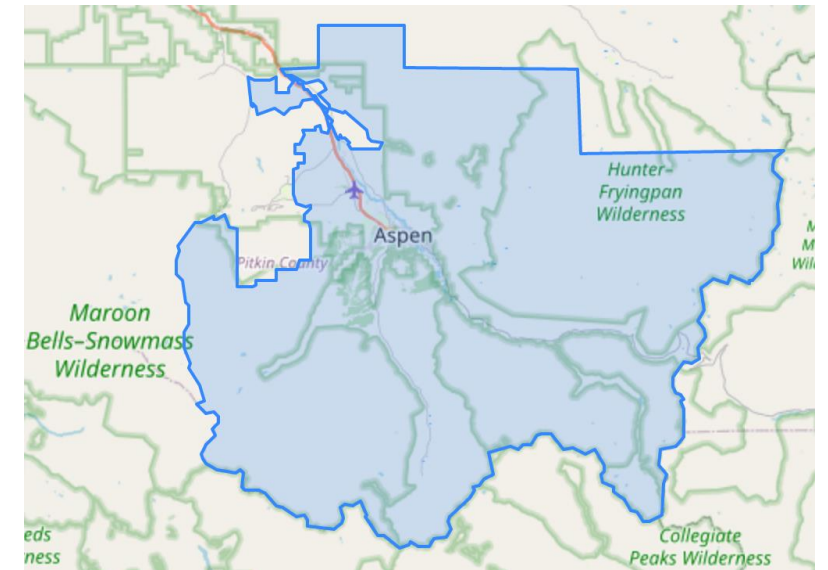
**Basalt Market Area**



**Snowmass Village Market Area**

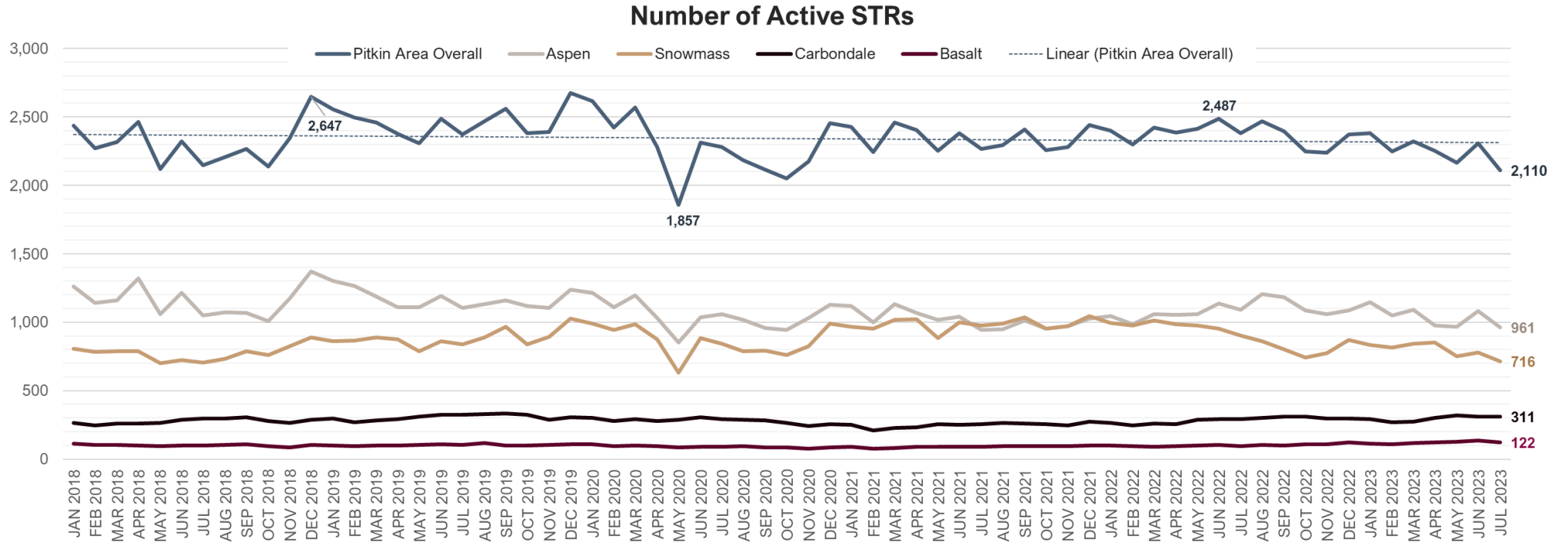


**Aspen Market Area**





# STR UNITS BY LOCATION



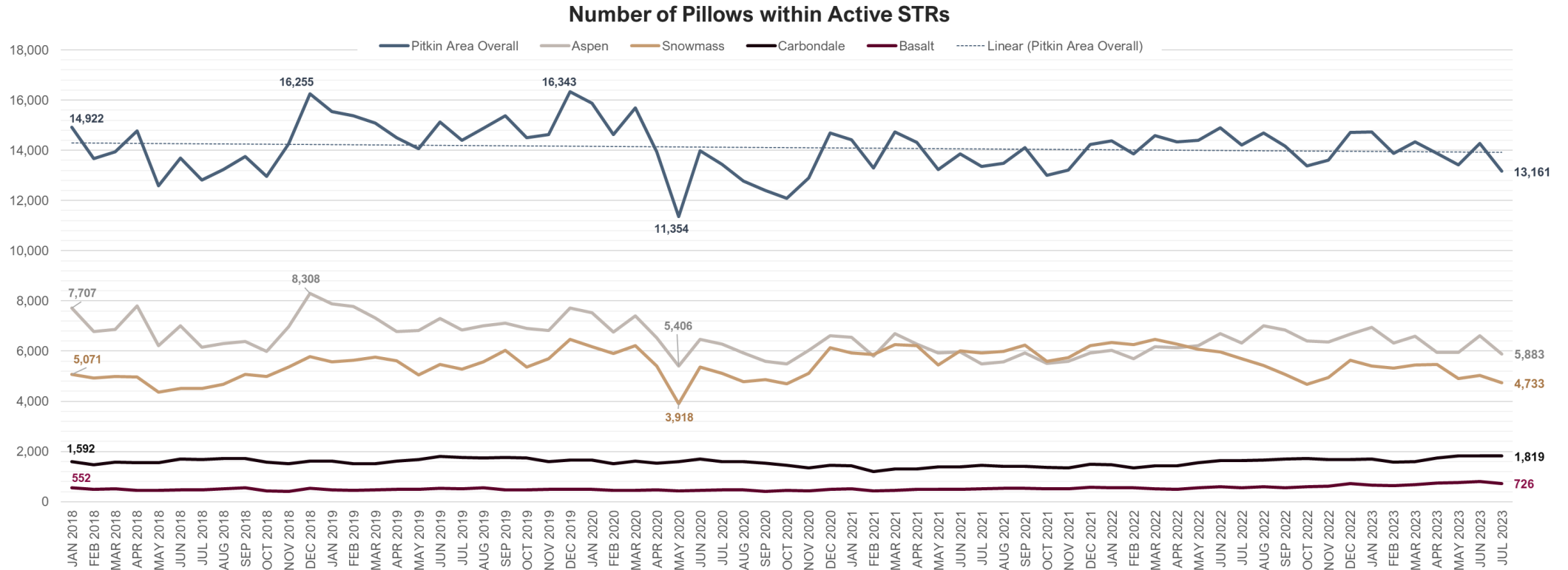
Overall, the total number of active STRs in Pitkin County Area (including the non-Pitkin County portions of the Carbondale and Basalt zip codes) has trended generally flat from January 2018 to July 2023. The same roughly flat trend has occurred in Aspen, Snowmass Village, Basalt and Carbondale.

The effects of the pandemic can be seen with a large dip in active STRs in May 2020, with a sharp uptick in STR availability the following month and a regaining of near pre-pandemic levels by the end of the year.





# STR PILLOWS BY LOCATION



The number of available pillows in active STRs has also trended roughly flat. There appears to be some seasonality in the number of pillows available, with peaks generally occurring in December/January and lows in the shoulder seasons of April/May and October, although these patterns aren't apparent in some years.



# STR LISTING TYPE

- The vast majority of active STR listings are entire homes (95.4%).
- A comparatively modest share are private rooms (90 units / 4.6%).
  - While modest in share, many of these STRs are likely to be owner- or renter-occupied units (in addition to being STRs).
  - By providing both resident housing and resident income, these STR situations may be particularly advantageous to Pitkin residents.

## Average Active STRs by Listing Type Pitkin County, August 2022 - July 2023

	Number	Percent
Entire home	1,855	95.4%
Private room	90	4.6%
<b>Total</b>	<b>1,945</b>	<b>100.0%</b>

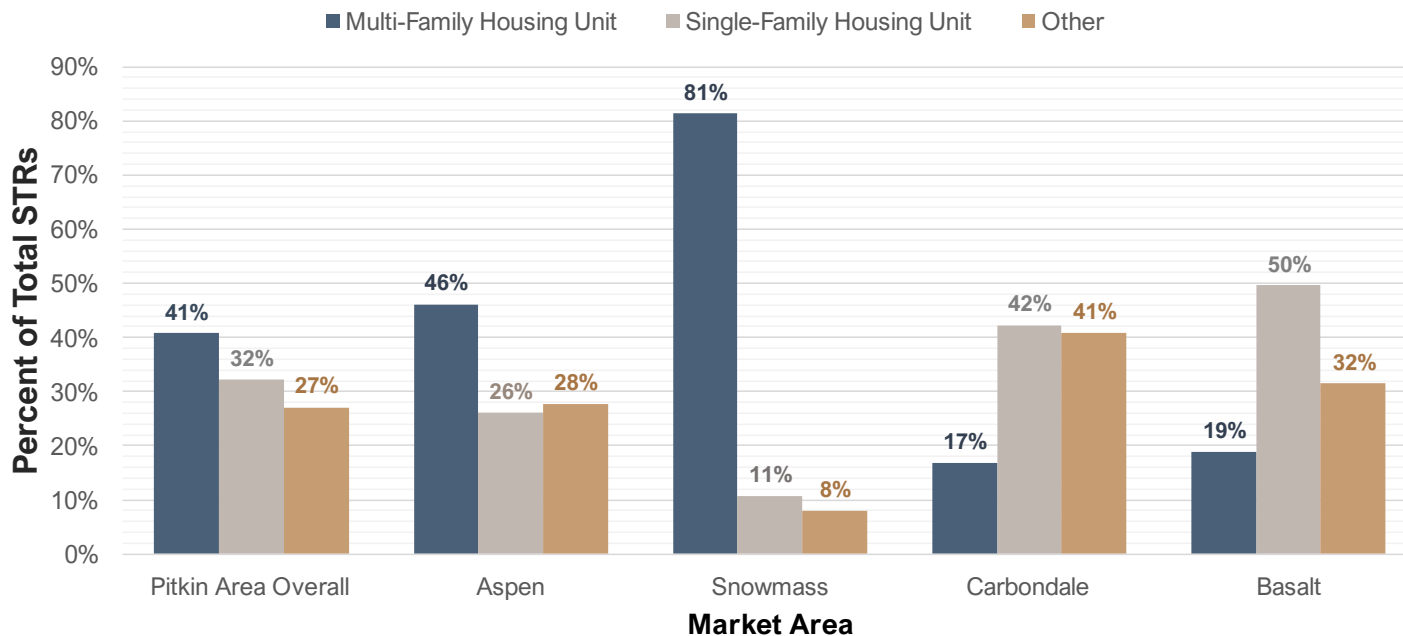




# STR PROPERTY TYPE

## Percent of Active STRs by Property Type

January - July 2023



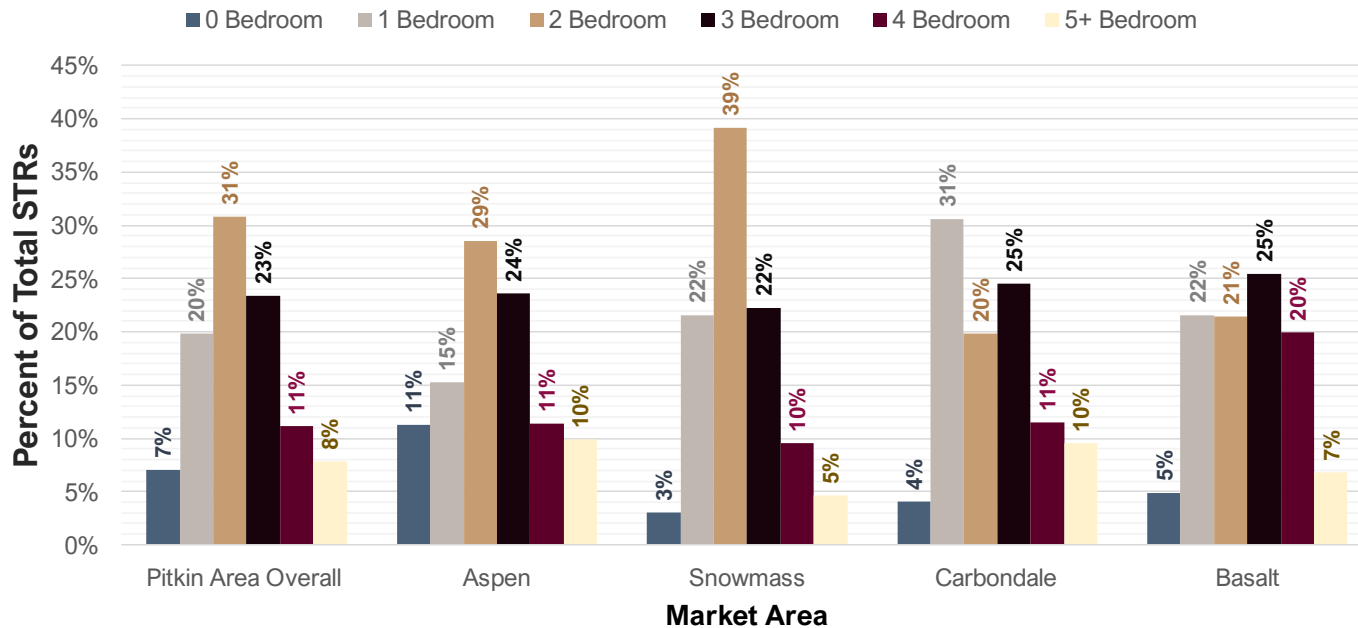
- STRs in the Pitkin County Area tend to be multi-family housing units. At the community level, Snowmass is particularly dominated by multi-family STR units, while Carbondale and Basalt are more likely to have single-family STRs.
- While these counts reflect for January through July 2023, the prior year's property type mix was similar.
- Note that Assessor and STR licensing data shown later in this chapter provides additional, more precise unit type data.



# STR BEDROOMS

## Percent of Units by Bedroom Size

January - July 2023



- Two-bedroom units are the leading STR configuration, with 31% on the county level, followed by one bedroom (20%) and three bedrooms (22%).
- The STR bedroom count mix differs somewhat across communities, with Snowmass having a comparatively high share of 2 BRs, Carbondale having a high share of 1BRs, and Basalt having a high share of 4BRs.

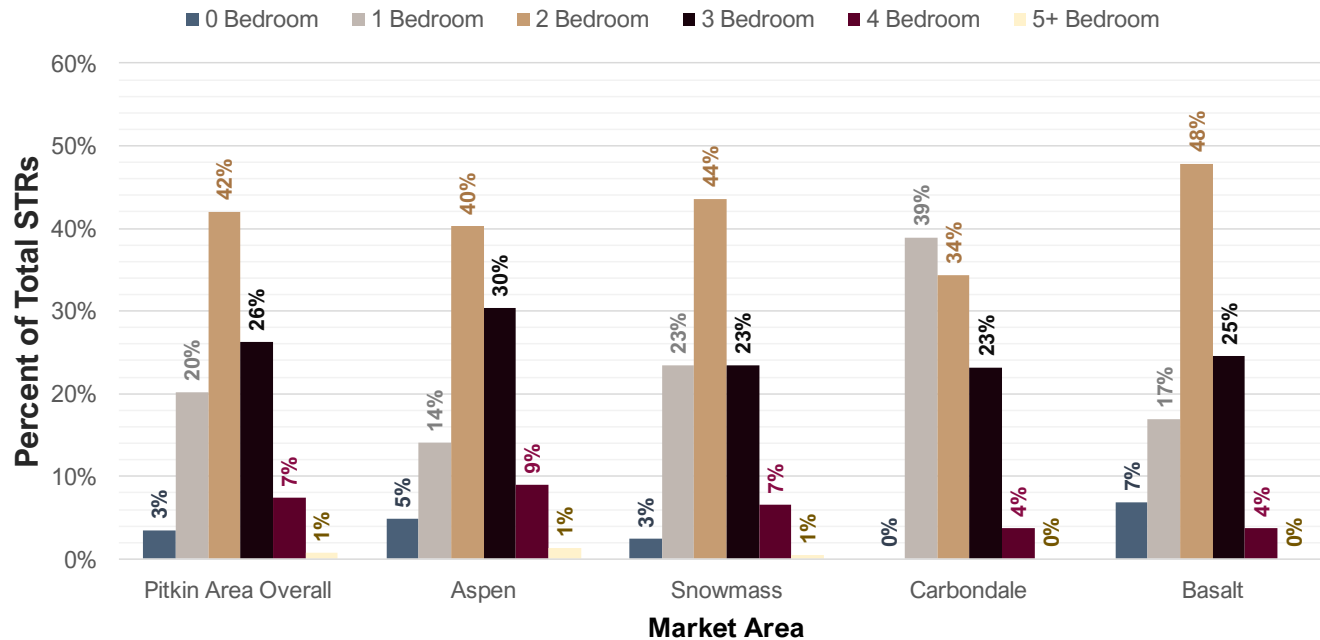




# STR BEDROOMS: MULTI-FAMILY

## Percent of Multi-Family Units by Bedroom Size

January - July 2023



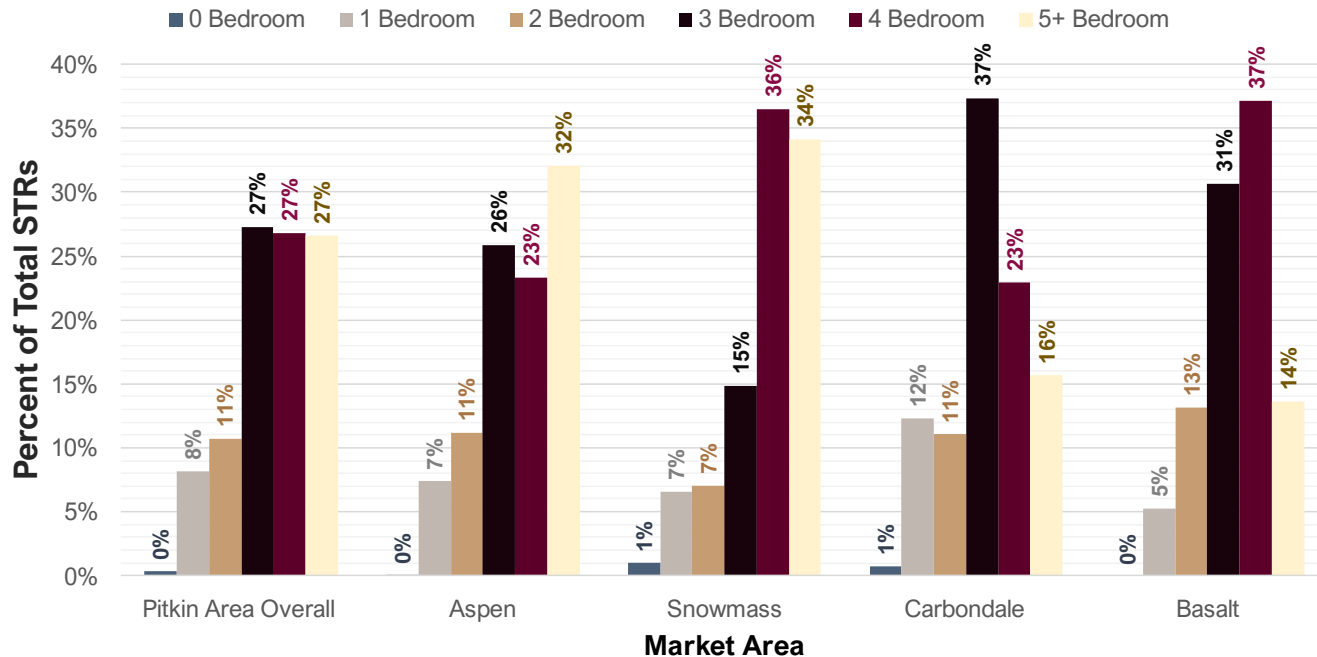
- For the Pitkin County Area overall and across most communities, multi-family STRs most commonly have two bedrooms. Carbondale is the only community which tends to differ with 39% of active STRs being one bedroom in size. Three- and one-bedroom units are the next most common multifamily STR unit sizes for the county overall.



# STR BEDROOMS: SINGLE FAMILY

## Percent of Single-Family Units by Bedroom Size

January - July 2023



- Single-family STRs tend to have more bedrooms than multi-family units, with three, four, and five or more bedrooms the dominant configuration at 27% each.
- Aspen and Snowmass's single-family STRs skew larger proportionally than other communities (with more 4 and/or 5+ bedrooms), while Carbondale's skew smaller (with more three bedrooms).

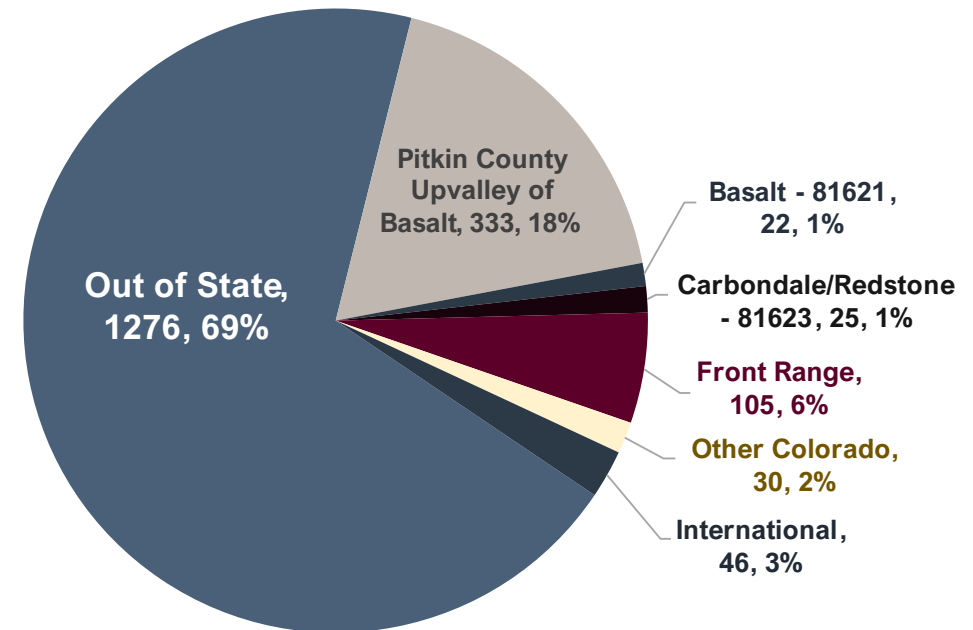




# STR OWNER GEOGRAPHY

- STRs are largely owned by individuals from outside the Pitkin County region (80%), including 69% from out of state, 8% from the Front Range and other non-local area of Colorado, and 3% from foreign countries.
- The remaining 20% of STRs are owned by residents of the local area, including 18% owned by residents of Pitkin County upvalley from Basalt, and 2% owned by residents of the Basalt and Carbondale postal areas.

### Number of STRs by Owner Location



Source: Pitkin County Assessor database; town/county STR license lists; RRC.

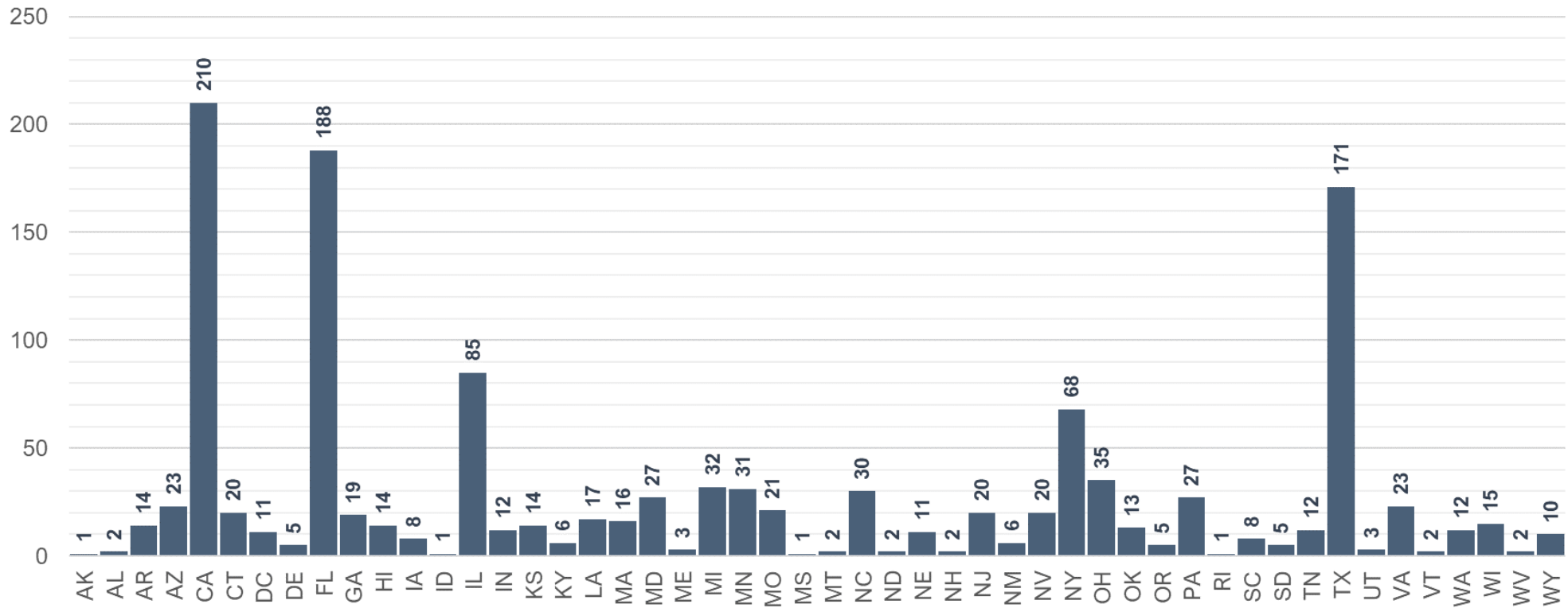
Note: Excludes STRs which are timeshares.

Front Range is defined as Larimer, Weld, Boulder, Broomfield, Adams, Jefferson, Denver, Arapahoe, Douglas, Elbert, El Paso, and Pueblo counties.



# STR OWNER GEOGRAPHY (OUT OF STATE)

### Number of STRs by Geography of Owner



Out-of-state STR owners are most likely to have their primary residence in California, Florida, Texas, Illinois and New York. These are also leading out of state visitor markets for Aspen (and likely Pitkin County as a whole), suggesting a relationship between the geography of Pitkin County visitation patterns and STR ownership.

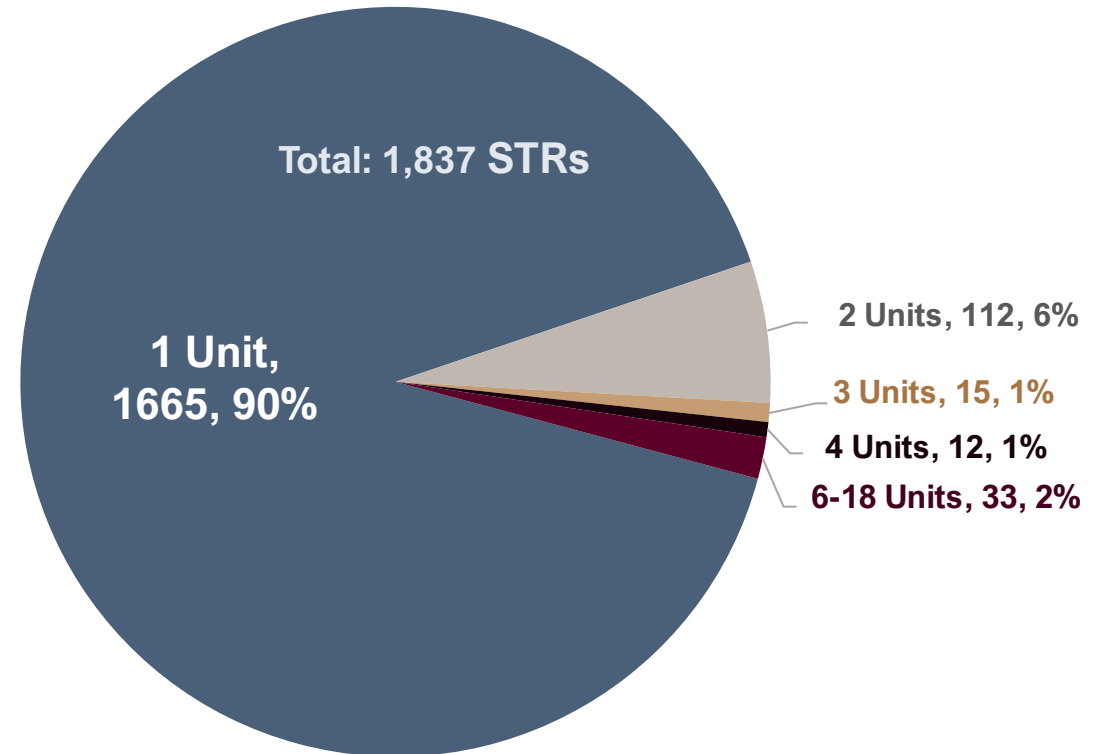




# MULTIPLE STR OWNERSHIP

- Most residential STRs in Pitkin County (90%) are owned by owners who own a single STR.
- Only 10%, or 172 STRs as of 2023, are operated by owners who own multiple Pitkin County STRs.
  - Of these 172 STRs that are owned by multiple STR-owning individuals, most (65% - 112 units) are owned by persons owning 2 STR units.

Number of STRs by Single / Multiple STR Ownership



Source: Pitkin County Assessor database; town/county STR license lists; RRC.

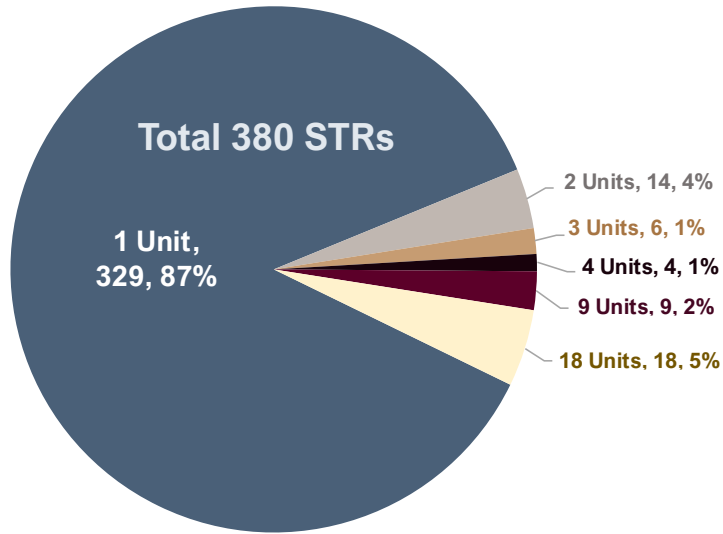
Note: Counts reflect free-market condo, townhome and SFR STRs. Counts exclude STRs which are timeshares, residential units assessed as commercial, mobile homes, employee units, and agricultural units.



# MULTIPLE STR OWNERSHIP

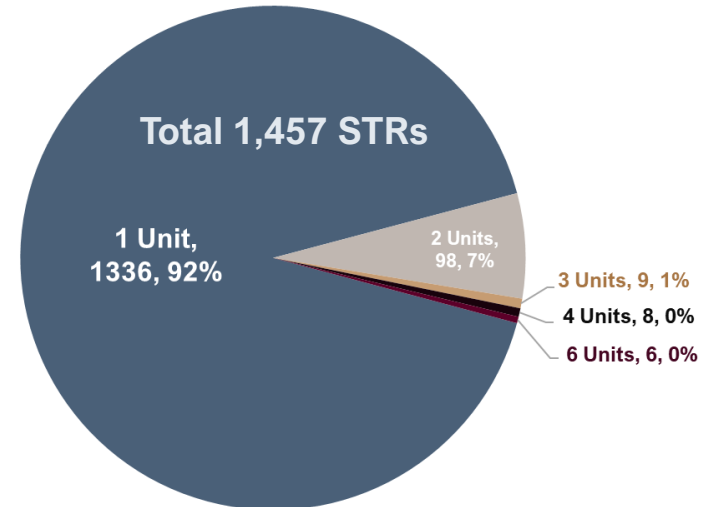
## Number of STRs by Single / Multiple STR Ownership

Pitkin County & Basalt/Carbondale/Marble Area Owners



## Number of STRs by Single / Multiple STR Ownership

Non-Pitkin County & Basalt/Carbondale/Marble Area Owners



The above charts show the number of STRs under single/multiple STR ownership, separated by local vs. non-local owners.

For both groups, single STR ownership is the predominant pattern (87% - 92% of STRs owned by both groups are owned by single unit owners).

Among multiple unit owners, STRs with local ownership are comparatively likely to own 4+ units (often registered under an LLC). Most nonlocal owners of multiple STRs own two STRs.

Source: Pitkin County Assessor database; town/county STR license lists; RRC.

Note: Counts reflect free-market condo, townhome and SFR STRs. Counts exclude STRs which are timeshares, residential units assessed as commercial, mobile homes, employee units, and agricultural units.

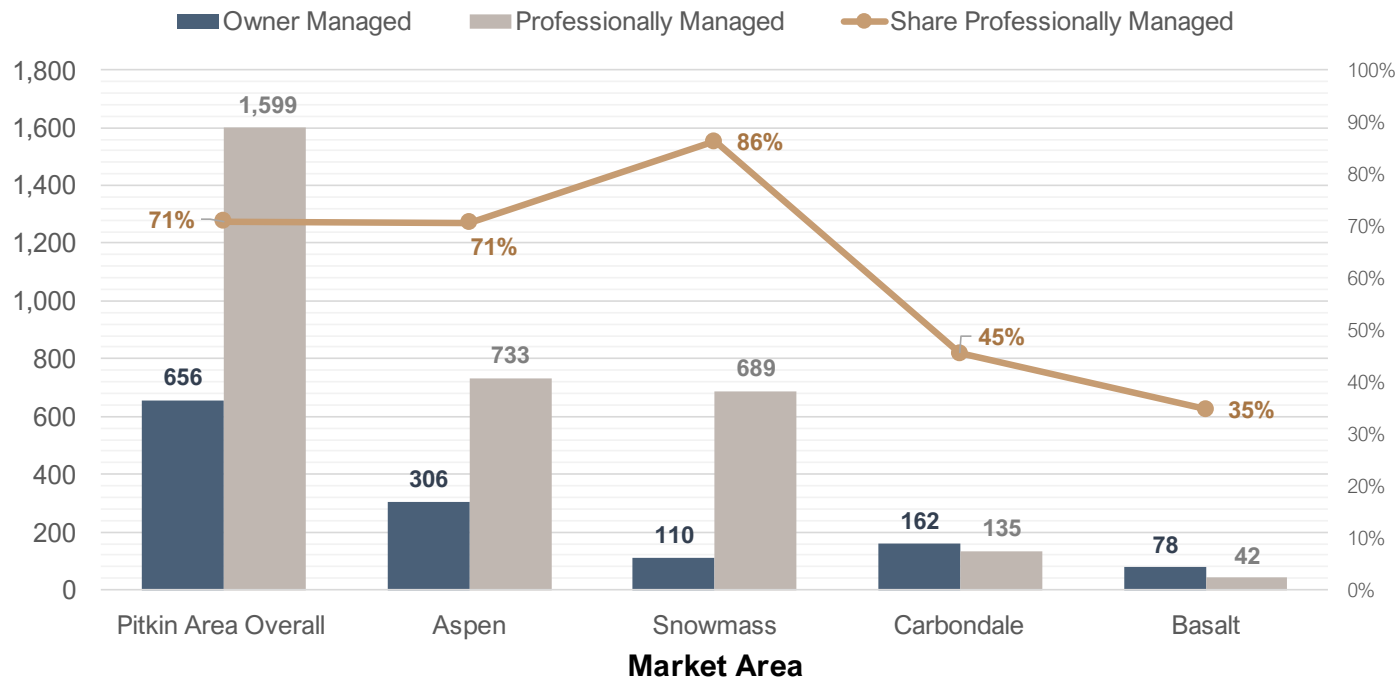




# STR MANAGEMENT

## Number of Active STRs by Manager Type

January - July 2023

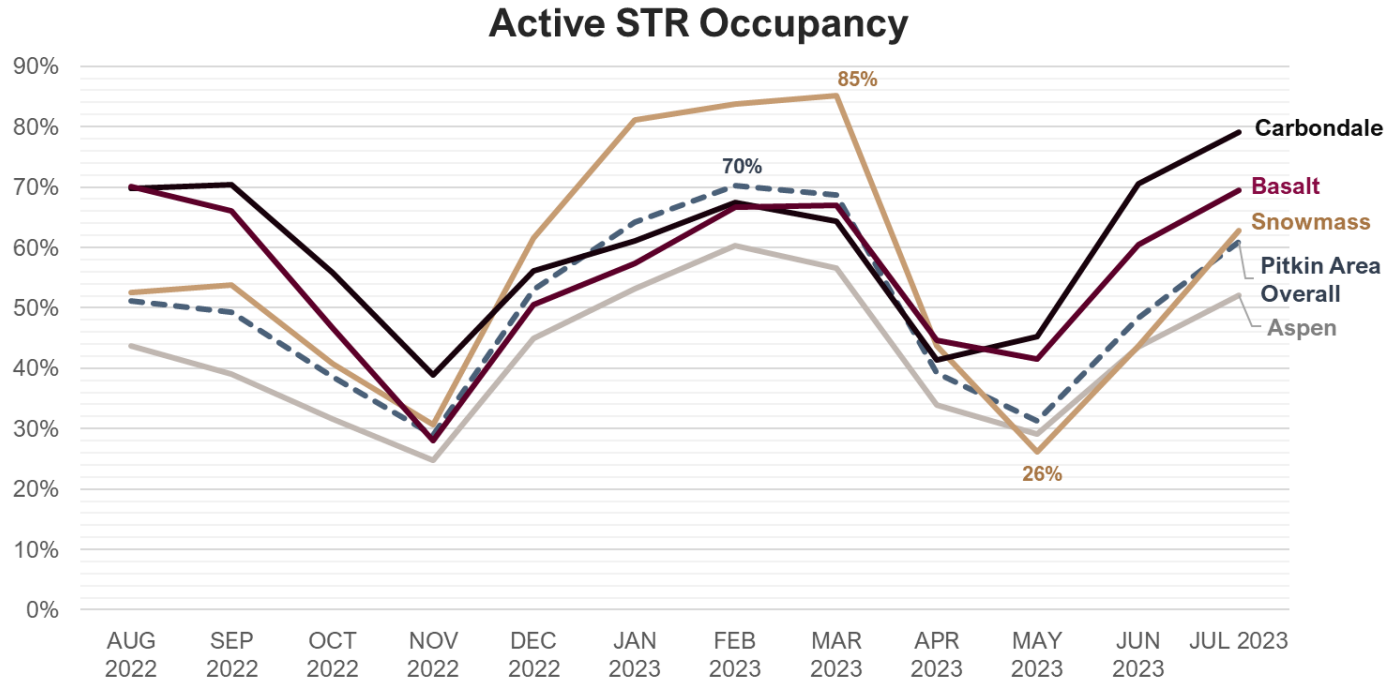


- STRs in the Pitkin County area are largely managed by professional managers, accounting for 71% of the overall active STR unit inventory.
- Professional management of STRs is most prevalent in the Snowmass Village (86%) and Aspen (71%) market areas, and least common in the Carbondale (45%) and Basalt (35%) market areas.





