



## **2026 Annual Funding Plan**

### **6E Workforce Housing and Childcare Lodging Tax**

#### **Purpose**

The Annual Workforce Housing and Childcare Funding Plan (Annual 6E Funding Plan) is an outline of how the Town of Estes Park plans to distribute funds derived from the Lodging Tax Extension (6E) to support housing and childcare for the Estes Valley workforce. The plan demonstrates how the funds passed through from the Local Marketing District, which levies the tax, to the Town is allocated between workforce housing and childcare initiatives, and how decisions are made to address the needs in the Estes Valley in 2026 and beyond. The Annual Funding Plan is considered and approved by the Town of Estes Park, Larimer County Commissioners, and Visit Estes Park.

#### **About 6E Lodging Tax**

In November 2022, residents of the Visit Estes Park Local Marketing District voted to approve Ballot Initiative 6E to increase the total lodging tax rate from 2% to 5.5%. This 3.5% increase in tax provides approximately \$5 million in funds to address workforce housing and childcare needs in the Estes Valley. The Board of Visit Estes Park (VEP) decided to serve as a “pass-through” of the funds and rely on the Town of Estes Park, in coordination with Larimer County, to decide how to administer 6E revenue.

The Workforce Housing and Childcare Lodging Tax funds received by the Town are administered in accordance with the Intergovernmental Agreement (IGA) between the County and Town of Estes Park by the Housing and Childcare Manager. The Housing and Childcare Manager works hand-in-hand with the Estes Park Housing Authority to strategically identify future needs and outline how they will be addressed, resulting in the proposed Annual 6E Funding Plan.

A memorandum of understanding between the Town and Estes Park Housing Authority, originally entered into in July 2023, formalized the Housing Authority’s role as administrator of the Lodging Tax revenue dedicated to workforce housing. The Town’s Housing and Childcare Manager administers the distribution of funds retained by the Town to address childcare.

The Annual 6E Funding Plan is drafted based on the initial framework presented in the ballot language in 2022. The initial framework included priorities consistent with the present workforce housing and childcare initiatives outlined below.

#### Ballot Issue 6E

1. Construction or purchase of workforce housing or the purchase of land to provide sites for workforce housing;
2. Development and operation of programs to support workforce access to affordable housing; and
3. Develop and operate programs to support affordable workforce childcare services.

Changes to the framework and process can be made at any time based on mutual agreement of the Town and Larimer County.

#### **2026 Overview and Projections**

In January of each year, a lump sum is retained by the Town for personnel and operating expenses related to the position of Housing and Childcare Manager. Throughout the year, a predetermined percentage of the revenue is transferred directly to EPHA every month. This percentage is presented in the Annual 6E Funding Plan each year.

Funding decisions are made based on the evaluation of needs in the community and the consideration of maximizing the impact of Workforce Housing and Childcare Lodging Tax (6E Lodging Tax) funds. All funding decisions are made in accordance with the Intergovernmental Agreement between Larimer County and the Town of Estes Park and the adopted Annual 6E Funding Plan (including this plan for 2026).

The 2026 Annual 6E Funding Plan is informed by and builds upon foundational reports such as the [2023 Housing Needs Assessment and Strategic Plan](#), the [2024 Childcare Needs Assessment and Strategic Plan](#), the [Childcare and Housing Task Force](#) report conducted by the Town of Estes Park, previous Annual 6E Funding Plans and Impact Reports, and community outreach. The Annual 6E Funding Plan acts as a framework for how EPHA and the Town utilize 6E Lodging Tax funds to implement and measure the success of strategies. The Town monitors the impact of 6E Lodging Tax funds on both housing and childcare in the Estes Valley, which is reported in an “Annual 6E Impact Report” in the spring. Community feedback supports the draft of the Annual 6E Funding Plan and is compiled through direct outreach, public forums, and a feedback form, as presented in Exhibit A “Community Input”.

