



Memorandum

TO: Town Council

FROM: Finance Department

DATE: May 17, 2022

SUBJECT: Ordinance No. 11, Series of 2022, an ordinance repealing and updating Ordinance No. 19, Series of 2018, providing for adjustments to regulations and fees for Short-Term Rental properties within the Town of Vail.

I. SUMMARY

Based on feedback received during the short-term rental (STR) study presented at the January 17, February 15, March 15, and April 5, 2022, Vail Town Council meetings the attached Ordinance No. 11, Series 2022 is presented for consideration. At the last meeting, Council supported an increase in penalties for violations, requirements for increased insurance, fire safety inspections and an increase in license fees to cover administration costs.

The main question remaining for Council is to consider a “per-bedroom fee” intended to deter property owners from converting their units to short-term rentals and at the same time raise revenues for the purpose of lessening the influence of STRS on locals housing. All funds raised by a per-bedroom fee would be allocated to the town’s Housing Fund and used for housing programs, initiatives, and developments.

A per-bedroom fee is not intended to solve the town’s housing problems, however will offer funding support to compliment the town’s current efforts. The Town of Vail continues to address community housing needs in a variety of ways, with funding by the town’s Capital Projects Fund.

2017	\$4.3M Chamonix infrastructure subsidy
2019	\$4.0M for the purchase of deed restrictions at the Solar Vail project
2019	\$ 0.6M for purchase of deed restrictions at 6 West in Edwards
2017–2021	\$4.3M in the purchase of individual units
2018–2021	<u>\$7.3M</u> in InDEED deed restrictions from 2018 to 2021.
5-year total:	\$20.5M

Over the past five years, the town has invested \$20.5M in housing programs and developments, not including the construction of 72 new units at The Residences at Main Vail. This significant commitment to housing for locals was supported by voters in November, 2021 with the approval of a new 0.5% sales tax that will generate approximately \$4.5M per year. The town is pursuing numerous opportunities to create more housing, such as a redevelopment of Timber Ridge, potential development on CDOT property, and a State Land Board parcel in Eagle-Vail, among others.

II. BACKGROUND

Purpose of the 2021/2022 STR Study:

On July 6th 2021, staff presented background history and data on the town's short-term rental regulations and activity. During that presentation, Town Council expressed concern that the town is experiencing a severe shortage of housing for the local workforce and directed staff to bring back an emergency ordinance to suspend new STR registrations. On July 20, 2021 an emergency ordinance was presented to Town Council but after hearing concerns from citizens and local businesses the ordinance was not passed.

At the direction of Town Council, staff contracted with RRC Associates and Economic & Planning Systems Inc. (EPS) in September of 2021 to conduct a study in order to better understand the town's short-term rental (STR) inventory and its impacts on the community.

Conclusions of the Short-Term Rental Study

Throughout the short-term rental study, a considerable amount of data and analysis was presented on short-term rental activity in the Town of Vail. To summarize, the study reviewed current regulations, real estate market impacts, peer community approaches to regulation, and the granular location densities and inventory composition of the registered STR properties throughout town.

Below is a summary of key findings from the study:

- 31% of residential parcels were registered as STRs (a total of 2,454 units)
- 18% of units in Zone 2 were registered as an STR in 2021 with new registrations in Zone 2 occurring at a higher rate since January 2020 than in prior years
- 138 of the 410 properties sold (one-third) during 2021 were registered as an STR before the sale, after the sale or both
- Vacant homes and those used for seasonal, recreational, or occasional uses represent 69% of the town's housing stock according to census data; this did not change significantly between 2010 and 2019
- Saturation of STRs in business license **Zone 2** is significantly lower than the overall rate of 32%. When adjusted for STRs located in developments with 24/7 onsite management, **the saturation rate is at or below 20% in these areas**
- Data suggests that though the full-time resident population in Vail has increased, **the population of locals aged 18-34 has declined**
- The number of owner-occupied housing units increased from 2010 to 2019, while the number of long-term rentals decreased resulting in a **net loss of 162 local occupied rental housing units**

III. DISCUSSION

The study has presented the challenges that come with managing STR activity while trying to address local housing availability. In the attached ordinance, several updates to the existing STR regulations are presented based on the feedback of the council. These are discussed in-depth here.

Transition to STR Licenses

To increase requirements for obtaining the right to short-term rent a residential property in the Town of Vail, it is also recommended that the Town transition from a STR registration to a STR license requirement.

A license is a legal document that gives official permission to engage in the act of short-term property rental. Existing requirements do not include being granted official permission, merely to register the STR property with the Town. Changing the requirement will allow for;

- Enhanced enforcement of STR regulations
- Enhanced enforcement of STR penalties
- Greater staff oversight of STR activity in the Town
- Ability to require additional proposed STR Fire Safety Inspections and Insurance requirements

Increased Penalties and Fines

During the STR study presentation, Council has expressed concern over STR properties impacting neighborhood character and community standards. It was questioned whether our current STR enforcement structure is adequate to mitigate these problems. Currently, the town's STR violation structure has four levels, with the fourth being a revocation of the STR registration for two years. Staff recommends changing this policy by reducing the maximum number of violations from four to three, increasing the fine amounts for each level, and increasing the revocation period from two to three years.

Additionally, staff suggests imposing a significant fine of \$2,670, the maximum allowed penalty under code, for any STR found operating without a valid registration. The purpose of this would be to dissuade non-compliance from unregistered units.

Below is a summary of the recommended violation and fine structure:

Suggested Fines		Vs. Existing Fines
First Violation	\$1,500	\$500
Second Violation	\$2,650	\$1,500
Third Violation	Registration Revoked for 3 Years	\$2,500
Fourth Violation	N/A	Registration Revoked for 2 Years
Fine for operating without an approved STR registration, each day is a separate violation	\$2,650	Follows four-step fine structure

Health and Life Safety Standards

Staff recommends revisiting the current health and life safety standards required by the STR ordinance. Currently, the town requires a self-compliance affidavit to be completed by the homeowner or property manager attesting that their property or properties adhere to the items listed on the affidavit including fire and building safety standards, community impacts like parking and noise ordinance, and occupancy limits. Based on recommendations from Vail Fire Department, staff has included the following requirements in the ordinance to improve safety compliance and create some alignment with commercial hotels and lodges:

- **Fire Department Inspections**

Town staff recommends requiring a periodic inspection of all short-term rental units not located in buildings with on-site, 24/7 management. Staff recommends requiring ***proof of inspection every three years*** as a condition of renewal of the STR license and verification of the fire and life-safety affidavit in intervening years. In order to stagger inspections of existing STR licensees, staff recommends an effective date of January 1st, 2026 for this requirement. This program would require additional staff time and administration costs which could be covered by increased STR license fees. Staff estimates approximately half of all current STR licenses would require an inspection. Staff recommends requiring the following items in the proposed fire safety inspection:

1. Fire extinguishers
2. Adequacy of egress (exits)
3. Egress plan is posted
4. Carbon monoxide detectors
5. Smoke alarms
6. Occupant load
7. Improvised electrical conditions and use of extension cords
8. Use of portable heating appliances
9. Outdoor heating appliances
10. Physical address including unit # is provided in a conspicuous manner

This policy is recommended to increase the health and life safety standards of these properties and mitigate the risk of property damage.