# STR OCCUPANCY RATE

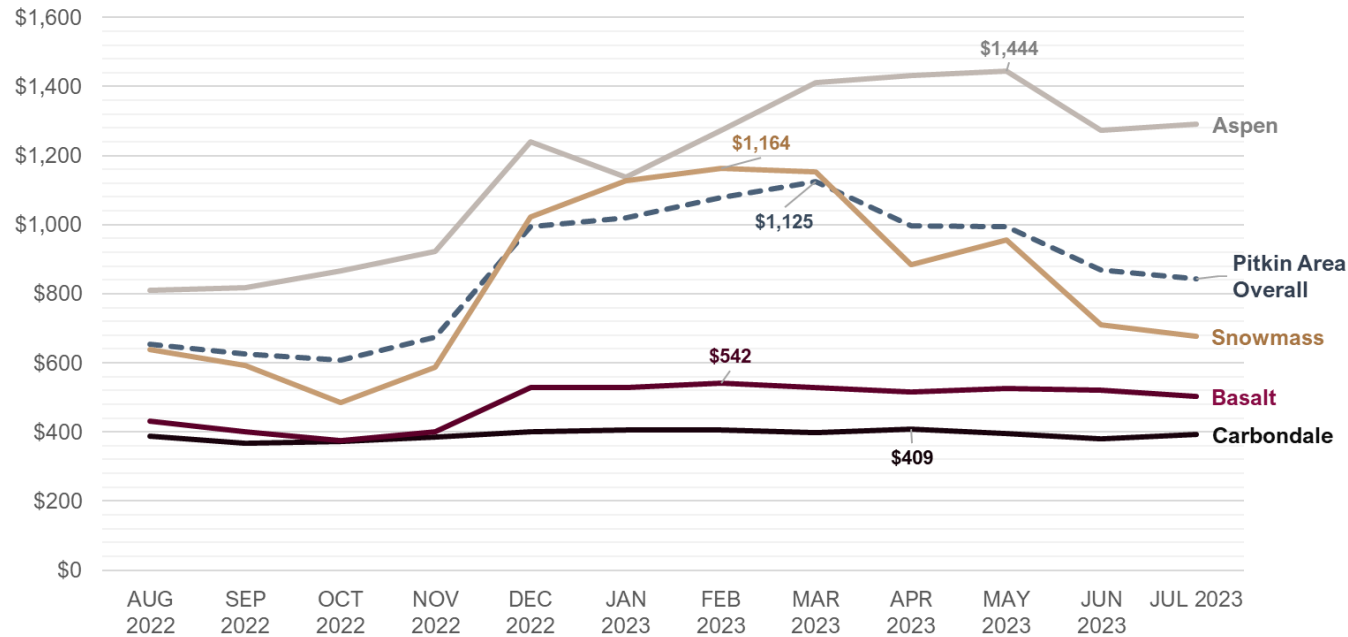


- The occupancy of active STRs in the Pitkin County Area follows a seasonal trend, with peak occupancy occurring in the winter (January - March) and the middle of summer (July and August). Occupancy is weakest in November and May.
- Occupancy by community in the August 2022 to July 2023 period is fairly similar in winter months (except for exceptionally strong performance in Snowmass), and less similar in summer months. This suggests more consistent demand for STRs across during the ski season (and somewhat more divergence in summer).



# STR AVERAGE DAILY RATE

### Active STR Average Daily Rate

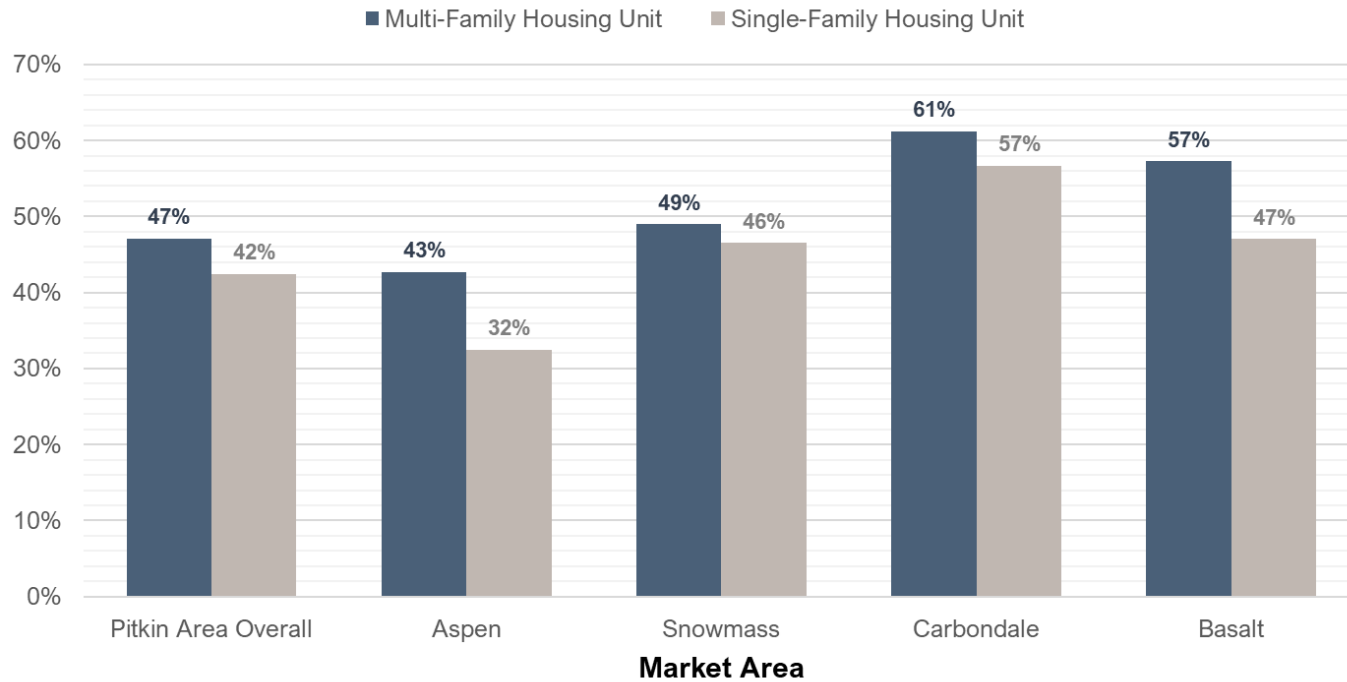


- In the illustrated 12 month period, STR average daily rates (ADR) for the region as a whole were highest in the winter season, peaking in March 2023 (\$1,125).
- ADRs for the region were lower in summer and shoulder seasons.
- The highest ADRs have consistently occurred in Aspen, followed by Snowmass Village, Basalt and Carbondale.



# STR OCCUPANCY BY PROPERTY TYPE

## 2022 Occupancy by Property Type



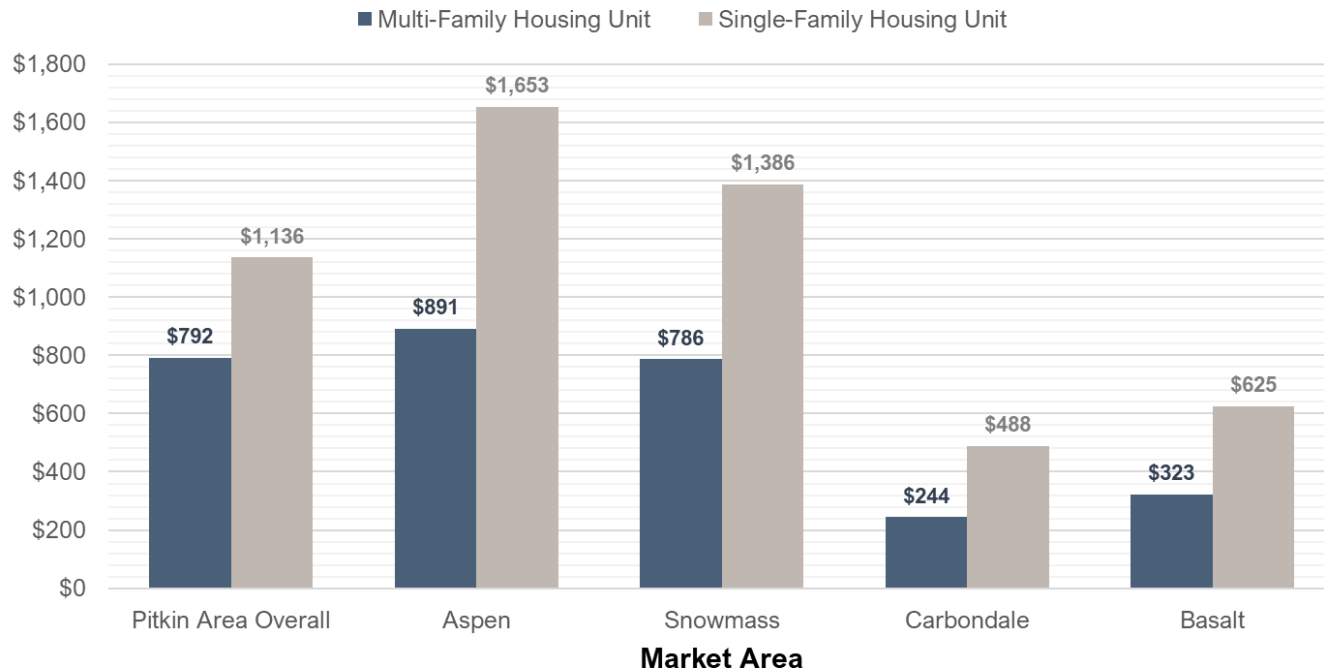
- Across communities, multi-family STRs consistently outperform single-family STRs in occupancy by three to eleven percentage points.





# STR ADR BY PROPERTY TYPE

## 2022 Average Daily Rate by Property Type



- Single-family properties command significantly higher ADRs than multi-family units across all areas.

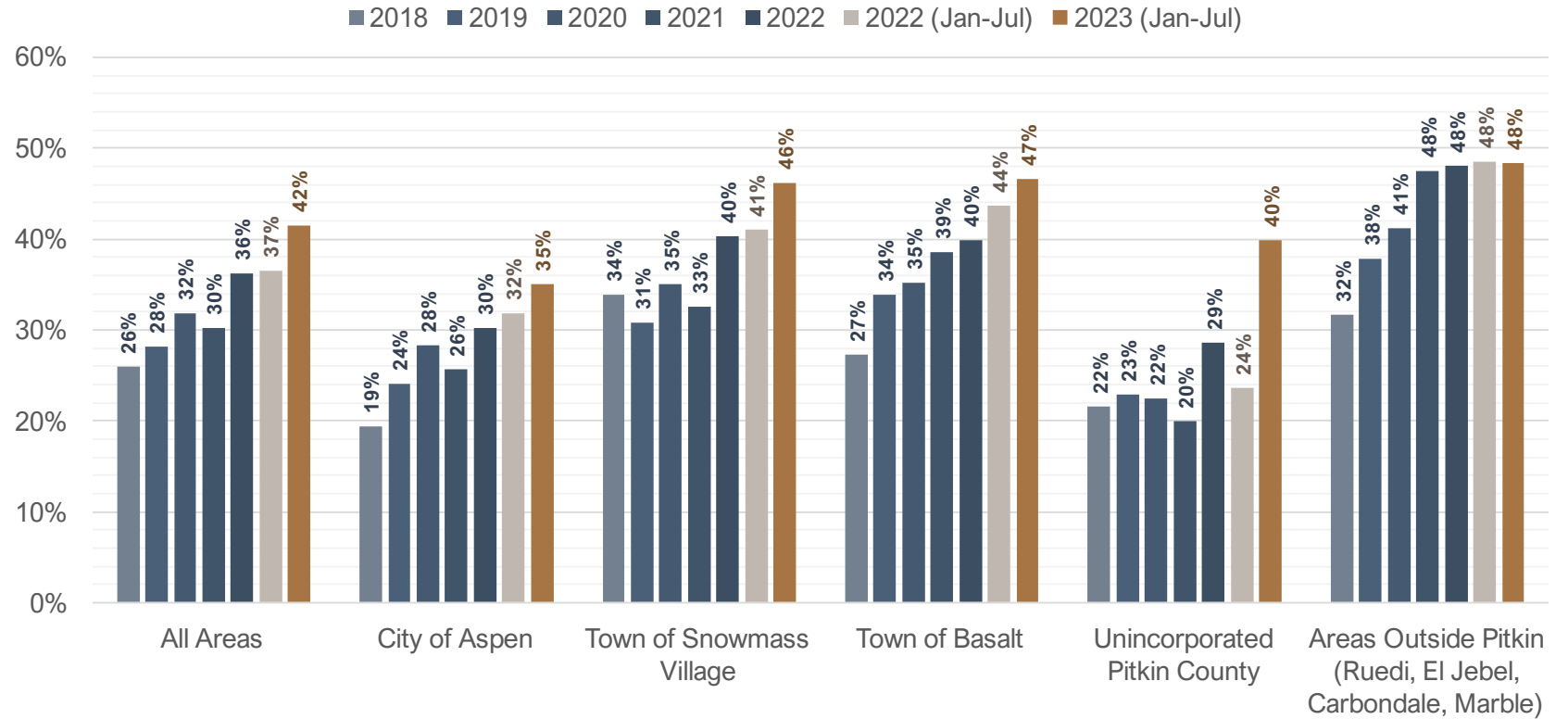


# STR OCCUPANCY RATE BY COMMUNITY

- Occupancy rates have increased from 2018 to 2023 across Pitkin County and nearby outlying regions.
- Occupancy rates are highest in the communities down-valley of Aspen, possibly because STR rental costs tend to decrease downvalley.
- Interestingly, the largest occupancy increase YOY Jan-Jul was in Unincorporated Pitkin County, the area's most restrictive STR zone.

## STR Occupancy Rate by Community

2018 - 2023



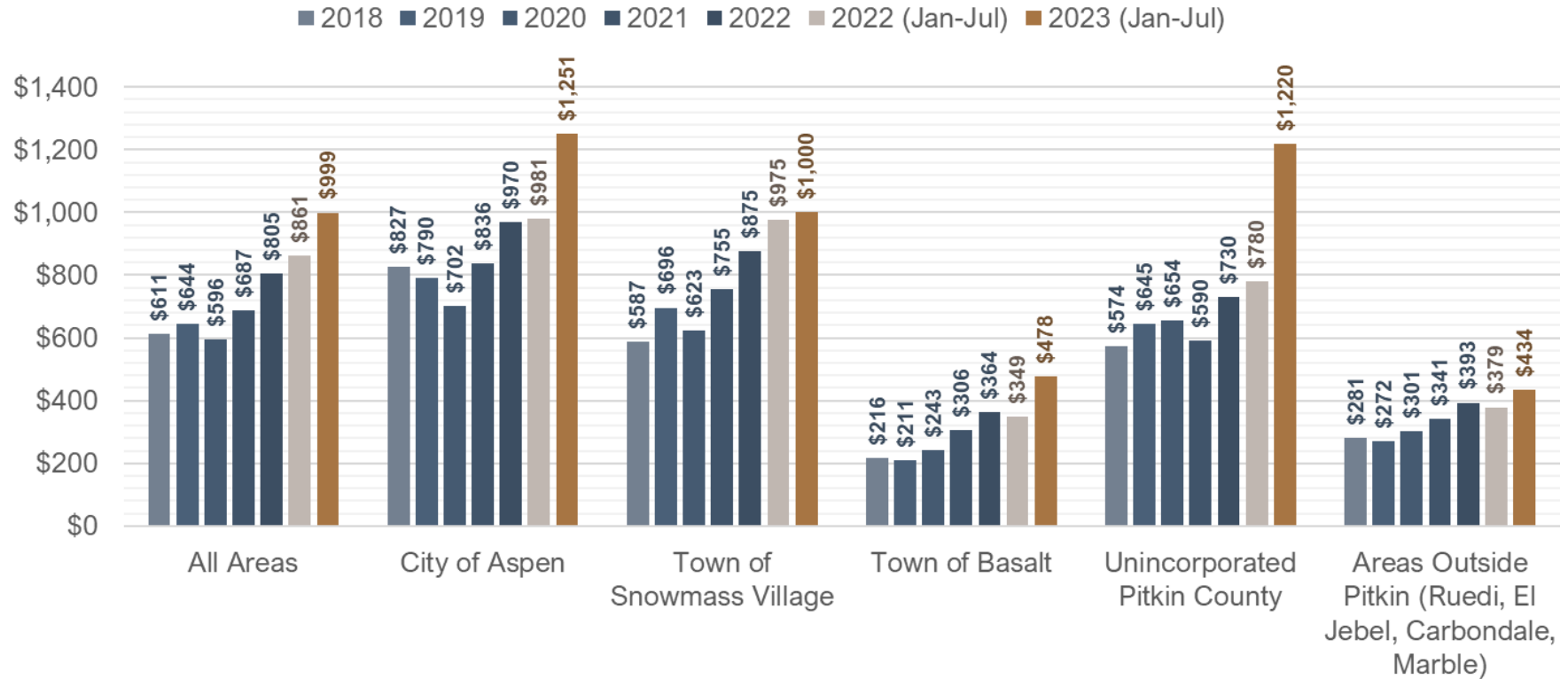


# STR ADR BY COMMUNITY

- ADRs have grown across all communities over the past six years.
- Interestingly, in 2023 (thru July), STRs have risen the most in areas with the most restrictive STR regulations (Aspen and unincorporated Pitkin) – a pattern to watch going forward.
- ADRs are highest in Aspen and lowest in Basalt and outlying areas outside Pitkin County.

## STR ADR by Community

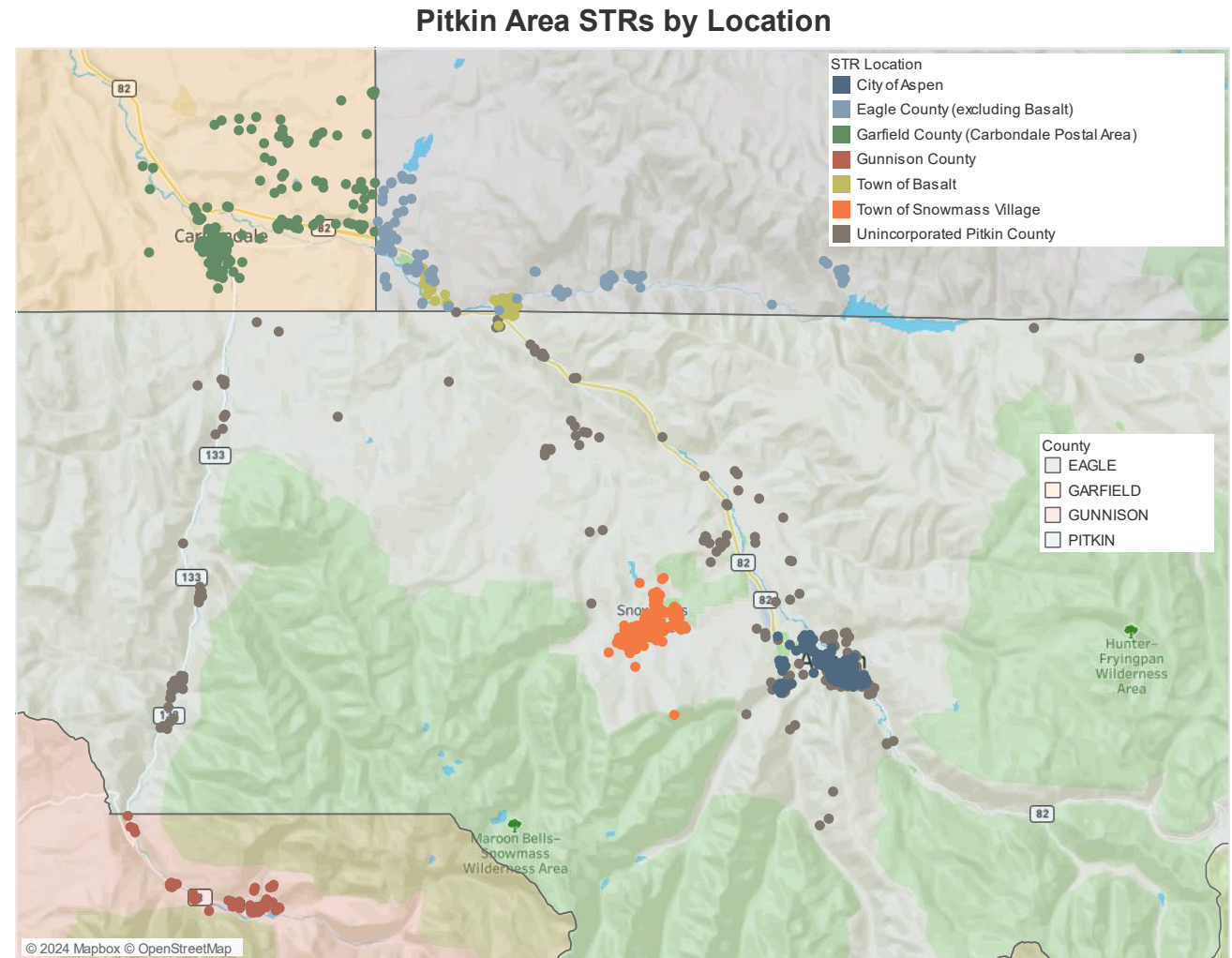
2018 - 2023





# STR LOCATIONS – TOWNS & COUNTY ZONES

- In addition to analysis by Market Area (in previous slides), it is also helpful to evaluate STRs in different governmental areas, given variations in STR regulations across municipalities and Pitkin County.
- This map illustrates the locations of STRs by municipality and governmental control. The Pitkin County geographies are used for analysis purposes in most of the remainder of this report (especially City of Aspen, Town of Snowmass Village, and unincorporated Pitkin County).





# STRs: UNIT TYPE (PER ASSESSOR)

## Pitkin County Licensed STRs by Unit Type, 2023

Unit type	PITKIN OVERALL	City of Aspen	Town of Snowmass Village	Unincorporated Pitkin
Condominium	1,457	865	585	7
Single family residence	315	151	71	93
Duplex condominium	80	77	1	2
Other & undetermined	212	89	110	13
<b>TOTAL</b>	<b>2,064</b>	<b>1,182</b>	<b>767</b>	<b>115</b>

Percent of STRs:				
Condominium	71%	73%	76%	6%
Single family residence	15%	13%	9%	81%
Duplex condominium	4%	7%	0%	2%
Other & undetermined	10%	8%	14%	11%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

- In Pitkin as a whole, the largest share of STRs are condos (71%), while 15% are single family units, 4% are duplex condos, and 10% are another unit type or undetermined.

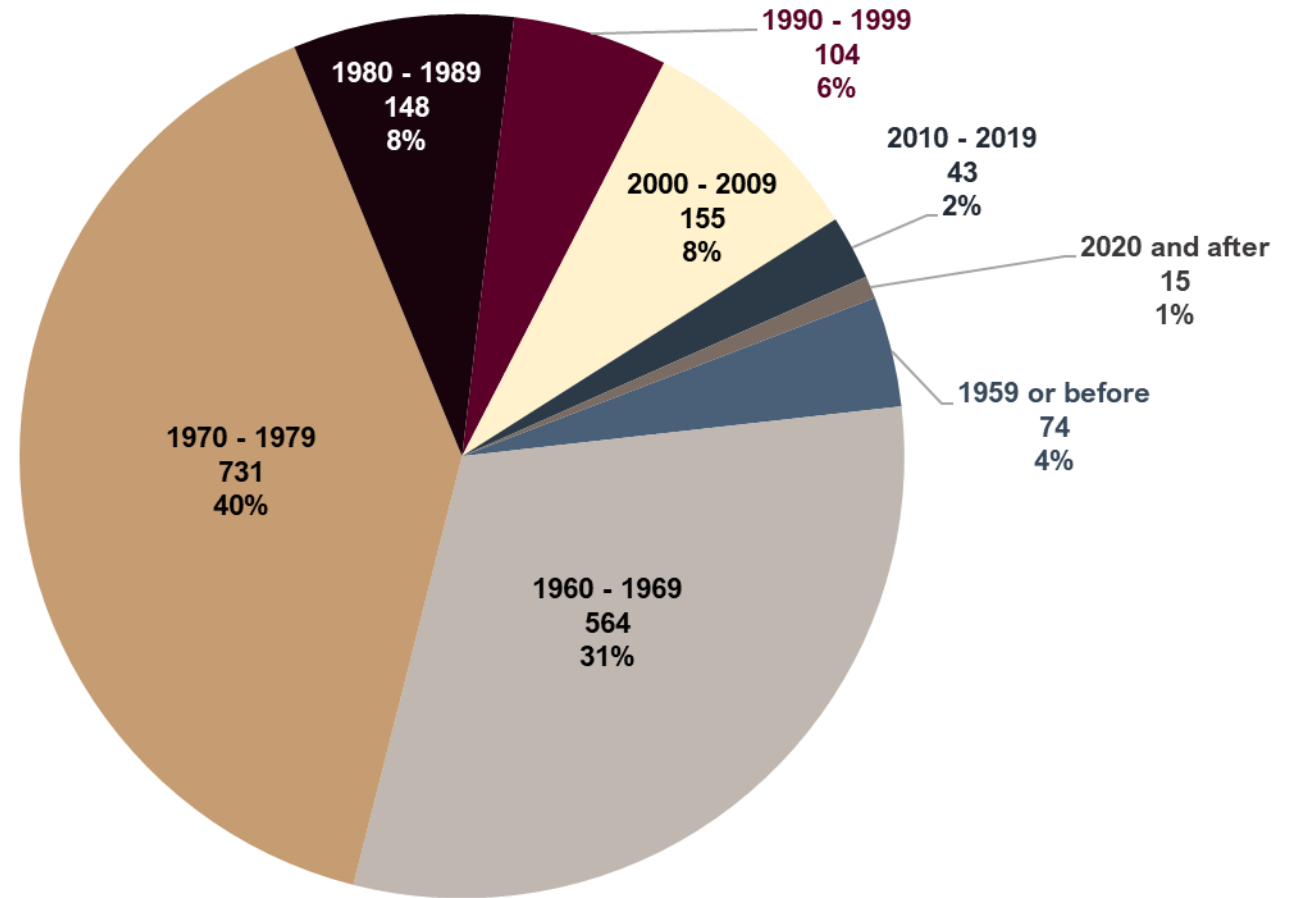
Note: Basalt (not shown) has two STR permits in the Pitkin County portion of the town. One of the permits covers multiple units.



# STRs: YEAR BUILT (PER ASSESSOR)

- Most licensed STRs were built in the 1960s (31%) and 1970s (40%), corresponding to a boom period in the county's growth, and indicative of the long history of STRs in the county.

### Share of STRs by Year Built







# **ECONOMIC IMPACTS OF STRs**





# FINDINGS

- In 2022, STRs are estimated to have directly or indirectly supported **2,480 jobs** in Pitkin County and generated **\$553 million in economic output**, **\$340 million in GDP**, and **\$99 million in labor income**.
- Overnight visitors staying in STRs are estimated to have paid **\$31 million in city and county sales and lodging taxes** in Pitkin County.
- For additional context regarding the economic contributions of STRs to Pitkin County:
  - STR Share Of Tourism Jobs: Overnight visitors staying in STRs are estimated to have supported 24% of Pitkin County's trip-related tourism jobs in 2022.
  - STR Share Of Total Jobs: STRs are estimated to have directly or indirectly supported 12% of Pitkin County's total jobs (in tourism and other sectors) in 2022.
  - STR Share Of Total GDP: STRs are estimated to have directly or indirectly accounted for 11% of Pitkin County's total GDP in 2022.



# FINDINGS

- Pitkin County had a total of approximately 3,735 rental accommodation units in 2022, of which 2,066 (55%) were STRs, and 1,669 (45%) were hotels/motels and other lodging units.
- STRs are estimated to have accounted for 50% of Pitkin County's rental lodging revenues in 2022.
- Comparing performance metrics by unit type, Pitkin County's STRs tend to have a lower occupancy rate (34.5% in 2022) than hotels/motels (56.1%). However, STRs have a much higher average daily rate (\$891 vs. \$626). STRs have somewhat lower average daily revenue per available room (\$308 vs. \$351).
- The higher ADRs achieved by STRs are likely in significant part due to the larger size of STR units (averaging more square footage, rooms, and pillows) and the frequent presence of expanded in-unit amenities (such as kitchen facilities). Accordingly, STR units tend to host larger travel parties and more people per unit than hotels.
- STRs and hotels/motels/other lodging types can be viewed as complements of one another, offering different unit sizes, amenities, experiences and price points, and together offering a broader array of lodging options to visitors than any one product type can alone.



# DIRECT & SECONDARY ECONOMIC IMPACTS OF STRs

## Economic Impacts of STRs in Pitkin County, 2022

Effect	Employment	Earnings	Output	Value-added (GDP)
Direct	2,049	\$76,662,364	\$438,661,347	\$316,634,183
Indirect	280	\$15,278,657	\$77,976,571	
Induced	152	\$6,699,219	\$35,907,636	\$23,090,952
<b>Total STR economic impact</b>	<b>2,480</b>	<b>\$98,640,239</b>	<b>\$552,545,554</b>	<b>\$339,725,135</b>
County total - all industries	21,525	\$1,744,435,000	not avail.	\$3,151,597,000
<b>STR share of county total</b>	<b>12%</b>	<b>6%</b>	not avail.	<b>11%</b>
County total trip-related tourism jobs	8,634			
<b>STR share of trip-related tourism jobs</b>	<b>24%</b>			

Source, STR impacts: RRC, based on Colorado State Demography Office employment data and base industry factors; visitor surveys conducted in Pitkin County; local government sales tax collection data; IMPLAN retail margins; CoStar hotel performance data; Diio Mi commercial air travel data; and US BEA RIMS II multipliers for Pitkin County (2021, with inflation adjustment to 2022 based on US BLS CPI for Denver MSA).

Source, county total jobs and tourism jobs: Colorado State Demography Office.

Source, county total earnings and GDP: US Bureau of Economic Analysis.





# VISITOR EXPENDITURES & DIRECT JOBS ATTRIBUTABLE TO STRs

## Visitor Expenditures and Direct Jobs Attributable to Pitkin County STRs by Sector, 2022

Industry Sector	Expenditures	Employment
Accommodations and property management	\$252,872,630	840
Shopping / retail	\$118,470,403	334
Food services and drinking places	\$79,220,174	331
Arts, entertainment and recreation	\$59,078,224	458
Air transportation	\$28,533,637	30
Local transportation	\$5,771,347	57
<b>Total</b>	<b>\$543,946,415</b>	<b>2,049</b>

Source: RRC, based on Colorado State Demography Office employment data and base industry factors; visitor surveys conducted in Pitkin County; local government sales tax collection data; CoStar hotel performance data; Diio Mi commercial air travel data; and US BEA RIMS II multipliers for Pitkin County (2021, with inflation adjustment to 2022 based on US BLS CPI for Denver MSA).



# TAXES PAID BY STR VISITORS

## Estimated Sales and Lodging Taxes Paid by STR Visitors in 2022: by Jurisdiction and Tax Type

2022 Sales and Lodging Taxes	Pitkin County	Aspen	Snowmass Village	Basalt	RFTA	TOTAL
Countywide RFTA taxes					\$1,586,742	\$1,586,742
Countywide transit service (1%)*		\$1,622,901	\$435,412		\$1,899,981	\$3,958,294
Countywide mass transit system improvements (0.5%)**	\$1,979,147					\$1,979,147
Countywide general use (2.0%)*	\$3,404,133	\$3,483,299	\$870,825	\$158,332		\$7,916,588
Countywide water quality (0.1%)	\$395,829					\$395,829
City sales tax		\$5,532,952	\$4,978,476	\$25,680		\$10,537,107
City lodging tax		\$2,129,386	\$2,488,212			\$4,617,598
<b>Total city/county taxes</b>	<b>\$5,779,110</b>	<b>\$12,768,537</b>	<b>\$8,772,925</b>	<b>\$184,011</b>	<b>\$3,486,723</b>	<b>\$30,991,306</b>
State of Colorado 2.9% sales tax						\$11,479,053
<b>Total city/county/state sales taxes</b> (excluding gas tax, nicotine tax, marijuana tax, and other taxes)						<b>\$42,470,359</b>

\*Allocated across governments by formula.

\*\*Allocated by Elected Officials Transportation Committee.

Source: RRC, based on estimated taxable sales and community tax rates.



# ADDITIONAL TAXES & FEES GENERATED BY STRs

## EXCLUDING STR LICENSING FEES

### Estimated Property and Real Estate Transfer Taxes Paid by STR Owners, 2022-2024

Property and RETT Taxes	Pitkin County	Aspen	Snowmass Village	TOTAL
Property tax (2023 tax year, due in 2024)	\$4,208,475	\$1,818,819	\$675,750	\$6,703,044
Aspen Housing RETT (current STRs bought in CY 2022)		\$3,544,836		\$3,544,836
Aspen Wheeler RETT (current STRs bought in CY 2022)		\$1,797,418		\$1,797,418
Snowmass Village RETT (current STRs bought in CY 2022)			\$963,313	\$963,313
<b>Total property tax and RETT tax</b>	<b>\$4,208,475</b>	<b>\$7,161,073</b>	<b>\$1,639,063</b>	<b>\$13,008,610</b>

### Estimated Revenue to Snowmass Village General Fund from Ski Corp Contributions\*

	2022 Actual Budget	2023 Projected Budget	2024 Budget
Total Ski Corp Contributions	\$1,941,437	\$2,334,943	\$2,127,451
<u>Assumed share of skier visits attributable to STR guests</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>
<b>Ski Corp Contributions to TOSV attributable to STRs (if 50%)</b>	<b>\$970,719</b>	<b>\$1,167,472</b>	<b>\$1,063,726</b>

\*This revenue is based on a formula that multiplies the previous year's skier visits by an amount per skier visit plus the estimated Denver/Boulder consumer price index percentage change and (2%).

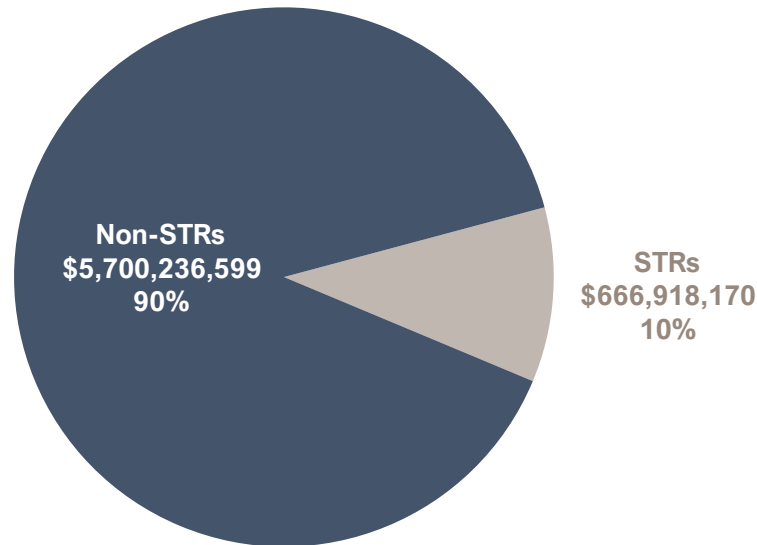
STR owners are projected to pay \$6.7 million in property tax in 2024. STR owners paid an estimated \$6.3 million real estate transfer taxes 2022.

In addition, the Aspen Skiing Corp. paid \$1.9 million to TOSV in 2022, and is budgeted to contribute \$2.3-\$2.1 million in 2023 and 2024, based on a formula tied to skier visits at Snowmass resort. If STRs are assumed to be responsible for half of Snowmass skier visits, STRs are generating approximately \$1 million for TOSV yearly via these contributions.



# ASSESSED VALUE

## Total Assessed Value of All Properties



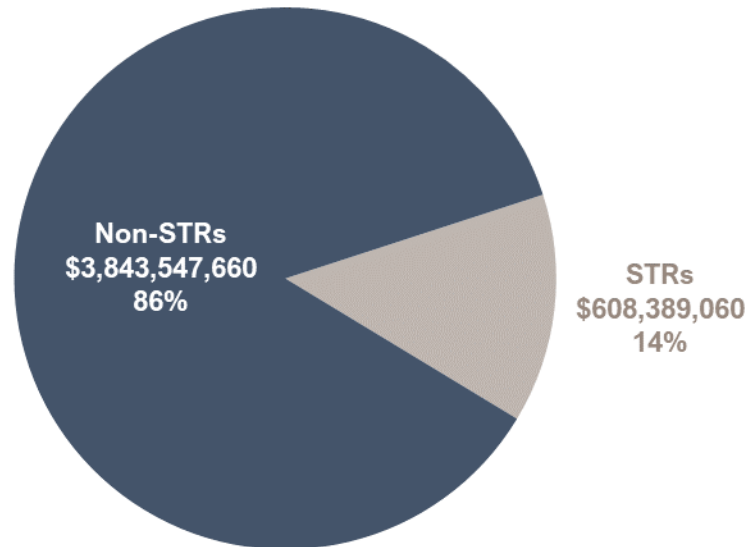
The total assessed value of STRs in Pitkin County is **\$667 million**, which accounts for just 10% of the total assessed value for all properties in the county (residential, commercial, and industrial). The total assessed value for the county is **\$6.37 billion**.