The original 6E ballot framework was intentionally designed to provide flexibility in allocating revenues between workforce housing and childcare initiatives, ensuring that funding could adapt to evolving community priorities. Early stakeholder input, including from the Estes Park Housing Authority, acknowledged that workforce housing needs were both urgent and costly, warranting a greater share of initial resources. At the same time, there was a shared understanding that

childcare funding needs would expand as program capacity, facilities, and capital projects developed over time. In alignment with this long-term vision, the allocation shifted in 2025 from 88% for housing/12% for childcare to 80%/20%, respectively, increasing the allocation to childcare initiatives while continuing to address critical housing needs. Maintaining this allocation in 2026 reflects a strategic commitment to building a more balanced and sustainable approach to meeting both housing and childcare demands in the Estes Valley based on need.

Projected total 6E Passthrough to the Town in 2026 (provided by Visit Estes Park): \$5,500,000

- 80% Workforce Housing: \$4,400,000
- 20% Childcare: \$1,100,000

All dollar figures are *approximations* contingent on several factors, including actual collections each year.

Approval by the Town Board is required for the creation of funding programs for both childcare and workforce housing, as outlined in the MOU with EPHA. Reporting on the use of funds is conducted at least annually and upon request by either the Town Board, County Commissioners, or Visit Estes Park. A detailed expenditure report for the previous year is presented to both elected boards by April 15 each year.

### **Childcare Initiatives**

6E Lodging Tax revenue will be used to address the varied challenges faced by families in need of childcare, as well as the workforce challenges providers, early childhood teachers, and support staff experience. The Town will retain 20% of the expected revenue in 2026, projected to be approximately \$1,100,000.

In June 2025, the Town Board considered revisions to Town Policy 225: Childcare Funding Guidelines, which provides guidelines for the distribution of funding and introduced a new Priority Grant framework, Childcare Stability Initiative, and Childcare Assistance funding opportunities. The Town Board's approval of these revisions formalized programs and distribution methods to be considered with the approval of this Funding Plan. The proposed 2026 Priority Grant framework and budget allocations may be reviewed in Exhibit B.

Exhibit C depicts the overall projected revenue and expenditures for childcare funding in 2026.

*The estimated revenue, expenditures, and projected budget for childcare is an approximation and is subject to change based on opportunities that arise and variations in 6E Lodging Tax revenue. Funds that are not spent each year may carry over to the following year.*

Priority Areas and Targets:

1. Tuition Assistance

Affordable childcare is essential for supporting working families, enabling parents to balance their careers and caregiving responsibilities.

2. Out-of-School Programs

When school is not in session, provide a safe and engaging environment for children outside of school hours, promoting social interaction, learning, and personal growth.

3. Childcare Workforce

Supporting the childcare workforce is essential for ensuring high-quality care and education, enabling caregivers to thrive and positively impact the development of children.

4. Facility Expansion

New facilities and facility improvements are designed to create nurturing and stimulating environments to enhance early childhood development and increase capacity.

Capacity Goals and Targets

	2024 (Baseline)	2025	2026 Goal	2027 Target
Home Provider (FCCH)	2	4	4	4
Infant Classroom	0	0	1	1
Toddler Classroom	1	2	2	2
Preschool Classroom	3	3	4	4

To meet these targets, the following objectives direct the use of 6E Funds in 2026 for the priority areas as defined above:

Tuition Assistance

2026 Objective:

*Expand and evaluate childcare affordability by increasing eligibility to include low- to middle-income households and school-age children.*

With the launch of the Estes Valley Childcare Fund (EVCF) in 2025, additional children and families are eligible for childcare financial assistance in 2026. The program is fully funded for the 2025-26 program year (August-July) and is projected to support between 10 and 20 children of *middle-income* working parents in the Estes Valley.