- **Require Proof of Adequate Insurance for Short-Term Rental Activity**

As identified by the Rocky Mountain Insurance Information Institute and Insurance Information Institute, standard homeowner's insurance policies are generally inadequate on their own to cover claims due to STR activity. This may negatively impact neighboring homes and units which experience claims due to the activity. Some insurers will cover these claims when the STR activity is very limited, generally one rental per year. Staff recommends requiring proof of one of the following with a minimum \$1.0 million coverage for all STRs:

- Endorsement to a home owner's policy for coverage of STR activities
- Proof of other gap insurance policy for STR activities, excluding automatic insurance provided by online STR rental platforms like Airbnb, VRBO,

etc... These policies are far less comprehensive than standard homeowner's or commercial insurance

Tiered License Fees

The Town of Vail's current license fees are lower than peer communities and are well below the town's administrative costs for STR enforcement. At the last council meeting, Town Council expressed support for the following base fees for STR licenses to cover administrative costs

A. Base Fees to Cover Administrative Costs

Base Fees (to cover Admin costs)		Annual Estimated Revenue
All STR Registrations	\$150 Per Registration	\$375,000

This base fee will cover costs to the Town including, but not limited to:

- Software dedicated to enforcement of STR regulations and licensing
- Staff time across the finance, fire, and code enforcement departments
- Legal costs of enforcement
- Monitoring of STR activity in Town

B. Per Bedroom Fees to Fund Local Housing Initiatives

Town Council also expressed support at the last meeting toward adopting a per-bedroom fee to fund housing initiatives in the Town. As covered previously by the fee nexus study, guests staying in STRs spend money in the local economy. This spending is primarily in the retail, food and beverage, and recreation industries which supports jobs that do not pay enough for employees to afford market-rate housing in the town. The basis of this fee is therefore the gap between what employees can afford and the cost to purchase an attached home in Vail. The calculation also accounts for the possibility that a home used as an STR could be occupied by a local resident, and the fee is further based on the difference between the impact of guest spending in the local economy versus the baseline impact of local resident spending. The charts below show a few options for per bedroom fees, **based on the maximum fee of \$5,912**. The full nexus study is included as **Attachment A**.

Staff has received feedback from the Vail business community indicating that high per-bedroom fees may pose a significant cost to property management and “condo-tel” businesses. There has also been feedback that the town should treat “purpose-built” residential condo properties differently than other residential STRs. Unfortunately, based on the fee study as well as legal limitations, per-bedroom fees should be applied equally to all types of STR properties. However, the town can make an exception for primary, owner-occupied, and rentals less than 30-days per year that may be charged a reduced fee. Fees should also be charged equally across all areas of the town to avoid potential claims of unfair treatment and Equal Protection violations.

The below chart outlines proposed per-bedroom fees for various mitigation rates. Currently, the town's mitigation rate for commercial linkage is 30% and the town's goal is to house at least 30% of employees locally in Vail. Based on those objectives, staff is proposing that Council choose from the following three fee options:

Mitigation Rate	Per-bedroom license fee	Per-bedroom fee for primary residence, owner-occupied and rentals of less than 30-days per year.	Revenue generated for housing
30%	\$1,800	\$465	\$9,478,000
20%	\$1,200	\$310	\$6,334,000
10%	\$600	\$155	\$3,190,000

The revenue generated by the per bedroom fee would be allocated to the town's Housing Fund for investment in housing initiatives, developments, and programs. While the fees above raise significant dollars, they are one piece of the funding puzzle for housing. If approved, these fees will join other sources of revenue being allocated by the town.

IV. ACTION REQUESTED OF COUNCIL

Please provide feedback and direction to staff regarding the first reading of Ordinance No. 11, Series 2022.

The following items are included in the attached ordinance based on Town Council support April 5th:

1. Increasing fines and penalties for violations of the STR code to \$1,500 (first violation) and \$2,650 (second violation / unlicensed unit)
2. Late fees for license renewals of \$250
3. \$150 flat license fee to cover administrative costs
4. An update to health and safety standard requirements for STRs including Fire Department inspections and proof of adequate insurance
5. Per bedroom fees have been included in the ordinance wording, with the dollar amount left blank until tonight's discussion. Does Council support a per-bedroom fee amount?

MEMORANDUM

To: Kathleen Halloran, Finance Director, Town of Vail

From: Andrew Knudtsen and Rachel Shindman, Economic & Planning Systems

Subject: Short Term Rental Fee Analysis; EPS #213137

Date: May 12, 2022

The Economics of Land Use



This technical memorandum summarizes the study supporting a fee program to be applied to short term accommodation unit (short term rental or "STR") licensees in the Town of Vail. Economic & Planning Systems (EPS) was retained by the Town of Vail to determine a reasonable fee for this program. The analysis demonstrates a reasonable relationship between guest spending from STRs in the town and the demand for housing. The study uses economic impact techniques to quantify the relationships between guest spending when staying in STRs and the number of jobs and employee-households supported in the local economy by that spending.

Guests staying in STRs spend money in the local economy. This spending is primarily in the retail, food and beverage, and recreation industries, and in turn creates local jobs. These jobs generate demand for households, which then seek housing units. Many of the jobs created are at wage levels that do not pay enough for employees to afford market rate housing in the town. The basis of this fee is therefore the gap between what employees can afford and the cost to purchase a home in the Town of Vail.

The calculation also accounts for the possibility that a home used as an STR could be occupied by a local resident, and the fee is further based on the difference between the impact of guest spending in the local economy and the baseline impact of local resident spending.

Rationale

This regulatory fee is needed to support the local labor force and Town housing programs that sustain the tourism economy in Vail. Without an adequate supply of housing and housing support programs, the Town risks losing some of its labor supply that is essential to the businesses in which STR guests spend money during their stay. This is important, as tourism is a primary element of the Town's economic base.