# ASSESSED VALUE

## Total Assessed Value of Residential Properties



When considering only **residential** properties in Pitkin County, the total assessed value of STRs is **\$608 million**, which accounts for 14% of the total assessed value for residential properties.

Source: Pitkin County Assessor file accessed July 2023; STR license lists as of July/August 2023. Data reflects free-market residential, condo, duplex condo, and ag/residential properties only. Note: Assessed values have been subsequently adjusted downward in aggregate, but STRs have retained a similar share of value.



# LODGING INVENTORY & REVENUE

Type	Units		Room revenue		Avg annual revenue/unit
	#	%	\$	%	
STR	2,066	55%	\$223,136,852	49.7%	\$108,004
Hotel	1,669	45%	\$226,128,266	50.3%	\$135,487
<b>Total</b>	<b>3,735</b>	<b>100%</b>	<b>\$449,265,118</b>	<b>100.0%</b>	<b>\$120,285</b>

Source: RRC and Inntopia, based on AirDNA and CoStar data, Inntopia Transient Inventory data, government STR licensing records, and government sales and lodging tax data.



# LODGING PERFORMANCE METRICS

## Pitkin County Lodging Performance Metrics, 2022

	STRs	Hotels	STRs as a % of Hotels
Occupancy	34.5%	56.1%	62%
ADR	\$891	\$626	142%
RevPAR	\$308	\$351	88%

Sources: AirDNA (for STRs); CoStar (for hotels).

STR occupancy = Reservation days / (reservation days + available days + blocked days).

STR ADR = Revenue / reservation days.

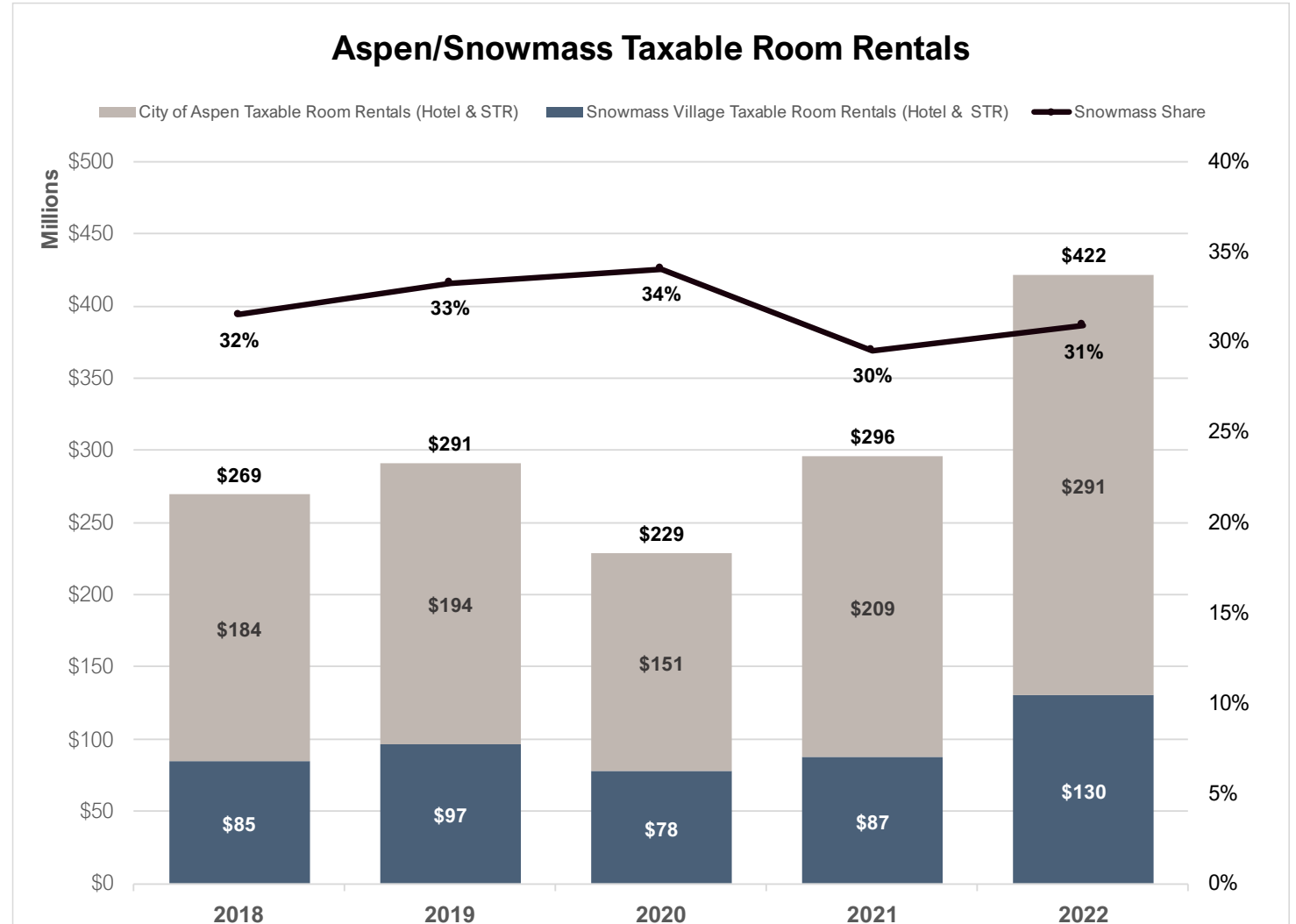
STR RevPAR = Revenue / (reservation days + available days + blocked days).



# SUPPORTING DETAIL: TAXABLE ROOM RENTALS

## ASPEN & SNOWMASS VILLAGE

- Across Aspen and Snowmass Village, taxable room revenue (inclusive of STRs and hotels) is largely (70%+/-) attributable to properties in Aspen, and 30%+/- attributable to properties in Snowmass Village.
- Room rental revenues jumped from \$296 million in 2021 to \$422 million in 2022.



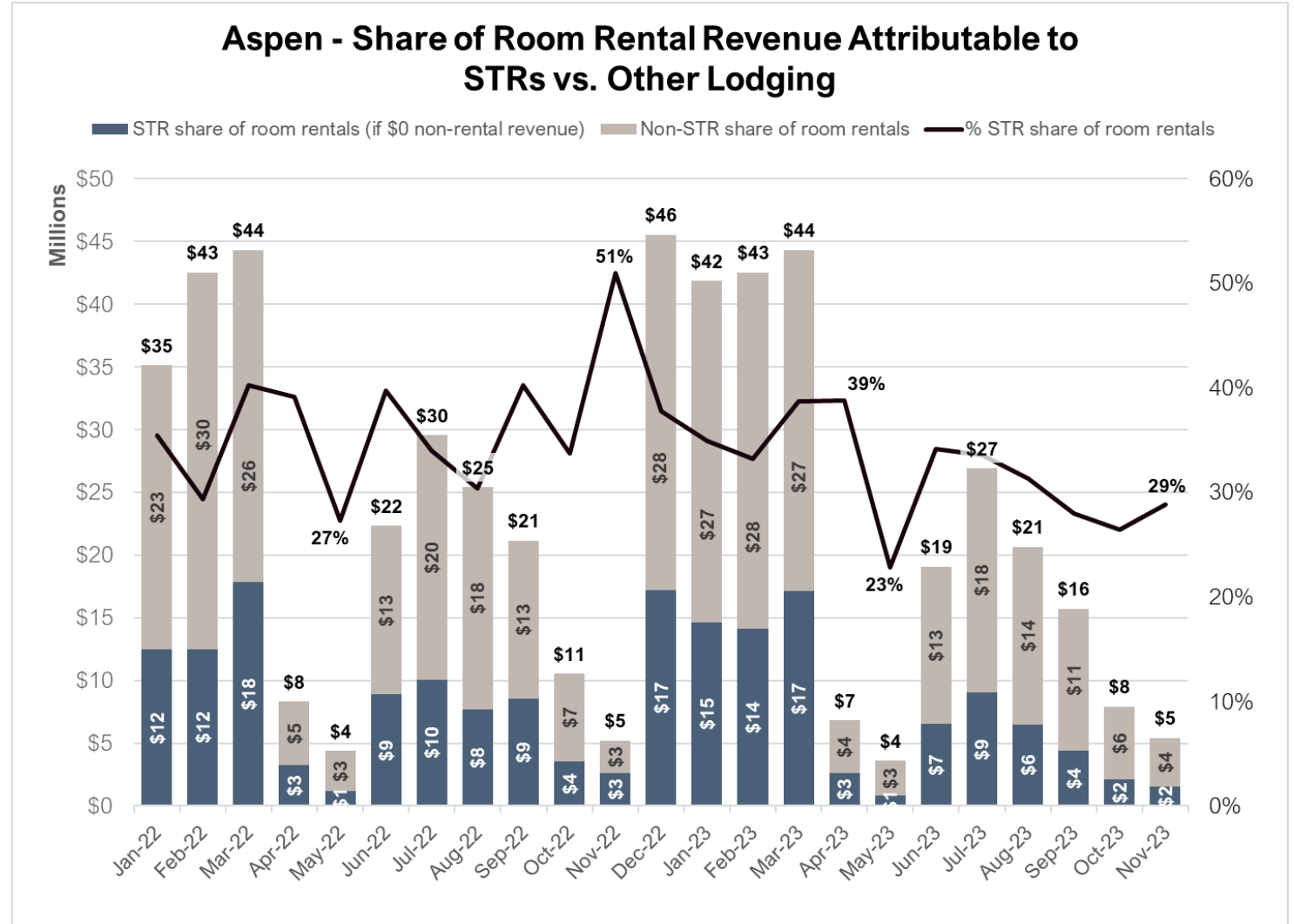




# SUPPORTING DETAIL: ROOM RENTAL REVENUE

## ASPEN

- Within Aspen, STRs accounted for an estimated 36% of total room rental revenues in CY 2022, and 34% in 2023 through November. Hotels and other rentals accounted for the remaining 64 – 66%.
- The share of room revenues attributable to STRs has been a bit erratic across months, particularly in low-volume months like May and November.
- Both STRs and hotels/other lodging types have a primary seasonal peak in winter and a secondary seasonal peak in summer.

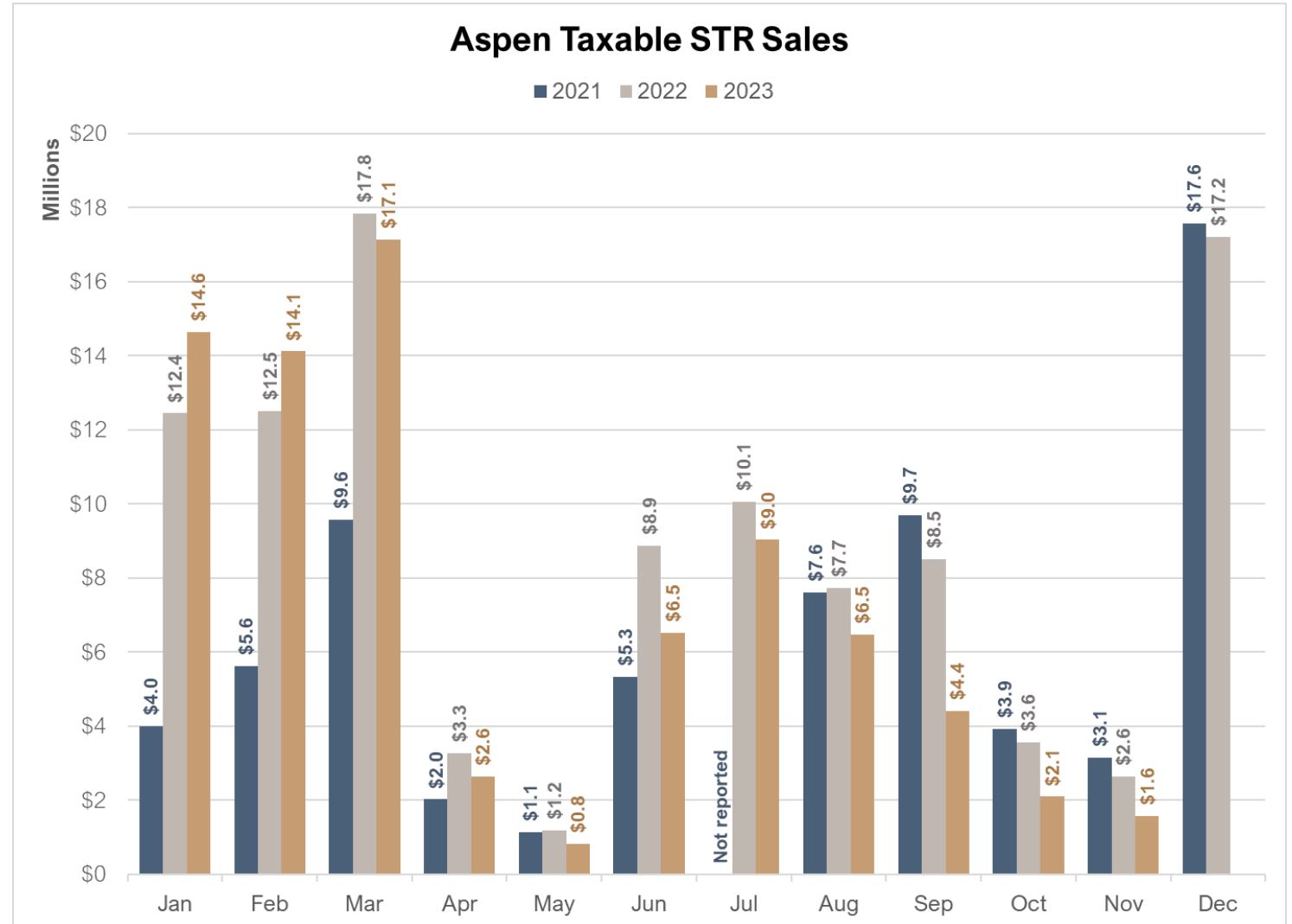




# SUPPORTING DETAIL: TAXABLE STR SALES

ASPEN

- Taxable sales of STRs show a general seasonal trend of increased strength during the ski season, with a smaller peak occurring during July and/or August.
- STR revenues in 2023 have been trailing 2022 in each month since March – both before and after 5-10% STR excise taxes went into effect on May 1, 2023. The falloff in taxable sales has been particularly marked in September – November 2023.

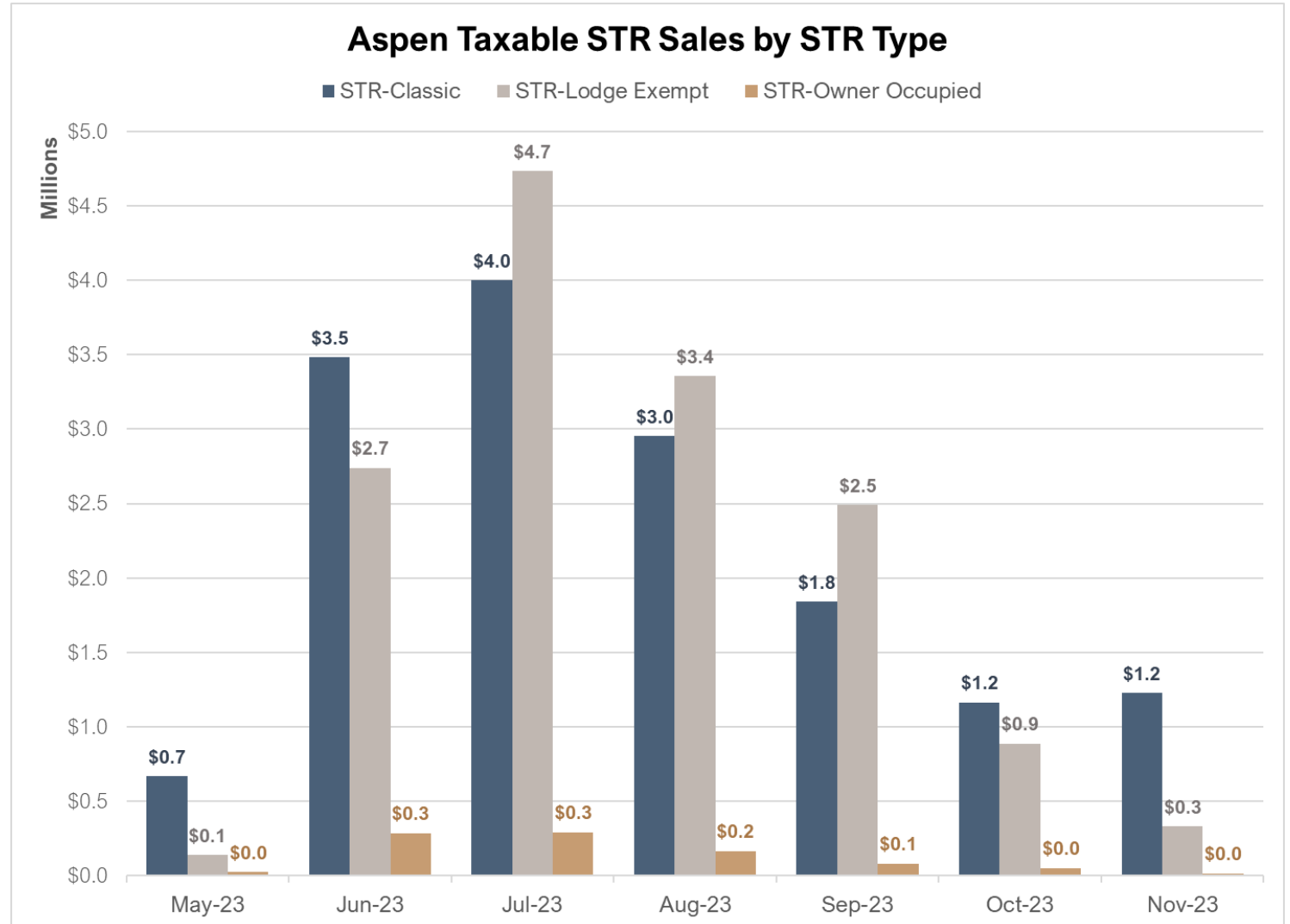




# SUPPORTING DETAIL: TAXABLE STR SALES

ASPEN

- From May 2023 (the earliest date of STR license revenues) to November 2023, STRs licensed as Owner Occupied have contributed the lowest share of the City's overall STR revenue.
- Lodge-Exempt STRs were the leading revenue category in July – September, while STR Classic led in May–June and October–November.





# SUPPORTING DETAIL: PITKIN COUNTY JOBS BY BASE INDUSTRY SECTOR

- For context, the Colorado State Demography Office estimates that tourism (inclusive of second-home activity) accounted for 10,651 jobs in Pitkin County in 2022. This represents 57.5% of all “basic” jobs in the county, i.e., jobs that bring outside dollars into the economy and thus form the foundation of the economy.
- Of the 10,651 tourism jobs, 8,635 were attributable to visitor trips, while 2,016 were attributable to construction, upkeep and sales of second homes.

	Pitkin County - # of Jobs							Pitkin County - % of Basic Jobs						
	2016	2017	2018	2019	2020	2021	2022	2016	2017	2018	2019	2020	2021	2022
<b>DIRECT BASIC JOBS:</b>														
<b>Traditional Basic Industries - Total</b>	<b>684</b>	<b>699</b>	<b>745</b>	<b>732</b>	<b>706</b>	<b>722</b>	<b>734</b>	<b>3.9%</b>	<b>4.0%</b>	<b>4.2%</b>	<b>4.0%</b>	<b>4.2%</b>	<b>2.9%</b>	<b>4.0%</b>
<i>Agribusiness</i>	223	223	262	259	258	255	273	1.3%	1.3%	1.5%	1.4%	1.5%	1.0%	1.5%
<i>Mining</i>	1	0	23	18	18	24	25	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>Manufacturing</i>	42	67	58	63	46	46	42	0.2%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%
<i>Government (State &amp; Federal)</i>	417	409	402	393	385	397	394	2.4%	2.3%	2.3%	2.2%	2.3%	1.6%	2.1%
<b>Regional Center / National Services - Total</b>	<b>1,766</b>	<b>1,826</b>	<b>1,875</b>	<b>1,929</b>	<b>1,857</b>	<b>1,866</b>	<b>1,976</b>	<b>10.0%</b>	<b>10.4%</b>	<b>10.6%</b>	<b>10.6%</b>	<b>11.1%</b>	<b>7.5%</b>	<b>10.7%</b>
<i>Communications</i>	30	21	36	23	20	10	15	0.2%	0.1%	0.2%	0.1%	0.1%	0.0%	0.1%
<i>Construction</i>	0	32	0	0	0	0	0	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Finance, Insurance and Real Estate</i>	61	0	58	59	62	62	71	0.3%	0.0%	0.3%	0.3%	0.4%	0.2%	0.4%
<i>Trade and Transportation</i>	106	61	94	113	106	126	117	0.6%	0.3%	0.5%	0.6%	0.6%	0.5%	0.6%
<i>Professional and Business Services</i>	406	106	484	512	493	517	530	2.3%	0.6%	2.7%	2.8%	3.0%	2.1%	2.9%
<i>Education and Health Services</i>	1,161	1,171	1,202	1,220	1,174	1,148	1,243	6.6%	6.7%	6.8%	6.7%	7.0%	4.6%	6.7%
<b>Tourism - Total</b>	<b>10,426</b>	<b>10,574</b>	<b>10,545</b>	<b>10,740</b>	<b>9,552</b>	<b>9,899</b>	<b>10,651</b>	<b>59.2%</b>	<b>60.5%</b>	<b>59.7%</b>	<b>59.3%</b>	<b>57.2%</b>	<b>39.6%</b>	<b>57.5%</b>
<i>Resorts (resorts, attractions, lodging)</i>	7,331	7,457	7,342	7,473	6,530	6,807	7,453	41.6%	42.6%	41.5%	41.3%	39.1%	27.2%	40.3%
<i>Service (dining, shopping, entertainment)</i>	881	888	964	997	877	919	964	5.0%	5.1%	5.5%	5.5%	5.2%	3.7%	5.2%
<i>Transportation (airfare, car rental, gas, etc.)</i>	194	211	240	230	165	192	217	1.1%	1.2%	1.4%	1.3%	1.0%	0.8%	1.2%
<i>Second Homes (construction, upkeep, sales)</i>	2,019	2,018	1,999	2,040	1,979	1,980	2,016	11.5%	11.5%	11.3%	11.3%	11.8%	7.9%	10.9%
<b>Households - Total</b>	<b>4,735</b>	<b>4,393</b>	<b>4,509</b>	<b>4,715</b>	<b>4,598</b>	<b>5,125*</b>	<b>5,149</b>	<b>26.9%</b>	<b>25.1%</b>	<b>25.5%</b>	<b>26.0%</b>	<b>27.5%</b>	<b>20.5%</b>	<b>27.8%</b>
<i>Commuters</i>	(1,685)	(2,100)	(1,720)	(1,742)	(1,993)	(1,770)	(1,712)	-9.6%	-12.0%	-9.7%	-9.6%	-11.9%	-7.1%	-9.2%
<i>HHs with Public Assistance Income</i>	252	255	231	245	254	502	412	1.4%	1.5%	1.3%	1.4%	1.5%	2.0%	2.2%
<i>Retirees</i>	2,559	2,589	2,486	2,577	2,629	2,656*	2,683	14.5%	14.8%	14.1%	14.2%	15.7%	10.6%	14.5%
<i>HHs with Dividend / Interest / Rental Income</i>	3,608	3,649	3,512	3,636	3,708	3,737*	3,766	20.5%	20.9%	19.9%	20.1%	22.2%	14.9%	20.3%
<b>TOTAL DIRECT BASIC JOBS</b>	<b>17,610</b>	<b>17,492</b>	<b>17,674</b>	<b>18,116</b>	<b>16,713</b>	<b>25,003</b>	<b>18,510</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>OTHER CATEGORIES OF JOBS:</b>														
<b>Indirect Basic</b>	<b>2,423</b>	<b>2,424</b>	<b>2,484</b>	<b>2,534</b>	<b>2,422</b>	<b>2,579</b>	<b>2,642</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
Total Basic (Direct Basic + Indirect Basic)	20,033	19,916	20,158	20,650	19,134	27,582	21,152	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Worker/Local Resident Services (Non Basic)</b>	<b>696</b>	<b>1,049</b>	<b>942</b>	<b>866</b>	<b>593</b>	<b>257*</b>	<b>373</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
Total Local Resident Services (HHs + Non Basic)	5,431	5,442	5,451	5,581	5,191	5,382	5,522	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>TOTAL - ALL INDUSTRIES</b>	<b>25,464</b>	<b>25,358</b>	<b>25,609</b>	<b>26,231</b>	<b>24,325</b>	<b>20,450</b>	<b>21,525</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>

Source: Colorado State Demography Office. \*Asterisked # of jobs in 2021 for retirees and HHs with dividend/interest/rental income are based on averages of 2020 and 2022, instead of raw reported values (9,226 jobs and 4,557 jobs respectively – assumed to be typos).





# ECONOMIC IMPACT METHODOLOGY

## 1. Estimate aggregate trip-related economic impacts of tourism in Pitkin County.

- This initial step involved estimating the aggregate economic impacts of tourism in Pitkin County, specifically impacts associated with visitor trips. A primary source for this was job estimates from the Colorado State Demography Office and sales tax collections from the City of Aspen and the Town of Snowmass Village.

## 2. Estimate the share of tourism economic impacts that were attributable to overnight visitors staying in paid lodging.

- Based on visitor survey data and other sources, it was estimated that overnight visitors accounted for 100% of lodging sector economic impacts and 70% of tourism impacts in other industry sectors (food service, retail, recreation, entertainment, etc.).

## 3. Estimate the share of paid overnight visitor impacts attributable to STR (vs. hotel/motel/other lodging) stays, based on lodging spend.

- Lodging spend in 2022 was almost evenly split between STRs and hotels/motels (50% each).
- Visitor spend on lodging was assumed to be paralleled by spend on other trip activities (such as dining, shopping and recreation), based on spend data from visitor surveys.

## 4. Model the economic impacts of STRs with RIMS II multipliers from the US Bureau of Economic Analysis.

# STRs & THE HOUSING MARKET







# FINDINGS

**While they are likely a contributing factor, the data indicate that STRs were not a major cause of the run-up in Pitkin County housing prices from 2018 to 2022. Note the following facts:**

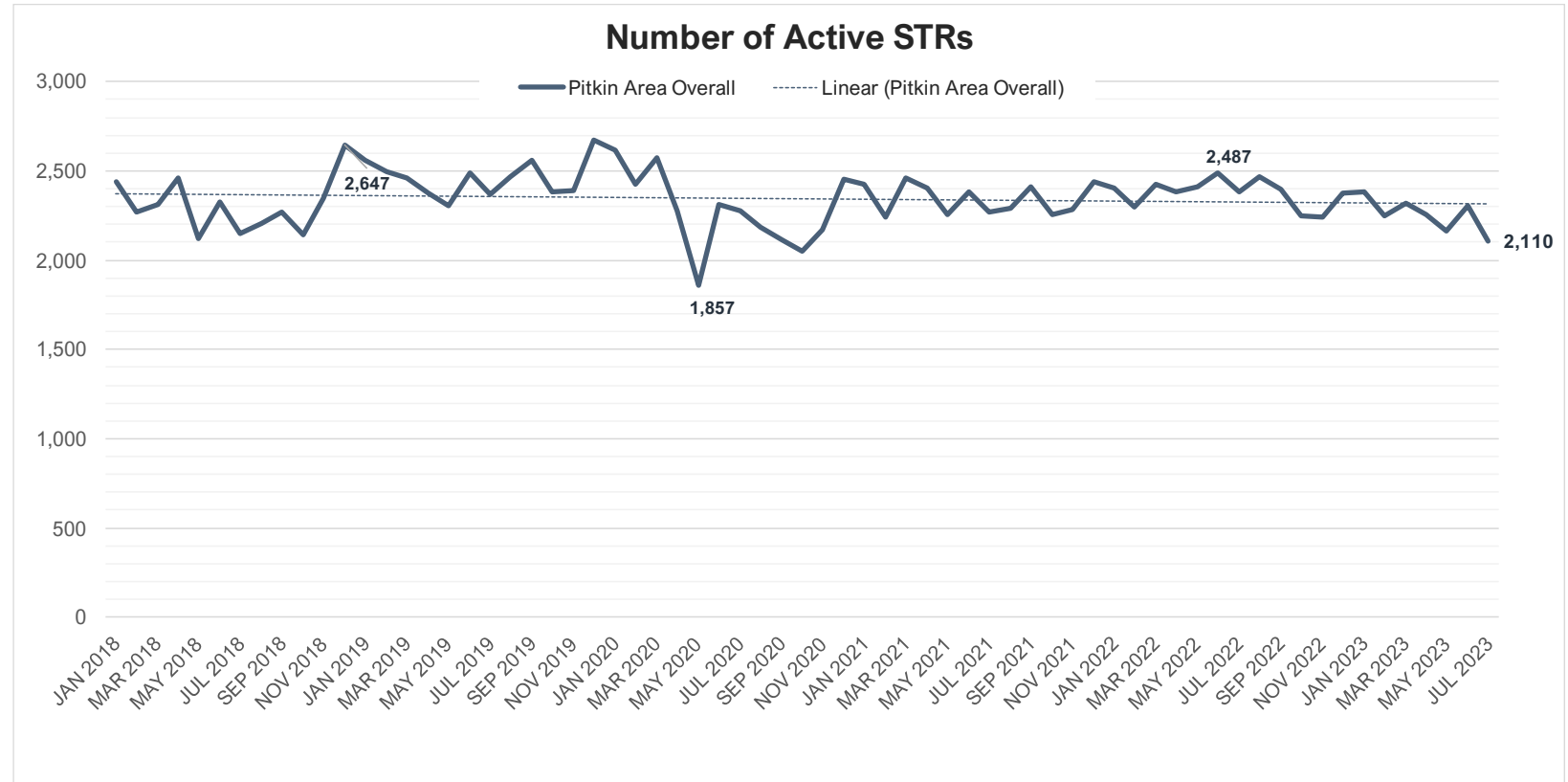
- Active STRs counts have trended relatively flat over the 2018-2022 timeframe. During that same period, housing values soared in the county.
- Other areas without abundant STRs experienced dramatic price increases similar to Pitkin County (Denver metro, other resort regions, etc.) In fact, most of Colorado and areas throughout the U.S. saw steep increases in prices.
- Numerous other market forces likely or potentially influenced gains in housing prices in the 2018-2022 period, including:
  - Historically low mortgage interest rates during much of the Covid period
  - Covid-driven economic and social disruptions caused a sharp spike in demand for resort real estate
    - Covid spurred changes in housing preferences and options (e.g., increased acceptance of working remotely, increased work from home, early retirements)
  - Millennials in peak homebuying years
  - Increased costs of construction, due to supply chain impacts, labor shortages, construction defect laws, government regulations, and local opposition to growth and new housing
  - Strong national economy, stock market, and labor market
  - A deep extended slowdown in housing construction in Colorado and the U.S. since the Great Recession / housing bust, resulting in a significant housing shortage now



# NUMBER OF ACTIVE STRs IN PITKIN

## 2018-2023

- As noted previously, according to data from AirDNA, the number of active STRs (i.e., rented or available for rent in a given month) in the Pitkin County area has trended relatively flat over the 2018-2023 period.



Source: AirDNA.





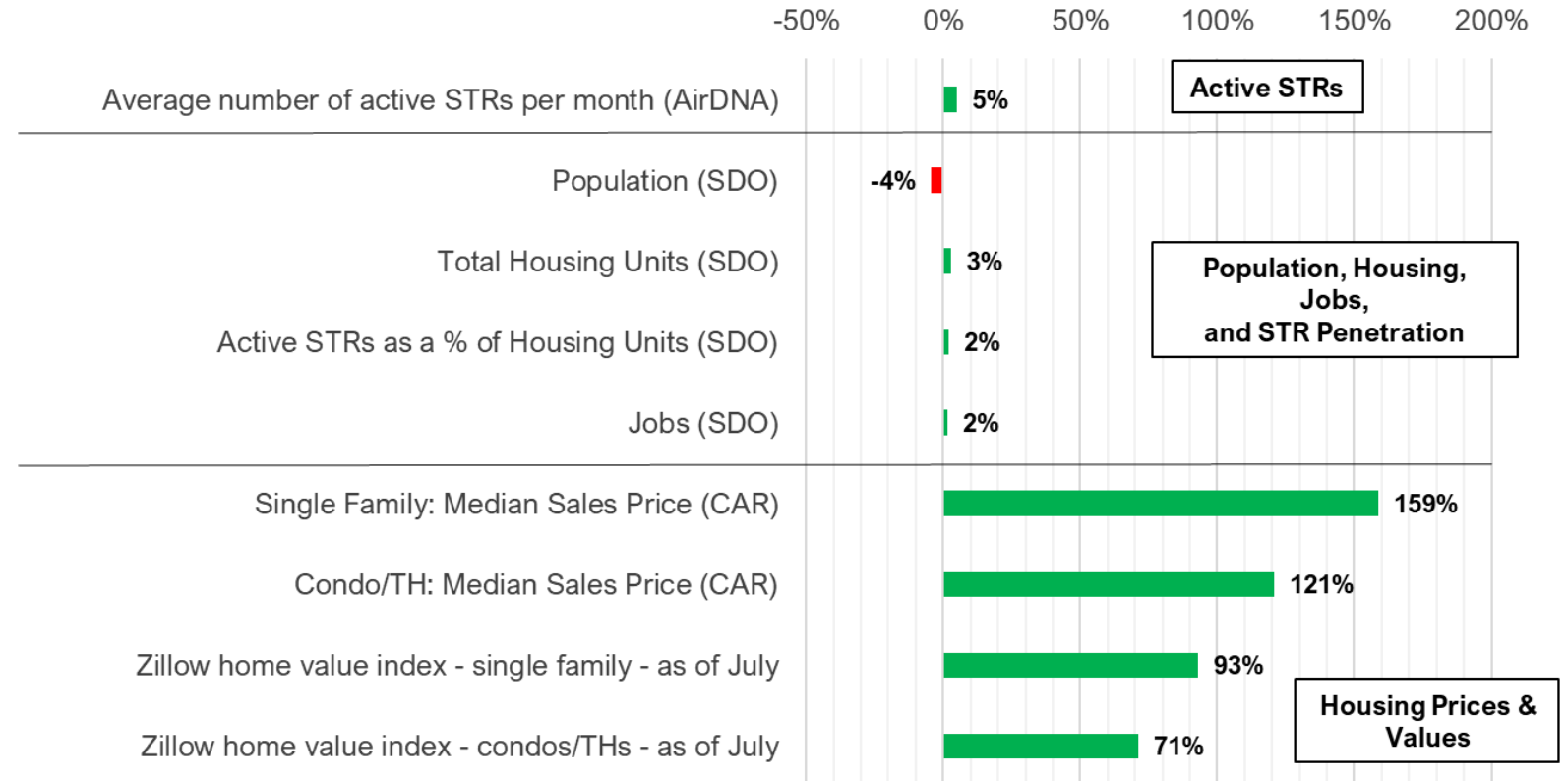


# STRs & HOUSING TRENDS: PITKIN COUNTY 2018-2022

- Over the 2018-2022 period, active STRs rose 5%, and the share of housing units that are active STRs rose 2%.
- Over the same period, housing sales prices and values jumped 71% - 159% (depending on the unit type and measure).
- The dramatically different magnitude of these shifts suggests that STR growth was not the primary driver of the surge in housing values in 2018-2022.

## Changes in Selected Pitkin County Housing Measures

2022 vs. 2018



Source abbreviations: SDO=Colorado State Demography Office. CAR=Colorado Association of Realtors.



# STRs & HOUSING TRENDS: PITKIN COUNTY

## 2010-2022/23

- This table contains the same data as the previous slide, with history back to 2010.
- Typical home values more than doubled between 2010 and 2022 (up 128-170%).
- Over the 2010-2022 period, job growth (11%) slightly outpaced housing unit growth (8%), likely helping drive higher housing costs due to local resident pressure.
- Demand by second homeowners (whether they STR their unit or not) has undoubtedly also helped drive price increases, along with other factors such as low interest rates (until 2022), Covid impacts on live/work dynamics, a strong economy and stock market, etc.

Year	STRs		Population, Housing Units and Jobs				Housing Sales Prices and Values			
	Average number of active STRs per month (AirDNA)*	Licensed STRs throughout Pitkin County	Population (SDO)	Total Housing Units (SDO)	Active STRs as a % of housing units (SDO)	Jobs (SDO)	Single Family: Median Sales Price (CAR)	Condo/TH: Median Sales Price (CAR)	Zillow home value index - single family - as of July	Zillow home value index - condos/THs - as of July
2010	n/a	n/a	17,156	12,488		19,315	n/a	n/a	\$1,759,723	\$ 552,411
2011	n/a	n/a	17,127	12,567		19,513	n/a	n/a	\$1,745,620	\$ 544,517
2012	n/a	n/a	17,200	12,636		19,742	n/a	n/a	\$1,800,039	\$ 544,686
2013	n/a	n/a	17,322	12,699		20,156	n/a	n/a	\$1,929,486	\$ 597,095
2014	n/a	n/a	17,521	12,780		20,970	n/a	n/a	\$2,046,547	\$ 627,461
2015	n/a	n/a	17,701	12,853		20,390	\$ 4,250,000	\$ 937,000	\$2,164,333	\$ 670,722
2016	n/a	n/a	17,692	12,940		20,636	\$ 2,650,000	\$ 822,000	\$2,268,074	\$ 693,862
2017	n/a	n/a	17,658	13,040		20,902	\$ 2,920,000	\$ 950,000	\$2,290,945	\$ 708,585
2018	1,959	n/a	17,643	13,107	14.9%	21,162	\$ 2,800,000	\$ 840,000	\$2,456,417	\$ 737,280
2019	2,084	n/a	17,413	13,183	15.8%	21,578	\$ 3,450,000	\$ 941,500	\$2,617,917	\$ 763,904
2020	1,936	n/a	17,355	13,260	14.6%	19,873	\$ 4,800,000	\$1,460,000	\$2,635,685	\$ 778,522
2021	2,014	n/a	17,336	13,315	15.1%	20,401	\$ 5,485,000	\$1,247,500	\$3,633,751	\$ 974,261
2022	2,059	n/a	16,856	13,504	15.2%	21,525	\$ 7,250,000	\$1,855,000	\$4,745,100	\$ 1,262,112
2023	1,903	2,064	n/a	n/a	n/a	n/a	\$ 6,700,000	\$ 167,000	\$4,594,720	\$ 1,264,518
2022 vs. 2018	5%	n/a	-4%	3%	2%	2%	159%	121%	93%	71%
2022 vs. 2010	n/a	n/a	-2%	8%	#DIV/0!	11%	n/a	n/a	170%	128%

\*Excludes active STRs located in Snowmass, Woody Creek, and Meredith market areas of Pitkin County (approximately 60+/- STRs).