The Colorado Child Care Assistance Program (CCAP) is expected to remain frozen through 2026, allocating 6E Lodging Tax funds to childcare financial assistance critical to maintaining affordability for working families. CCAP typically serves families with children up to age 13. With the assistance program frozen, requests from low-to middle-income families during the school months have increased. While the YMCA of the Rockies and the Boys and Girls Club of Larimer County offer reduced tuition and scholarships for their summer out-of-school programs, demand for assistance continues to grow. Evaluation of these programs, along with the distribution of funds through EVICS Family Resource Center, will be essential for planning future School-Age Tuition Assistance needs. Based on anticipated demand, it is likely that additional funding or a separate program will need to be developed to meet these needs effectively if CCAP continues to be frozen.

While tuition assistance has been a central priority for the first three years of 6E funding, 2026 will serve as a focused evaluation year. Collaboratively with EVICS Family Resource Center (EVICS) and the Early Childhood Council of Larimer County (ECCLC), this evaluation will measure the reach and impact of tuition assistance on family financial stability and the overall sustainability of the local early childhood system. Findings will inform future funding priorities, ensuring that investments are both responsive to current needs and aligned with long-term vision for a stronger, more equitable infrastructure in the Estes Valley.

**Tuition Assistance Goal 1:**

*Program creates a more equitable childcare system in the Estes Valley through improved policies and increased access to childcare assistance.*

**Tuition Assistance Goal 2:**

*Improve financial stability for underserved communities by offsetting the cost of childcare for families.*

**Tuition Assistance Budget**

*The proposed funding allocations for assistance programs is based on estimations from cost-modeling and projections from EVICS Family Resource Center. The expenditures are subject to change based on demonstrated need and experience.*

<b>Population Served</b>	<b>2024 Actual</b>	<b>2025 Approved</b>	<b>2026 Projected</b>
80% AMI and Below	\$150,000	\$250,000	\$300,000
80-110% AMI	-	\$50,000	\$150,000
School-age Summer 110% AMI and Below	-	-	\$50,000
Reimbursement	\$38,260	N/A	N/A
<b>Total</b>	<b>\$188,260</b>	<b>\$300,000</b>	<b>\$500,000</b>

Tracking of the distribution of assistance administered to the various populations listed in the far left column in the table above will begin in 2026. Complete data demonstrating the various populations served in 2025 will be presented in the 2025 Impact Report.

\$150,000 in funds was granted to EVICS Family Resource Center in 2024 to support low-income families during the CCAP enrollment freeze, as well as for families with higher incomes seeking assistance while experiencing hardship or in need of emergency funding. In addition to the \$150,000 that was initially provided, the Town also supplemented the program with \$38,260 in “backfill” reimbursement to cover administered awards that required EVICS to dip into their reserves.

Assistance for 80-110% AMI households is administered through the Estes Valley Childcare Fund, administered by ECCLC, which has a fiscal year beginning in July. The program year is August-July, which is why the budget is split between the two years. Beginning in 2025, the program year budget is \$150,000 (\$50,000 approved for August-December 2025). In 2026, the budget will be proposed for another \$150,000 for the program year beginning in August, totaling \$150,000 in 2026.

#### Tuition Assistance Enrollment

Population Served	Child Enrollment		
	2024 Actual	2025 YTD*	2026 Goal
80% AMI and Below	58	74	50
80-110% AMI	-	5	20
School-age Summer 110% AMI and Below	-	-	20
Total	58	79	90

\*YTD as of August 2025

Enrollment demonstrates the number of *children* receiving assistance. Tracking of the distribution of assistance administered to the various populations listed in the far left column in the table above will begin in 2026. Complete data demonstrating the various populations served in 2025 will be presented in the 2025 Impact Report.

#### Out-of-School Programming

2026 Objective:

*Provide grant funding to support and expand capacity in out-of-school care programs, including new pilot initiatives offering care during teacher professional development days and holiday/school breaks.*

Through Priority Grants and the Childcare Stability Initiative, funding will continue to address year-round childcare needs for school-age children. This includes care during the summer months, before- and after-school hours, and on out-of-school days such as teacher professional development days, holidays, and school breaks.