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 Sacramento

If businesses do not have an adequate labor force and if workers do not have adequate housing, the guest experience and the Town's economy are likely to degrade.

STR owners or hosts will pay an annual licensing fee under this program. The fee payers receive benefits through investment by the Town in housing for the workforce needed to sustain the visitor economy. STR owners and operators are likely to benefit from the supply of labor and from investments the Town will make using the fee revenue on housing for the local workforce. Having more housing options for the local workforce is also likely to benefit the fee payers in better customer service through increased employee retention and reduced employee turnover.

Methodology

This analysis uses a jobs-housing economic impact model to quantify the jobs and households supported by guest spending in STRs. The analysis begins by quantifying the jobs supported by spending. Next, several analytical steps are taken to translate the supported jobs to employees and employee-households (where a household is a group of people, related or unrelated, living in one occupied dwelling unit).

The IMPLAN model (Impact Analysis for Planning) was used to estimate the relationships between spending and jobs supported. IMPLAN was developed by the Bureau of Land Management, U.S. Forest Service, and the University of Minnesota and is widely used by state and federal agencies, academic researchers, and local economic development organizations to evaluate the economic impacts of proposed policies, new industries, and land use changes.

The conversion of jobs (from IMPLAN) to employee households uses analytical techniques commonly used in housing economics and affordable housing studies as discussed further in the body of this memorandum.

Data Sources

Analysis inputs come from the following sources:

- Accommodation inventory: Town of Vail (number of units, number of bedrooms, average number of bedrooms per unit)
- STR occupancy rates: Inntopia
- Guest spending: Vail Lodging Guest Survey, 2017-2019 (RRC Associates)
- Home prices: Multiple Listing Service (MLS)
- Wages by Occupation: Bureau of Labor Statistics (BLS)
- Median household income: U.S. Census (ACS 5-year estimates, Town of Vail)
- Jobs per employee: 2016 Vail Employer Survey Results (RRC Associates)
- Employees per household: U.S. Census (ACS 5-year estimates, Town of Vail)

Guest Spending Analysis

- **Guest spending** – Guest spending was modeled on the average expenditure across all accommodation types, with data inputs from the Vail Lodging Guest Survey averaged over the 2017 to 2019 time period (RRC Associates). The survey data provides per unit expenditures by type; based on this data, expenditures average \$898 per unit per day, including \$428 on food and beverage, \$300 on retail/shopping, and \$170 on entertainment and recreation.
- **Jobs supported by industry** – The spending associated with guests is applied to the IMPLAN model as an “industry output” event for the three affected industries (NAICS 72 – Accommodation and Food Services, NAICS 44-45 – Retail Trade, and NAICS 71 – Arts, Entertainment, and Recreation). IMPLAN applies industry expenditure flows through its input-output model and estimates the spending and jobs supported in the 20 major industries in the North American Industry Classification System (NAICS).
- **Jobs to employees (multiple job holder adjustment)** – An adjustment is made to acknowledge that many employees have more than one job, such as two part time jobs or a full time and a part time job. So as not to overestimate the number of *employees* supported, the number of jobs is reduced using a factor of 1.20 jobs per employee. This factor is specific to the Town of Vail, as reported in the 2016 Vail Employer Survey Results report (RRC Associates).
- **Employees by industry to occupations and wages** – A NAICS industry contains a wide range of job types and wage ranges. For example, a worker in the retail NAICS sector could be an accountant (for the retailer) or retail showroom employee. The range of wages and occupations supported is better represented by the 21 Standard Occupational Classifications defined by the Bureau of Labor Statistics (BLS). The National Industry by Occupation Matrix published by the BLS provides the estimated distribution of occupations and wages for each NAICS category. The results from the IMPLAN analysis are applied to the Industry by Occupation Matrix to estimate the number of jobs by wage level supported.
- **Household formation** – A final adjustment is made to account for the fact that many households have more than one earner. This adjustment has the effect of raising the collective income of the employees within a household, thus increasing the amount the employee-household can pay for housing and reducing the gap between their ability to pay and the cost of housing. In the Town of Vail, there are an average of 1.85 earners per household (US Census ACS 5-Year estimates). In this analysis, the first earner earns the wage derived from the economic impact analysis and allocation to occupations. The “second” 0.85 earner is assumed to earn 0.85 multiplied by average wage in the industry of the primary earner.
- **Tabulation of households by income range** – The last step involves counting the number of households supported by income range, expressed as a percentage of Area Median Income (AMI). Given the breadth of need addressed by housing programs and policies in the Town of Vail, all households earning up to 200 percent of AMI are included for this analysis. The AMI definitions are based on the Colorado Housing and Finance Authority (CHFA) 2020 income limits for Eagle County.

Local Resident Household Analysis

The last component of the analysis involves isolating the difference between guest spending and local resident household spending. To do this, the same steps outlined above are undertaken for a resident household earning the local median income of \$89,987 (as reported in the U.S. Census ACS 2019 data for Vail) to document the jobs supported from household spending in the economy.

This household income is input to the IMPLAN model, which applies an expenditure profile (including savings) specific to the household income range. The model then estimates the spending and jobs supported in the 20 major NAICS industries. The same steps to determine need by AMI range are completed, and this housing need is then subtracted from that of guest spending, resulting in the needs associated with guest spending above those of a local resident household.

Analysis

Guest Spending

Guest spending was modeled on the average per-unit expenditure across all accommodation types, with data inputs from the Vail Lodging Guest Survey averaged over the 2017 to 2019 time period (RRC Associates). Within the IMPLAN model 1,000 accommodation units were modeled in order to establish an appropriate scale of analysis. Per unit and per bedroom adjustments are made later in the model to calibrate the fee.

As shown in **Table 1**, with an average daily spending rate of \$898 per unit per day, 1,000 units results in total annual spending of \$327.9 million. Note that at this point in the analysis 100 percent occupancy (365 days of spending) is used. The average annual occupancy rate adjustment is applied later in the analysis.