Active STRs are STRs which are rented or available for rent in a given month.

2023 active STR count reflects average STRs between January and July 2023. 2023 licensed STR count reflects licensed STRs as of August/September 2023.



Source abbreviations: SDO = Colorado State Demography Office. CAR=Colorado Association of Realtors.



# ASSESSOR VALUATION OF PITKIN STRs

## (AS OF 6/30/2022)

- A small share of licensed STRs have values of <\$500,000 in Pitkin County (7.0%), indicating that most STRs are out of reach of entry-level buyers.
- Moreover, a similarly small share of Pitkin STRs have values of \$500K - \$999K (8.3%), indicating that most STRs are out of reach of even more affluent Pitkin residents.
- Many of the STRs valued under \$1 million are in condotels which were not originally designed or intended for local resident occupancy, including some units which do not have kitchens. Many of these condotel properties are also legally limited to short-term occupancy.

### Number of Pitkin Condo / SFR / Duplex STRs

Value	Count	Share
\$100-199K	49	2.7%
\$200-299K	0	0.0%
\$300-399K	17	0.9%
\$400-499K	62	3.4%
\$500-599K	33	1.8%
\$600-699K	22	1.2%
\$700-799K	28	1.5%
\$800-899K	21	1.1%
\$900-999K	48	2.6%
\$1M+	1,558	84.8%
<b>TOTAL</b>	<b>1,838</b>	<b>100.0%</b>
<\$500K	128	7.0%
\$500-999k	152	8.3%

Sources: Pitkin County Assessor; local government STR license lists.

\*Free-market condominiums, duplex condos, and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# HOW MANY PITKIN STRs WOULD BE AFFORDABLE FOR PURCHASE BY LOCALS?

- If housing costs=30% of income, the following is the share of STRs that would be affordable to Pitkin County HH's earning ...
  - 80% AMI: 2.6–2.7%
  - 100% AMI: 2.6–4.4%
  - 120% AMI: 2.7–6.7%
  - 150% AMI: 5.1–8.9%
  - 200% AMI: 8.6–11.6%
- If housing costs=40% of income, the following is the share of STRs that would be affordable to Pitkin County HH's earning ...
  - 80% AMI: 2.6–5.3%
  - 100% AMI: 3.3–8.2%
  - 120% AMI: 5.6–9.4%
  - 150% AMI: 8.6–11.6%
  - 200% AMI: 10.8–17.6%

Income	AMI	People in Household			
		1	2	3	4
<b>Annual Household Income</b> <i>(2023 AMI - HUD)</i>	80%	\$64,050	\$73,200	\$82,350	\$91,450
	100%	\$80,100	\$91,500	\$102,900	\$114,300
	120%	\$96,120	\$109,800	\$123,480	\$137,160
	150%	\$120,150	\$137,250	\$154,350	\$171,450
	200%	\$160,200	\$183,000	\$205,800	\$228,600

Affordability	AMI	Housing Costs=30% of Income				Housing Costs=40% of Income			
		People in Household				People in Household			
		1	2	3	4	1	2	3	4
<b>Affordable Purchase Price</b> <i>(Assumes 30 year mortgage @6.62%, 20% down, 27% of monthly housing costs to insurance, prop tax, HOA, &amp; utilities)</i>	80%	\$228,310	\$260,926	\$293,542	\$325,979	\$304,414	\$347,901	\$391,389	\$434,639
	100%	\$285,521	\$326,157	\$366,793	\$407,429	\$380,695	\$434,877	\$489,058	\$543,239
	120%	\$342,626	\$391,389	\$440,152	\$488,915	\$456,834	\$521,852	\$586,870	\$651,887
	150%	\$428,282	\$489,236	\$550,190	\$611,144	\$571,043	\$652,315	\$733,587	\$814,859
	200%	\$571,043	\$652,315	\$733,587	\$814,859	\$761,391	\$869,753	\$978,116	\$1,086,479

Affordable STRs <i>(per 2023 Assessor valuation)</i>	AMI	Housing Costs=30% of Income				Housing Costs=40% of Income				
		1	2	3	4	1	2	3	4	
		80%	49	49	49	50	49	50	62	98
		100%	49	50	62	81	62	98	124	152
		120%	50	62	100	124	104	144	162	175
150%	95	124	153	166	160	175	194	216		
200%	160	175	194	216	201	222	267	328		

Affordable STRs <i>(as a % of 1,861 identifiable licensed STRs in Assessor database)</i>	AMI	Housing Costs=30% of Income				Housing Costs=40% of Income				
		1	2	3	4	1	2	3	4	
		80%	2.6%	2.6%	2.6%	2.7%	2.6%	2.7%	3.3%	5.3%
		100%	2.6%	2.7%	3.3%	4.4%	3.3%	5.3%	6.7%	8.2%
		120%	2.7%	3.3%	5.4%	6.7%	5.6%	7.7%	8.7%	9.4%
150%	5.1%	6.7%	8.2%	8.9%	8.6%	9.4%	10.4%	11.6%		
200%	8.6%	9.4%	10.4%	11.6%	10.8%	11.9%	14.3%	17.6%		

Sources: HUD; Pitkin County Assessor; local government STR license lists.





# CHARACTERISTICS OF PITKIN STRs\* BY VALUE

- Most STRs valued under \$500,000 are small units:
  - 30% are studios and 70% are 1 bedroom
  - All under \$500K have 1 bath or less
  - 76% are under 500 square feet
- The limited sizes of these “attainable” STRs would likely limit the market of locals who could live in them.
  - In most cases, households would be limited to 1-2 people.
  - The small sizes would also limit the potential for housing payments to be split across multiple workers.

		Value of Pitkin County STRs										Total		<\$500K		\$500-999K	
		\$100-199K	\$200-299K	\$300-399K	\$400-499K	\$500-599K	\$600-699K	\$700-799K	\$800-899K	\$900-999K	\$1M+	#	%	#	%	#	%
<b>Bedrooms</b>	0	1		5	32	24	7	7	8	16	97	197	11%	38	30%	62	41%
	1	48		12	29	9	13	21	8	18	138	296	16%	89	70%	69	45%
	2						2		3	14	555	574	31%	0	0%	19	13%
	3				1				1		417	419	23%	1	1%	1	1%
	4+								1		351	352	19%	0	0%	1	1%
	<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,558</b>	<b>1,838</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>
<b>Bathrooms</b>	0										2	2	0%	0	0%	0	0%
	1	49		17	62	32	19	28	15	31	284	537	29%	128	100%	125	82%
	2					1	3		5	17	633	659	36%	0	0%	26	17%
	3								1		325	326	18%	0	0%	1	1%
	4+										314	314	17%	0	0%	0	0%
	<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,558</b>	<b>1,838</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>
<b>Heated sq ft</b>	0-499	49		17	31	4	1	4	5	10	101	222	12%	97	76%	24	16%
	500-999				29	29	19	24	13	36	481	631	34%	29	23%	121	80%
	1000-1499				2		1		1	2	398	404	22%	2	2%	4	3%
	1500-1999								1		127	128	7%	0	0%	1	1%
	2000+						1		1		451	453	25%	0	0%	2	1%
	<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,558</b>	<b>1,838</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>

Source: Pitkin County Assessor; local government STR license lists.

\*Free-market condominiums, duplex condos, and single family residences only. Excludes STRs which are other unit types.



# CHARACTERISTICS OF PITKIN STRs\* BY VALUE

- Almost all STRs valued under \$500,000 are condos (98%).
- Most STRs valued under \$500,000 are in Snowmass Village postal area (68%).
- Most STRs valued under \$500,000 are owned by nonlocal owners (68%), most of whom likely use the unit themselves periodically for vacation purposes.

		Value of Pitkin County STRs										Total		<\$500K		\$500-999K	
		\$100-199K	\$200-299K	\$300-399K	\$400-499K	\$500-599K	\$600-699K	\$700-799K	\$800-899K	\$900-999K	\$1M+	#	%	#	%	#	%
<b>Property type</b>	Condo	49		17	59	32	20	27	18	47	1,174	1,443	79%	125	98%	144	95%
	Duplex Condo									80	80	4%	0	0%	0	0%	
	Residential				3	1	2	1	3	1	304	315	17%	3	2%	8	5%
	<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,558</b>	<b>1,838</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>
<b>Location (postal area)</b>	Aspen			13	25	1		2	6	10	1,085	1,142	62%	38	30%	19	13%
	Basalt										6	6	0%	0	0%	0	0%
	Carbondale				1						5	7	0%	1	1%	1	1%
	Meredith				1			1				2	0%	1	1%	1	1%
	Redstone				1	1	2		2		8	14	1%	1	1%	5	3%
	Snowmass							1	1		19	21	1%	0	0%	2	1%
	Snowmass Village	49		4	34	31	20	24	12	37	433	644	35%	87	68%	124	82%
	Woody Creek										2	2	0%	0	0%	0	0%
<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,558</b>	<b>1,838</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>	
<b>Owner mailing address</b>	Pitkin County	4		11	26	1	4	5	5	12	312	380	21%	41	32%	27	18%
	Elsewhere	45		6	36	32	18	23	16	36	1,245	1,457	79%	87	68%	125	82%
	<b>TOTAL</b>	<b>49</b>		<b>17</b>	<b>62</b>	<b>33</b>	<b>22</b>	<b>28</b>	<b>21</b>	<b>48</b>	<b>1,557</b>	<b>1,837</b>	<b>100%</b>	<b>128</b>	<b>100%</b>	<b>152</b>	<b>100%</b>

Source: Pitkin County Assessor; local government STR license lists.

\*Free-market condominiums, duplex condos, and single family residences only. Excludes STRs which are other unit types.



# STR DENSITY & HOUSING VALUE PER SQFT\*

- The two Pitkin County postal areas with similar densities of STRs (22-23%) have significantly different average property values per above-grade square foot. On average, Aspen STRs are \$2033 more expensive per heated sqft. than STRs in Snowmass Village.
- There is also significant variation in value per heated sqft. within areas with a lower concentration of STRs (<10%).
- The variations in values across communities with similar STR densities suggest that factors other than STR densities are important contributors to property values.
- By the same token, communities with higher STR densities also tend to have higher values than communities with lower STR densities, with the exception of areas like Woody Creek, which have high values but also contain relatively fewer total units.
- A complicating factor is that communities with high STR concentrations also tend to be closest to ski areas and resort amenities – and also have the highest non-local ownership (with the exception of Thomasville, which contains only 24 total units). As such, it is difficult to disentangle the relative effects of STR density and other factors like nonlocal ownership and proximity to resort amenities.

Location (Postal Area)	# Units			% of Units		Avg value per heated sqft			Avg value per heated sqft			% Nonlocal mail address
	Not STR	STR	Total	Not STR	STR	Not STR	STR	Total	Condo	Duplex	Residential	
<b>High STR Concentrations:</b>												
Aspen - 81611	4,040	1,142	5,182	78%	22%	\$3,176	\$3,416	\$3,229	\$2,984	\$2,533	\$3,617	63%
Snowmass Village - 81615	2,215	644	2,859	77%	23%	\$1,623	\$1,383	\$1,569	\$1,412	\$1,112	\$1,931	74%
<i>Variation between minimum and maximum value / sqft --&gt;</i>						\$1,553	\$2,033	\$1,660	\$1,572	\$1,421	\$1,686	
<b>Low STR Concentrations:</b>												
Redstone - 81623	220	14	234	94%	6%	\$536	\$664	\$544	\$715		\$537	34%
Snowmass - 81654	410	21	431	95%	5%	\$1,453	\$2,509	\$1,505	\$1,023		\$1,541	34%
Carbondale - 81623	197	7	204	97%	3%	\$578	\$778	\$585			\$585	11%
Meredith - 81642	59	2	61	97%	3%	\$387	\$1,183	\$413			\$413	62%
Woody Creek - 81656	132	2	134	99%	1%	\$3,678	\$7,584	\$3,736			\$3,736	52%
Basalt - 81621	645	6	651	99%	1%	\$870	\$1,151	\$873	\$527	\$796	\$966	30%
Thomasville - 81642	24		24	100%	0%	\$442		\$442			\$442	83%
<i>Variation between minimum and maximum value / sqft --&gt;</i>						\$3,291	\$6,433	\$3,323	\$0	\$0	\$3,323	
<b>Total</b>	<b>7,942</b>	<b>1,838</b>	<b>9,780</b>	<b>81%</b>	<b>19%</b>	<b>\$2,308</b>	<b>\$2,657</b>	<b>\$2,374</b>	<b>\$2,216</b>	<b>\$2,455</b>	<b>\$2,517</b>	<b>61%</b>

Sources: Pitkin County Assessor; local government STR license lists.

\*Free-market condominiums, duplex condos, and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# OWNERSHIP OF PITKIN HOUSING & STRs\*

- It is important to remember that STRs are just one source of non-resident demand for Pitkin County housing.
- An overlapping factor is demand for vacation homes, whether STR'd or not.
- Of Pitkin's 9,779 free-market condos/SFRs/townhomes, 60.7% are owned by non-Pitkin owners.
  - As such, nonlocal ownership is a quantitatively larger factor in the housing market than STRs specifically, which account for a smaller 18.8% share of Pitkin's free-market housing.
- Most nonresident owners don't STR their unit (75.4%); a minority do STR their unit (24.6%).
  - Thus, nonresident owners who don't STR their unit likely have more influence on the market than nonresident STR owners.
  - Nonresident owners who don't STR their unit (45.8% of total units) also account for a larger share of units than all STR owners, local or not (18.8% of total units).
- Surveys indicate that most non-resident STR owners in mountain resort communities (including Pitkin County) also use their units for vacations/personal use.

## CONDO / SFR / DUPLEX COUNTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Pitkin mailing address	380	3,465	3,845
Non-Pitkin mailing address	1,457	4,477	5,934
<b>Total</b>	<b>1,837</b>	<b>7,942</b>	<b>9,779</b>

## COLUMN PERCENTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Pitkin mailing address	20.7%	43.6%	39.3%
Non-Pitkin mailing address	79.3%	56.4%	60.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## ROW PERCENTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Pitkin mailing address	9.9%	90.1%	100.0%
Non-Pitkin mailing address	24.6%	75.4%	100.0%
<b>Total</b>	<b>18.8%</b>	<b>81.2%</b>	<b>100.0%</b>

## PERCENT OF TOTAL UNITS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Pitkin mailing address	3.9%	35.4%	39.3%
Non-Pitkin mailing address	14.9%	45.8%	60.7%
<b>Total</b>	<b>18.8%</b>	<b>81.2%</b>	<b>100.0%</b>

Sources: Pitkin County Assessor; local government STR license lists.

\*Free-market condominiums, duplex condos, and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.







# HOME VALUES VS. MORTGAGE RATES

- The spike in Pitkin home values in late 2020 to early 2022 largely coincided with (and was likely significantly spurred by) historically low interest rates.

Zillow Pitkin County Home Value Index vs. 30 Year Fixed Rate Mortgage Interest Rate, Monthly 2003 - 2023



Source: Zillow; Freddie Mac.

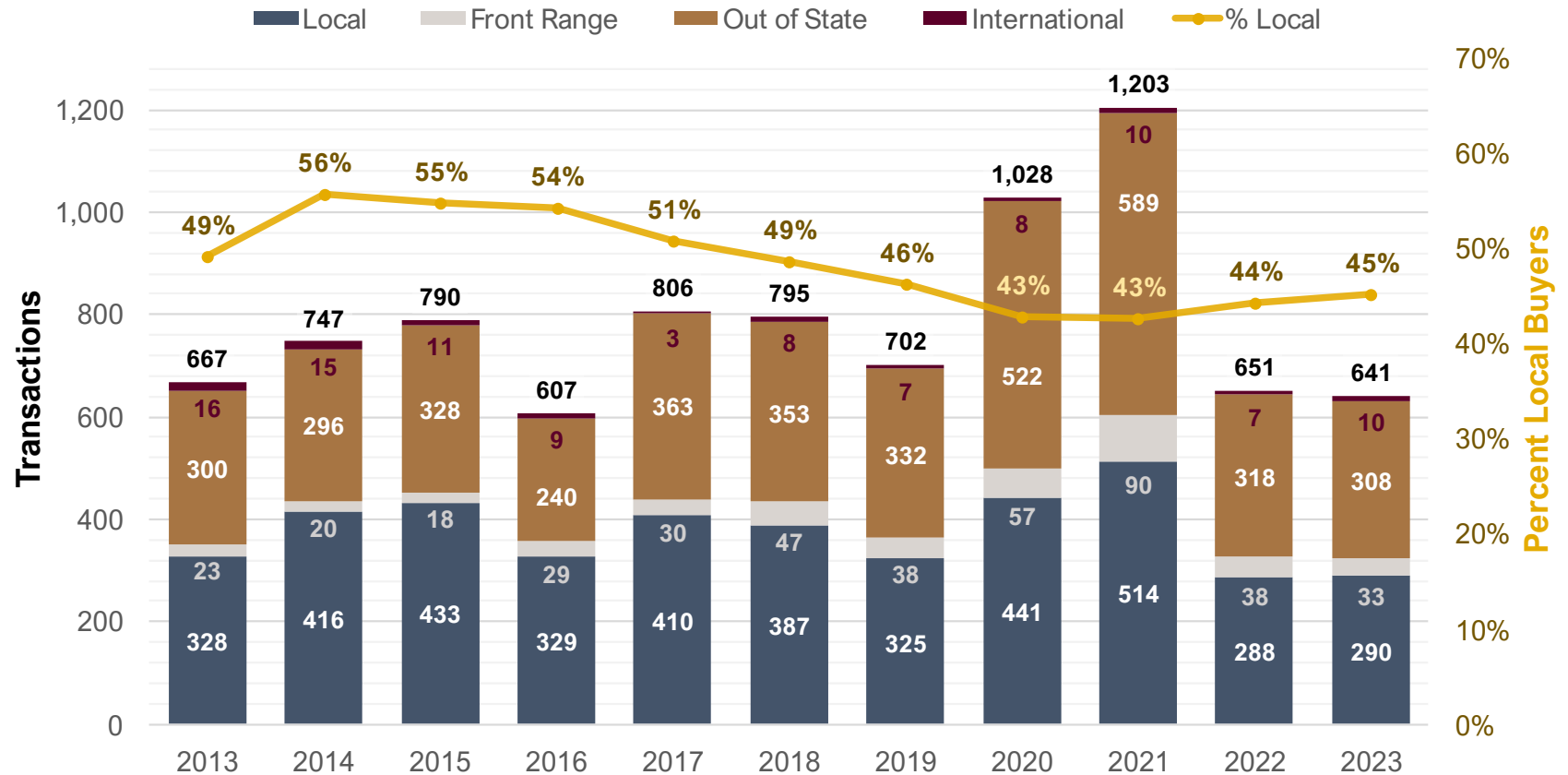


# HOMEBUYER ORIGINS

- Local buyers have accounted for, on average, 48% of total Pitkin County real estate purchases between 2013 and 2023, including 45% of buyers in 2023.
- The share of local buyers was at its lowest in 2020 and 2021 (43%) when extremely low interest rates and Covid-related market gyrations fueled a boom in sales transactions. This pattern ended in 2022, in part due to higher interest rates.
- In longer-term perspective, the share of local buyers trended down from 2014 (56%) through 2020-2021 (43%), before edging up slightly to 45% in 2023.

## Pitkin County Residential Sales by Buyer Origin

2013 - 2023



Source: Land Title Guarantee Company.

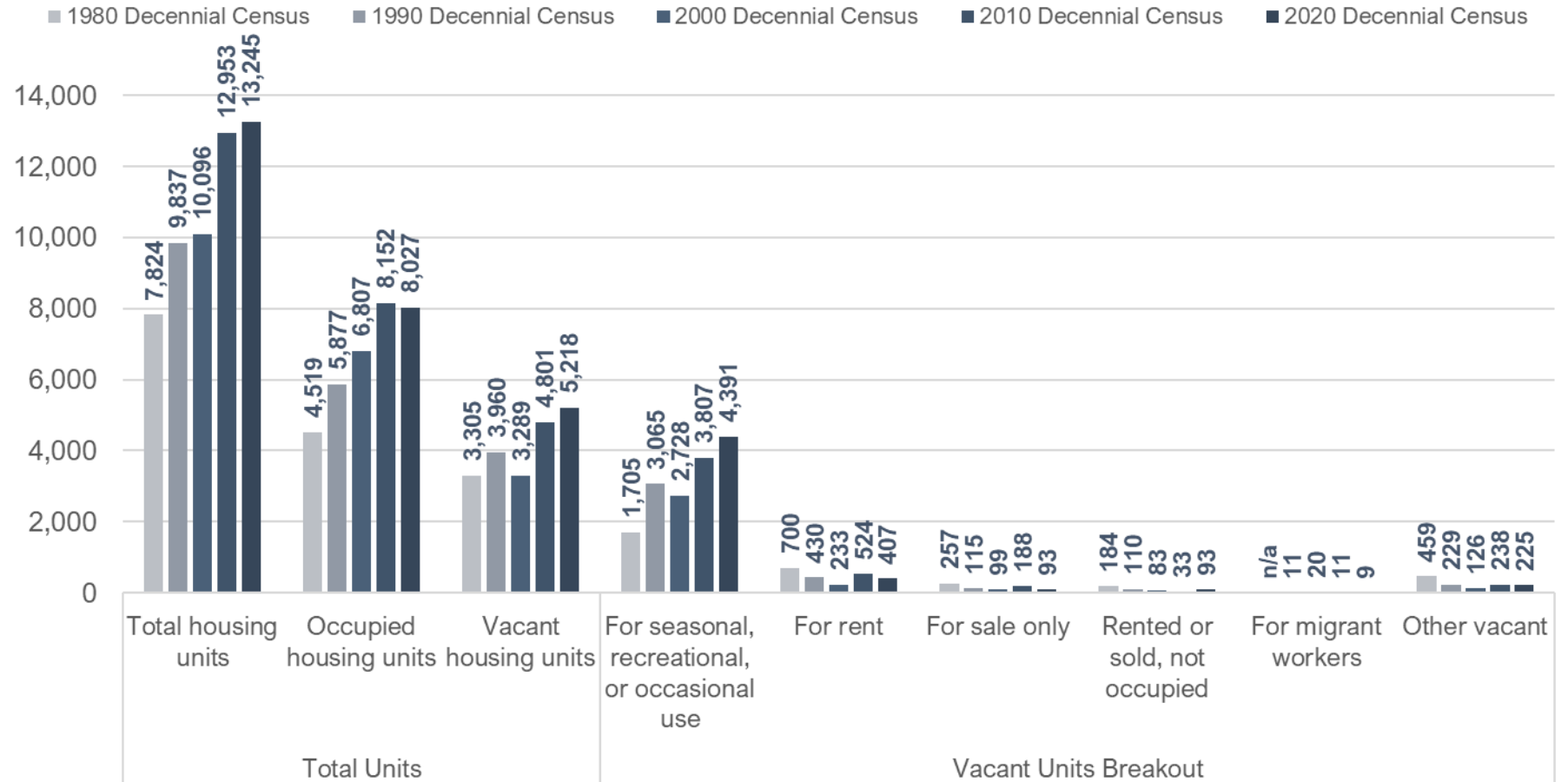


# NUMBER OF HOUSING UNITS BY VACANCY STATUS

- Housing units for seasonal, recreational or occasional use are primarily second homes and STRs.
- Second homes and STRs have had a strong presence in Pitkin County for decades.
- Note that the rate of housing construction slowed markedly in 2010-2020 compared to prior decades. This likely contributed to additional demand pressure on the existing stock (and associated higher prices).

## Pitkin County Housing Units by Occupancy/Vacancy Status

1980-2020



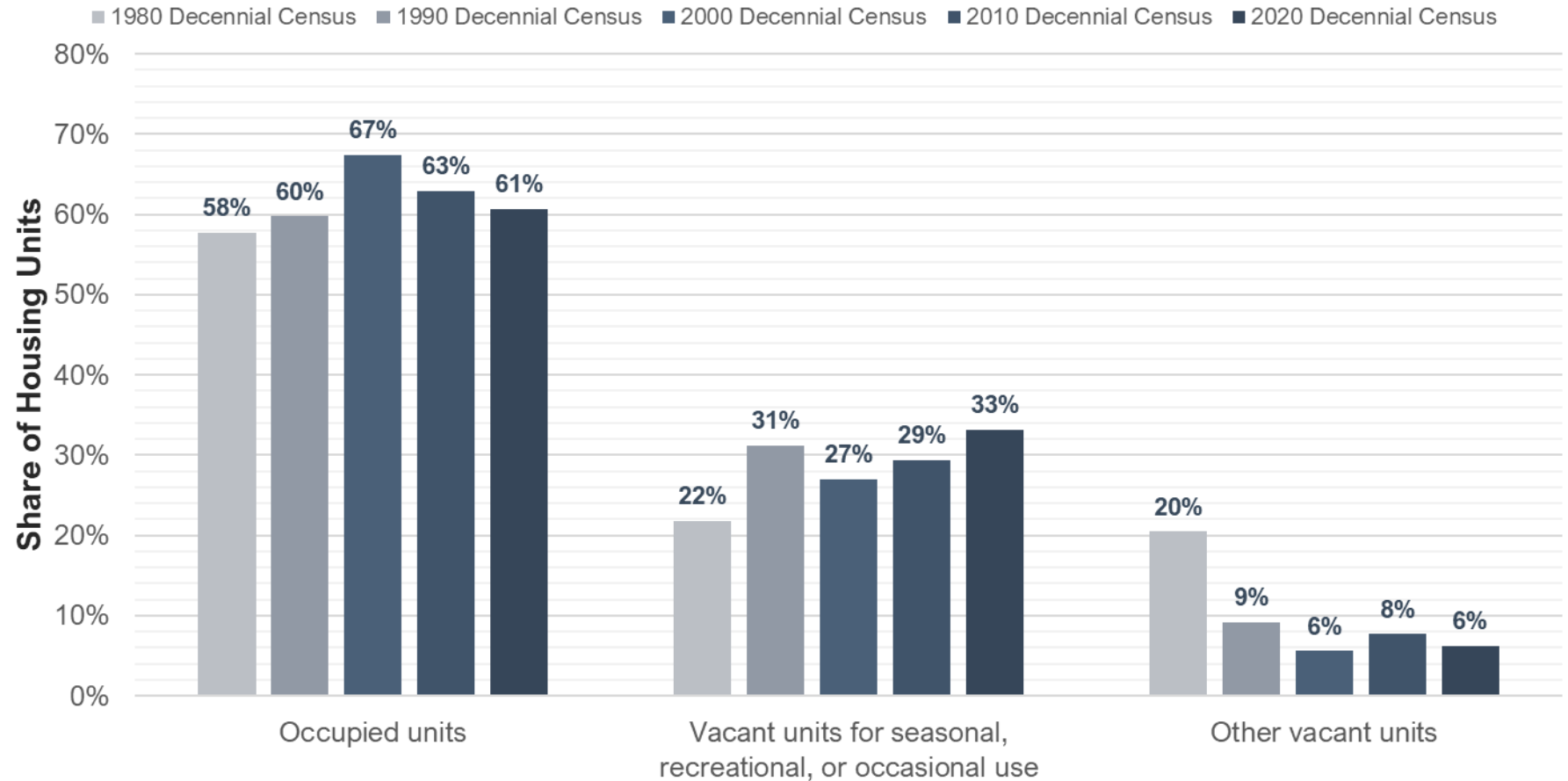


# SHARE OF HOUSING UNITS BY VACANCY STATUS

- This graph shows the same data as the prior slide, in percentage share terms.
- The results indicate that occupied units (i.e., units that house residents) have trended down since peaking in 2000, while second homes have trended up since 2000. This is consistent with the reduced share of local buyers noted earlier.

### Pitkin County Housing Units by Occupancy/Vacancy Status

1980-2020



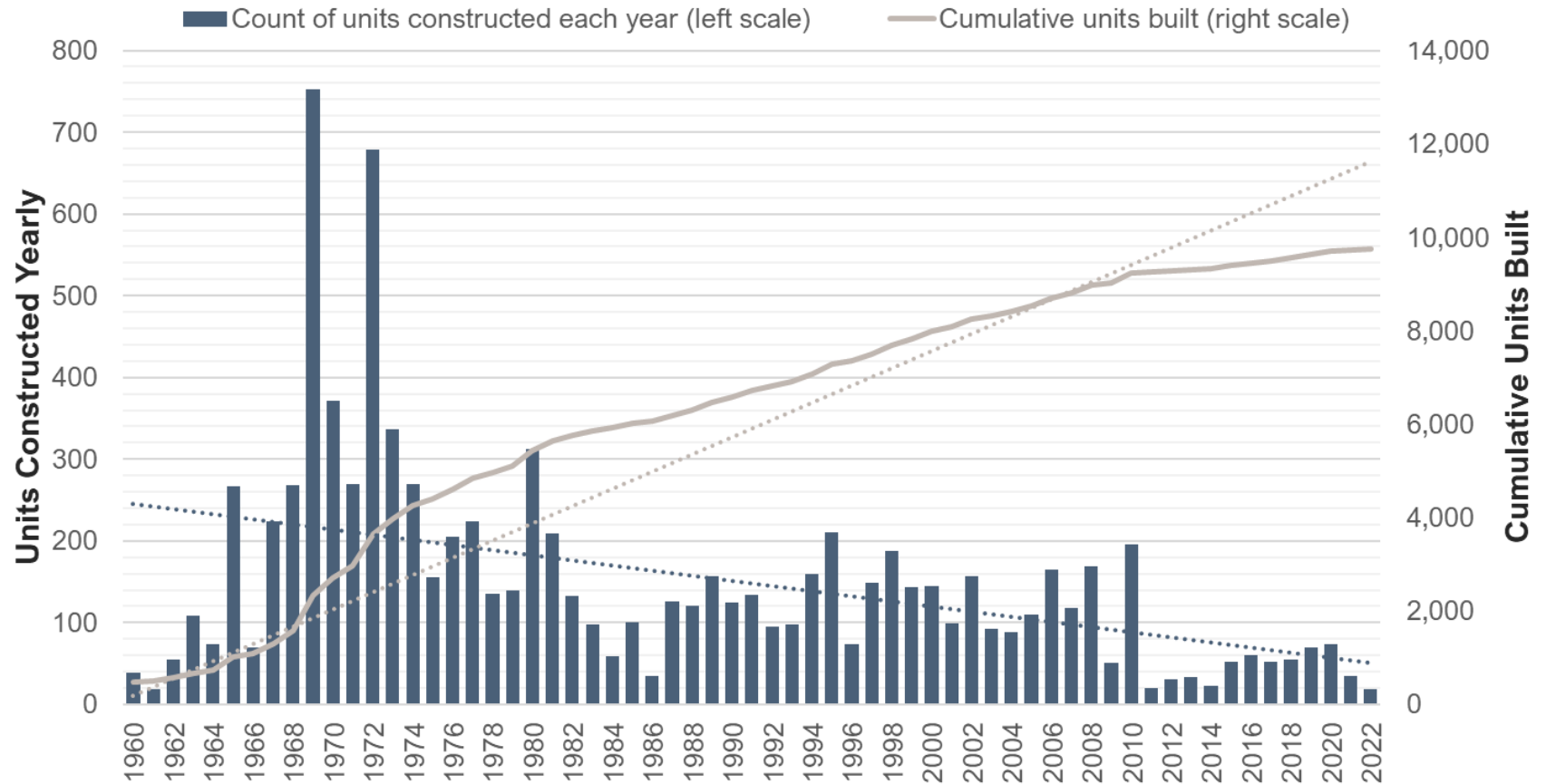




# HOUSING UNITS BY YEAR BUILT (ASSESSOR)

- Pitkin Assessor data corroborates Census data (shown previously) regarding the growth of the housing stock.
- Pitkin’s housing stock has grown more slowly since the Great Recession / Housing Bust than in previous decades.

### Current Pitkin Co. Free-Market Housing Units\* by Year Built



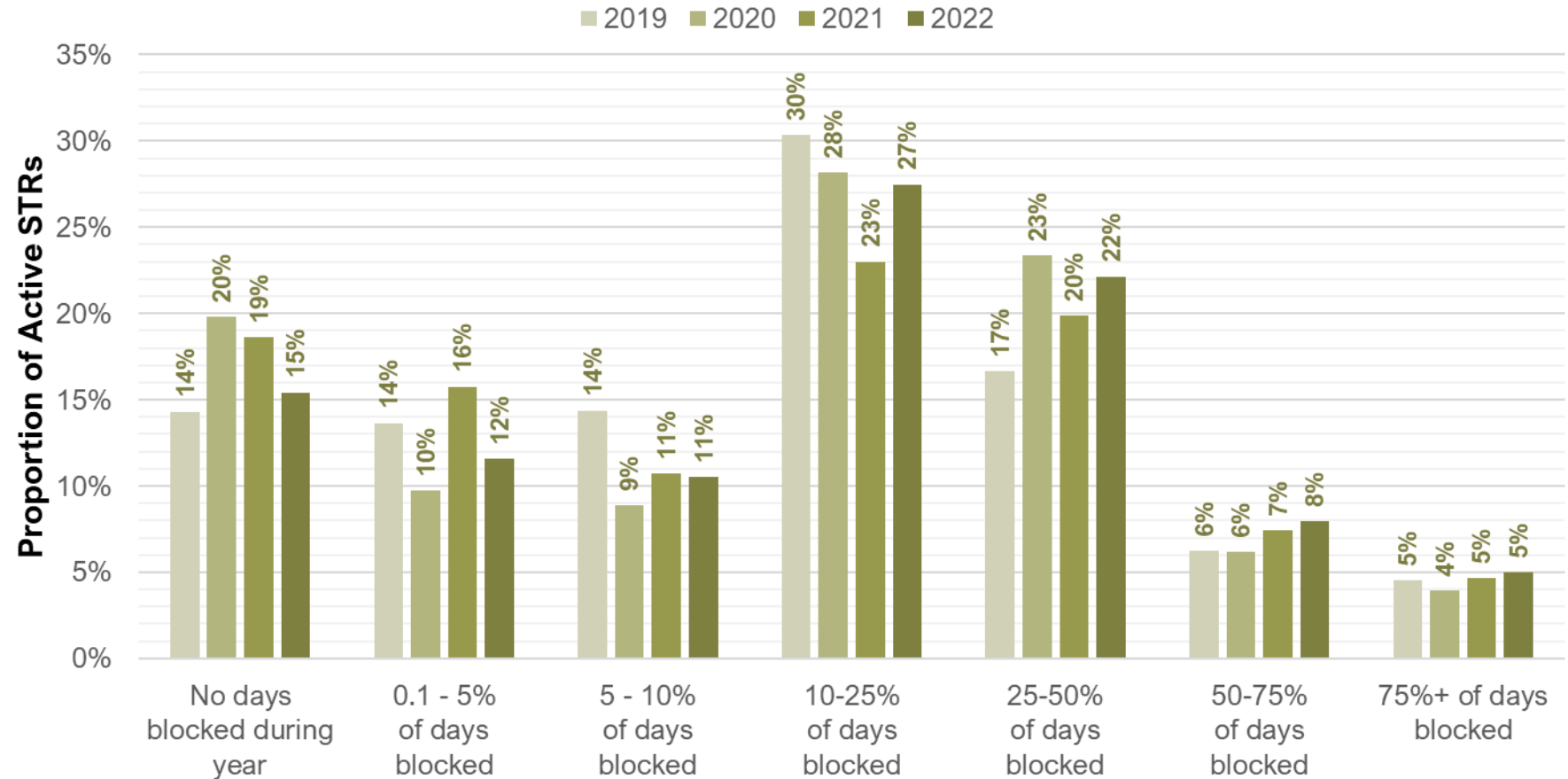
\*Free market condo, duplex condo, and residential units only. Other units and employee units excluded.  
 Source: Pitkin County Assessor database. Data reflects year of construction of the current (2023) housing stock. It does not incorporate the age of housing stock which has been demolished in previous years.



# UTILIZATION OF STRs : BLOCKED DAYS

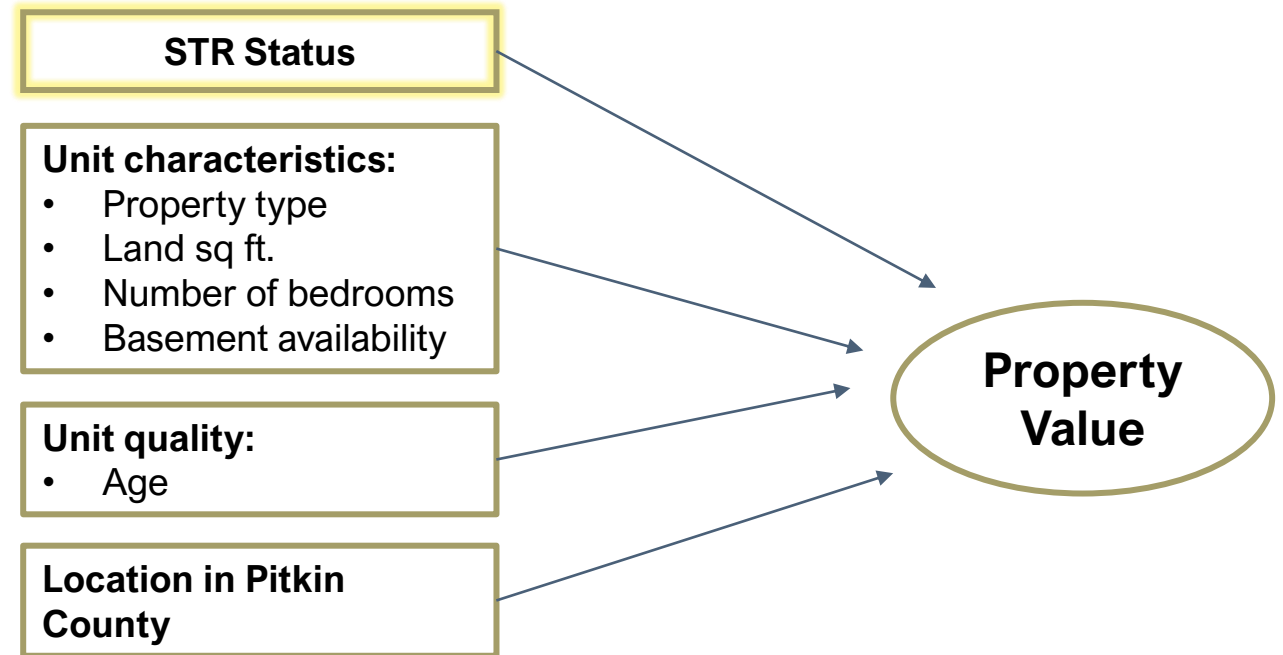
- Per AirDNA, most of the active STRs in Pitkin County have at least one blocked day annually (i.e., not available for rental; 80-86% of STRs had at least one blocked day in 2019-2022).
- At least two-thirds of active STRs have at least 5% of their days blocked (66-73% in 2019-2022).
- Blocked days can be for various purposes, most commonly owner use and maintenance.
- Because blocked days can be for varying purposes, the presence of blocked days should be understood as a suggestive but not definitive indicator of owner use.
- The WMRA survey data (later section) indicates that 86% of Pitkin STR owners also use their units for vacation home purposes.