Out-of-school care providers are eligible for the Childcare Stability Initiative, offering predictable, ongoing funding that supports operational sustainability. Administrators of both school-year and summer-based programs can also apply for the Out-of-School Programming Priority Grant to support pilot programs, prioritizing new programs that serve children on teacher professional development days and school breaks.

A dual funding pathway for Out-of-School programs enables both the development of new pilot programs and strengthens existing organizations, ensuring Estes Valley families have reliable childcare throughout the year for children up to age 13.

Out-of-School Program Enrollment

	<b>2024 (Baseline)</b>	<b>2025</b>	<b>2026 Goal</b>	<b>2027 Target</b>
After-school	52	91	104	104
Summer	163	264	264	228

Childcare Workforce Support

2026 Objective:

*Support wage increases and benefits for early childhood and childcare professionals closer to a livable wage and incentivize licensed childcare providers to establish childcare as a more lucrative profession in the Estes Valley.*

6E Lodging Tax Funds will be allocated to grants, incentives, and collaborative initiatives that directly strengthen the childcare workforce. The Childcare Assistance program is available for Family Childcare Home Providers to support expenses related to health and safety improvements, as well as start-up costs for new providers. Funding may be used for childproofing, fencing, equipment, materials, and other essential needs that enable providers to meet licensing requirements and operate safely.

To further incentivize licensing, Family Childcare Home (FCCH) providers who become licensed and enroll in the Early Childhood Council of Larimer County Coaching Program to achieve a Colorado Shines Quality Level 2 rating will receive a \$1,000 bonus. ECCLC and EVICS Family

Resource Center offer training, networking opportunities, coaching, and technical support to Family, Friend, and Neighbor (FNN) providers and licensed exempt providers to strengthen professional skills, promote quality improvement, and encourage licensing.

Family, Friend, and Neighbor (FFN) care, or licensed-exempt care, is a critical solution to addressing childcare in the Estes Valley- specifically for infant and toddler care. Goal 1 of the Strategic Plan, conducted in 2023, includes strengthening infrastructure and support for FFN providers as a key objective. In 2026, the Town will support the inclusion of FFN providers with the creation of new grants and funding opportunities with 6E Lodging Tax revenue through the Childcare Assistance grant application. This segment of providers may receive funding to support their training for health, safety, and quality of care (such as CPR, child development courses, etc.), connect providers with state programs that can provide them with funding, and provide parents with the opportunity to access local tuition assistance if their provider is participating in the network.

Because FFN care is not subject to regulation by the state and because many people providing this type of care would not identify as professional childcare providers, it can be difficult to know who they are or connect them with resources. Collaboration with key stakeholders and organizations such as the Early Childhood Council of Larimer County (ECCLC) and EVICS Family Resource Center will be essential to the creation of these programs.

Additional workforce support strategies introduced in the 2025 Annual Funding Plan – including mortgage and rental assistance for providers, access to healthcare, and the integration of early childhood education into the high school Career and Technical Education program –will be evaluated and included in the 2025 Annual Impact Report.

Childcare Stability Initiative:

In June 2025, revisions to Town Policy 225: Childcare Funding Guidelines established the [Childcare Stability Initiative](#), replacing the Annual Childcare Workforce Subsidy while retaining its core intent: to provide consistent, dependable funding to stabilize the workforce and help bridge the gap between what providers can afford to pay staff and what constitutes a livable wage.

The Annual Childcare Workforce Subsidy, introduced in 2023, was an early effort to address wage gaps and improve retention of childcare employees, and received positive feedback from providers and demonstrated measurable success in increasing wages and stabilizing the workforce. However, program evaluation highlighted the need for a more reliable and flexible funding structure that providers could incorporate into long-term planning.

The Childcare Stability Initiative builds on these lessons by providing an annual, framework-driven funding mechanism for licensed childcare providers and entities offering essential services. Applicants submit requests as part of the Annual Funding Plan process, using a

structured workbook to document operational needs, workforce strategies, and any proposed solutions addressing critical gaps in the community. Requests are reviewed and approved with the annual budget, ensuring predictability for providers while aligning allocations with broader community priorities.