Table 1. Guest Spending

Description	Factors	Guest Spending - All
Program Units		1,000
Guest Spending (per unit per day)		
Food & beverage		\$428
Retail/shopping		\$300
Entertainment/recreational activities		<u>\$170</u>
Total		\$898
Annual Guest Spending (per unit per year)		
Food & beverage	365 days (100% occ.)	\$156,233
Retail/shopping	365 days (100% occ.)	\$109,539
Entertainment/recreational activities	365 days (100% occ.)	<u>\$62,144</u>
Total		\$327,916
Total Guest Spending		
Food & beverage	1,000 units	\$156,233,398
Retail/shopping	1,000 units	\$109,538,597
Entertainment/recreational activities	1,000 units	<u>\$62,143,716</u>
Total		\$327,915,711

Source: RRC Associates; Economic & Planning Systems

Jobs, Employees, and Households

As shown in **Table 2**, the spending associated with 1,000 accommodation units supports 3,208.15 jobs. The industries with the most jobs are those with direct spending impacts – specifically accommodation and food services; arts, entertainment and recreation; and retail.

Following total jobs, the next step is to translate jobs to employees. In today’s economy it is common for people to hold more than one job. To step down from jobs to employees, jobs are divided by a factor of 1.20 jobs per employee. As shown in **Table 2**, the 3,208.15 jobs supported by 1,000 accommodation units results in 2,673.46 employees after the adjustment for multiple job holders.

Table 2. Jobs and Employees by Industry Supported from Guest Spending

Description	Guest Spending	
	Jobs by Industry (IMPLAN Results)	Employees by Category
Jobs to Employee Conversion Factor		1.20
Industrial Sectors		
11 Ag, Forestry, Fish & Hunting	3.87	3.22
21 Mining	0.50	0.42
22 Utilities	2.62	2.18
23 Construction	13.92	11.60
31-33 Manufacturing	1.51	1.26
42 Wholesale Trade	15.52	12.93
44-45 Retail trade	453.41	377.84
48-49 Transportation & Warehousing	32.90	27.42
51 Information	11.71	9.76
52 Finance & insurance	43.32	36.10
53 Real estate & rental	117.30	97.75
54 Professional- scientific & tech svcs	85.72	71.44
55 Management of companies	20.92	17.44
56 Administrative & waste services	101.20	84.33
61 Educational svcs	14.11	11.76
62 Health & social services	58.41	48.67
71 Arts- entertainment & recreation	536.29	446.91
72 Accomodation & food services	1,637.30	1,364.41
81 Other services	50.88	42.40
91-99 Government & non NAICs	<u>6.74</u>	<u>5.62</u>
Total	3,208.15	2,673.46

Source: IMPLAN; Economic & Planning Systems

Employee to Household Conversion

To translate employees to households and their related income levels, the analysis steps are as follows:

- Employees by Occupation** – The jobs by NAICS classification are converted to more specific occupation categories to obtain a more detailed distribution of wage levels for the new jobs, since using the average wage for an industry masks the upper and lower wage levels. The BLS National Industry by Occupation Matrix provides the estimated distribution of occupations for each NAICS category. The wages for each occupation in Eagle County are estimated by indexing the national wages by occupation and industry to the average wage in that industry for Eagle County.
- Employees to Households** – The next adjustment for estimating housing demand is to account for multiple earners per household. On average, there are 1.85 earners per household in the Town of Vail. This adjustment reduces the 2,673.46 employees supported from guest spending in 1,000 accommodation units to 1,445.11 employee-households.
- Wages and Household Income** – The next step in the employee and household analysis is to estimate household incomes accounting for the wages from the primary and secondary earners in the household. The primary earner – the jobs estimate from the IMPLAN analysis – is assigned the average wage for their industry and occupation. The second 0.85 earner (totaling 1.85 earners per household) is assumed to make the average wage for the industry in which the primary earner is employed.

Households and Target Income Ranges

The last step in the guest spending analysis is to tabulate the employee-households at income levels of 200 percent of AMI or less. For guest spending in 1,000 accommodation units, there are 1,426.3 employee households supported below 200 percent of AMI, as shown in **Table 3**. Of the 1,445.1 total employee-households supported, 98.7 percent are at incomes of 200 percent of AMI or less. The balance of 1.3 percent are compensated sufficiently to afford market rate housing. These are the employee households needed to support the spending in the economy from 1,000 STR units.

Table 3. Households by AMI Supported by Guest Spending

	Guest Spending - All
Total Households Generated per 1,000 Units	1,445.1
Households by Income Range	
30% of Median	0.0
50% of Median	0.0
80% of Median	282.0
100% of Median	950.4
120% of Median	50.8
150% of Median	90.6
200% of Median	<u>52.5</u>
Total - Target Income Ranges	1,426.3
Percent of Households Generated	98.7%

Source: Economic & Planning Systems

Employee-Household Housing Gap

To determine affordability needs, the gap for households earning up to 200 percent AMI (by AMI category) is calculated based on the cost to purchase a home in the town, estimated using the median cost for attached homes (e.g., condos). Housing costs were based on sales during the four-year period from 2018 through 2021. This calculation assumes an income for a 2.5-person household as a proxy for an average household size and uses CHFA income levels for Eagle County as those are the income definitions used in most housing qualification processes.

As shown in **Table 4**, affordable prices at these AMI levels range from \$55,700 at 30 percent AMI to \$726,800 at 200 percent AMI. With a median home cost of \$1,250,000, the gap per unit ranges from \$1,194,300 at 30 percent AMI to \$523,200 at 200 percent AMI.

Table 4. Affordable Price and Gap by Income Range

Description	Factor	AMI						
		30%	60%	80%	100%	120%	150%	200%
HH Income and Housing Expense								
HH Income (2.5-person household)	2.5 pp/hh	\$25,500	\$51,000	\$68,000	\$85,000	\$102,000	\$127,500	\$170,000
Affordable Monthly Housing Cost	30%	\$638	\$1,275	\$1,700	\$2,125	\$2,550	\$3,188	\$4,250
Supportable Monthly Payment								
Less: Insurance	\$2,500/year	-\$208	-\$208	-\$208	-\$208	-\$208	-\$208	-\$208
Less: Property Taxes	7.15% ass't rate 50.751 mills	-\$20	-\$60	-\$80	-\$100	-\$120	-\$160	-\$210
Less: Miscellaneous (e.g. HOA Dues)	\$1,500/year	-\$125	-\$125	-\$125	-\$125	-\$125	-\$125	-\$125
Net Supportable Mortgage Payment (Monthly)		\$284	\$882	\$1,287	\$1,692	\$2,097	\$2,694	\$3,707
Valuation Assumptions								
Loan Amount		\$52,900	\$164,200	\$239,700	\$315,100	\$390,600	\$501,900	\$690,500
Mortgage Interest Rate		5.0% int.						
Loan Term		30-year term						
Downpayment as % of Purchase Price		5.0% down pmt						
Maximum Supportable Purchase Price		\$55,700	\$172,800	\$252,300	\$331,700	\$411,200	\$528,300	\$726,800
Cost per Unit		\$1,250,000						
Gap per Unit		\$1,194,300	\$1,077,200	\$997,700	\$918,300	\$838,800	\$721,700	\$523,200

Source: Economic & Planning Systems

Local Resident Spending

To isolate the effect of guest spending on housing need, a similar methodology was followed to determine the relationship between a local resident household and housing need. This was then subtracted from the guest impact.