### Share of Active STRs in Pitkin County by Proportion of Days Blocked 2019-2022





- The previous slides have shown that STR growth has not kept pace with growth in housing values in Pitkin County. More so, the multitude of factors that determine housing values in mountain communities make it difficult to completely disentangle the effect of STRs.
- To further investigate this relationship, a hedonic regression model was used to inform the following question: **net of unit characteristics, unit quality, and location in Pitkin County, what is the effect of STR status on property value?**
- This hedonic model is an application of an Ordinary Least Squares regression model. Hedonic models have traditionally been used to assess the valuation of a property as a combination of the property's collection of tangible and non-tangible characteristics.



Sources: Pitkin County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, duplex condos, and single-family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# STRS & LOCAL PROPERTY VALUES

## HEDONIC REGRESSION MODEL

- These tables show descriptive information from the Pitkin County Assessor data file used to conduct the hedonic regression. Overall, this sample contained 9,708 free-market condos, townhomes, or single-family residences in Pitkin County.
  - The outcome variable, actual property value, was log-transformed to normalize its distribution to better perform in the regression model.
  - The key predictor of interest, STR status, is a 0/1 indicator of whether the unit is identified as an STR.
  - Extreme outliers were removed from the value, land, and age variables – resulting in the removal of 72 cases (less than 1% of the original data).
  - Land square footage equal to 0 (i.e., condos) are included as valid cases in the model
- Average total taxable property value by location in Pitkin County is also shown to the right.
  - Average value by location indicates that value is markedly higher in the Aspen/Woody Creek area than in other Pitkin County areas. Therefore, to capture the effect of location in the model, while also being parsimonious, location is coded as an indicator of in/not in the Aspen/Woody Creek area.

Descriptive Statistics of Sample (N = 9,708)

Variables	Mean / %	Min.	Max.	Std. Dev.
<b>Outcome:</b>				
Actual Property Value	\$6,297,144.17	\$140,600.00	\$66,533,900.00	\$7,991,104.17
Actual Property Value (Logged)	\$14.99	\$11.85	\$18.01	\$1.21
<b>Key Predictor:</b>				
STR Status (1 = STR; 0 = Not STR):	18.8%	0.00	1.00	
<b>Unit Characteristics:</b>				
<i>Property Type (ref. = Residential)</i>				
Condo (1 = Condo; 0 = Not Condo)	46.8%	0.00	1.00	
Duplex (1 = Duplex; 0 = Not Duplex)	4.8%	0.00	1.00	
Land Square Footage (Units of 1,000)	81.56	0.00	9,405.21	372.36
Number of Bedrooms	2.83	0.00	9.00	1.55
Basement Availability (1 = Have Basement; 0 = No Basement)	11.1%	0.00	1.00	
<b>Unit Quality:</b>				
Age of Property	43.31	2.00	144.00	22.35
Age of Property (Squared)	2,375.21	4.00	20,736.00	2,954.98
<b>Location: (ref. = Other Pitkin)</b>				
Aspen/Woody Creek	54.4%	0.00	1.00	

Actual Property Value by Location

Location	Mean Value
Aspen/Woody Creek	\$8,874,208.76
Basalt	\$1,989,448.00
Snowmass	\$3,566,359.35
Snowmass Village	\$3,847,933.25
Other Pitkin (Redstone, Cardondale, Meredith, Thomasville)	\$978,077.98
Pitkin Total	\$6,297,144.17

Sources: Pitkin County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, duplex condos, and single-family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# STRs & LOCAL PROPERTY VALUES

## HEDONIC REGRESSION MODEL

Results of the models are shown to the right. Each model shows the effect of STR status on **logged-total value** net of important characteristics:

- Model 1 shows that the lone effect of STR status on value, when not controlling for any other factors, is **negative and significant**. In other words, when a property is an STR, the average property value *decreases* compared to when it is not an STR. Despite its statistical significance STR status alone explains less than 1% of the total variation in property value.
- Model 2 shows the effect of STR status on value, while also controlling for location and unit characteristics. When controlling for all these factors, STR status now has a **significant, positive effect** on value – when a property is an STR, value *increases*, net of other property characteristics. However, when comparing standardized coefficients, the effect of STR status is smaller in magnitude than other qualities such as number of bedrooms, age, and location.
- Finally, Model 3 adds an interaction term, representing properties that are both STRs *and* located in the Aspen area (an area with a high concentration of STRs in Pitkin). This interaction is insignificant, meaning that the relationship between STRs and value in the Aspen area is not notably different than the relationship between STRs and value in Pitkin County as a whole. Across the county, on average, STR status is associated with *increasing* property value.

Hedonic Regression of Total Taxable Property Value (Logged) on STR Status and Property Features (N = 9,708)

Variable	Model 1				Model 2				Model 3			
	Coef.	SE	S. Coef.	Sig.	Coef.	SE	S. Coef.	Sig.	Coef.	SE	S. Coef.	Sig.
STR Status (1 = STR; 0 = Not STR):	-0.21	0.03	-0.07	0.00	0.14	0.02	0.04	0.00	0.12	0.03	0.04	0.00
Condo (ref. = Residence)					-0.11	0.02	-0.04	0.00	-0.11	0.02	-0.04	0.00
Duplex (ref. = Residence)					-0.16	0.03	-0.03	0.00	-0.16	0.03	-0.03	0.00
Land Square Footage (Units of 1,000)					0.00	0.00	0.06	0.00	0.00	0.00	0.06	0.00
Number of Bedrooms					0.43	0.01	0.56	0.00	0.43	0.01	0.56	0.00
Basement Availability (1 = Have Base.; 2 = No Base.)					0.09	0.02	0.02	0.00	0.09	0.02	0.02	0.00
Age of Property					-0.03	0.00	-0.54	0.00	-0.03	0.00	-0.54	0.00
Age of Property (Squared)					0.00	0.00	0.44	0.00	0.00	0.00	0.44	0.00
Aspen/Woody Creek					0.92	0.01	0.38	0.00	0.91	0.02	0.38	0.00
STR x Aspen Area									0.03	0.04	0.01	0.37
Constant	15.03	0.01		0.00	14.10	0.04		0.00	14.10	0.04		0.00
R2			0.004				0.661				0.661	

### Key findings:

- While STR status is a significant predictor of property value, its effect is not consistent in direction across models or sizable in relative magnitude.
- When all factors are considered together, property value is more strongly driven by characteristics such as the size of the home, age of the home, and location in Pitkin County than STR status. These factors in combination explain 66% of the variation in property value (a substantial improvement from the less than 1% explained by STR status alone).

Sources: Pitkin County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, duplex condos, and single-family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# STATISTICAL ANALYSIS OF AFFORDABILITY

## HEDONIC REGRESSION MODEL

- To compare magnitudes of effect on actual property value (rather than logged property value), we exponentiate the coefficients and subtract 1 to generate the estimated percent impact of each predictor on the outcome, property value. These estimates are summarized in the table to the right.
- While STR status is a significant predictor of property value, **these percents demonstrate that factors such as the number of bedrooms and location have a larger and more consistent impact on value than STR status.** According to **Model 3**:
  - An STR is associated with approximately a 13% *increase* in property value while controlling for other unit characteristics, compared to a non-STR.
  - After controlling for other housing characteristics, single-family residences have higher values than condos and duplexes.
  - Furthermore, net other household factors, increasing the land square footage by 1000 sqft. is associated with a .01% *increase* in property value.
  - Increasing the number of bedrooms on a property by 1 is associated with a 54% *increase* in property value, while controlling for other housing factors.
  - Older properties tend to be less valuable than otherwise equivalent properties. However, as indicated by the squared term of age, this negative relationship between age and value begins to wane at higher values of age.
  - Finally, a property in the Aspen/Woody Creek area (as compared to other areas in Pitkin County) is associated with a 150% *increase* in property value. However, despite the prevalence of STRs in this area, the relationship between STRs and property value is not significantly different than the relationship in Pitkin as a whole.

Modeled Impact on Property Value (Exponentiated Coefficients)

Variable	Model 1		Model 2		Model 3	
	Coef.	Sig.	Coef.	Sig.	Coef.	Sig.
STR Status (1 = STR; 0 = Not STR):	-18.6%	0.00	14.6%	0.00	12.9%	0.00
Condo (ref. = Residence)			-10.0%	0.00	-10.0%	0.00
Duplex (ref. = Residence)			-15.2%	0.00	-15.2%	0.00
Land Square Footage (Units of 1,000)			0.0%	0.00	0.0%	0.00
Number of Bedrooms			54.4%	0.00	54.4%	0.00
Basement Availability (1 = Have Base.; 2 = No Base.)			9.9%	0.00	9.8%	0.00
Age of Property			-2.9%	0.00	-2.9%	0.00
Age of Property (Squared)			0.0%	0.00	0.0%	0.00
Aspen/Woody Creek			150.8%	0.00	149.5%	0.00
STR x Aspen Area					3.2%	0.37
R2	0.004		0.661		0.661	

Sources: Pitkin County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, duplex condos, and single-family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# **HOUSING & ECONOMIC IMPACTS OF STR REGULATIONS**





# FINDINGS – IMPACTS ON HOUSING

## Strategies to regulate STRs in Pitkin County vary in terms of limits, permitting fees and taxes within communities and geographic areas.

- In unincorporated Pitkin County, only those units that were used as STRs between May 2017 and May 2022 may be issued a current STR license. The County also imposes the comparatively high licensing fees, which can reach thousands of dollars since they are calculated as a percentage of the Assessor Home Market Value.
- In 2023, Aspen implemented caps on STR numbers which vary by zoning district. Eight of 14 residential districts are either at or beyond the maximum number of permits allowed. Aspen also implemented a new 5-10% tax on STRs depending on the STR type. This brings the total tax on STRs in Aspen to 16.3% - 21.3%, the highest in Pitkin County.
- At the other end of the spectrum, Snowmass Village and Basalt do not cap STRs and do not levy additional taxes specifically on their use.

## The caps and taxes on STRs in Aspen and unincorporated Pitkin County were implemented in 2022/2023 which makes assessing impacts difficult, given the short period they have been in effect, as well as the many other factors influencing real estate trends.

- The Aspen area did see decreases in the median sale prices of condominiums (-4%) and single-family homes (-6%) from 2022 to 2023, which correlates with the implementation of STR caps and significantly higher taxes on short-term rentals.
- Snowmass Village, which has lighter regulations and taxes on STRs, experienced a 22% increase in the median condominium sales price from 2022-23, but the median single family home price dropped 12% year over year.
- Overall, the real estate market in Pitkin County has cooled from the high sales volumes and rapid escalation in prices that characterized 2020 and 2021. However, this is likely due more to macro factors than STR regulations, as similar patterns have been observed throughout Colorado and much of the rest of the country
- Altogether, real estate sales data to date is inconclusive as regards the impacts of STR regulations on the housing market. Any impacts that may have occurred to date are likely too subtle to disentangle from other factors that are influencing the housing market.





# REGULATORY OVERVIEW: STR CAPS

- Unincorporated Pitkin comparatively restrictive regulations, with STR licenses only being available to those who operated an STR between May 11<sup>th</sup>, 2017 and May 11<sup>th</sup>, 2022. Licensing costs tend to be high as well, with since they are tied to the STR's Assessor Home Market Value.
- Aspen has three categories of STR licenses, some with caps and/or rental limits and others without.
- Both Snowmass Village and Basalt are the most open to STR operations, just requiring licensing of a STR and paying the applicable application fees (*except that Snowmass Village single family and duplex units require 4 night minimum stays*).

Area	STR Cap	Recent STR Licenses (2023/2024)	Recent Licenses vs. Cap	Minimum Stay Limit	Maximum Rental Nights per Year	Recent STR Waitlist	Date when Regulation went into Effect
<b>Unincorporated Pitkin County:</b>		<b>115</b>					
Seasonal (61-120 Nights)*	STR licenses only issued for properties	75	not avail.	4 Nights	120	not applic.	September 20th, 2022
Limited Seasonal (21-60 Nights)*	previously used for short term rental	16	not avail.	4 Nights	60	not applic.	September 20th, 2022
Otherwise Limited (20 Nights or Less)*	between 5/11/2017 and 5/11/2022	20	not avail.	4 Nights	20	not applic.	September 20th, 2022
<b>Aspen:</b>		<b>1182</b>					
Lodging Exempt	No Cap if in Applicable Zones	381	not applic.	not applic.	not applic.	not applic.	July 29th, 2022
Owner Occupied	No Cap	73	not applic.	not applic.	120	not applic.	July 29th, 2022
Classic	Depends on Zoning**	728	-22	not applic.	not applic.	56	July 29th, 2022
<b>Snowmass Village:</b>		<b>763</b>					
Type 1: Hotels	No Cap	4 properties	not applic.	not applic.	not applic.	not applic.	May 1st, 2023
Type 2: Multi-Family A	No Cap	461	not applic.	not applic.	not applic.	not applic.	May 1st, 2023
Type 3: Multi-Family B	No Cap	226	not applic.	not applic.	not applic.	not applic.	May 1st, 2023
Type 4: Single-Family Homes & Duplexes	No Cap	76	not applic.	4 Nights	not applic.	not applic.	May 1st, 2023
<b>Basalt:</b>		<b>16</b>					
All Properties: <i>No distinction of STR types</i>	No Cap	16	not applic.	not applic.	not applic.	not applic.	January 5th, 2023

\*Unincorporated STR Licenses are dependent on the total nights planned to rent annually, with County ordinance limiting all owners to 120 rental nights max.

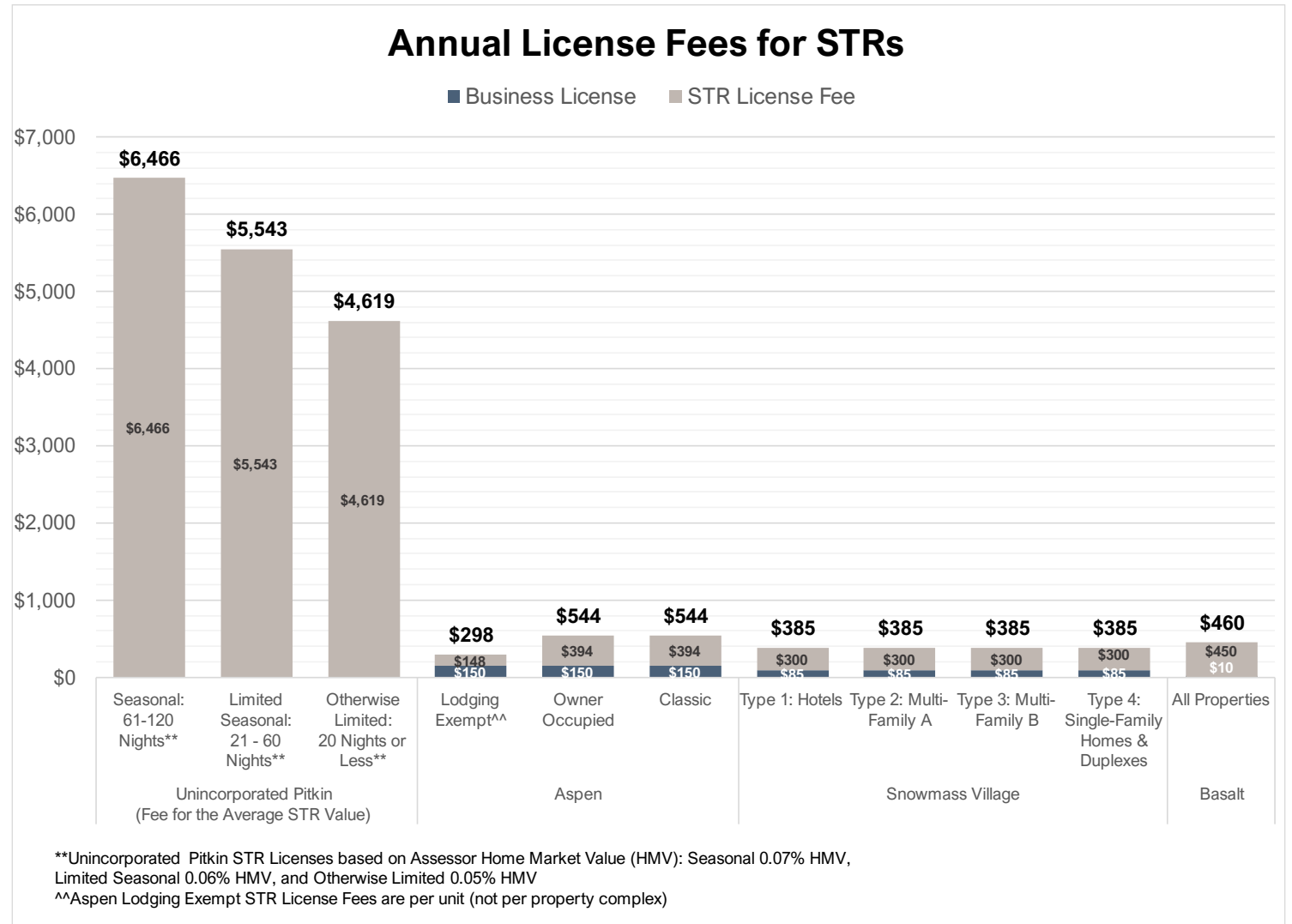
\*\*Aspen: Some areas have limited STR-C permits by zoning, other areas have unlimited possible STR-C permits.

Unincorporated Pitkin Note: As of April 20, 2023, the county had issued 111 STR licenses since the new rules took effect. Of these, 75 are “seasonal” permits, which means that the property can be rented out between 61 and 120 nights a year, 16 permits are “limited seasonal” (valid for 21-60 rental nights), and 20 are “otherwise limited,” which means they can be rented for 20 or fewer nights. County data also show that two permits have been revoked and 27 applications have been submitted but deemed incomplete.



# REGULATORY OVERVIEW: STR LICENSING FEES

- Unincorporated Pitkin generally has the highest licensing fees for licensing STRs as fees are calculated as a percentage of the Assessor Home Market Value. Fees displayed in the chart are for the value of the average STR in unincorporated Pitkin County, meaning some owners pay more and some pay less.
- Business licenses are required in all municipalities on top of an additional STR license-specific fee.
- Part of Basalt's STR licensing fee is a home inspection (\$150).

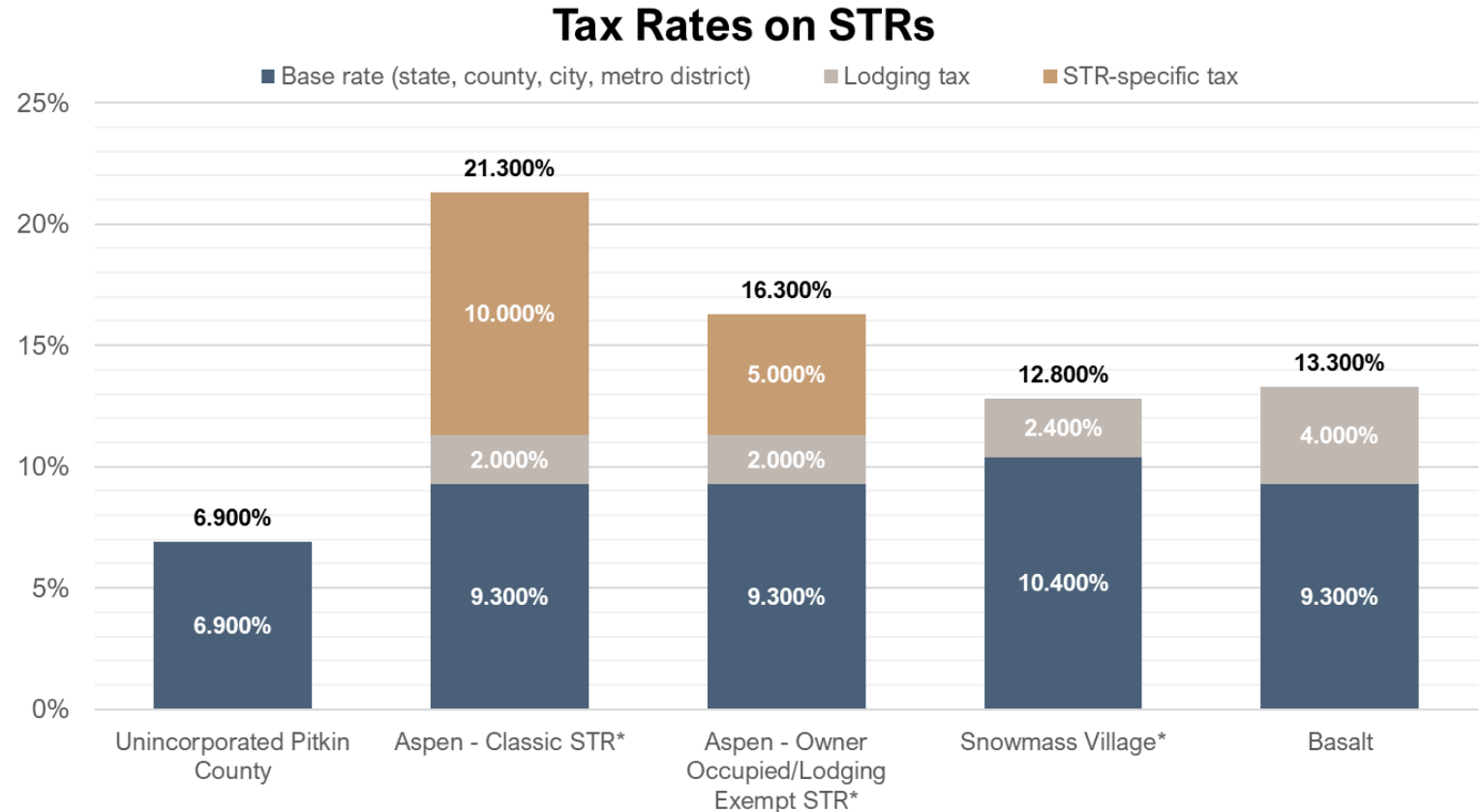






# REGULATORY OVERVIEW: STR TAXES

- Aspen Classic STRs (non-owner occupied and non-lodging exempt properties) have the highest tax rate at 21.3% while Unincorporated Pitkin STRs have the lowest at 6.9%.
- Only Aspen has STR-specific taxes.



\*Dates when STR taxes became effective: 05/01/2023



# OUTLINE OF ANALYSES

## HOUSING IMPACTS:

- 1. Within-Pitkin analysis:** This analysis seeks to address this question:
  1. Have home sales volumes, sales prices, and homebuyer geography changed appreciably across geographic areas within Pitkin County, following the introduction of varying STR caps and fees?
- 2. Between-counties analysis:** This analysis seeks to address these questions:
  1. Have home values and rents varied between Pitkin and other resort communities following the implementation of Pitkin STR caps and fees? How do housing costs in Pitkin compare to other areas with varying STR policies?
- 3. STR owner survey results** provide insight regarding anticipated behavior if STRs were banned.

## ECONOMIC IMPACTS:

- 1. Here, we explore whether STR performance and local economic performance changed following implementation of regulations and taxes/fees.**
  - Any shifts in the share of STR revenues and room nights by Pitkin County community?
  - Any shifts in the share of taxable sales by Pitkin County community?
  - Any shifts in Pitkin County's taxable sales vs. other resort community taxable sales?

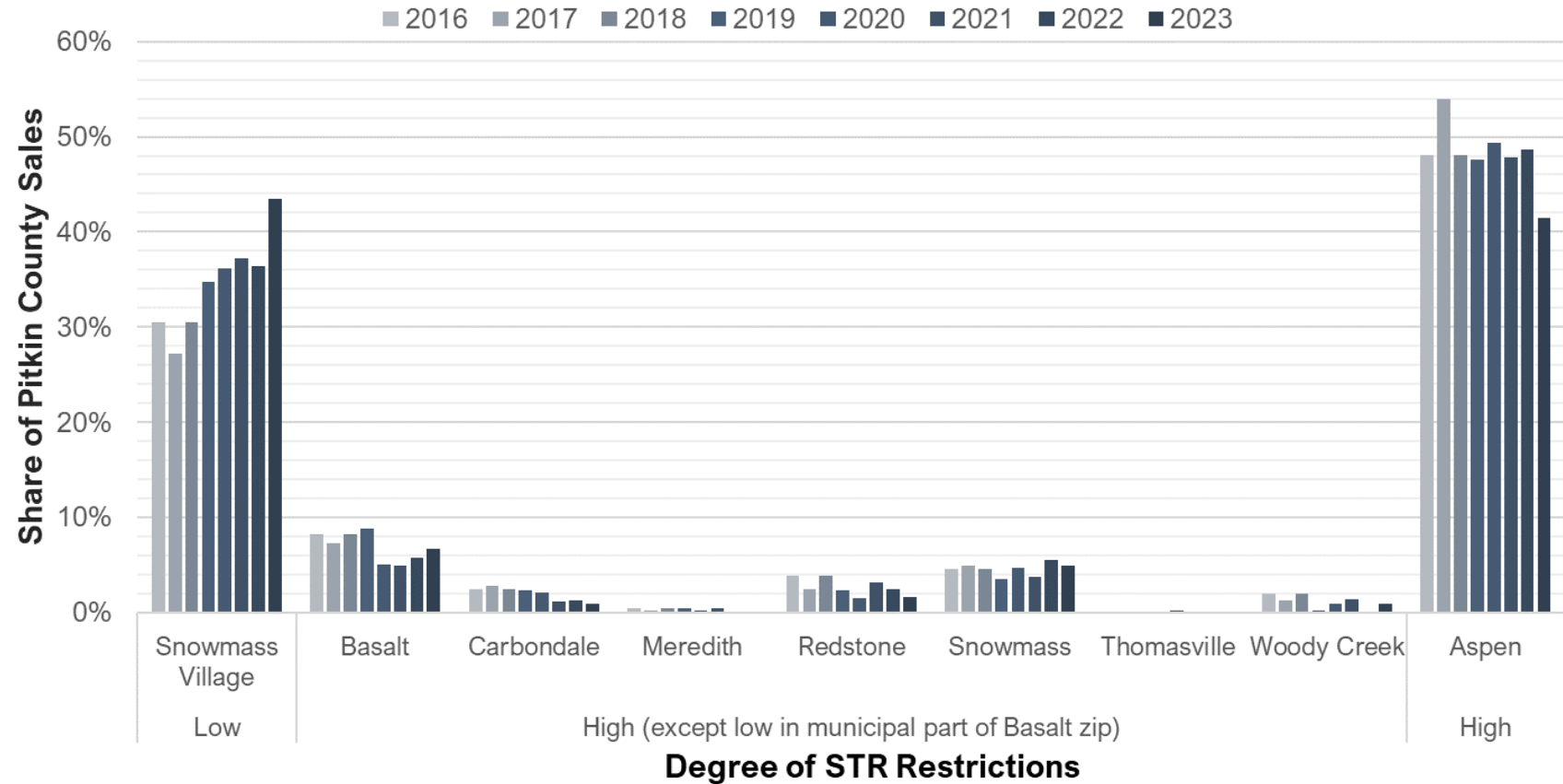


# HOUSING TRENDS: SHARE OF PROPERTY TRANSACTIONS BY AREA

- **HYPOTHESIS:** Towns/areas that have more restrictive STR caps, fees and/or taxes will experience a comparative drop in sales as those areas become less desirable to STR buyers.
- **FINDINGS:** Patterns in Pitkin partially support the hypothesis.
- Supporting the hypothesis:
  - **Snowmass Village**, the area with the fewest STR restrictions in Pitkin, has accounted for a heightened share of sales in 2023, after holding relatively stable since 2019. Between 2022 and 2023, sales in Snowmass Village increased by 6 ppt to 43%.
  - Conversely, **Aspen**, an area with tighter STR restrictions, has accounted for a decreased share of sales in 2023, after holding stable since 2018. Between 2022 and 2023, sales in Aspen decreased by 7 ppt to 41% - dipping below Snowmass Village for the first time in this time span.
- Countering the hypothesis:
  - Despite evidence for the hypothesis seen in larger postal areas, smaller areas that fall between restriction levels do not demonstrate conclusive or consistent evidence one way or the other.
- **CONCLUSION:** The recent dip in home sales volumes in Aspen – where STR regulations are comparatively strict – and the simultaneous rise in home sales volumes in Snowmass Village – where STR regulations are comparatively lenient - bears watching going forward.

## Share of Pitkin County Residence Sales by Postal Area

2016 - 2023



Source: Pitkin MLS market reports; RRC.



# HOUSING TRENDS: SFR SALES PRICE

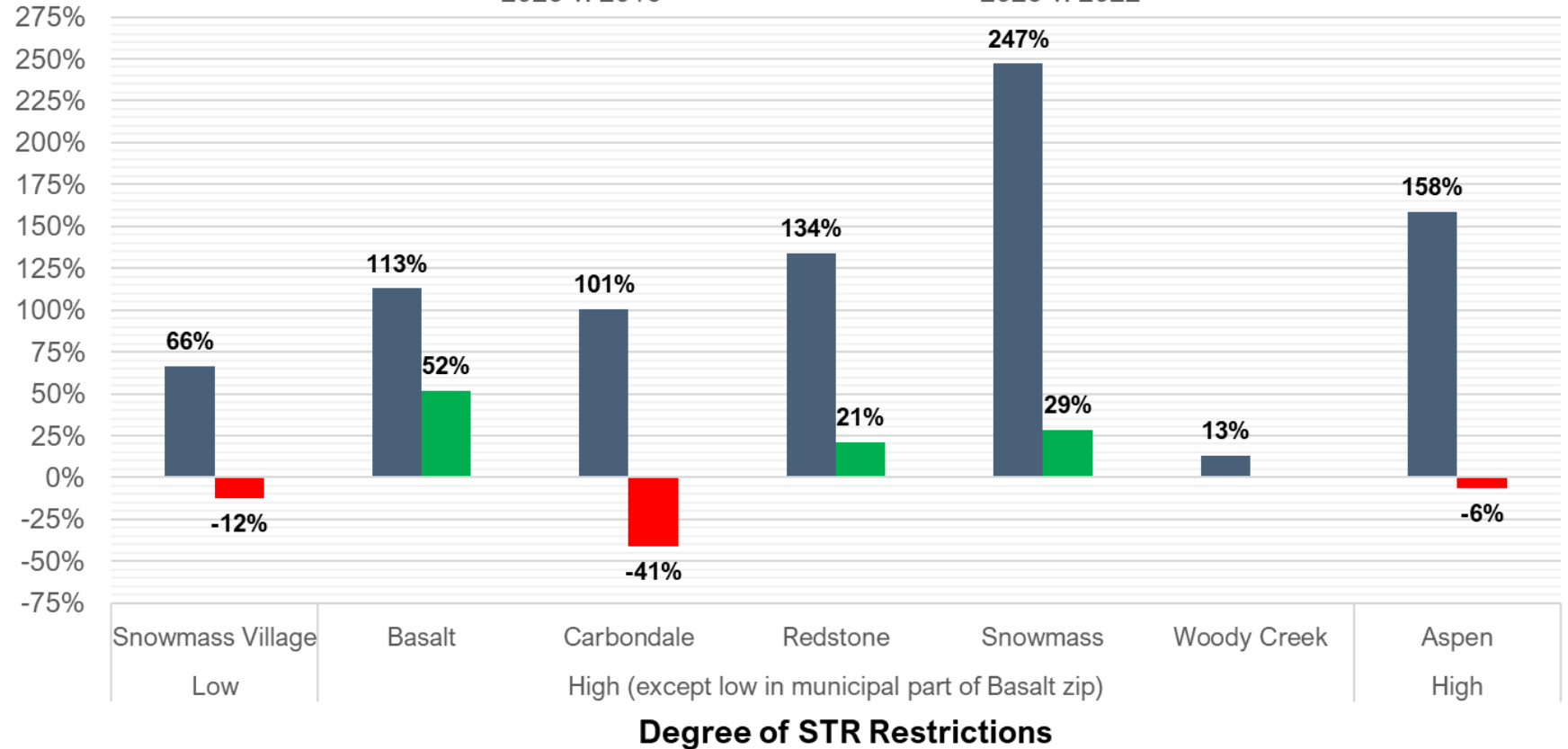
- **HYPOTHESIS:** Towns/areas that have more restrictive STR caps, fees and/or taxes will experience a comparative drop in prices as those areas become less desirable to STR buyers.
- **FINDINGS:** Overall, the results for single-family residences suggest that the implementation of STR policies has not yet significantly impacted median sales prices.
  - All areas experienced an increase in median sales prices from 2016 to 2023, with Basalt, Carbondale, Redstone, Snowmass, and Aspen sales prices more than doubling.
  - **Snowmass Village and Aspen**, areas at opposite ends of the restriction spectrum, both experienced a mild decrease in median sales prices from 2022 to 2023. The difference in STR restrictions experienced by these areas suggests that these restrictions do not strongly correlate with the observed reduction in sales prices.

## Change in Median Sales Price, by Postal Area

Pitkin County Single-Family Residences

■ 2023 v. 2016

■ 2023 v. 2022



Source: Pitkin MLS market reports; RRC.





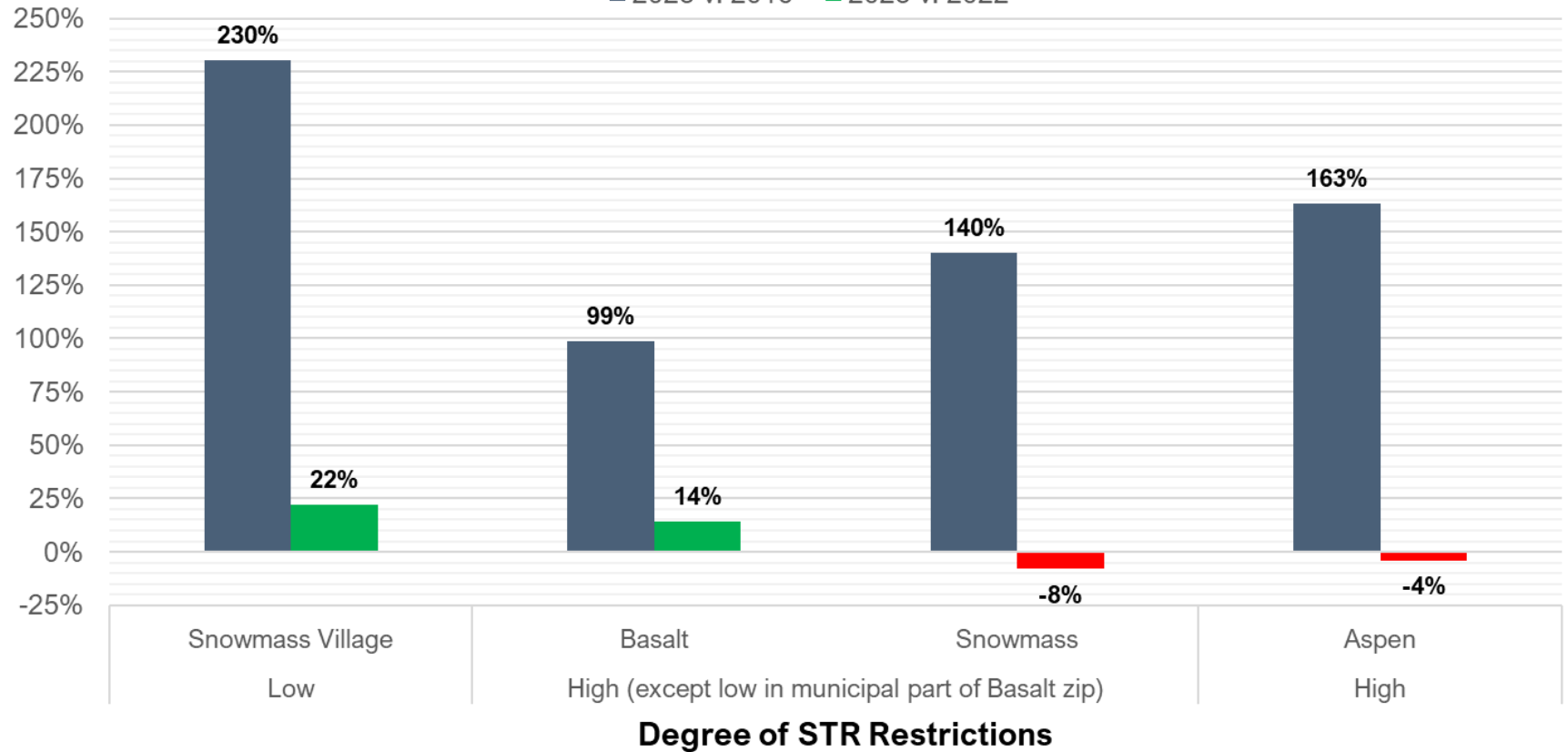
# HOUSING TRENDS: CONDO SALES PRICE

- **HYPOTHESIS:** Towns/areas that have more restrictive STR caps, fees and/or taxes will experience a comparative drop in prices as those areas become less desirable to STR buyers.
- **FINDINGS:** Overall, the results suggest that the implementation of STR policies might have a mild effect on condo prices.
  - All areas experienced a doubling (or more) in median sales prices from 2016 to 2023.
  - From 2022 to 2023, **Aspen** experienced a slight decrease in median sales price while **Snowmass Village** experienced a 22% increase in median sales price.
    - ❖ While the correlation between high STR restrictions and decreased sales price is more strongly demonstrated with condos than single-family homes, the change in Aspen is small and it is difficult to confirm this relationship without a stronger trend.

## Change in Median Sales Price, by Postal Area

Pitkin County Condominiums

■ 2023 v. 2016 ■ 2023 v. 2022



Source: Pitkin MLS market reports; RRC.

