

**Aspen Chamber Resort Association Statement on the proposed City of Aspen STR ballot language
August 25, 2022**

We understand that on Monday evening August 29th the Council will be reviewing potential ballot language for an STR tax on the November ballot in its first reading. On behalf of the ACRA Board, Public Affairs committee, and our members, we want to ask you to please consider removing condominiums from this ballot language.

These properties are part of the bedrock of the lodging community and have been for 50 years. To tax them at a new rate creates an unfair playing field and pits these long-standing condotels against hotels in our community. Please reference Donnie Lee, GM of the Gant letter for a detail financial analysis of how this long-standing traditional lodging stock has certainly paid their fair share of various taxes.

As stated by the city, the STR moratorium was about:

- The current state of Aspen's short-term rental market.
- Patterns of residential development and redevelopment.
- The impacts of residential development on energy consumption and carbon dioxide emissions.
- The availability of affordable housing.
- The relationship to Aspen's ability to sustain a vibrant and sustainable community and economy.

The STR moratorium wasn't about property tax equalization. Properties like the Gant, Aspen Square, Chateau Roaring Fork, the Alps, etc. were designed for visitor accommodations. They were never designed as local housing, and definitely not affordable housing. We believe it's confusing to the consumer/visitor as to the different tax structure-between bed base types and creates an outward facing unfair advantage.

We agree that new permitting and new taxation needs to happen to address the impacts of certain kinds of short-term rentals: Those in residential areas inside of private homes, and private homes in residential areas outside of the lodging core. To begin taxing long standing visitor accommodations that are not triggering any new impacts is not solving the issue at-hand, and will continue to drive nightly lodging rates further into the stratosphere. Our local arts and culture nonprofits and other businesses rent rooms for their conferences, speakers, and talent and this is another factor that will make doing business in Aspen out of reach.

By potentially doubling the tax, Aspen will become unaffordable to many and move down a path of unintended consequences. We would be leading the comparable resorts in the highest taxes and putting us at a disadvantage. Our Aspen Destination Management plan talks about no longer marketing to the luxury market, but if we are unaffordable, it becomes more difficult to attract a diverse visitor to our community.

ACRA has been informed that an opposition group is coalescing to lobby against the tax measure should it include a tax hike on the traditional lodging stock. This group is conducting polling of the Aspen voter starting Monday. However, ACRA membership agrees that the new conversions of residential homes to STR commercial operations impact the community and workforce, and would be proud to support a focused tax measure that helps to mitigate those impacts come November. We cannot support the inclusion of STR-LE. It would be great if we all could get behind the solution and not fracture the community during the election season.

Please reconsider Ward's approach and remove the traditional lodging stock from any potential ballot language. We appreciate your consideration. Thank you.

Debbie Braun

President and CEO



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