Local resident spending was modeled based on the median household income in Vail of \$80,987, as reported in the U.S. Census 2019 American Community Survey. As with guest spending, 1,000 households were modeled and per household adjustment is made to calculate the final fee. As shown in **Table 5**, a household income of \$80,987 results in a disposable income of \$58,774 after accounting for payroll tax. Based on these figures, the total disposable income for 1,000 households is \$58.77 million.

Table 5. Local Resident Household Income

Description	Factors	Local Spending
Program Units		1,000
HH Income (Vail median)	ACS 2019 5-Yr Estimate	\$80,987
Minus Payroll Tax		
Federal		\$12,697
FICA		\$5,021
Medicare		\$1,174
State		<u>\$3,321</u>
Total Deductions		\$22,213
Net Pay / Adjusted Household Income		\$58,774
Total Annual Household Income	100%	\$80,987,000
Total Annual Payroll Tax	27%	<u>-\$22,213,000</u>
Disposable Income	73%	\$58,774,000

Source: US Census; Economic & Planning Systems

This income was input to IMPLAN, which then calculates the jobs supported by this household spending. As shown in **Table 6**, 1,000 households earning the median income support 312.72 jobs. Applying the multiple jobholder factor of 1.20 jobs per employee, this spending results in 260.60 employees.

Table 6. Jobs and Employees by Industry Supported from Local Spending

Description	Local Spending	
	Jobs by Industry (IMPLAN Results)	Employees by Category
Jobs to Employee Conversion Factor		1.20
Industrial Sectors		
11 Ag, Forestry, Fish & Hunting	1.01	0.84
21 Mining	0.10	0.09
22 Utilities	0.63	0.52
23 Construction	3.94	3.28
31-33 Manufacturing	0.47	0.39
42 Wholesale Trade	5.60	4.67
44-45 Retail trade	47.77	39.81
48-49 Transportation & Warehousing	9.53	7.94
51 Information	3.72	3.10
52 Finance & insurance	18.83	15.69
53 Real estate & rental	46.47	38.73
54 Professional- scientific & tech svcs	15.20	12.67
55 Management of companies	1.66	1.38
56 Administrative & waste services	21.54	17.95
61 Educational svcs	7.00	5.83
62 Health & social services	50.17	41.81
71 Arts- entertainment & recreation	11.74	9.79
72 Accomodation & food services	40.19	33.49
81 Other services	25.30	21.08
91-99 Government & non NAICs	1.86	1.55
Total	312.72	260.60

Source: IMPLAN; Economic & Planning Systems

These employees were then categorized by occupation and wage and converted into employee households following the same methodology for guest spending. As shown in **Table 7**, local resident household spending supports a total of 140.90 employee-households, 93.0 percent (131.0 households) of which fall at or below 200 percent of AMI. Affordability needs of these households are determined using the same methodology outlined for guest spending.

Table 7. Households by AMI Supported by Local Spending

	Local Spending
Total Households Generated per 1,000 Units	140.9
Households by Income Range	
30% of Median	0.0
50% of Median	0.0
80% of Median	18.0
100% of Median	60.1
120% of Median	13.8
150% of Median	28.6
200% of Median	<u>10.5</u>
Total - Target Income Ranges	131.0
Percent of Households Generated	93.0%

Source: Economic & Planning Systems

Fee Calculation

This section outlines the calculation of the accommodation unit license fee. There are four key components to the fee calculation:

- **Households Supported** – The number of households at or below 200 percent of AMI supported by guest spending form the basis of the fee, as these represent employees needed in the community who cannot otherwise afford housing.
- **Occupancy Rate** – The impacts of guest spending were determined assuming 100 percent occupancy (i.e., 365 days per year) for modeling purposes and needs to be adjusted for annual occupancy rates. An occupancy rate of 40.0 percent is applied to the housing demand, based on the occupancy data for properties in Zone 1 and Zone 2 from 2016 through 2019 as well as 2021 (2020 was excluded, as COVID impacts made the data non-representative of local conditions).
- **Affordability Gap** – The affordability gap per household and AMI range described earlier ranges from \$523,200 at 200 percent of AMI to \$1,194,300 at 30 percent of AMI. The number of households in each AMI category (after accounting for the occupancy rate) are multiplied by the gap per household to calculate the total affordability gap. This gap is calculated for both guest spending and local spending. Based on this calculation, the gap per accommodation unit is \$515,216 and the gap per local household/housing unit is \$110,819.
- **Adjustment for Local Households** – To isolate the impact of guest spending above the impact of a local household, the gap associated with local household spending (\$110,819) is subtracted from the gap associated with guest spending (\$515,216). This results in a net gap per accommodation unit of \$404,397.

This fee is then adjusted to reflect a per-bedroom figure (rather than per unit). EPS's analysis of the Town's STR data indicates that STRs have an average of 2.28 bedrooms per unit. This is then annualized over 30 years (divided by 30), which is a typical financing period for a long-term housing investment. Based on this analysis, the maximum fee per bedroom is \$5,912, as shown in **Table 8**. This maximum fee amount is the annualized cost of providing housing to the local workforce supported by guest spending.