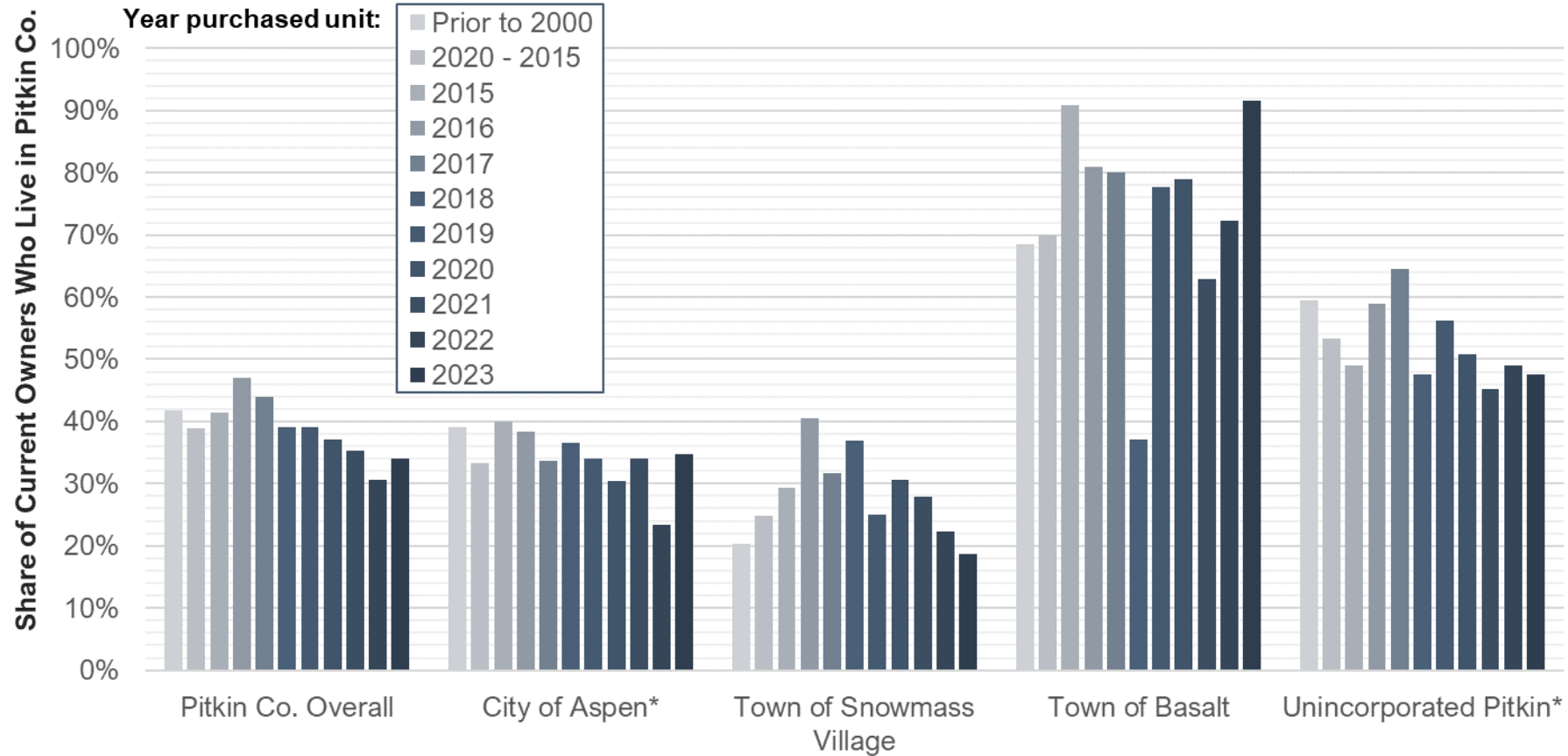
Note: Sales universe includes all residences. Change analysis includes only the postal areas with median sales prices greater than \$0 on both comparative years.



# HOUSING TRENDS: HOMEBUYER GEOGRAPHY

- **HYPOTHESIS:** Communities and subareas that have more restrictive STR caps will experience a comparative increase in purchases from individuals who are Pitkin County residents.
- **FINDINGS:** In Pitkin County overall, the share of free-market units purchased by Pitkin County residents rose from 2015 to 2016, then trended down through 2022, before ticking up in 2023..
- The extent of the increase in specific areas was variable, with no strong connection to the presence or degree of STR restrictions.
  - Aspen, the municipal area with the highest level of STR restrictions, did see an increase in its share of Pitkin resident homeowners between 2022 and 2023, though this increase returned to a norm held long prior to the dip seen in 2022.
  - Unincorporated Pitkin patterns held largely steady in 2022 and 2023.
  - Snowmass Village has seen a steady decrease in its share of Pitkin resident homeowners since 2020.

**Share of Current (2023) Homeowners who are Pitkin Residents, by Year Purchased Unit & Municipal Area**  
Free-Market Condo/Duplex/SFR Unit Owners



\*High degree of STR restrictions.

Sources: Pitkin County Assessor; local government STR license lists; RRC.

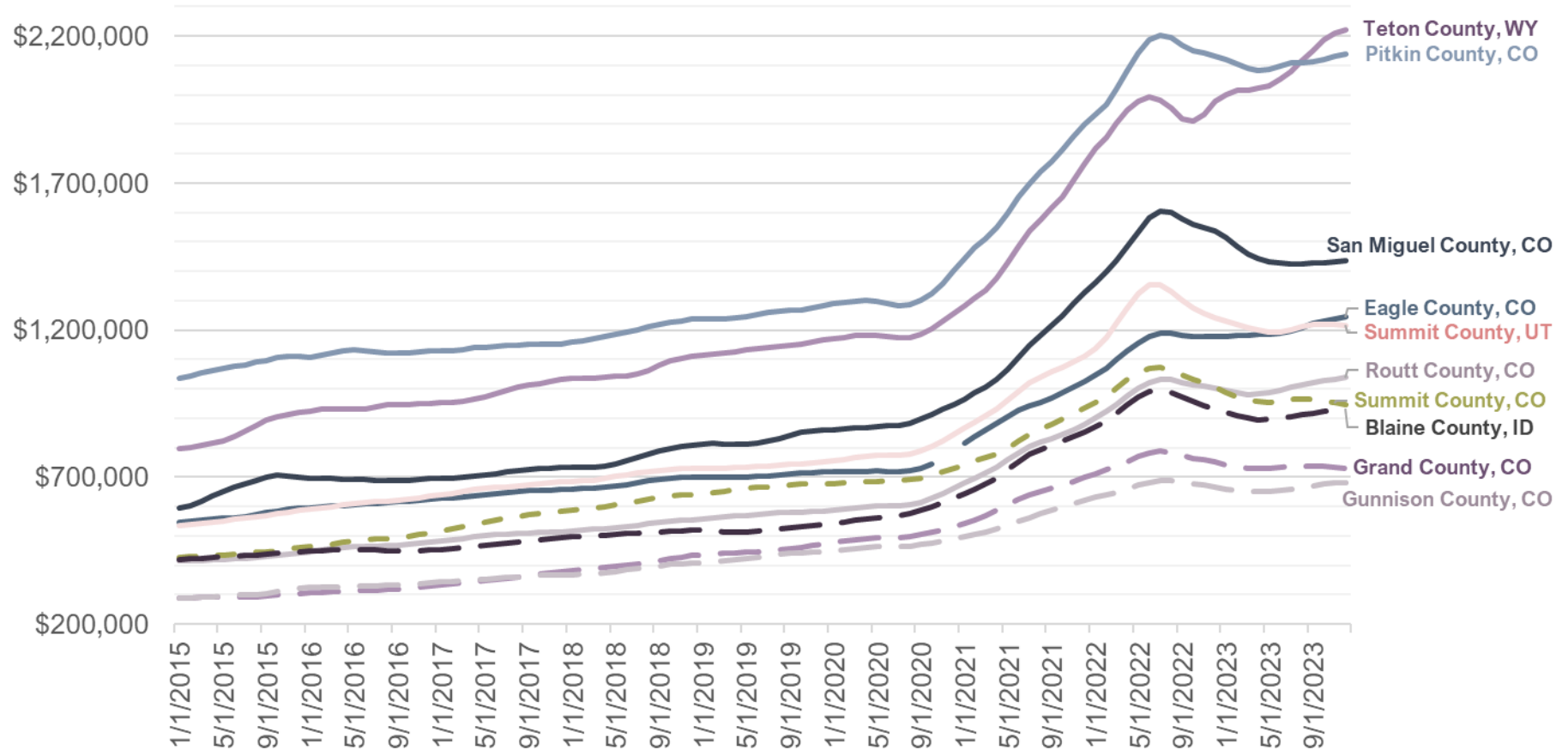
Free-market condominiums, duplex condos, and single-family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# HOME VALUE TRENDS: COMPARISON ACROSS COUNTIES

- Home values surged in the latter stages of the pandemic.
- Overall, Pitkin resident home purchases are lower than their peak in early 2022, though the rate of decline has stabilized and even slightly reversed since early 2023.

## Zillow Home Value Index - Selected Resort Counties 2015-2023

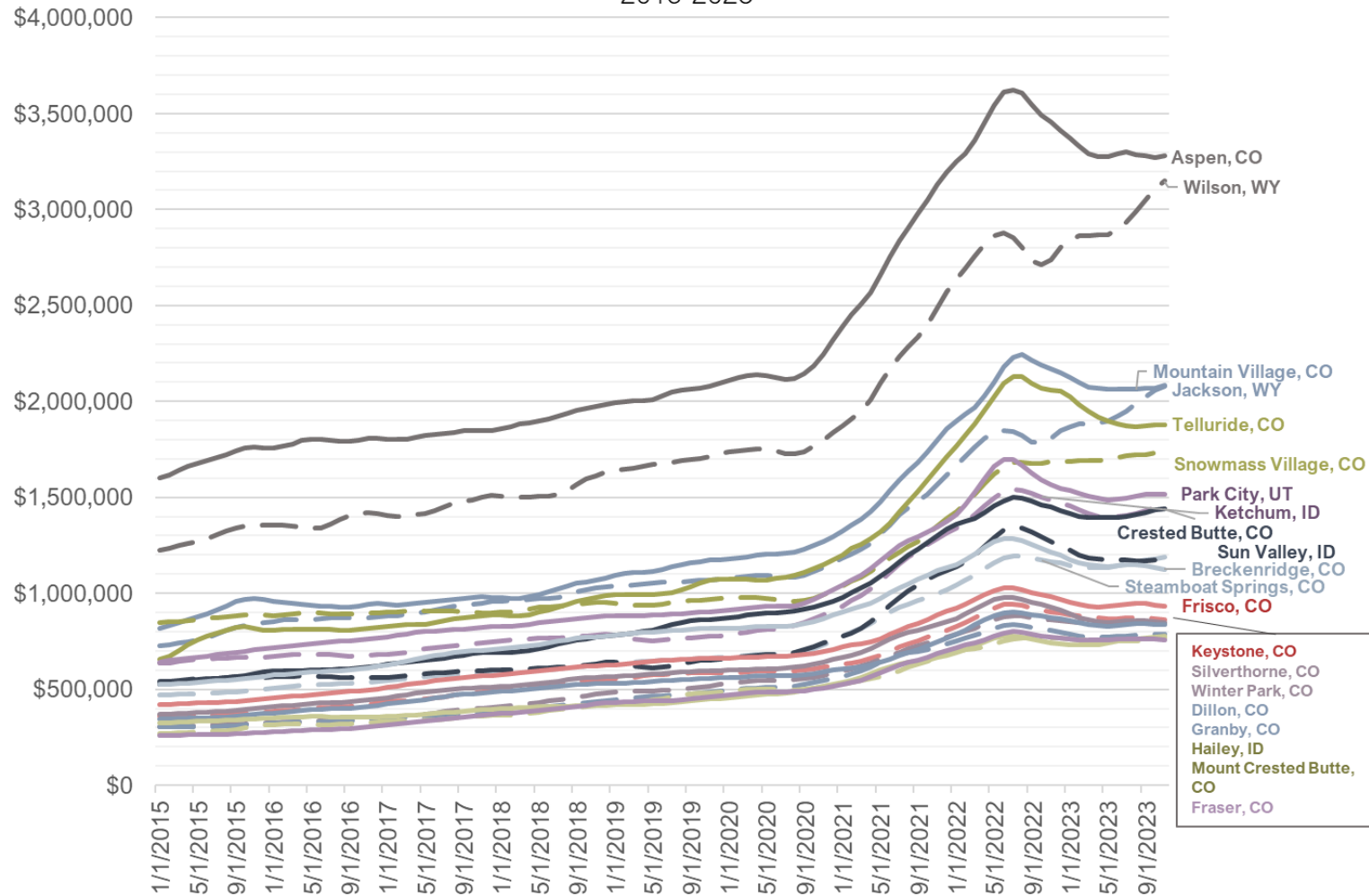




# HOME VALUE TRENDS: COMPARISON ACROSS CITIES

## Zillow Home Value Index - Selected Resort Towns

2015-2023



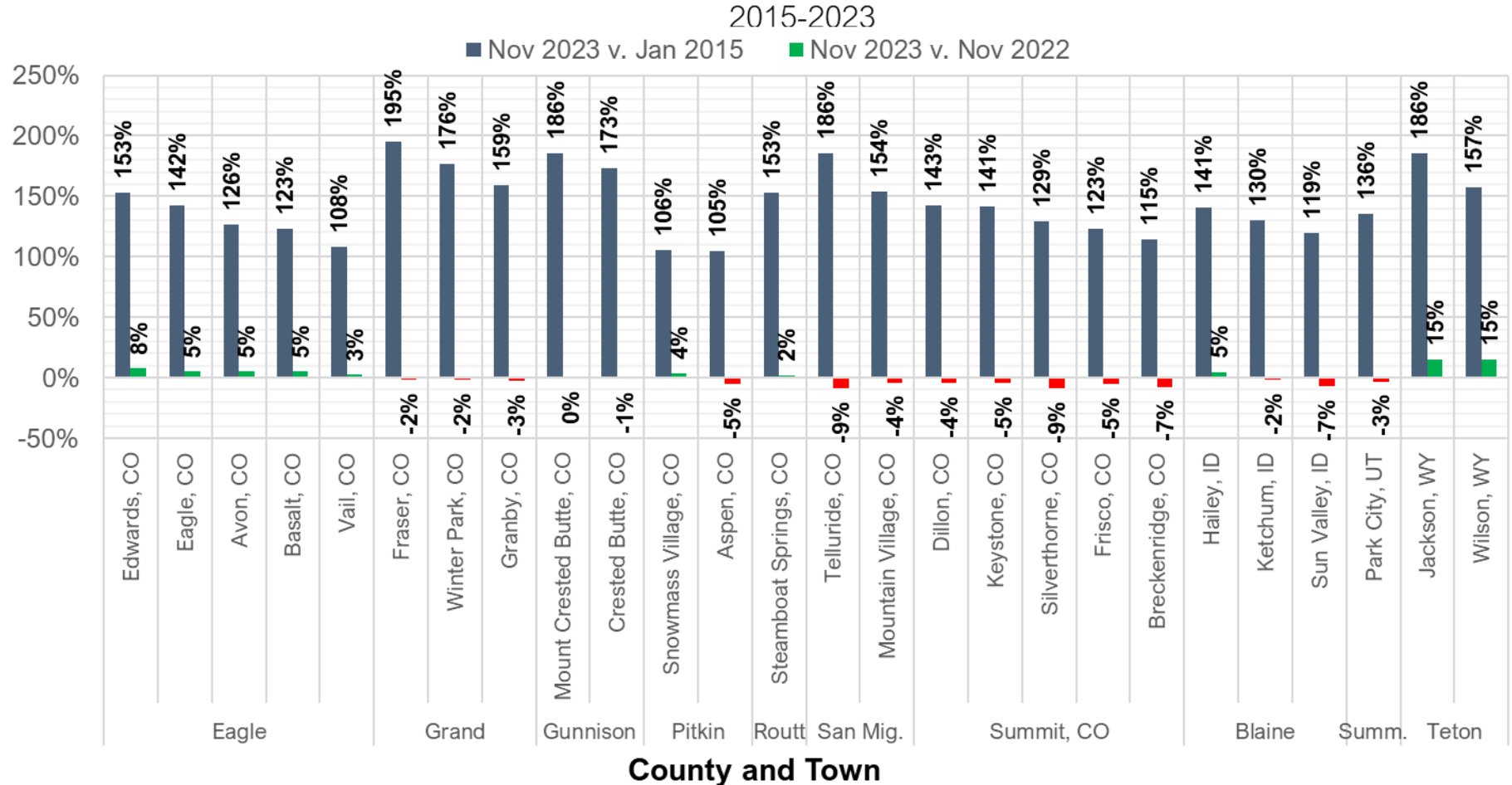




# HOME VALUE TRENDS: COMPARISON ACROSS CITIES

- Aspen and Snowmass Village – which are some of the most expensive resort areas – had comparatively modest gains relative to most other resort areas in 2015 thru 2023 (albeit still doubling).
- Trends in 2023 vs. 2022 have been variable across resort communities, and have not necessarily correlated with the degree of STR restrictions.

### Change in Zillow Home Value Index - Selected Resort Towns





PROPERTY USE:

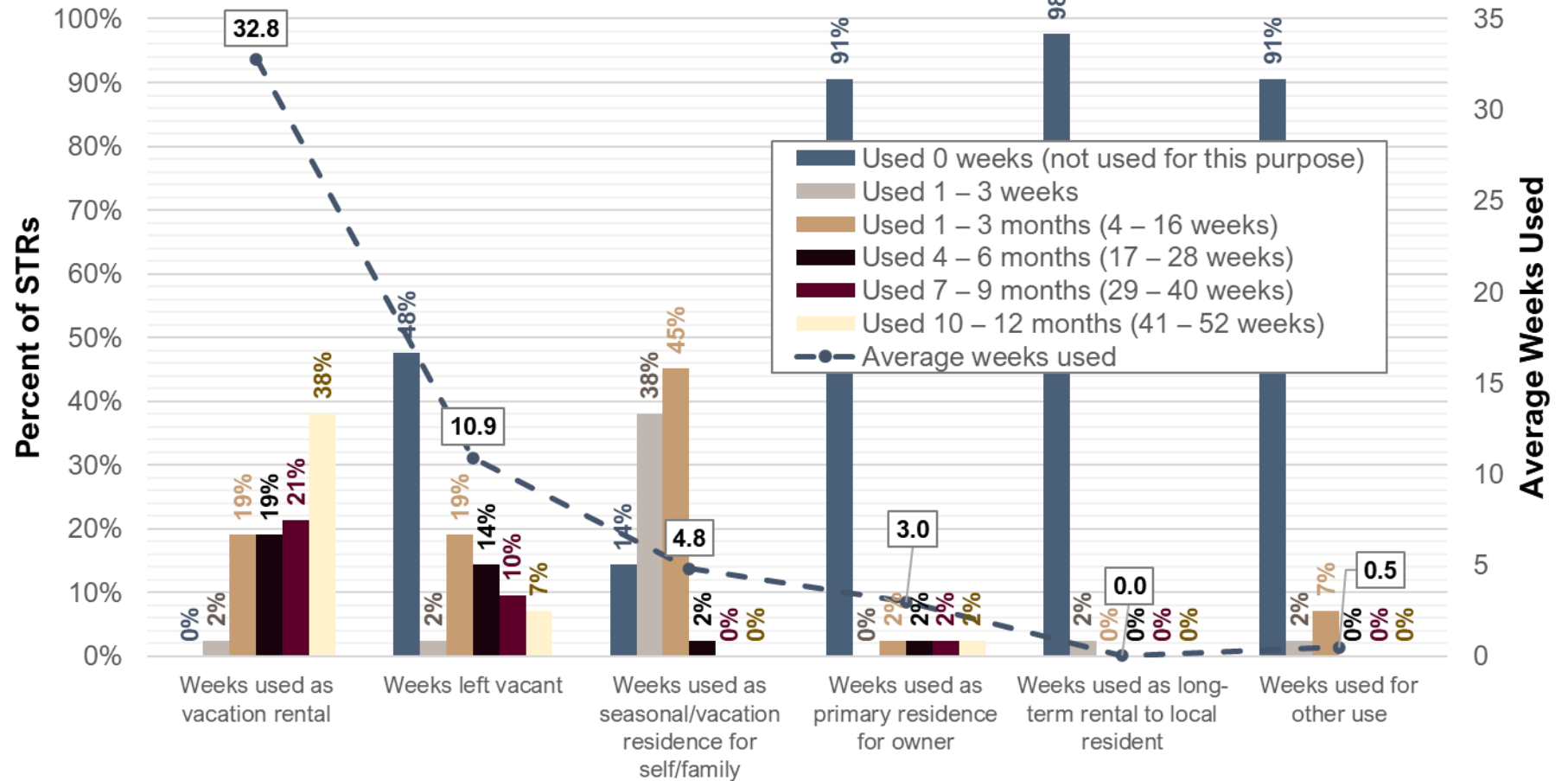
# USE PATTERNS IN PITKIN OVER LAST 12 MONTHS

IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?

- The figure to the right shows the distribution of use types among respondents from Pitkin County who have used their unit as a vacation rental for at least 1 week within the last 12 months (N=42).
- Over a third (38%) of respondents used the unit as a vacation rental nearly year-round (10-12 months) in the past year. Approximately 20% each rented their unit between 1-3, 4-6, and 7-9 months.
- When not using the unit as a vacation rental, this group is most apt to leave the home vacant and/or use it as a vacation residence.

### Weeks of Use of STRs for Various Purposes in the Past 12 Months

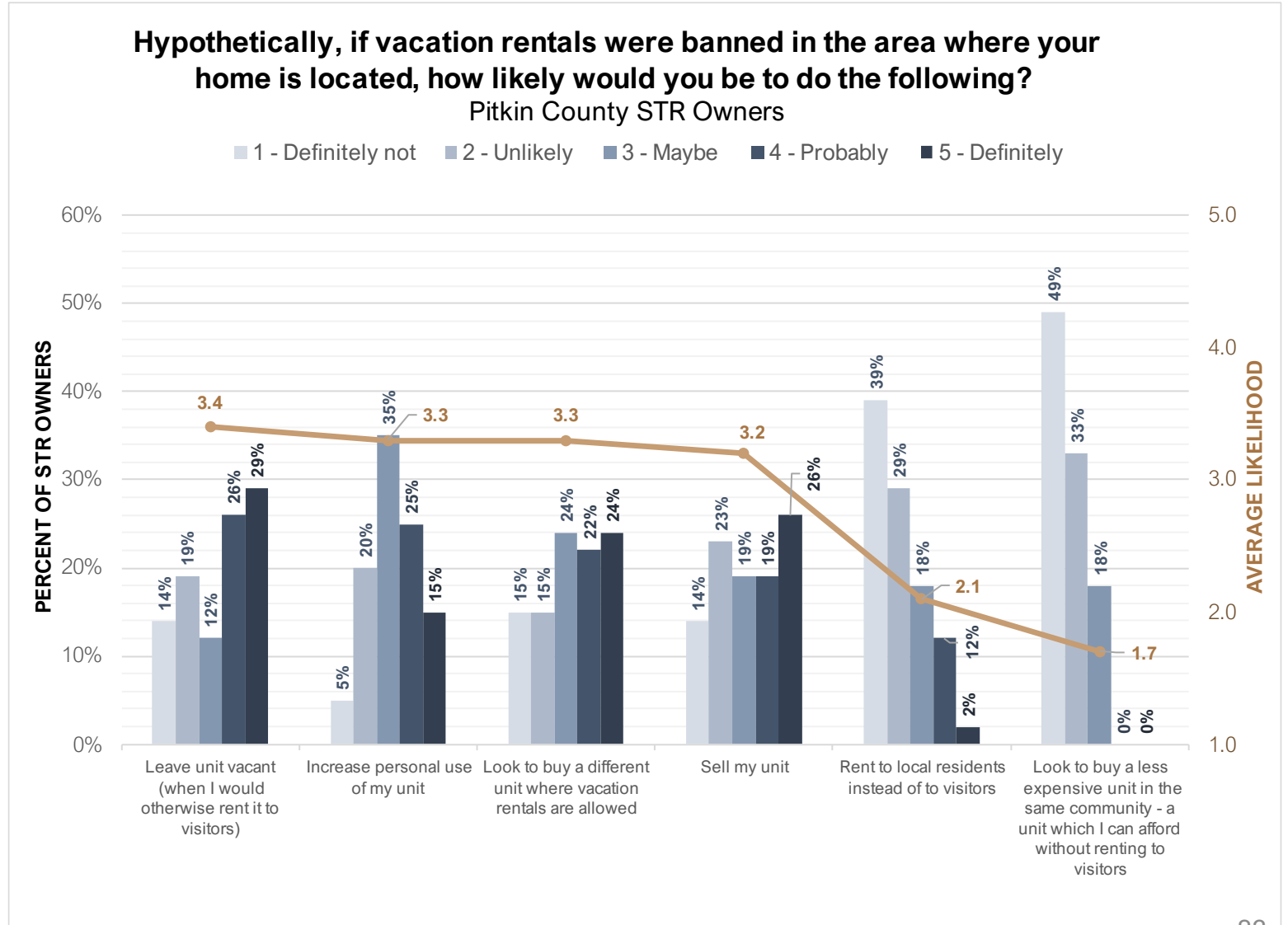
Universe: Pitkin County Homes Used as STRs 1+ Weeks/Year





# STR PROHIBITION: PITKIN DETAIL

- Looking more closely at Pitkin STR owners, most would “definitely” or “probably” leave their unit vacant (55%) if STRs were banned (when they would otherwise rent it to visitors).
- Additionally, a significant minority of STR owners would definitely or probably increase personal use of their unit (40%), look to buy a different unit where STRs are allowed (46%), and/or sell their unit (45%).
- Very small shares of STR owners would rent to local residents (14%). None surveyed would definitely or probably look to buy a less expensive unit in the same community.





# STR PROHIBITION

- When posed with the hypothetical banning of vacation rentals, respondents who have ever used their unit as a short-term or seasonal rental in Pitkin County indicated that they were **moderately likely to just leave the unit vacant (3.4 out to 5.0)**.
- This subgroup also indicated that they would be moderately likely **(3.3 out of 5.0) to look to buy a different unit elsewhere or increase personal use**.
- Two thirds of Pitkin STR owners in indicated they **would not have purchased the property** if they could not use it as a vacation rental.

[If have ever used unit as short-term or seasonal rental] **Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following? (1 = Definitely not; 5 = Definitely)**

Rating Category	Average Rating					
	Pitkin		Summit		Teton	
Leave unit vacant (when I would otherwise rent it to visitors)	n=42	3.4	n=194	3.6	n=50	3.3
Sell my unit	n=43	3.2	n=202	3.0	n=55	2.6
Look to buy a different unit where vacation rentals are allowed	n=41	3.3	n=198	3.0	n=52	2.6
Increase personal use of my unit	n=40	3.3	n=196	2.8	n=51	3.2
Rent to local residents instead of to visitors	n=41	2.1	n=195	1.8	n=53	2.2
Look to buy a less expensive unit in the same community	n=39	1.7	n=193	1.7	n=52	1.7

[If have ever used unit as short-term or seasonal rental] **Thinking back to when you aquired your property, would you have still purchased it if you were prohibited from using it as a vacation rental?**

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Yes	25%	14%	25%	33%
No	55%	67%	57%	37%
Don't know/uncertain	20%	19%	18%	31%
n=	291	43	199	49





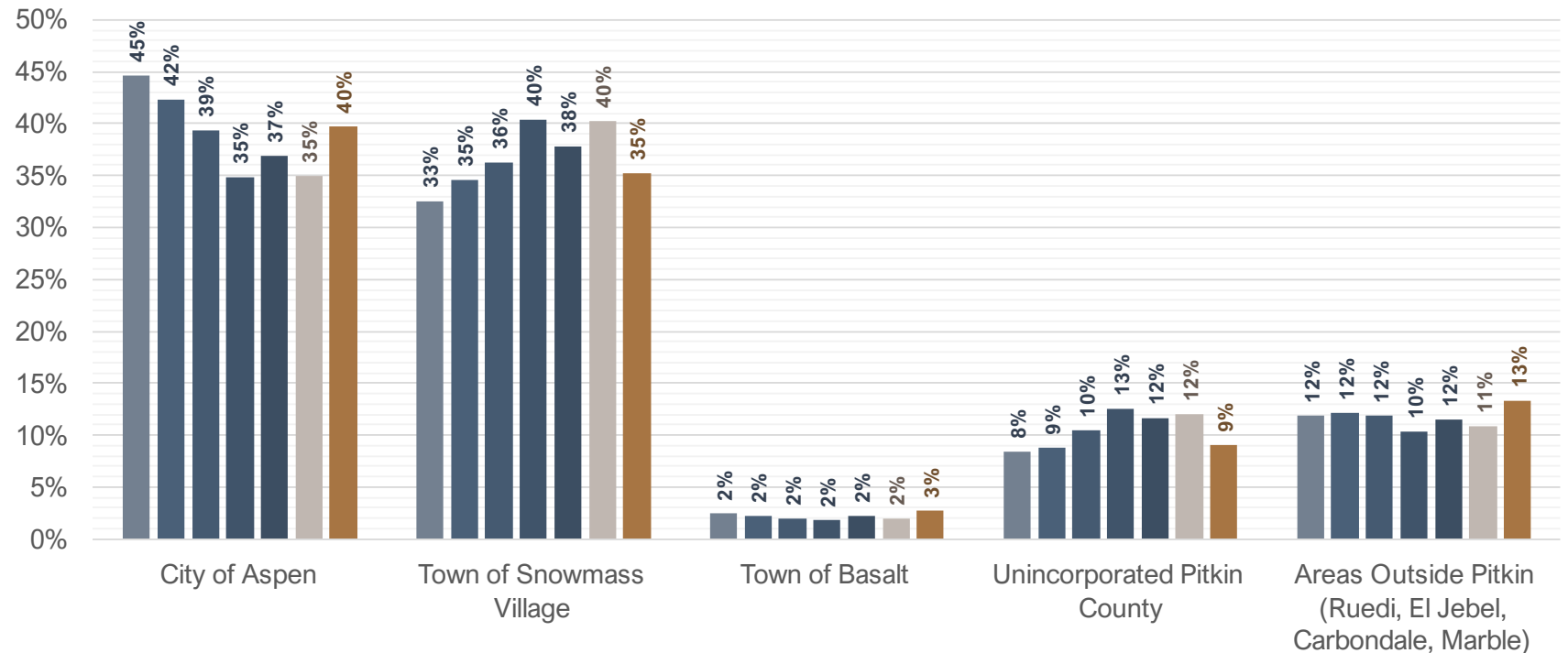
# SHARE OF ACTIVE STRs BY COMMUNITY

- When considering the impact of recent regulations on STRs, Unincorporated Pitkin County has the strictest STR regulations and the most unique of the three-county study: STR licenses are only granted to those who operated a STR from May 11<sup>th</sup>, 2017 to May 11<sup>th</sup>, 2022 in addition to licensing fees being tied to the STR's home market value.
  - The City of Aspen is the next most restrictive community with differing licenses, STR caps, and a STR excise tax.
- Possibly reflecting Unincorporated Pitkin's restrictive policies, its share of active STRs for 2023 (the first license renewal year since the described restrictions) dropped 3 ppts compared to the previous 2022 period.
- Aspen also has comparatively restrictive STR policies, although its share of active STRs edged up YOY in 2023 thru July, according to AirDNA.

## Share of Pitkin Active STRs by Community

2018 - 2023

■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2022 (Jan-Jul) ■ 2023 (Jan-Jul)



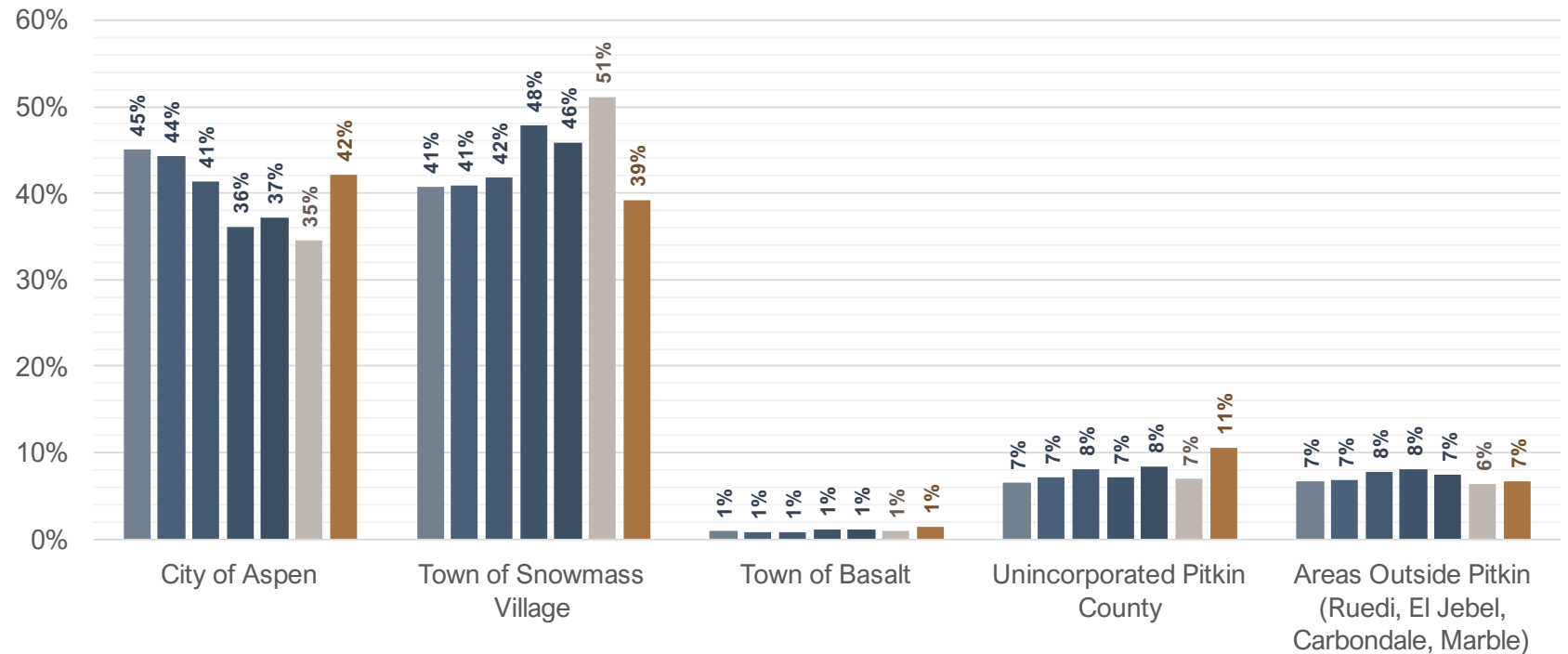


# STR RENTAL REVENUE SHARE BY COMMUNITY

## Share of Pitkin STR Rental Revenue by Community

2018 - 2023

■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2022 (Jan-Jul) ■ 2023 (Jan-Jul)



- STR revenue increased proportionately thru July 2023 in Pitkin’s most restrictive zones - Unincorporated Pitkin County and Aspen – and fell in Snowmass Village, according to AirDNA. However, caution is warranted, due to contrary patterns suggested by Aspen and Snowmass Village taxable lodging sales.



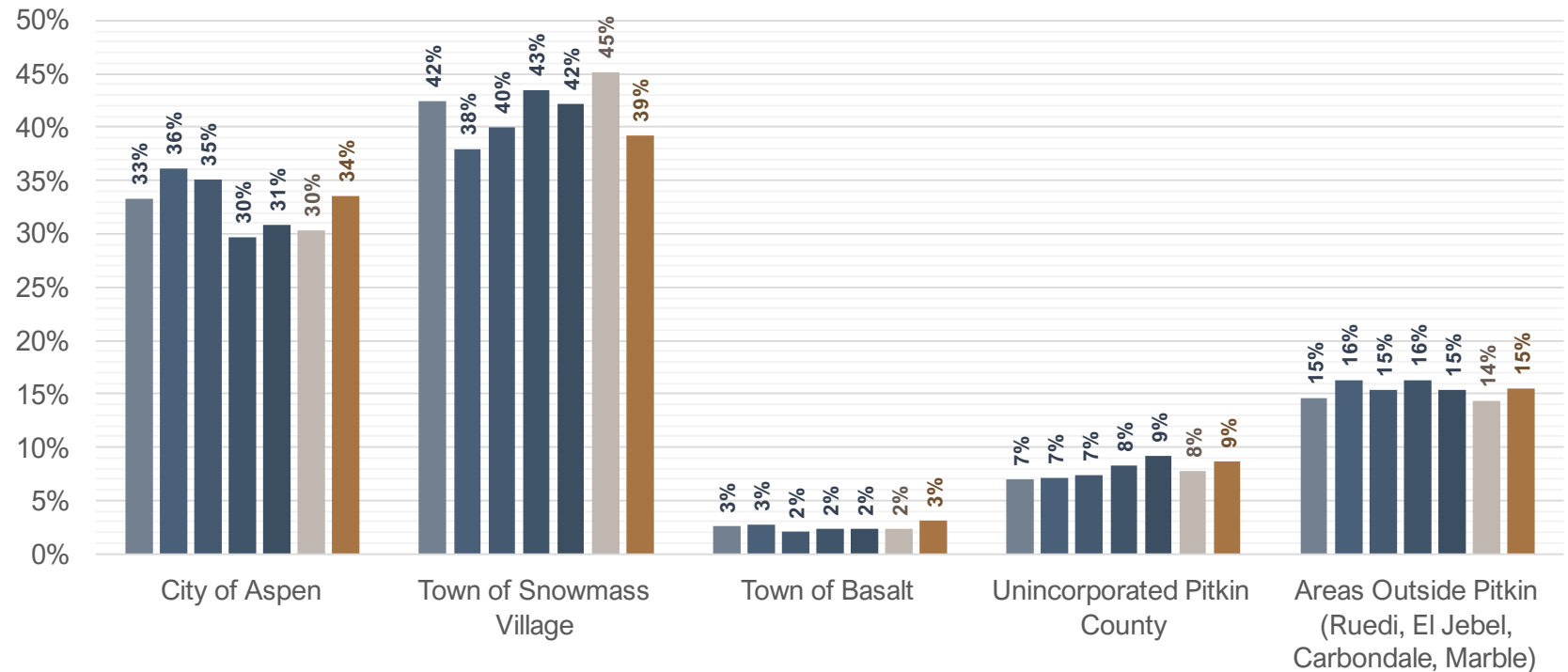
# STR RENTAL DAYS SHARE BY COMMUNITY

- AirDNA suggests a YOY increase in reservation days in 2023 thru July in Aspen and a decrease in Snowmass Village, although again caution is warranted due to potential volatility in the underlying data.