Funds awarded through the Childcare Stability Initiative directly influence the funding available for Priority Grants and Childcare Assistance in the following year, creating a balanced and integrated funding approach.

2026 Childcare Stability Initiative Funding Requests:

- Mountaintop Childcare
- YMCA of the Rockies Preschool
- Park Place Preschool
- YMCA of the Rockies Day Camp
- Boys and Girls Club of Larimer County
- Estes Valley Recreation and Park District

Funding requests and staff recommendations for Childcare Stability Initiative funding are provided in Exhibit D.

### Capital and Facilities

2026 Objective:

*Development of a Childcare Facility Master Plan for the Estes Valley, demonstrating the expansion of additional childcare facilities to ensure adequate space and resources to meet the current and future demand for quality early childhood care. Continue to collect and save funds year-to-year to remain flexible and reactive to opportunities as they arise.*

The Town will continue to direct funds toward capital and facility improvements to meet the demand for increased childcare spots in the Estes Valley. By establishing a healthy reserve, the Town will remain flexible and responsive to emerging opportunities. By allocating and preserving funds year-to-year, the Town can make strategic investments in property acquisition, construction, or major renovations in alignment with long-term facility goals. In 2026, the Town intends to develop a Childcare Facility Master Plan to help guide these investments, providing a comprehensive blueprint for expanding and optimizing facilities across the Estes Valley.

The facility housing Mountaintop Childcare (1250 Woodstock Drive) was purchased by the Town in 2024 to retain the business and preserve the 40 childcare spots at that location. By leasing the facility back to the childcare provider, the Town has an additional revenue stream aside from the 6E Lodging Tax revenue to support the maintenance of Town-owned childcare facilities. The “Childcare Facility Account” does not utilize 6E Lodging Tax revenue unless identified in the Annual Funding Plan for specific projects. The Town Board will consider the use

of \$30,000 in 6E Lodging Tax dollars to address ADA accessibility and upgrades to the building, in addition to the use of received grant funds. More information about the Childcare Facility Account and the proposed budget can be found in Exhibit E

In parallel with the accumulation of flexible reserve funds and long-term planning, the Childcare Facility and Capital Funding Priority Grant will continue to provide licensed childcare providers with funding to support facility renovations, equipment purchases, and other capital improvements that expand capacity and improve quality.

### **Housing Initiatives**

The Estes Park Housing Authority (EPHA) exists to create and facilitate housing opportunities in the Estes Valley. In July 2023, the Town entered into a memorandum of understanding to transfer Workforce Housing and Childcare Lodging Tax (6E Lodging Tax) funds dedicated to workforce housing to EPHA. EPHA has the authority to make purchasing decisions as outlined in the MOU and to administer and manage the various programs presented in the Annual 6E Funding Plan. All expenditures by the EPHA are subject to regular audits.

The Estes Park Housing Authority was created by the Town and is a quasi-governmental entity. The EPHA Board Members are appointed by the Town Board, and it is subject to the same auditing requirements as other public entities in Colorado.

Decisions regarding distribution will be made in collaboration with the Estes Park Housing Authority, and specifics are informed by the [Housing Needs Assessment and Strategic Plan](#), conducted in 2023, and the [Annual Housing Supply Plan](#) drafted by EPHA, which provides insight into the organization's future planning for housing development.

*The estimated revenue, expenditures, and projected budget for housing is an approximation and is subject to change based on opportunities that arise and variations in 6E Lodging Tax revenue. All funds that are not spent each year may carry over to the following year.*

#### **Priority Areas and Targets:**

##### **1. Land Banking**

Strategically acquire and hold vacant or underutilized land for future development of workforce housing, ensuring long-term availability of new development in the Estes Valley.

##### **2. Development**

Increasing the quantity of housing available for the workforce through new construction to support the local workforce who need housing within a reasonable proximity to their jobs.