Table 8. Fee Calculation

		Local Spending	Guest Spending - All
Households Generated (per 1,000 units)	A		
30% of Median		0.0	0.0
50% of Median		0.0	0.0
80% of Median		18.0	282.0
100% of Median		60.1	950.4
120% of Median		13.8	50.8
150% of Median		28.6	90.6
200% of Median		<u>10.5</u>	<u>52.5</u>
Total per 100 Units		131.0	1,426.3
Per 1.0 Units		0.13	1.43
STR Occupancy Rate	B		40.0%
Net Households Generated (per 1,000 units)	C		
30% of Median	A x B	0.0	0.0
50% of Median		0.0	0.0
80% of Median		18.0	112.7
100% of Median		60.1	379.7
120% of Median		13.8	20.3
150% of Median		28.6	36.2
200% of Median		<u>10.5</u>	<u>21.0</u>
Total per 1,000 Units		131.0	569.8
Per 1.0 Units		0.13	0.57
Gap per Household by AMI Range	D		
30% of Median		\$1,194,300	\$1,194,300
50% of Median		\$1,077,200	\$1,077,200
80% of Median		\$997,700	\$997,700
100% of Median		\$918,300	\$918,300
120% of Median		\$838,800	\$838,800
150% of Median		\$721,700	\$721,700
200% of Median		\$523,200	\$523,200
Total Gap	E		
30% of Median	C x D	\$0	\$0
50% of Median		\$0	\$0
80% of Median		\$17,918,868	\$112,400,795
100% of Median		\$55,196,836	\$348,678,886
120% of Median		\$11,568,172	\$17,037,798
150% of Median		\$20,634,526	\$26,123,638
200% of Median		<u>\$5,500,933</u>	<u>\$10,975,135</u>
Total		\$110,819,335	\$515,216,252
Gap (Fee) per Unit	F		
	E / 1000	-\$110,819	-\$515,216
Net STR Gap per Unit (minus local spend)			-\$404,397
Avg. Number of Bedrooms			2.28
Net STR Gap (Fee) per Bedroom			-\$177,367
Annualized Fee per Bedroom	30 years		\$5,912

Final Fee

The fee outlined above represents the maximum reasonable fee to be charged under this program. Communities will generally apply a mitigation rate to this fee to determine the final fee to be charged.

As shown in **Table 9**, a mitigation rate of 15 percent would result in an annual per bedroom fee of \$890, a 50 percent mitigation rate would result in a \$2,960 annual fee, while a 65 percent mitigation rate would result in a fee of \$3,840 per bedroom annually.

Table 9. Mitigation Rates

Description	Fee Per Bedroom
Maximum Annual Fee	\$5,912
Mitigation Rate	
15%	\$890
20%	\$1,180
25%	\$1,480
30%	\$1,770
35%	\$2,070
40%	\$2,360
45%	\$2,660
50%	\$2,960
55%	\$3,250
60%	\$3,550
65%	\$3,840

Source: Economic & Planning Systems

Over time, as development opportunities within communities have become limited, as market pressures have increased, and as commute-sheds have grown, local officials have increased mitigation rates, reflecting a greater pressure on the need for local affordable housing. Mitigation rates in peer communities for similar programs (STR fees, residential linkage fees, and commercial linkage fees) range from 15 percent to 65 percent, with many programs falling in the middle of that range.

Owner-Occupied Short Term Rentals

In the Town of Vail, owner-occupied properties are limited to 30 days or less of short term rentals per year. A unit rented for a maximum of 30 days per year represents a maximum occupancy rate of 8.2 percent, and thus justifies a separate fee calculation.

Additionally, since these units are occupied by local residents the impact of guest spending occurs in addition to the impact of local spending. Thus, the impact of local household spending is not netted out of the guest spending impact attributed to the STR. As shown in **Table 11**, this results in a maximum annual fee per bedroom of \$1,550.

As with the standard fee, a mitigation rate would be applied to determine the final fee to be charged. Examples of the per-bedroom fee at a range of mitigation rate levels are shown in **Table 10**. For example, a 15 percent rate would result in an annual per bedroom fee of \$230, a 50 percent mitigation rate would result in a \$780 annual fee, while a 65 percent mitigation rate would result in a fee of \$1,010 per bedroom annually.

Table 10. Mitigation Rates – Owner Occupied Units

Description	Fee Per Bedroom
Maximum Annual Fee	\$1,550
Mitigation Rate	
15%	\$230
20%	\$310
25%	\$390
30%	\$470
35%	\$540
40%	\$620
45%	\$700
50%	\$780
55%	\$850
60%	\$930
65%	\$1,010

Source: Economic & Planning Systems

Table 11. Fee Calculation – Owner Occupied Units

		Guest Spending - Owner-Occupied
Households Generated (per 1,000 units)	A	
30% of Median		0.0
50% of Median		0.0
80% of Median		282.0
100% of Median		950.4
120% of Median		50.8
150% of Median		90.6
200% of Median		<u>52.5</u>
Total per 100 Units		1,426.3
Per 1.0 Units		1.43
STR Occupancy Rate	B	8.2%
Net Households Generated (per 1,000 units)	C	
30% of Median	<i>A x B</i>	0.0
50% of Median		0.0
80% of Median		23.2
100% of Median		78.1
120% of Median		4.2
150% of Median		7.4
200% of Median		<u>4.3</u>
Total per 1,000 Units		117.2
Per 1.0 Units		0.12
Gap per Household by AMI Range	D	
30% of Median		\$1,194,300
50% of Median		\$1,077,200
80% of Median		\$997,700
100% of Median		\$918,300
120% of Median		\$838,800
150% of Median		\$721,700
200% of Median		\$523,200
Total Gap	E	
30% of Median	<i>C x D</i>	\$0
50% of Median		\$0
80% of Median		\$23,123,770
100% of Median		\$71,732,325
120% of Median		\$3,505,119
150% of Median		\$5,374,313
200% of Median		<u>\$2,257,871</u>
Total		\$105,993,397
Gap (Fee) per Unit	F	
	<i>E / 1000</i>	-\$105,993
Avg. Number of Bedrooms		2.28
Net STR Gap (Fee) per Bedroom		-\$46,488
Annualized Fee per Bedroom	30 years	\$1,550

**ORDINANCE NO. 11
SERIES 2022**

**AN ORDINANCE REPEALING AND REENACTING CHAPTER 4-14 OF
THE VAIL TOWN CODE, REGARDING SHORT-TERM RENTALS, AND
ESTABLISHING A LICENSING PROGRAM AND ANNUAL FEE FOR
SHORT-TERM RENTALS**

WHEREAS, guests staying in short-term rentals ("STRs") in the Town spend money in the local economy, primarily in the retail, food and beverage and recreation industries, and in turn create local jobs;

WHEREAS, these jobs generate demand for housing, but many of the jobs created are at wage levels that do not pay enough for employees to afford market rate housing in the Town;

WHEREAS, without an adequate supply of housing and housing support programs, the Town risks losing some of its labor supply that is essential to the businesses in which STR guests spend money during their stay;

WHEREAS, to pay for the required housing supply and support programs, and to cover the costs of administering the Town's STR licensing program, annual fees for STRs are necessary;

WHEREAS, the Town contracted with Economic and Planning Systems, Inc. to conduct a study to determine the appropriate fees for STRs, and the Town Council is relying on that study to set the annual fees for STRs;

WHEREAS, without regulation by the Town, nuisances created by STRs, such as noise, parking issues and over-occupancy, would negatively impact neighborhoods in the Town; and

WHEREAS, the Town wishes to ensure the safety of guests staying in STRs by ensuring that they meet minimal life-safety requirement.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VAIL, COLORADO, THAT:

Section 1. Chapter 4-14 of the Vail Town Code is hereby repealed in its entirety and reenacted as follows:

**CHAPTER 14
SHORT-TERM RENTALS**

4-14-1: PURPOSE AND APPLICABILITY:

A. The purpose of this Chapter is to establish a comprehensive licensing program to safeguard the public health, safety, and welfare by

regulating and controlling the use, occupancy, location, and maintenance of short-term rentals in the Town.