## Share of Pitkin STR Reservation Days by Community

2018 - 2023

■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2022 (Jan-Jul) ■ 2023 (Jan-Jul)



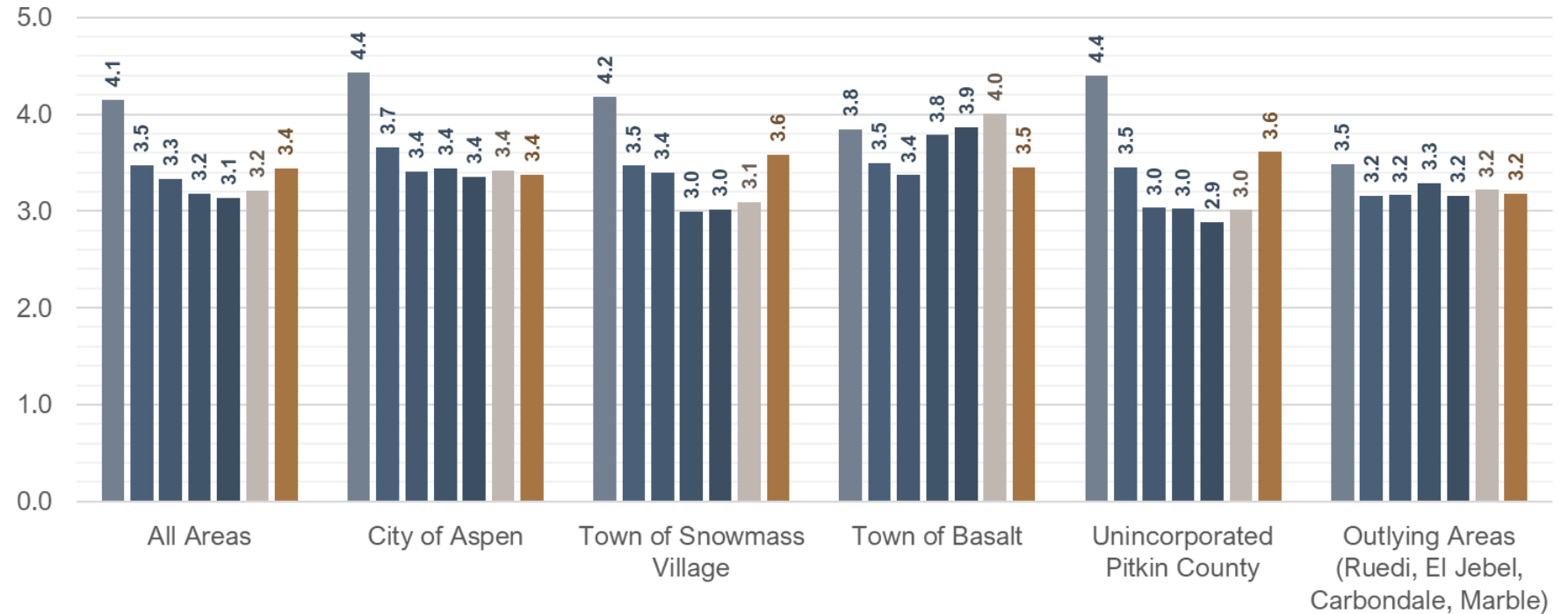


# STR AVERAGE LENGTH OF STAY BY COMMUNITY

## STR Average Length of Stay by Community

2018 - 2023

■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2022 (Jan-Jul) ■ 2023 (Jan-Jul)



- 2023 average lengths of stay are up YOY in Snowmass Village, steady in Aspen, and variable in other areas. An uptick in average LOS might be expected in Snowmass Village as a result of STR regulations specifying minimum 4 night stays in STR duplexes and single family units.

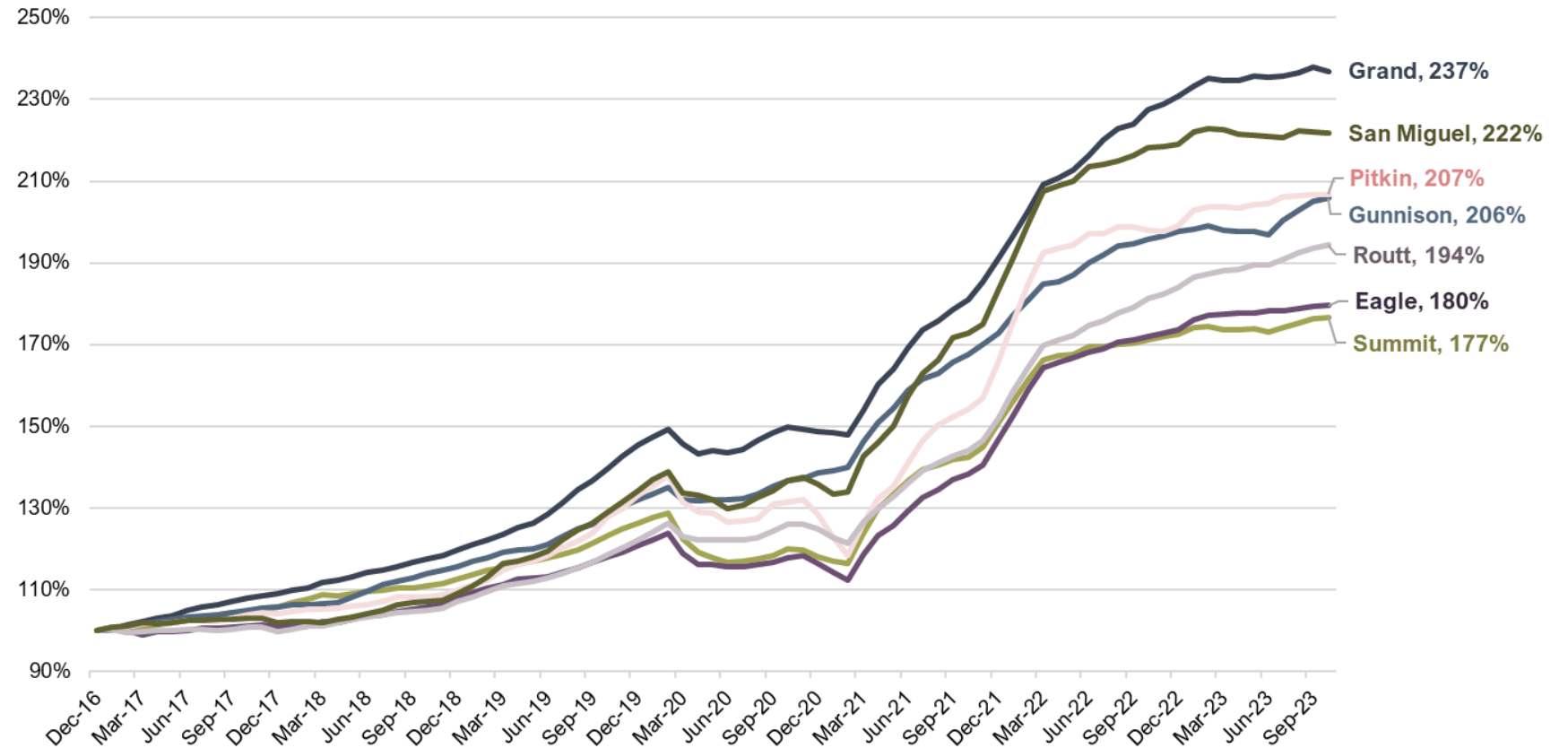




# STATE TAXABLE SALES: COUNTY COMPARISONS

- Like other resort counties, Pitkin County’s taxable sales climbed sharply in 2021 and early 2022, and have since moderated.
- Pitkin County is in the middle for the growth range for the comparison counties.

**Index of State Taxable Sales - Trailing 12 Months**  
 Selected Mountain Counties | Jan - Dec 2016=100% | Thru Oct 2023

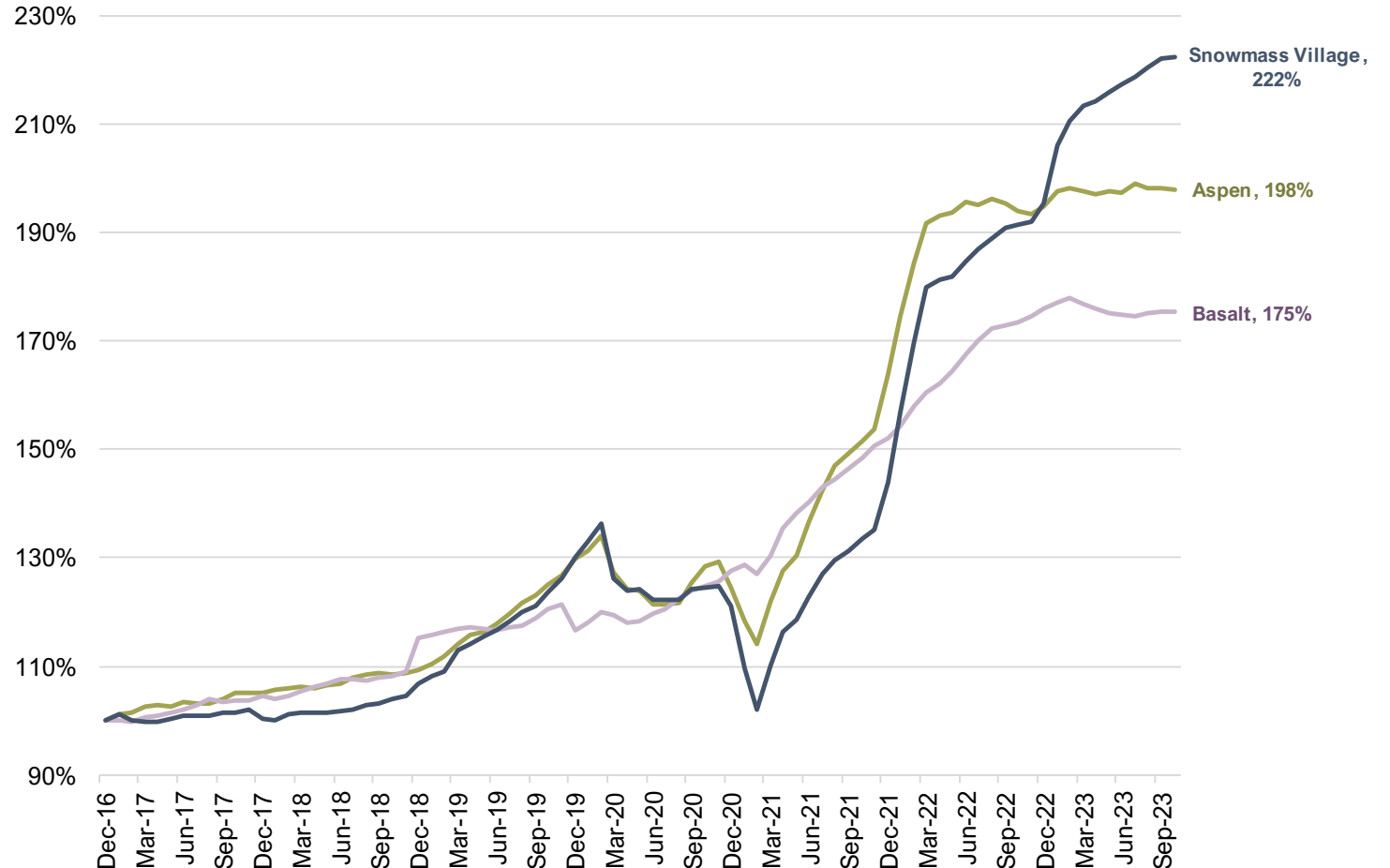




# STATE TAXABLE SALES: CITY COMPARISONS

- On a city level, taxable sales have come surging back since 2020/2021 lows, all exceeding any value prior to the pandemic, especially in Snowmass Village and Aspen.
- Aspen has tighter STR restrictions than either Snowmass Village and Basalt and was the first community to experience a slowdown of taxable sales growth beginning in 2022, is followed by Basalt (which has limited STR regulations and has leveled off since June 2023), while Snowmass Village has shown continued growth.

**Index of State Taxable Sales - Trailing 12 Months**  
 Pitkin County Area Cities | Jan - Dec 2016=100% | Thru Oct 2023







**STR CONTRIBUTIONS TO AFFORDABLE HOUSING EFFORTS**





# CONTRIBUTIONS

## STR visitors and owners generate considerable amounts of funding to affordable housing efforts in Aspen and Snowmass Village

- In **Aspen**, new affordable housing development is budgeted within the Housing Development Fund. Monies for this fund come from a 1% housing real estate transfer tax, a portion of the 0.45% sales tax for affordable housing and Kids First, and (starting May 1, 2023) a minimum of 70% of the 5-10% STR excise taxes. STRs contribute a significant portion of the tax monies in this fund.
  - Current STR owners paid an estimated \$3.5 million in housing RETT in 2022, equivalent to 21% of the \$17.1 million in total HRETT collected in 2022.
  - Approximately 45% of the 0.45% housing/Kids First sales tax was directed toward housing in 2022, an amount equating to \$2.46 million. STR guests are estimated to have paid a pro-rated 19% share of these taxes (or about \$466,000).
  - STR 5-10% excise taxes are budgeted to generate \$2.9 million for housing in 2023 and \$5.5 million in 2024.
  - Combined, STRs are estimated to have generated \$4.0 million in taxes for affordable housing in 2022, rising to a projected \$5.8 million in 2023 and \$8.5 million in 2024.
  - The share of total affordable housing tax revenue in Aspen which is generated by STRs is accordingly projected to rise from 21% in 2022 to 34% in 2023 and 43% in 2024.



# CONTRIBUTIONS

- In **Snowmass Village**, much of the funding for new affordable housing development comes from a discretionary portion of the 2.5% sales tax and 2.4% lodging tax which are accounted for in the Tourism Fund. The Town has budgeted \$4.6 million in 2023 and \$5 million in 2024 from the Tourism Fund for housing purposes. Based on RRC's tax modeling, STR guests are estimated to have generated approximately half of these combined sales and lodging tax monies in 2022. Should that ratio hold steady going forward, STR guests would generate approximately \$2.3 million of this affordable housing funding in 2023 and \$2.5 million in 2024.
  - Additionally, STR license fees (budgeted at \$360,000 annually) are allocated to the Housing Fund, which supports the operations and maintenance of existing affordable rental housing in Snowmass Village.
  - Affordable housing development is also supported by discretionary transfers from the General Fund and RETT fund, which are supported by STRs.
- In **Pitkin County**, new affordable housing development is supported by housing impact fees assessed on new development (dollars which are not attributable to STRs, since new units are prohibited from becoming STRs), as well as discretionary transfers from the General Fund. It is difficult to identify the precise share of these General Fund transfers which is ultimately traceable back to STRs, but STRs do indirectly contribute to these transfers via the taxes and fees that they generate for the County.





# STR SUPPORT AFFORDABLE HOUSING

## CITY OF ASPEN

- In Aspen, STRs are estimated to have generated \$4.0 in taxes for affordable housing in 2022, rising to a projected \$5.8 million in 2023 and \$8.5 million in 2024.
- The share of total affordable housing tax revenue in Aspen which is generated by STRs is accordingly projected to rise from 21% in 2022 to 34% in 2023 and 43% in 2024.

### Taxes Paid by STR Guests and Owners Which Contribute to City of Aspen Housing Development Fund

	2022 Actuals	2023 Forecast	2024 Request
Aspen Housing RETT (2022 reflects current STRs bought in CY 2022) <sup>1</sup>	\$3,544,836	\$2,651,923	\$2,651,923
Affordable Housing portion of 0.45% Affordable Housing/Kids First sales tax	\$466,843	\$261,419	\$266,028
STR excise tax - 5%**	n/a	\$869,564	\$1,659,000
STR excise tax - 10%**	n/a	\$2,028,984	\$3,871,000
<b>Total</b>	<b>\$4,011,679</b>	<b>\$5,811,890</b>	<b>\$8,447,951</b>

### City of Aspen Housing Development Fund - Budgeted Revenues

	2022 Actuals	2023 Forecast	2024 Request
Housing Real Estate Transfer Tax	\$17,109,813	\$12,800,000	\$12,800,000
Affordable housing portion of 0.45% sales tax*	\$2,456,984	\$1,375,845	\$1,400,100
STR excise tax - 5%**	\$0	\$869,564	\$1,659,000
STR excise tax - 10%**	\$0	\$2,028,984	\$3,871,000
<b>Subtotal - taxes</b>	<b>\$19,566,797</b>	<b>\$17,074,393</b>	<b>\$19,730,100</b>
Other revenues	\$3,691,444	\$20,213,984	\$3,378,900
<b>Total revenues</b>	<b>\$23,258,241</b>	<b>\$37,288,377</b>	<b>\$23,109,000</b>

<b>STR-derived housing taxes as a share of total Housing Fund taxes</b>	<b>21%</b>	<b>34%</b>	<b>43%</b>
<b>STR-derived housing taxes as a share of total Housing Fund revenues</b>	<b>17%</b>	<b>16%</b>	<b>37%</b>

<sup>1</sup>2023 and 2024 forecasts by RRC assume that STR share of RETT and 0.45% sales tax remain the same as in 2022  
 \*0.45% sales tax: City Council can allocate proceeds between the Housing Development Fund and Kids First Fund as it chooses.  
 \*\*At least 70% of all STR tax receipts must go to affordable housing efforts, and the remainder (up to 30%) goes toward environmental initiatives and capital repair and maintenance needs.



# STR SUPPORT AFFORDABLE HOUSING

## TOWN OF SNOWMASS VILLAGE

- STRs can be estimated to contribute \$2.3 million and \$2.5 million to affordable housing efforts in the Town of Snowmass Village in 2023 and 2024 respectively via sales and lodging taxes.
- Additionally, \$360,000 from STR licensing fees in Snowmass Village is allocated to the town’s Housing Fund.
- Affordable housing development is also supported indirectly via taxes allocated to the General Fund and then discretionarily used for housing efforts.

### TOSV Transfers from Tourism Fund to Capital Improvement Fund for Housing and Other TOSV Affordable Housing Funding Supported by STRs

	2022 Actual	2023 Projected	2024 Budget
<b>Tourism Fund tax revenues</b>			
Sales taxes (2.5%)	\$8,699,323	\$9,412,746	\$9,695,129
<u>Lodging tax (2.4%)</u>	<u>\$3,179,855</u>	<u>\$3,573,626</u>	<u>\$3,680,835</u>
Total	\$11,879,178	\$12,986,372	\$13,375,964
<b>Tourism Fund taxes generated by STRs</b>			
Sales taxes (2.5%)	\$3,556,054	n/a	n/a
<u>Lodging tax (2.4%)</u>	<u>\$2,488,212</u>	<u>n/a</u>	<u>n/a</u>
Total	\$6,044,266	n/a	n/a
<b>STR share of Tourism Fund taxes</b>			
Sales taxes (2.5%)	41%	n/a	n/a
<u>Lodging tax (2.4%)</u>	<u>78%</u>	<u>n/a</u>	<u>n/a</u>
<b>Total</b>	<b>51%</b>	<b>n/a</b>	<b>n/a</b>
<b>Transfer in to Capital Improvements Fund from Tourism for Housing Fund</b>			
<u>Budgeted amount</u>	<u>\$0</u>	<u>\$4,600,000</u>	<u>\$5,000,000</u>
<b>Amount attributable to STRs (if 51%)</b>	<b>n/a</b>	<b>\$2,340,534</b>	<b>\$2,544,059</b>

### Additional TOSV funding for affordable housing supported by STRs:

- \$360,000 from STR annual licensing fees are budgeted for Housing Fund, which supports operations and maintenance of existing affordable rental housing in TOSV.
- Affordable housing development is also supported by other transfers in (to the Capital Improvements Fund) from the General Fund and RETT Fund, which are supported by STRs.





# | COMMUNITY SURVEY RESULTS





# COMMUNITY SURVEY INTRODUCTION

## INTRODUCTION

As a part of the overall STR investigation, a statistically valid survey was conducted. Postcard invitations were sent to a random sampling of residents and second homeowners in the three counties of interest, Pitkin and Summit Counties in Colorado and Teton in Wyoming. Additionally, invitations were sent to residents in three other Colorado counties: Eagle, Grand and Routt; these three counties are characterized by major ski resorts and have significant numbers of STR properties within their geographic areas. The surveying effort was conducted cooperatively with the Northwest Council of Governments and the Colorado Association of Ski Towns.

## THE SURVEY QUESTIONS

The survey invitation did not speak specifically to the topic of STRs. Rather, it invited respondents to participate in a “community survey” on a variety of topics. The intent was to not directly encourage participation from interest groups either pro or con in their opinions of STRs. Instead, the bank of STR questions was part of a larger survey that elicited input on a variety of topics, of which the STR questions were only a part of the whole. An attempt was made to ask questions in a neutral format without an indication of bias toward the controversial topic that STRs have become.

The following slides summarize results from selected survey questions comparing Pitkin County responses to those from Summit and Teton County WY. A complete set of responses to all STR questions is presented in the Appendix to this report.



**YOU ARE INVITED TO PARTICIPATE IN THE MOUNTAIN COMMUNITY SURVEY!**

**We want to hear from you!**

Complete the survey for a chance to win a \$50 Visa gift card!





# FINDINGS

## **Pitkin respondents are primarily vacation homeowners or local residents that own their property.**

- 51% of respondents own a vacation home/second home in Pitkin County and 43% are local residents; nearly all (89%) own their property.
- Nearly two-thirds of respondents (63%) have used the property as a vacation home at any point during ownership and about one-third of respondents have used the property as a primary residence (37%) and/or vacation rental (31%) at any point.

## **Pitkin County homeowners carry mixed feelings about vacation rentals in their community.**

- 36% of all Pitkin respondents report that they have both positive and negative feelings about vacation rentals.
- 71% of all respondents that use their property as a vacation rental indicate that vacation rentals have a mostly positive impact on the community.
- 64% of all Pitkin respondents indicate that vacation rentals benefit the local economy; however, over a third of this same group also indicate downsides, namely pertaining to the impact on Pitkin's community character (36%) and on the housing supply for locals (46%).





# FINDINGS

## Respondents that use their property as a vacation rental do so for use flexibility and additional income.

- Among respondents that have used their property as a vacation rental within the past 12 months, 76% have done so for investment/income purposes and 60% have done so because it allows the property to be used personally or as a vacation home.
- On a scale of non-dependence (1) to extreme dependence (5), Pitkin respondents that rent to visitors are moderately dependent on renting to afford the home (average of 3.5/5). These respondents are less dependent on renting to afford their livelihoods in general (average of 2.6/5).
- Among those that have ever used their home as a vacation rental but not as a long-term rental for local residents, 61% have not rented to locals because it would prevent their own use or use by their family/friends. Over half (54%) have not done so to avoid damage to the unit.
- In a hypothetical situation where vacation rentals were banned, on a scale of definitely not likely (1) to definitely likely (5) to react in certain ways in response to the ban, respondents who have ever used the unit as a short-term/seasonal rental are moderately likely to just leave the unit vacant (average of 3.4/5), look to buy a different unit where vacation rentals are allowed (average of 3.3/5), or increase personal use of the unit (average of 3.3/5).
- Over half of respondents who have ever used their unit as a short-term/seasonal rental would not have purchased the home if vacation rentals were prohibited from the area (67%).





# VIEW OF VACATION RENTALS

Generally speaking, what is your view of vacation rentals in the community?

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Mixed – both positive and negative	42%	36%	44%	43%
Vacation rentals have a mostly positive impact on the community	32%	35%	37%	18%
Vacation rentals have a mostly negative impact on the community	18%	20%	14%	25%
Vacation rentals have no discernable impact on the community	4%	4%	2%	9%
Other	2%	2%	2%	1%
Don't know / Uncertain	2%	3%	1%	4%
n=	962	158	572	232

- All respondents were asked to give their general opinions about vacation rentals in their community.
- While the plurality of respondents in all counties acknowledge the mixed impacts of vacation rentals, having **both positive and negative impacts on the community (36% in Pitkin)**, respondents in Pitkin were more likely to indicate that vacation rentals had a positive impact on the community (35%) than a negative impact (20%).
- Comparatively, respondents in Teton were less likely to note the positive impacts of vacation rentals than respondents in Pitkin or Summit.



# VIEW OF VACATION RENTALS

BY OWNERSHIP/USE

Generally speaking, what is your view of vacation rentals in the community?  
by Ownership/Use of Property

	Grand Total	Own (Detailed) vs. Rent		
		Own - Use as Primary Residence Only	Own - Use as Seasonal Residence	Own - Use as Seasonal Residence and STR
Mixed – both positive and negative	43%	45%	54%	22%
Vacation rentals have a mostly positive impact on the community	32%	17%	22%	71%
Vacation rentals have a mostly negative impact on the community	17%	29%	17%	1%
Vacation rentals have no discernable impact on the community	4%	6%	3%	2%
Other	2%	2%	1%	3%
Don't know / Uncertain	2%	2%	2%	1%
n=	786	307	283	196

- Among all respondents across Pitkin, Summit, and Teton counties, the general view of vacation rentals in the respective communities was influenced by home ownership and use patterns.
- Most notably, nearly three-quarters of respondents (**71%**) who owned their property and used it as a seasonal residence as well as an STR viewed vacation rentals as having a mostly positive impact on the community.
- Conversely, homeowners who *did not* use the property as an STR were more mixed in their opinion.

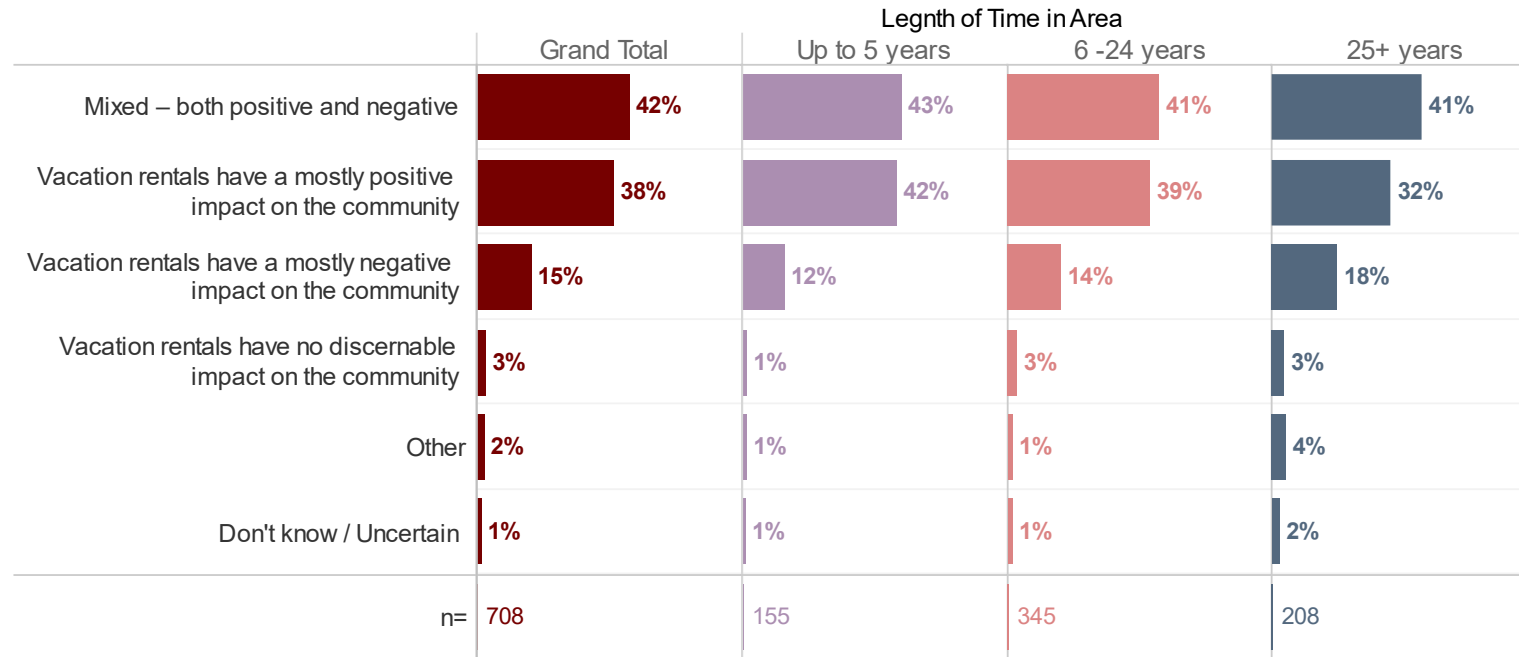




# VIEW OF VACATION RENTALS

BY LENGTH OF TIME IN AREA

Generally speaking, what is your view of vacation rentals in the community?  
by Length of Time in Area



- The share of respondents that noted a **negative impact** of vacation rentals on the community increased slightly with time in the area (6 percentage point difference between shortest and longest time span). However, the difference by length of time was less pronounced than the difference by ownership and use patterns.



# PROS/CONS OF VACATION RENTALS

- To delve more into the mixed feelings regarding vacation rentals, respondents were also asked to note the concerns and benefits rentals bring to the community.
- About 64% of Pitkin respondents found the economic contributions of vacation rentals beneficial.**
- Conversely, over a third of Pitkin respondents were **concerned about the impacts of vacation rentals on the character and quality of life (36%)** of the community and on the **housing supply for locals (46%)**.

What concerns, if any, do you have about vacation rentals in the community? (Check all that apply)

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Impacts on community character and quality of life	46%	36%	43%	59%
Impacts on the housing supply for local residents	42%	46%	39%	45%
Increases to the cost of housing	31%	31%	28%	40%
The number or density of vacation rentals	30%	32%	30%	29%
Other concerns	9%	7%	11%	6%
No concerns	22%	29%	22%	15%
Don't know / Uncertain	4%	4%	3%	5%
n=	1,008	168	593	247

What benefits, if any, do you feel that vacation rentals bring to the community? (Check all that apply)

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Contribute to the local economy	76%	64%	84%	65%
Enable the community to have more amenities	55%	45%	64%	42%
Support property values	39%	33%	47%	24%
Add vitality and energy to the community	27%	27%	30%	20%
Other benefits	6%	4%	7%	7%
No benefits	10%	14%	6%	19%
Don't know / Uncertain	4%	8%	2%	7%
n=	1,011	166	596	249



# RESPONDENT TYPE

This survey is intended for residents, employees, second homeowners, and residential property owners in Summit, Eagle, Grand, Pitkin, and Routt Counties. Which of the following describe you? (Check all that apply)

- Over half of respondents to the survey indicated that they **owned a vacation home / second home** in the area.
- Full-time residents made up **43%** of respondents in Pitkin.

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
I own a vacation home / second home or timeshare in this area	56%	51%	63%	43%
I am a full-time, year-round resident of this area	37%	43%	31%	46%
I own one or more investment residences in this area	13%	8%	12%	19%
I work in this area	9%	9%	6%	14%
I am a seasonal employee living and working in this area for part of the year	1%	2%	1%	1%
I commute to work in this area from a residence located outside of this area	0.5%	1%	0.5%	0.4%
Other	3%	3%	2%	4%
None of the above	0.5%		0.3%	1%
n=	1,106	180	643	283



# UNIT OWNERSHIP

Do you own or rent the residence that you occupy in this area?

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
I own my residence	97%	89%	98%	100%
I rent my residence	3%	10%	2%	
Neither - I am currently looking for housing	0.2%		0.3%	
Other:	0.1%	1%		
n=	1,081	174	635	272

- The plurality of respondents in Pitkin (**89%**) **owned their residence** in question, as opposed to renting or otherwise.
- However, Pitkin contained the largest share of renters among the counties in this sample.





# UNIT TYPE

- **Single-family homes and condominiums** were the most common residence types among all respondents. A collective **83%** of Pitkin respondents lived in either a single-family home or a condominium.
- Residences tended to have between **2-4 bedrooms**, with **70%** of residences in the Pitkin sample falling in this size group.

What type of unit is this residence?

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Single family detached home	48%	43%	39%	69%
Condominium	33%	40%	38%	17%
Townhome	15%	10%	18%	12%
Duplex or triplex	2%	2%	2%	1%
Mobile home	0.3%	1%	0.2%	
Apartment with 4 or more units	0.2%	1%	0.2%	
Other:	2%	3%	2%	1%
n=	975	141	575	259

How many bedrooms does your residence have? (If your property includes an ADU, please respond for the primary unit only.)

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
1	9%	10%	9%	7%
2	25%	22%	27%	20%
3	35%	25%	35%	41%
4	21%	23%	19%	26%
5	6%	10%	6%	5%
6	1%	3%	1%	1%
7	0.4%		1%	0.5%
8 or more	0.4%	1%	1%	
None – studio / efficiency	2%	5%	2%	0.5%
n=	899	129	553	217



# ADU INCLUSION & USE

- **ADUs were relatively uncommon** within the sample, with only **11%** of Pitkin respondents reporting one on their property.
- Of properties that included an ADU, the largest share of respondents used them for **personal use (67%** in Pitkin).

Does your property include a garage apartment or onsite accessory dwelling unit (ADU)?

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Yes	17%	11%	16%	23%
No	82%	88%	83%	76%
Don't know/Not sure	1%	1%	2%	1%
n=	970	140	572	258

[If unit includes ADU] For what purpose(s) do you use your garage apartment or ADU? (Check all that apply)

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Personal use	49%	67%	46%	49%
Vacant / not used	14%	8%	16%	10%
Rental to local residents	13%		11%	18%
Rental to visitors	11%	8%	14%	6%
Occupied by my relatives	4%	17%	1%	6%
Other	17%	17%	20%	12%
n=	140	12	79	49



# PURPOSE OF ACQUISITION

For what reason(s) did you originally acquire your residence? (Check all that apply)

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Second home / vacation home	55%	59%	61%	38%
Primary residence for myself / family	32%	28%	28%	43%
Investment / rental purposes	14%	12%	16%	11%
Retirement home	10%	9%	10%	13%
Investment / appreciation purposes	9%	7%	11%	7%
Other	3%	2%	3%	4%
n=	959	139	566	254

- Over half (**59%**) of Pitkin respondents indicated that their property was originally acquired for **use as a second home/vacation home**.
- Just over a quarter (**28%**) of Pitkin respondents indicated that their property was purchased as a primary residence.
- Pitkin was very similar to Summit in this regard.



# USE PURPOSES OVER TIME

- Aligning closely with the original purpose of acquisition, nearly two-thirds (**63%**) of Pitkin respondents have used the property as a **seasonal / vacation residence** over the entire period of ownership.
- Approximately a third have also used the property as a **primary residence (37%)** and as a **short-term rental (31%)**.

Over the entire period you have owned your residence, what purpose(s) have you used it for? (Check all that apply. If your property includes an accessory unit, please respond for the primary unit only.)

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Seasonal or vacation residence for myself / family	61%	63%	66%	46%
Primary residence for myself / family	39%	37%	36%	49%
Short-term rental of entire home to visitors	28%	31%	32%	17%
Seasonal rental of entire home to visitors (rental for 30 consecutive days or more)	10%	7%	12%	6%
Long-term rental of entire home to local residents	8%	4%	7%	12%
Long-term rental of a bedroom (but not entire home) to local residents	3%	1%	3%	3%
Rental of a bedroom (but not entire home) to visitors	2%	3%	2%	1%
Other	2%	1%	1%	2%
n=	864	134	540	190





PROPERTY USE:

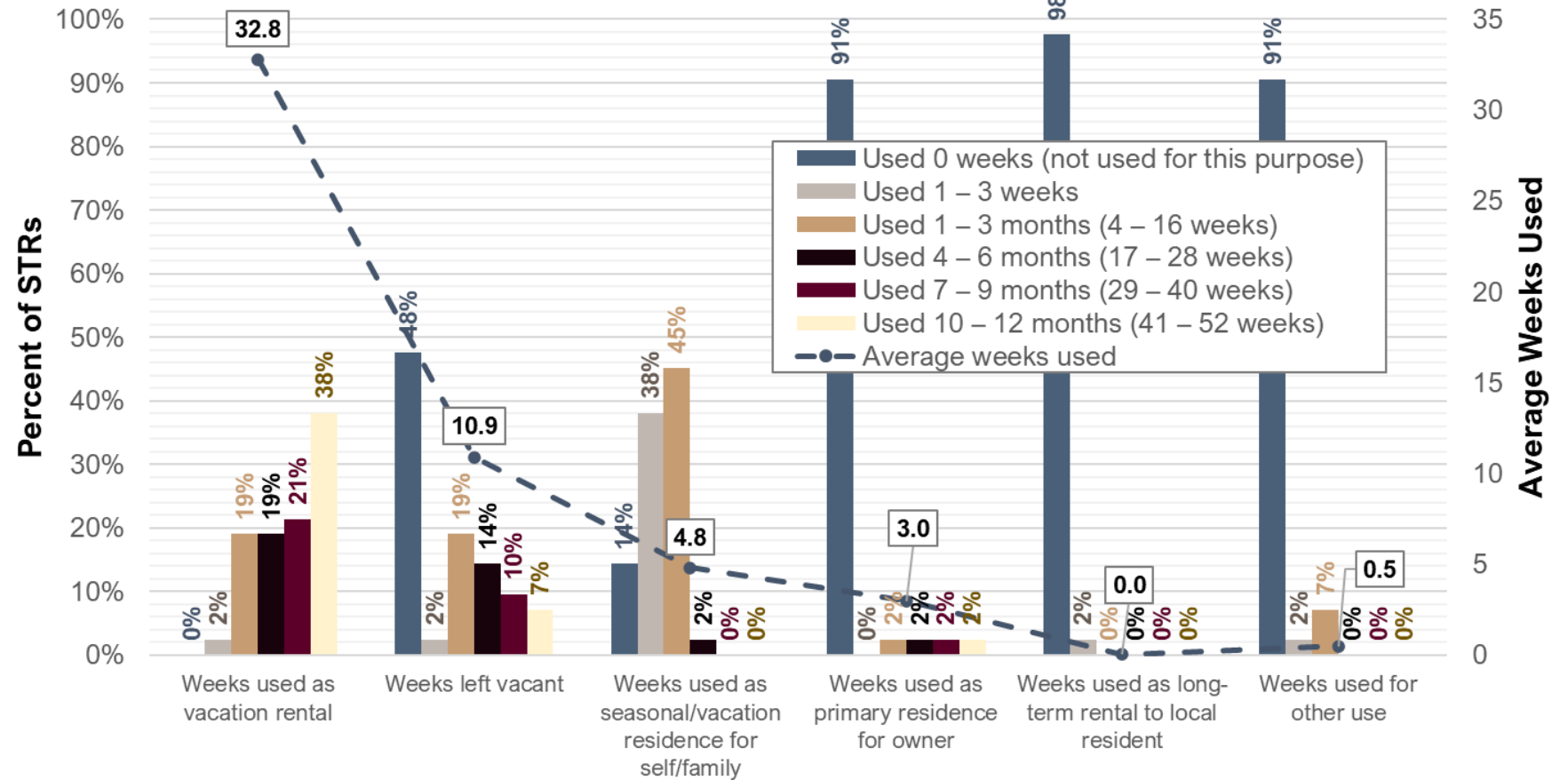
# USE PATTERNS IN PITKIN OVER LAST 12 MONTHS

IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?

