

SB 1045 A STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Jaime McGovern, Economist

Meeting Dates: 6/5, 6/18

WHAT THE MEASURE DOES:

Provides through permissive city and county authority, a property tax exemption to homeowners who choose to rent a portion of their home to qualified home share seeker. Implemented through development of homeshare program. Directs a 5 year term of property tax exemption. Excludes family members from program. Specifies participation cap of 500 annually and maximum assessed value reduction of \$300,000 per participant. Describes process following breach of home share agreement. Takes effect 91st day after adjournment of sine die. Is repealed January 2, 2029.

ISSUES DISCUSSED:

- availability of affordable housing.
- Denver's experience with compatibility matching.
- The definition and quantification of affordable housing.
- Growth of elderly homeless.
- Safety and vulnerability issues.
- Land use compatibility and general property tax implications
- Landlord responsibilities and relationships.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

This program would allow counties and cities opt in to exempting a portion of property taxes for a qualifying principle home owner deemed home share provider, based on portion of home rented out to home share seeker. County, city or home share program would develop, if adopted a process, including means testing, approval and notification. The program excludes specially assessed properties, and the property would only be exempt for the taxing districts electing the abatement unless 51% or more taxing districts approved.