B. This Chapter shall apply to short-term rentals only, as defined herein. This Chapter shall not supersede or affect any private conditions, covenants, or restrictions applicable to short-term rentals.

4-14-2: DEFINITIONS:

For purposes of this Chapter, the following terms shall have the following meanings:

LEASE: Any agreement, whether verbal or written, by which an owner gives to a tenant, for valuable consideration, possession and use of property or a portion thereof for a definite term, at the end of which term the owner has an absolute right to retake control and use of the property.

PRINCIPAL PLACE OF RESIDENCE: The home or place in which one's habitation is fixed and to which one has a present intention of returning after a departure or absence therefrom. In determining what is a principal place of residence, the Town shall consider the criteria set forth in C.R.S. § 31-10-201(3), as amended.

PROPERTY MANAGEMENT FIRM: An entity comprised of one or more professional property managers with all required licenses in good standing, or a group of one or more employees of a lodge or fractional fee club (as those terms are defined in Section 12-2-2 of this Code) who are trained in property management and provide such services to owners of STRs within the lodge or fractional fee club, which entity or group is designated by the STR owner to act as the STR owner's agent regarding the STR.

PROFESSIONALLY MANAGED STR: An STR that is managed, operated or controlled by a property management firm.

SHORT-TERM RENTAL (STR): A residential dwelling unit, or any room therein, available for lease for a term of less than thirty (30) consecutive days, but excluding bed and breakfasts and accommodation units.

4-14-3: LICENSE REQUIRED:

A. General. A current, valid license is required for each STR in the Town. Each STR license is non-transferable.

B. Application. For new licenses and renewals, the STR owner or property management firm shall file an application with the Finance Director or designee, on forms supplied by the Town, accompanied by the following:

1. The applicable license fee established by Section 4-14-4;

2. An administrative fee of \$150, which administrative fee shall be used by the Town to offset the costs of processing the application;

3. An affidavit, signed by the owner or the property management firm, under penalty of perjury, certifying that the STR is in habitable condition and complies with the health and safety standards set forth in this Chapter; and

4. If the STR is located within a duplex, a copy of a written notice sent by the owner or property manager to the last known address of the record owner of the adjoining residential dwelling unit, by first-class mail at least seven (7) days prior to submission of the application.

B. Local Representative. Each application shall include the appointment of a natural person who shall remain within a sixty (60) minute distance of the STR and is available twenty four (24) hours per day, seven (7) days per week, to serve as the local representative for the STR. At least five (5) days prior to any change in such appointment, the STR owner or property management firm shall notify the Town of such change, including new contact information. For an STR located in a building with onsite management services available at all times, if the STR owner uses such services, no local representative appointment shall be required.

C. Expiration; Renewal. Each STR license shall expire on February 28 of each calendar year, or when title of the STR transfers to a new owner, whichever occurs first; each change in ownership of a STR shall require a new license.

D. Timing. An initial license application shall be filed at least thirty (30) days prior to any advertising of an STR. A renewal application shall be filed by January 31 of the year in which the license expires.

E. Revocation. In addition to any other penalties allowed by this Chapter, the Town may revoke any STR license if the Town finds and determines that any violation of this Chapter exists at the STR; provided that the Town provides the licensee with at least fourteen (14) days' prior written notice and an opportunity to be heard prior to revocation. The notice shall include a description of the violation and the date and time when the STR owner may appear and be heard, and the notice shall be either personally served on the STR owner or mailed by first-class United States Mail to the last-known address of the STR owner or property management firm.

4-14-4: LICENSE FEES:

A. The purpose of the STR license fee is to offset the impacts of STR use and occupancy on the Town's workforce, and particularly workforce housing, as demonstrated by the current study performed by the Town

regarding such issues, and also to cover the Town's costs in administering the STR licensing program established by this Chapter.

B. The STR license fee shall be imposed per bedroom offered for lease, and the maximum number of bedrooms offered at any time during a calendar year shall be used to establish the amount of the fee. By way of example, if an STR includes one (1) bedroom for lease for eleven (11) months in a calendar year, but three (3) bedrooms for lease for one (1) month of a calendar year, the STR shall be subject to the STR fee for three (3) bedrooms.

C. The STR license fee is assessed per calendar year. If an STR license is revoked, no refund shall be provided. If an application is filed mid-year, the license fee shall be reduced accordingly.

D. The license fees for STRs are as follows:

1. An STR located on property that is the property owner's principal place of residence: \$_____ per bedroom.

2. An STR that is rented for less than thirty (30) total days per year, regardless of whether the property is the property owner's principal place of residence: \$_____ per bedroom.

3. All other STRs: \$_____ per bedroom.

4-14-5: INSURANCE:

Every STR shall be continuously insured, with minimum limits of \$1,000,000. The insurance may be in any of the following forms: property liability insurance; commercial liability insurance; or an endorsement to a homeowner's policy for coverage of STR activities. Insurance provided by online STR platforms does not qualify as valid insurance under this subsection.

4-14-6: HEALTH AND SAFETY STANDARDS; INSPECTIONS:

A. Standards: Each STR shall comply with all of the following standards, at a minimum, at all times while the STR is occupied:

1. Buildings, structures or rooms shall not be used for purposes other than those for which they were designed or intended.

2. Roofs, floors, walls, foundations, ceilings, stairs, handrails, guardrails, doors, porches, all other structural components and all appurtenances thereto shall be capable of resisting any and all forces and loads to which they may be normally subjected and shall be kept in sound condition and in good repair.

3. An operable toilet, sink, and either a bathtub or shower shall be located within the same building, and every room containing a toilet or bathtub/shower shall be completely enclosed by walls, doors, or windows that will afford sufficient privacy.