- The figure to the right shows the distribution of use types among respondents from Pitkin County who have used their unit as a vacation rental for at least 1 week within the last 12 months (N=42).
- A third (38%) of respondents used the unit as a vacation rental nearly year-round (10-12 months) in the past year. Approximately 20% each rented their unit between 1 and 9 months.
- When not using the unit as a vacation rental, this group is most apt to leave the home vacant and/or use it as a seasonal residence.

## Weeks of Use of STRs for Various Purposes in the Past 12 Months

Universe: Pitkin County Homes Used as STRs 1+ Weeks/Year





**PROPERTY USE:**

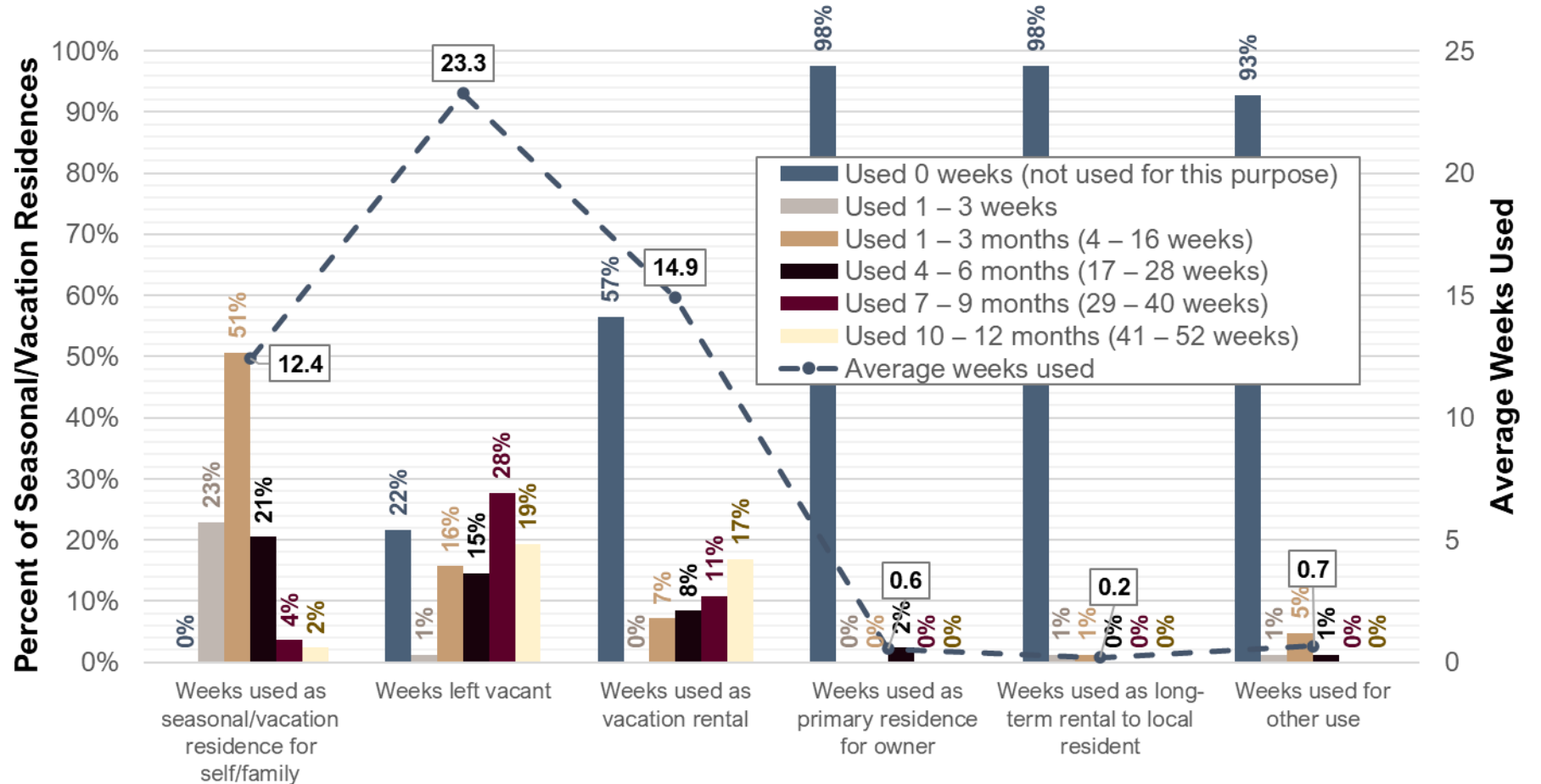
# USE PATTERNS IN PITKIN OVER LAST 12 MONTHS

**IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?**

- The figure to the right shows the distribution of use types among respondents from Pitkin County who have used their unit as a seasonal/vacation residence for at least 1 week within the last 12 months (N=83).
- Half (51%) of respondents used the home as a seasonal residence for 1-3 months of the past year.
- When not using the unit as a seasonal residence, this group is most apt to leave the home vacant and/or as a vacation rental.

## Weeks of Use of Vacation Homes for Various Purposes in the Past 12 Months

Universe: Pitkin Homes Used as Vacation Residence by Owner 1+ Weeks/Year





**PROPERTY USE:**

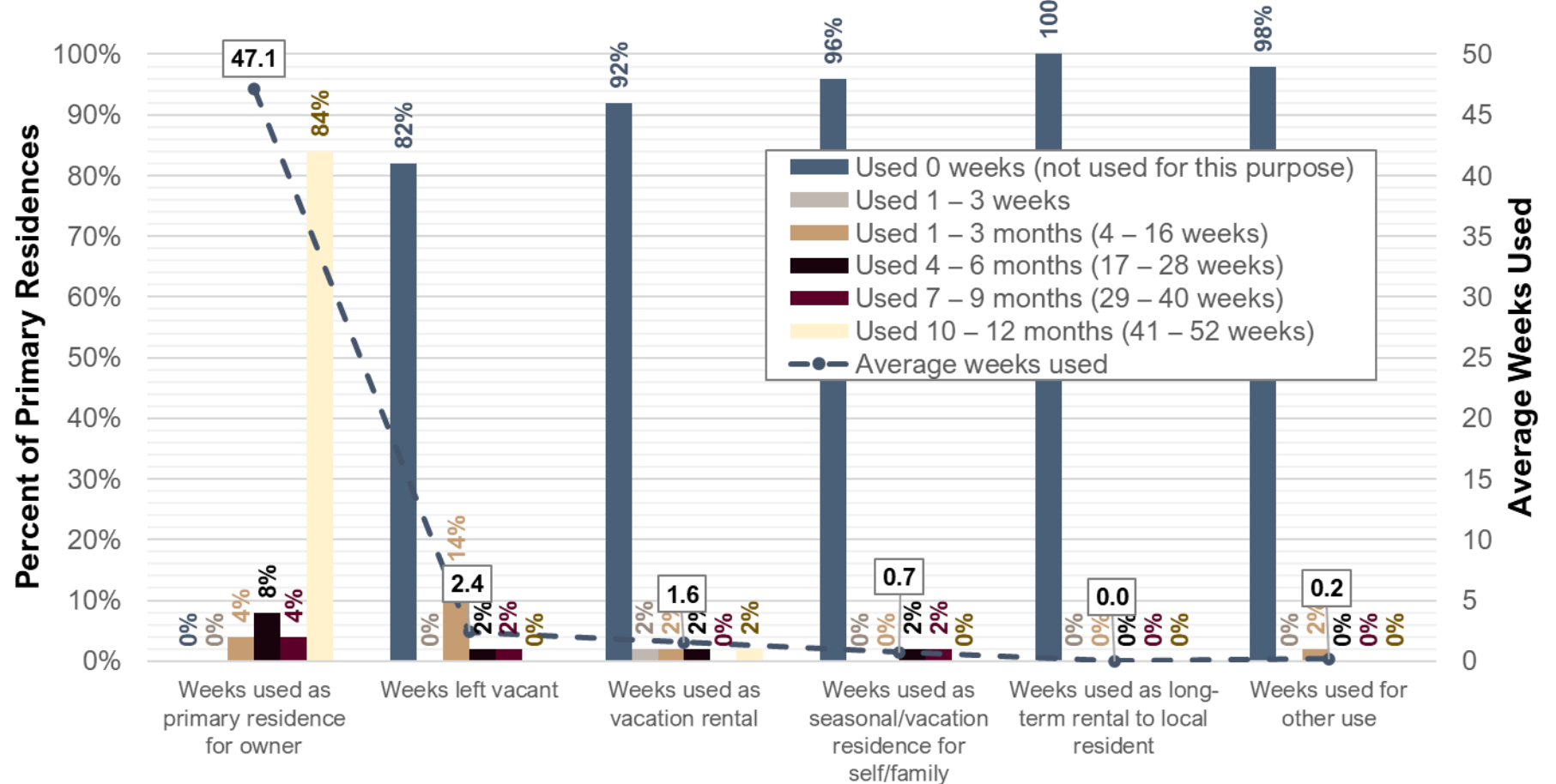
# USE PATTERNS IN PITKIN OVER LAST 12 MONTHS

**IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?**

- The figure to the right shows the distribution of use types among respondents from Pitkin County who have used their unit as a primary residence for at least 1 week within the last 12 months (N=50).
- 84%** of respondents used the home as a primary residence for **10-12 months** of the past year.
- When not using the unit as a primary residence, this group is most apt to **leave the home vacant** and/or as a **vacation rental**.

**Weeks of Use of Primary Residence for Various Purposes in the Past 12 Mo.**

Universe: Pitkin Homes Used as Primary Residence by Owner 1+ Weeks/Year

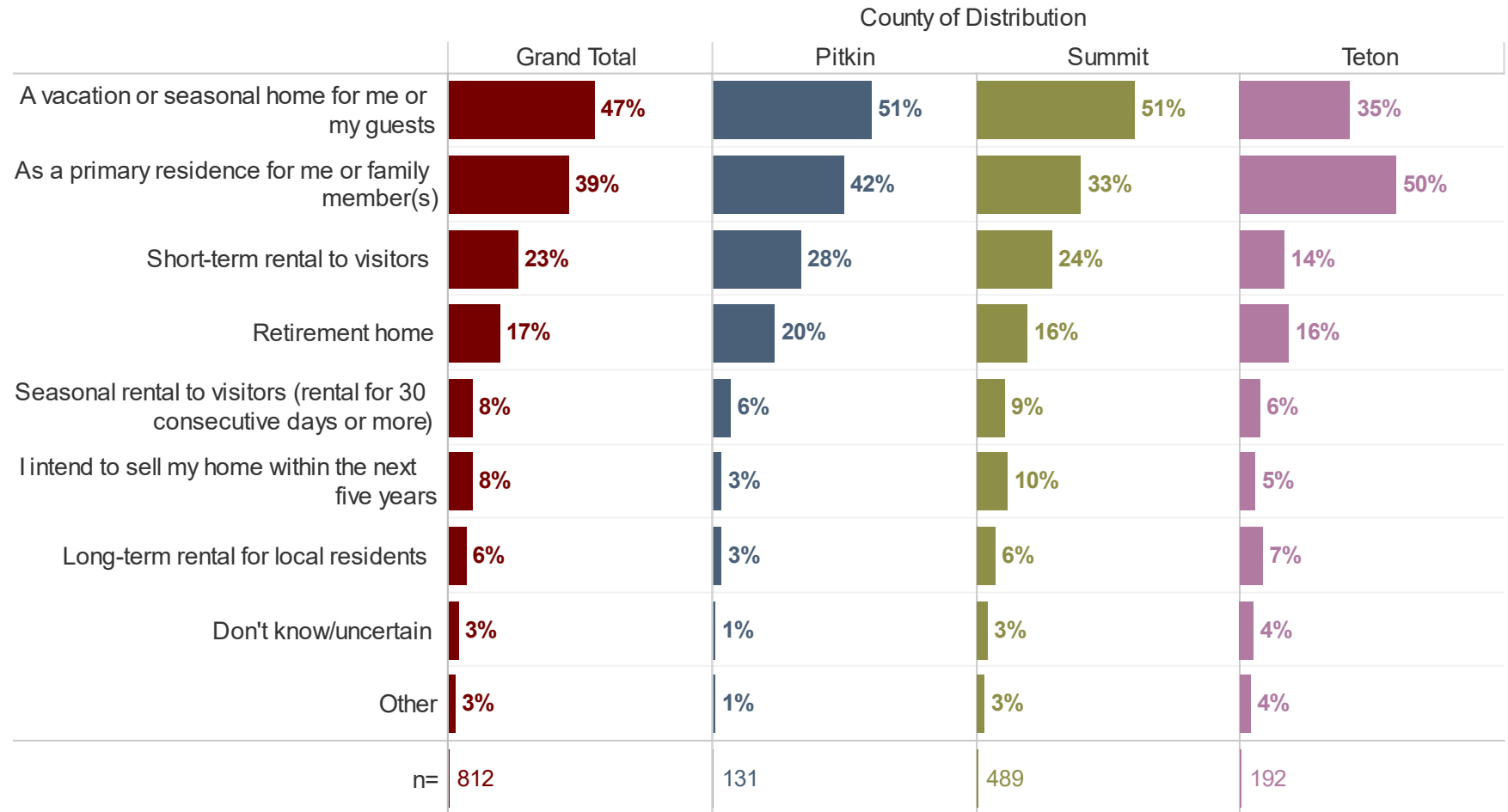




# EXPECTED USE

- Respondents' expected uses follow in accordance with their original purpose of acquisition and use thus far.
- Pitkin's and Summit's respondents align closely in their top expected future uses of **vacation home, primary residence, and short-term rental to visitors.**

How do you expect to be using your home five years from now? (Check all that apply)







# MAINTENANCE & OPERATION

Which of the following do you use to maintain and operate your residence (including vacation rental management, if applicable)? (Check all that apply)

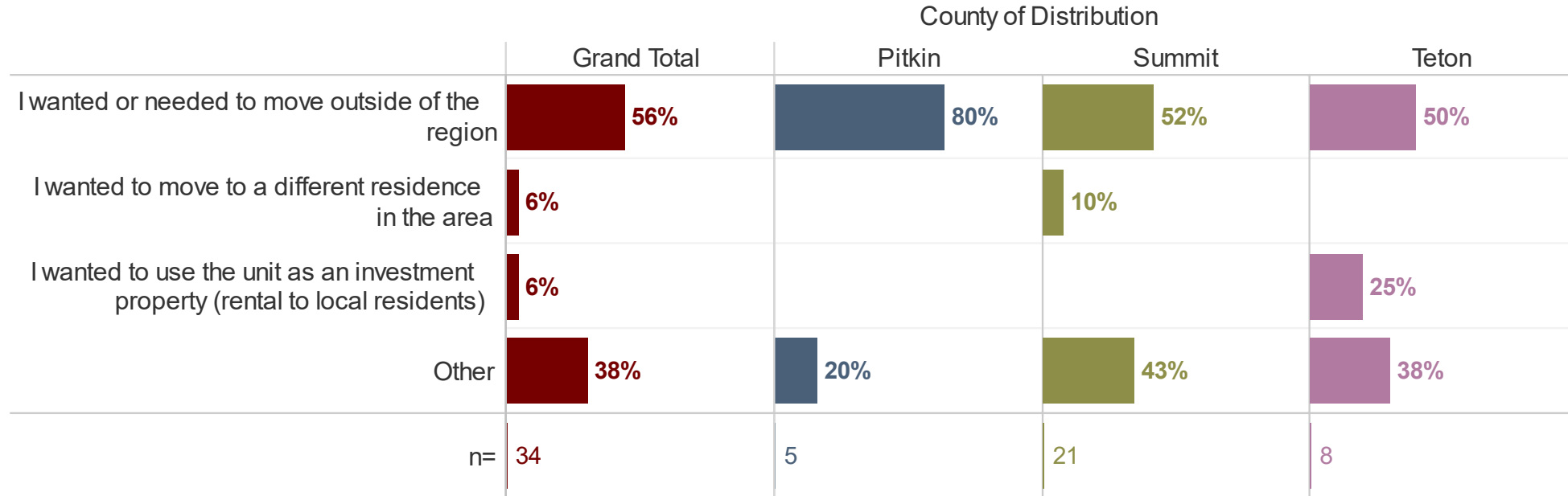
	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Use or belong to a homeowners association	59%	60%	62%	50%
Work is performed by myself or family members	55%	39%	57%	58%
Hire contractors/employees/specialty services	35%	29%	37%	33%
Hire a property management company	31%	39%	30%	28%
Hire an on-site caretaker	4%	3%	4%	5%
Other	3%	2%	2%	4%
n=	800	127	468	205

- Nearly two-thirds of Pitkin County respondents (**60%**) maintain their residence with the assistance of a **homeowners’ association (HOA)**.
- Over a third of Pitkin respondents (**39%**) performed maintenance/operation **work themselves** or **hired property management companies**. Pitkin respondents had the largest share of utilizing a property management company. Note that use of management companies was estimated to be approximately 71% among STR owners.



# SWITCH FROM PRIMARY RESIDENCE

[If weeks used as primary residence = 0, but have used unit as primary residence in the past] **Why did you stop using your property as your primary residence? (Check all that apply)**



- Respondents do not always use their property in the same way over time.
- Among those that have once used the property as a primary residence, but have not done so in the last 12 months, **80%** of Pitkin respondents explained this switch as **wanting/needing to move outside of the region**. This was the most commonly selected explanation across all surveyed counties, *though small subsamples limit wide generalizations*.



# SWITCH TO PRIMARY RESIDENCE

[If weeks used as primary residence > 0, but have not used unit as primary residence in the past] **Why did you begin using your property as your primary residence? (Check all that apply)**

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
More flexibility to live where I want due to retirement	46%	73%	39%	50%
More flexibility to live where I want due to ability to work remotely	26%	27%	28%	23%
More flexibility to live where I want due to other personal reasons (e.g. became empty nester, etc.)	24%	18%	28%	18%
I had to sell or vacate my previous primary residence	2%		4%	
Other	16%	9%	17%	18%
n=	87	11	54	22

- Conversely, among those that have only recently begun using their property as a primary residence, **73%** of Pitkin respondents did so in seeking **more flexibility due to retirement**.
- This selection was much more prominent among Pitkin respondents than Summit or Teton respondents, though *small subsamples limit wide generalizations*.



# RENTING TO VISITORS

- Among respondents that have used their property as a vacation rental, many do so for a combination of reasons, including **investment / income (76%)** and **personal flexibility (60%)**.
- This subsample was moderately dependent on renting to **afford the unit** (3.5 out of 5.0), but less so to support their livelihood (2.6 out of 5.0).

[If weeks rented as vacation rental > 0] **What are the main reason(s) you have rented your home to visitors? (Check all that apply)**

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Investment / income purposes	74%	76%	69%	90%
It allows me/my family the flexibility to use the home for vacations or other personal use	65%	60%	70%	51%
I enjoy providing a positive experience to visitors	37%	21%	45%	20%
Investment / appreciation purposes	23%	19%	27%	12%
I am required or encouraged to rent my unit to visitors by my HOA	3%	10%	1%	4%
Other	7%	5%	8%	8%
n=	261	42	170	49

[If weeks rented as vacation rental > 0] **To what extent do you depend on renting to visitors to financially support your livelihood and to afford your unit? (1 = Not at all dependent; 5 = Extremely dependent)**

Rating Category	Average Rating		
	Pitkin	Summit	Teton
Dependence on renting to afford my unit	n=41 3.5	n=162 3.3	n=48 2.7
Dependence on renting to support my livelihood	n=41 2.6	n=167 2.6	n=48 2.0





# RESIDENT -> VISITOR RENTAL CONVERSION

[If weeks rented as vacation rental > 0, but rented to local residents in the past] **You responded that you've rented to visitors in the past 12 months, and rented to residents in the past. Why did you switch from renting to residents to renting to visitors? (Check all that apply)**

- Among respondents that have used their property as a vacation rental recently, but rented to locals in the past, the largest share of Pitkin respondents made this switch away from renting to residents due to poor experiences or other reasons.
- However, very small subsamples limit wide generalizations.

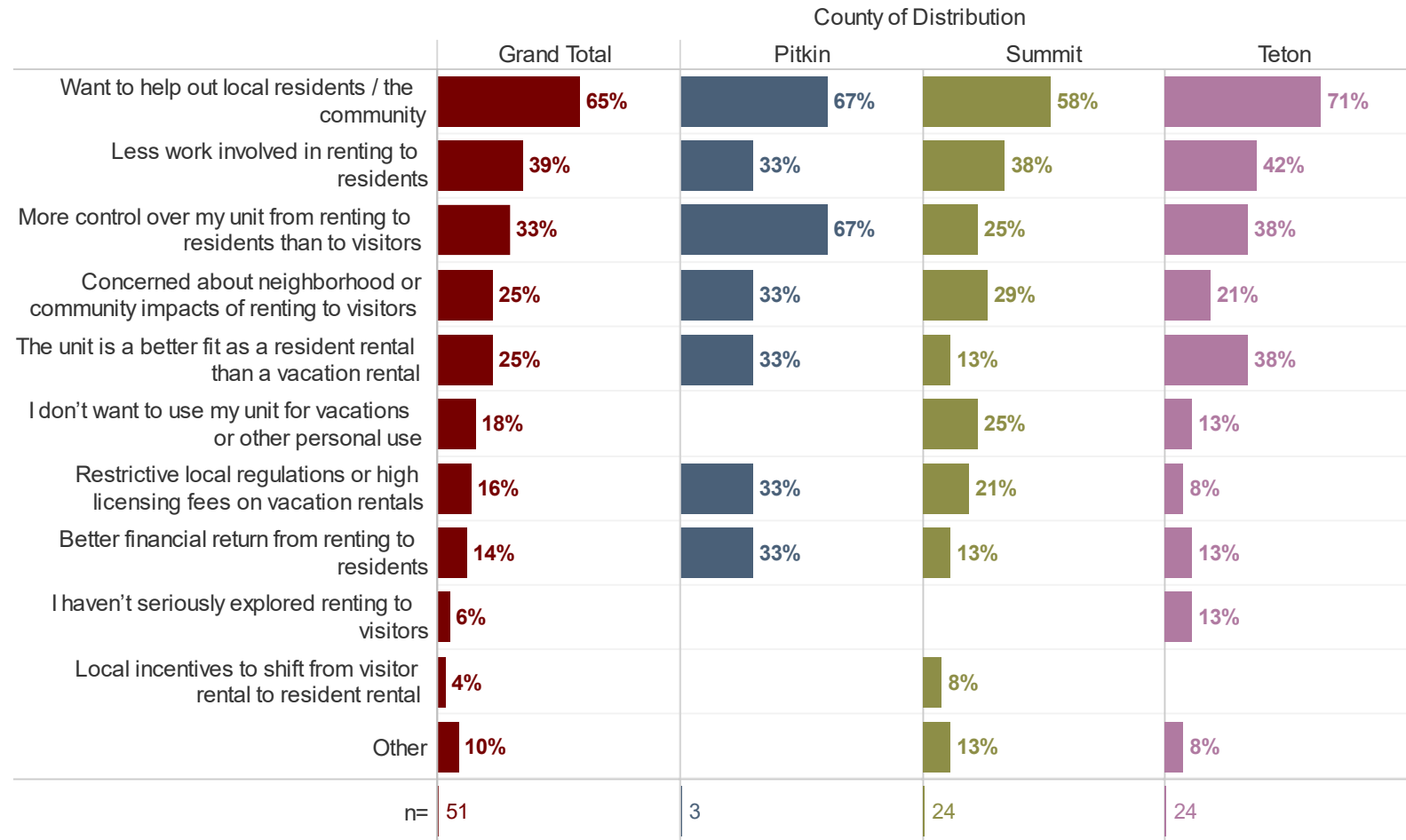
	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Vacation rental allows for personal use of unit by me/family	63%	50%	64%	67%
Difficulty finding and screening good long-term renters	32%		36%	33%
Less damage or wear-and-tear to unit from renting to visitors than residents	26%	50%	21%	33%
Poor experience renting to resident(s) (e.g. damage to unit, rent late, etc.)	26%	100%	21%	
Greater net income from renting to visitors	26%		14%	100%
Online vacation rental platforms have made it easier to rent to visitors	21%		21%	33%
The unit is a better fit as a vacation rental than a resident rental (e.g. due to level of finish, amenities, or other reasons)	16%	50%	7%	33%
Other reason(s)	26%	50%	29%	
n=	19	2	14	3



# VISITOR -> RESIDENT RENTAL CONVERSION

[If weeks rented to local residents > 0, but used as vacation rental in the past] **You responded that in the past 12 months, you've rented to residents but not visitors. What are the primary reason(s) you have rented to residents instead of visitors? (Check all that apply)**

- Among respondents that have rented to residents recently, but have rented to visitors in the past, two-thirds (67%) have started to rent to locals **out of desire to help out the community or seeking more control over the unit.**
- However, *very small subsamples limit wide generalizations.*





# WHY NOT RENT TO VISITORS?

[If use property as seasonal residence, but have never used it to rent to visitors] **Some second homeowners rent their unit to visitors when they are not using it. Why have you chosen not to rent your unit to visitors? (Check all that apply)**

- Over half of Pitkin respondents that own a second home but have *never rented to visitors* have not done so because of **wanting to avoid damage to the unit (76%)**, valuing **privacy (71%)**, and **not needing additional income (50%)**.

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
I don't want to risk damage or wear and tear to my unit	72%	76%	72%	67%
I value the privacy of my unit	67%	71%	69%	58%
I don't need rental income to afford my unit	51%	50%	56%	37%
I use the unit frequently enough that renting it to visitors would be impractical or uneconomical	39%	29%	42%	39%
I don't want to expend the time / effort	23%	10%	28%	21%
I'm concerned about neighborhood or community impacts from renting to visitors	22%	36%	18%	23%
Restrictive local regulations or high licensing fees on vacation rentals	18%	17%	20%	14%
Vacation rentals are prohibited where my home is located	10%	7%	5%	26%
The unit wouldn't be a good fit for visitors	4%	5%	3%	4%
It hasn't occurred to me to rent to visitors	3%	2%	3%	4%
Other reason(s)	4%	5%	3%	9%
n=	247	42	148	57



# WHY NOT RENT TO RESIDENTS?

[If use property as seasonal residence, but have never used it to rent to local residents] **As a second homeowner, why have you chosen not to rent your unit to local resident(s)? (Check all that apply)**

- Among second homeowners in Pitkin County that have *never rented to local residents*, over half have not done so due to **prevention of personal use (61%)** or **not wanting to risk wear and tear to the unit (54%)**.
- Closely following were reasons regarding **privacy (46%)** and **not needing the supplemental income (31%)**.
- These were the top 4 reasons within all counties, and it is apparent that the main deterrent to renting to local residents is the desire to keep the property available for personal or familial use.

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
It would prevent personal use of the unit by me / family / friends	74%	61%	80%	64%
I don't want to risk damage or wear and tear to my unit	57%	54%	59%	53%
I value the privacy of my unit	44%	46%	44%	40%
I don't need rental income to afford my unit	38%	31%	41%	34%
I don't want to expend the time / effort	15%	9%	16%	19%
Difficulty in finding and screening good long-term renters	14%	7%	14%	17%
Insufficient financial returns from renting long-term	13%	11%	15%	5%
I'm concerned about neighborhood or community impacts from renting long-term	10%	9%	10%	10%
The unit wouldn't be a good fit as a resident rental	8%	7%	8%	8%
It hasn't occurred to me to rent to local residents	6%	10%	4%	8%
Other reason(s)	8%	16%	6%	10%
n=	397	70	250	77





# STR PROHIBITION

- When posed with the hypothetical banning of vacation rentals, respondents who have ever used their unit as a short-term or seasonal rental in Pitkin County indicated that they were **moderately likely to just leave the unit vacant (3.4 out to 5.0)**.
- This subgroup also indicated that they would be moderately likely (**3.3 out of 5.0**) to **look to buy a different unit elsewhere or increase personal use**.
- Over half of respondents in this subgroup indicated they **would not have purchased the property** if they could not use it as a vacation rental.

[If have ever used unit as short-term or seasonal rental] **Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following? (1 = Definitely not; 5 = Definitely)**

Rating Category	Average Rating					
	Pitkin		Summit		Teton	
Leave unit vacant (when I would otherwise rent it to visitors)	n=42	3.4	n=194	3.6	n=50	3.3
Sell my unit	n=43	3.2	n=202	3.0	n=55	2.6
Look to buy a different unit where vacation rentals are allowed	n=41	3.3	n=198	3.0	n=52	2.6
Increase personal use of my unit	n=40	3.3	n=196	2.8	n=51	3.2
Rent to local residents instead of to visitors	n=41	2.1	n=195	1.8	n=53	2.2
Look to buy a less expensive unit in the same community	n=39	1.7	n=193	1.7	n=52	1.7

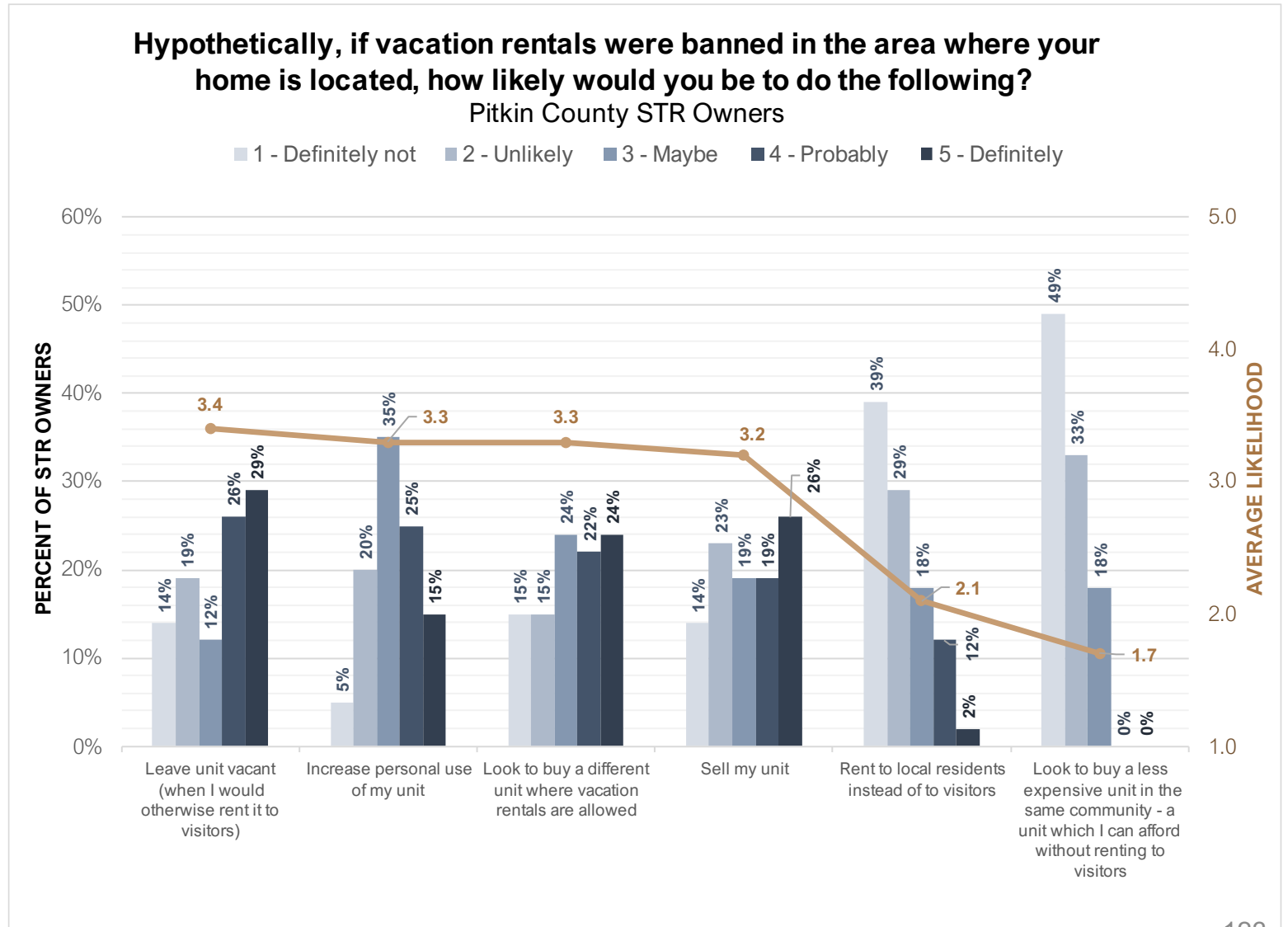
[If have ever used unit as short-term or seasonal rental] **Thinking back to when you aquired your property, would you have still purchased it if you were prohibited from using it as a vacation rental?**

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Yes	25%	14%	25%	33%
No	55%	67%	57%	37%
Don't know/uncertain	20%	19%	18%	31%
n=	291	43	199	49



# STR PROHIBITION: PITKIN DETAIL

- Looking more closely at Pitkin STR owners, most would “definitely” or “probably” leave their unit vacant (55%) if STRs were banned (when they would otherwise rent it to visitors).
- Additionally, a significant minority of STR owners would definitely or probably increase personal use of their unit (40%), look to buy a different unit where STRs are allowed (46%), and/or sell their unit (45%).
- Very small shares of STR owners would rent to local residents (14%). None surveyed would definitely or probably look to buy a less expensive unit in the same community.





# EMPLOYMENT STATUS

- The plurality of respondents in Pitkin were either **retired or are self-employed or employed by a local firm (77%)**.
- Pitkin and Summit had a similar distribution of work from their mountain home – with about half **(46%)** working there **some of the time**.

Which of the following best describes your current employment status?

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
Retired	39%	34%	41%	39%
Employed by a firm located outside the region	24%	18%	27%	19%
Self-employed	20%	23%	17%	25%
Employed by a firm located in or near the mountain community where my residence is located	13%	20%	12%	13%
Not working and not looking for work	2%	3%	1%	1%
Not working but looking for work	1%	1%	1%	0.4%
Other	1%	1%	1%	3%
n=	1,026	174	599	253

[If currently employed] How frequently do you work from your mountain home?

	Grand Total	County of Distribution		
		Pitkin	Summit	Teton
All the time	19%	17%	17%	24%
Some of the time	47%	46%	51%	39%
Rarely	20%	21%	20%	19%
Never	14%	15%	12%	17%
n=	550	99	324	127



# AGE & INCOME

- Nearly three-quarters (78%) of Pitkin county respondents were **55 or older**.
- While the plurality of respondents preferred not to provide their income, **incomes tended to range from \$200K – 500K**.

### Respondent age

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
18 - 24	0.1%	1%		
25 - 34	2%	5%	2%	1%
35 - 44	8%	5%	9%	7%
45 - 54	17%	12%	18%	18%
55 - 64	28%	36%	29%	24%
65 - 74	29%	27%	29%	31%
75 and over	15%	15%	14%	19%
n=	883	146	505	232

### Which of these categories best describes the total gross annual income of your household (before taxes)?

	County of Distribution			
	Grand Total	Pitkin	Summit	Teton
Under \$50,000	3%	3%	3%	3%
\$50,000 - \$99,999	11%	12%	11%	11%
\$100,000 - \$149,999	14%	14%	16%	11%
\$150,000 - \$199,999	11%	6%	13%	9%
\$200,000 - \$299,999	11%	14%	11%	10%
\$300,000 - \$499,999	12%	11%	13%	11%
\$500,000 or more	11%	16%	8%	14%
Prefer not to respond	27%	25%	26%	31%
n=	966	159	560	247







# HOME, VACATION RENTALS, OR OTHER LOCAL HOUSING ISSUES

The community survey garnered 72 responses from Pitkin homeowners and residents, with the following themes being apparent:

## THEME 1: HOUSING & COMMUNITY DYNAMICS

- **Affordability and Accessibility:** The rising costs of housing and the slow pace of new, affordable developments are major concerns. There's a strong call for more deed-restricted affordable housing to ensure that locals, especially workers essential to the community's functioning, can afford to live in the area.
- **Impact of Short-Term Rentals:** The proliferation of short-term rentals (STRs) is seen as a double-edged sword. While they contribute economically, there's concern they alter the community's character and exacerbate housing shortages for long-term residents. The debate extends to the rights of property owners versus the broader community needs.
- **Community vs. Tourist Destination:** There's a tension between maintaining a sense of community where people can live, work, and raise families, and the transformation into a destination primarily serving tourists, which could lead to a loss of community essence and local services.



## THEME 2: ECONOMIC & POLICY CONCERNS

- **Taxation and Representation:** Concerns about taxation, particularly related to STRs and property taxes, are prominent. Respondents feel overburdened and seek fair representation in policy decisions affecting their financial responsibilities.
- **Local Economy and Employment:** The local economy's reliance on tourism and the associated job market is acknowledged, but there's a call for diversification and support for a labor market that includes affordable housing, fair wages, and job security to sustain the community.
- **Regulatory and Development Challenges:** Frustrations with local governance, including regulatory hurdles for property improvements, development restrictions, and HOA issues, reflect broader concerns about the impact of policy decisions on individual property rights and community development.



## THEME 3: QUALITY OF LIFE & INFRASTRUCTURE

- **Infrastructure and Services:** Inadequate infrastructure, particularly in traffic and parking management, and essential services like mobile phone coverage, are significant concerns. There is a call for comprehensive planning to address these issues in line with community growth and tourism demands.
- **Access to Cultural and Recreational Activities:** The high cost of living and focus on high-income tourism limit access to cultural, entertainment, and recreational opportunities for long-term residents, affecting their quality of life.
- **Environmental and Neighborhood Integrity:** The environmental impact of increased development and the changing dynamics of neighborhoods due to the influx of second homeowners and vacation rentals are concerns. There's a desire for thoughtful management to preserve the area's natural beauty and community feel.



# WESTERN MOUNTAIN RESORT ALLIANCE

**ECONOMIC AND WORKFORCE HOUSING IMPACTS  
OF SHORT-TERM RENTALS & STR REGULATIONS**

Summit (CO), Pitkin (CO) & Teton (WY) Counties



**RRC**

## **RRC Associates**

4770 Baseline Road, Suite 355  
Boulder, CO 80303

(303) 449-6558

[www.rrcassociates.com](http://www.rrcassociates.com)

---

# INNTOPIA

(802) 253-2905

[www.inntopia.com](http://www.inntopia.com)