##### **3. Assistance Programs**

Bridge the affordability gap and mitigate the financial strain caused by increasing housing costs on members of the local workforce.

4. Staffing Capacity- removed as a priority for 2026. Increased number of staff at the Estes Park Housing Authority is necessary to provide essential services and administer programs to fulfil housing initiatives.

Housing Initiatives Goals and Targets

	<b>2025</b>	<b>2026 Goal</b>	<b>2028 Target</b>
Property Acquisition	117	0	100 more preserved or enhanced
New Development	0	0	300-400 units
Down Payment Assistance Program	1	5	5-10 transactions per year
Rental Assistance	32	40	10-20 rentals annually

The following objectives inform the use of 6E Funds in 2026 to meet the targets and priority areas outlined above:

Land Banking

2026 Objective:

*Remain flexible in the ability to acquire and preserve existing homes, properties, and strategically located land- both vacant and underutilized- to support the development and conversion of workforce housing.*

The Estes Park Housing Authority is focused on being proactive and flexible with respect to property acquisition, enabling the ability to respond quickly to emerging opportunities. Land banking was a key strategy proposed in the 2023 Housing Needs Assessment and Strategic Plan, which EPHA immediately took advantage of with 6E Lodging Tax revenue. Since 2023, an additional 117 housing units have been added to the community through the conversion of existing properties that were previously utilized as short-term rentals, restricting them to use by the local workforce. With the financial resources that EPHA has access to, the rental rates at those properties are under market-rate, making them affordable for the workforce.

Targeted growth for increased housing units by 2028 is 300-400 units. The acquisition and conversion of the 117 units bring us closer to that goal. Moving into 2026, EPHA will shift its primary focus toward the development and predevelopment of properties owned by the Town and EPHA. Ground-up construction remains a top priority, while maintaining the flexibility to act on high-impact opportunities that strengthen the community’s long-term housing supply.

Development

2026 Objective:

*Advance the conceptual planning and initiate ground-up development of new housing units for both rent and sale. Efforts will align with the Estes Valley Housing Needs Assessment and the Town of Estes Park's Comprehensive Plan to ensure strategic, data-informed growth that meets local demand.*

The Estes Park Housing Authority projects the creation of approximately 137 units through the development of four capital development projects within the next five years. These projects are dependent upon market forces and the availability of funding sources beyond 6E revenue. All projects are under the direct control of the EPHA or the Town of Estes Park. 6E Lodging Tax funds, in partnership with various Prop 123 initiatives, or other available federal and state funding sources, will support the development of these projects. Property owned by the Town of Estes Park in predevelopment includes the Fish Hatchery Housing Development and 179 Stanley Circle Drive. In addition to Town-owned property, EPHA is in the pre-development stage for property they own on Riverside Drive.

The Fish Hatchery Housing Development has been in predevelopment since 2021, but the Town stepped back from pursuing a workforce rental development at that location due to changes in the financial market, construction costs, and market demand. EPHA and the Town will continue to work together to jumpstart a redevelopment of mixed-income workforce housing at the site. EPHA anticipates pursuing Low-Income Housing Tax Credits (LIHTC) to develop the site in coordination with development partners. As of August 2025, EPHA has filed a formal development plan with an amended rezoning application to the Town of Estes Park. This will position them to apply for low-income housing tax credits in 2027.

### Assistance Programs

2026 Objective:

*Implement and evaluate programs that financially support the rental and ownership of workforce housing, while exploring the potential incentives for the development of accessory dwelling units (ADUs) and private development of new workforce housing.*

The Workforce Rental Assistance (WFRA) program launched in 2024 as a pilot program and concluded in April 2025, transitioning out of the pilot phase in May 2025. 54 households received assistance during the pilot program, and the evaluation of the pilot program demonstrated that a change in eligibility should include a higher income-to-housing ratio. The new program year began in May 2025, and with the launch of the new program nine additional applicants have been approved for the program. While attrition is expected, renewal of applications is expected in 2026. Renewal applications coincide with the recipient's lease renewal, and updated employment information is required to ensure the applicant still falls within the guidelines of the program structure.