4. There shall be a sufficient number of trash receptacles to accommodate all trash generated by the occupants, and all receptacles shall comply with Title 5, Chapter 9 of this Code.

5. Occupancy of an STR shall comply with Title 12, Chapter 2 of this Code.

6. The use of portable outdoor fireplaces is prohibited.

7. Electrical panels shall be clearly labeled.

8. All pets shall be subject to Title 6, Chapter 4 of this Code.

9. All items listed in subsection B.2. hereof shall comply with the current Vail Fire Code.

10. Parking for each STR shall comply with all applicable provisions of this Code. All vehicles shall be parked in designated parking areas, and parking is prohibited in any landscaped area.

11. A sign shall be conspicuously inside each STR with the STR license number, the local representative's current contact information, and the physical address of the STR, including unit number if applicable.

B. Inspections:

1. When required:

a. Each STR, other than those located in buildings with on-site management services available at all times, shall obtain a fire and life safety inspection as a condition of license issuance and every three (3) years thereafter. Requests for inspections shall be made to Vail Fire and Emergency Services at least sixty (60) days prior to the date of the initial license application and at least sixty (60) days prior to the end of each subsequent three (3) year period.

b. Notwithstanding the foregoing, each STR that was validly registered with the Town on the date of the ordinance codified in this Section, and is not located in a building with on-site management services available at all times, is eligible for an STR license without an initial inspection, provided that the STR is inspected prior to January 1, 2026 and every three (3) years thereafter. Requests for initial inspections shall be made to Vail Fire and Emergency Services

on or before July 1, 2025, and requests for later inspections shall be made at least sixty (60) days prior to the end of each subsequent three (3) year period.

2. Items Inspected: The following will be inspected by Vail Fire and Emergency Services for compliance with the current Vail Fire Code:

- a. Fire extinguishers;
- b. Adequacy of egress;
- c. Posted egress plan;
- d. Carbon monoxide detectors;
- e. Smoke alarms;
- f. Occupant load;
- g. Improvised electrical conditions and use of extension cords;
- h. Use of portable heating appliances and outdoor heating appliances; and
- i. Conspicuous posting of the physical address of the STR.

3. Re-inspection: If an inspection reveals that an STR is not in compliance with this Chapter, a re-inspection shall be required. Re-inspections must be scheduled in advance and may take up to sixty (60) days to complete.

4-14-7: ADVERTISING:

Advertising for an STR shall include the STR license number immediately following the description of the STR.

4-14-8: TAXES:

A. All applicable Town Sales and Lodging Taxes for STRs shall be timely collected and remitted.

B. A property management firm may submit one tax payment for multiple STRs, so long as there is sufficient supporting information to identify each individual STR and the taxes collected on such STR.

4-14-9: INITIAL COMPLAINTS:

Initial complaints concerning a short-term rental property shall be directed to the local representative. The local representative shall resolve the issue

that was the subject of the complaint within sixty (60) minutes, or within thirty (30) minutes if the problem occurs between 11:00 p.m. and 7:00 a.m., including visiting the site if necessary.

4-14-10: VIOLATION AND PENALTY:

A. Violation: It is unlawful to violate any provision of this Chapter. Each day of violation shall be deemed a separate offense.

B. Liability: Each STR owner shall be liable for any and all violations occurring at the STR. A property management firm shall be jointly and severally liable for any and all violations occurring at any of its professionally managed STRs in the Town.

C. Civil Enforcement:

1. If the Town chooses civil enforcement, a citation may be served by posting on the front door of the STR, or by personal service on the STR owner or professional management firm, or by mailing first class U.S. Mail to the last known address of the STR owner or property management firm.

2. Civil violations shall be subject to the following fines and penalties, per STR:

First violation in any twelve (12) month period: \$1,500

Second violation in any twelve (12) month period: \$2,650

3. All penalties shall be paid within fourteen (14) days of the date of the citation. If the civil violation is paid, there shall be no opportunity to challenge or otherwise appeal the violation. If the STR owner disputes the violation, the STR shall file a written protest with the Town within fourteen (14) days of the date of the citation.

4. If the STR protests the citation, the Town shall cancel the citation and proceed to criminal enforcement.

5. If the penalty is not timely paid and no protest is timely filed, the Town may summarily suspend the STR license until the penalty is fully paid. Written notice of such suspension shall be provided to the last-known address of the STR owner, or to the local representative or property management firm.

D. Criminal Enforcement: If the Town chooses criminal enforcement or a protest is filed and the civil citation is canceled, a summons and complaint may be served as provided in the Colorado Municipal Court Rules of Civil Procedure. The penalties shall be as set forth in Section 1-4-1 of this Code.

E. Suspension: Regardless of the type of enforcement, the third violation in any twelve (12) month period for a single STR, regardless of ownership of the STR, shall result in a three (3) year suspension, commencing on the date of the last violation, during which no license shall be granted for such STR.

F. Other Remedies: In addition to the penalties described above, the Town shall have any and all remedies provided by law and in equity for a violation of this Chapter, including without limitation: damages; specific performance; and injunctive relief, including without limitation an injunction requiring eviction of any occupants of the STR and an injunction to prohibit the occupancy of any property in violation of this Chapter.

Section 4. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not effect the validity of the remaining portions of this ordinance; and the Council hereby declares it would have passed this ordinance, and each part, section, subsection, sentence, clause or phrase thereof, regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

Section 5. The Town Council hereby finds, determines and declares that this ordinance is necessary and proper for the health, safety and welfare of the Town and the inhabitants thereof.

Section 6. The amendment of any provision of the Vail Town Code as provided in this ordinance shall not affect any right which has accrued, any duty imposed, any violation that occurred prior to the effective date hereof, any prosecution commenced, nor any other action or proceeding as commenced under or by virtue of the provision amended. The amendment of any provision hereby shall not revive any provision or any ordinance previously repealed or superseded unless expressly stated herein.

Section 7. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, resolution or ordinance, or part thereof, theretofore repealed.

INTRODUCED, READ ON FIRST READING, APPROVED, AND ORDERED PUBLISHED ONCE IN FULL ON FIRST READING this 17th day of May, 2022 and a public hearing for second reading of this Ordinance set for the 7th day of June, 2022, in the Council Chambers of the Vail Municipal Building, Vail, Colorado.

Kim Langmaid, Mayor

ATTEST:

Tammy Nagel, Town Clerk

READ AND APPROVED ON SECOND READING AND ORDERED PUBLISHED this 17th day of May, 2022.

Kim Langmaid, Mayor

ATTEST:

Tammy Nagel, Town Clerk