To date, the priority has been to provide stability for the workforce in rental markets. In 2026 will evolve to include home-ownership programs by offering a Down Payment Assistance Program. The Trailhead Homeownership Down Payment Assistance Program is scheduled to launch in 2025, with a goal of serving five households. Qualified households may receive up to a 20% down payment shared equity loan. A shared equity loan does not require monthly payments by the household but requires that the loan be paid back upon the sale of the home, including the shared appreciation sum. The administration of the program and the loan issuance will be administered by the Impact Development Fund.

### Staffing Capacity

In 2026, this will be removed as a priority. The staffing has been expanded at EPHA, providing systems that meet the needs of the increased scope of work conducted at EPHA that 6E Lodging Tax funds prompted.

6E Lodging Tax revenue transferred to EPHA will support the staffing needed to administer the work associated with the additional objectives related to the workforce, specifically the roles of the Housing Program Manager and the Real Estate Development Director positions. EPHA utilizes 6E Lodging Tax funds to cover additional administrative costs associated with the verification of housing and related covenants, the role of the Executive Director, and accounting services.

### **Final Summary**

This year's funding plan reflects a strategic shift in 6E Lodging Tax allocation to respond to evolving community needs and market conditions. In housing, the focus shifted from primarily expanding availability of workforce housing through the conversion, preservation, and acquisition of property to an approach that combines targeted assistance programs, such as rental and down payment support, with investment in new construction and mixed-income developments. This dual strategy addresses immediate affordability while building supply for the future.

In childcare, the priority was workforce stability and financial stability through tuition assistance programs, operational support for providers, and initiatives to retain and strengthen the early childhood workforce. Moving forward, funding will be directed toward increasing childcare capacity through investments in facilities, capital projects, and long-term infrastructure that can meet current and projected demand. This shift ensures continued availability of quality care while laying the foundation for sustained growth in the sector.

Performance measures indicate significant progress in increasing the availability and affordability of both housing and childcare, while also laying the groundwork for sustained long-term impact. Moving forward, the outcomes of this year's plan will continue to inform funding

strategies, leverage partnerships, and adapt to emerging needs, ensuring that our community remains resilient, inclusive, and economically strong.

### **Exhibit A: Community Input**

While drafting the annual funding plan, the Town engages with the public in several ways to gauge the direction of the proposed plan for the next year. In July and August 2025, the Town discussed strategies and alignment of the objectives and targets proposed in this plan through various methods including:

- One-on-one meetings with key stakeholders, such as EVICS Family Resource Center
- Two public outreach forums (18 individuals attended in-person, 6 virtually)
- Online Feedback Form (15 responses)

The same feedback form has been distributed, with minor edits, for the last three years and includes the following questions:

1. After reviewing the previous year's plan and impact report, what suggestions do you have for the 2026 Funding Plan?
2. What are your key takeaways from the use of 6E Lodging Tax funds for workforce housing/childcare to date?
3. What additional reporting mechanisms or data points would you like to see in the Annual Impact Report?
4. How do you feel about the distribution of funds between childcare and housing? (80%/20% split)
5. Please share your reasoning for suggesting any increases or decreases between the two focus areas.
6. Decreasing/No Change/Increasing funding for each workforce housing priority area: Land Banking, Development, Assistance Programs, and Staffing
7. Decreasing/No Change/Increasing funding for each workforce childcare priority area: Tuition Assistance, Out-of-School, Workforce Challenges, and Capital/Facilities
8. Recipients have the opportunity to ask questions and include their contact information, otherwise the form is anonymous.

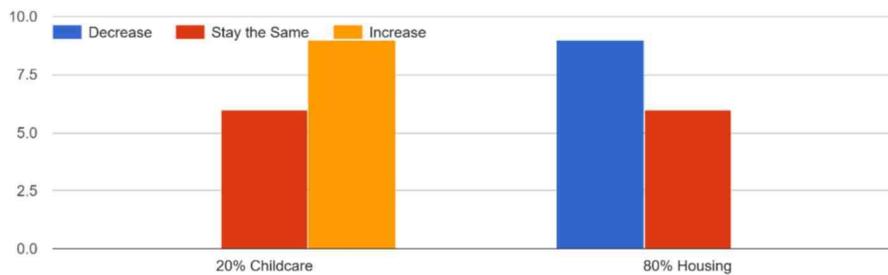
The feedback form is provided to interested community members who may not be able to attend a forum, where many of their questions may have been answered. The following points were taken from the feedback form and discussions during the forums:

- **Childcare and Housing Focus:** Several respondents suggested increasing funding for childcare, with some believing it needs more attention than housing. There is a significant need for affordable and quality care, especially for infants.
- **Seasonal Worker Housing:** A significant suggestion was to address the lack of housing for J1 and seasonal employees, proposing options like dorm-style housing and utilizing 6E funding for seasonal workers, as much seasonal housing has converted to short-term rentals.

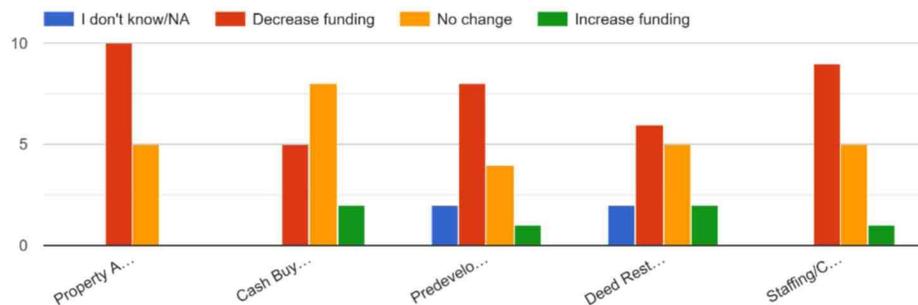
- **Funding and Oversight:** Suggestions included moving middle-income tuition assistance to EVICS, increasing citizen involvement in fund distribution, and reviewing leadership and practices related to 6E funding.
- **Alternate Housing Solutions:** Suggest increasing the focus on housing affordability issues and giving money back to the community for homebuyer programs and down payment assistance.
- **Housing Expansion Concerns:** Some respondents recommended slowing down workforce housing expansion due to perceived inefficiency and economic slowdown. There were comments about the high amount of funding that's gone to housing and the rapid growth of EPHA.
- **Childcare Workforce:** Incentivize the local workforce and focus on attracting and adequately compensating high-quality childcare workers.

The following charts are representative of the feedback received from the online feedback form:

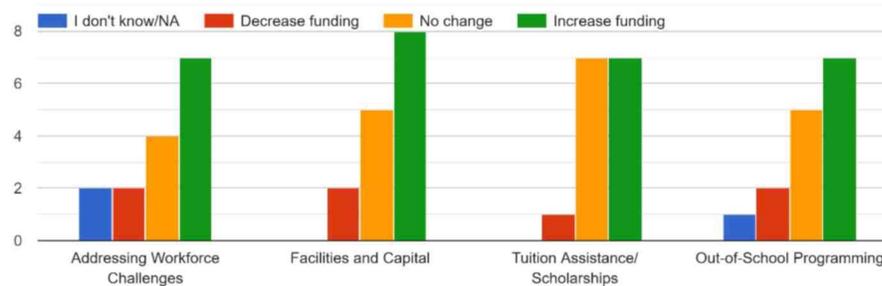
In 2023 and 2024, the split between housing and childcare initiatives was 88/12, in 2025 that changed to 80/20. How do you feel about the distribution of funds between Childcare and Housing?



#### Workforce Housing Priority Areas



Childcare Priority Areas



### **Exhibit B: Childcare Priority Grant Framework and Allocations**

Priority Grant opportunities offer 6E Lodging Tax revenue to address specific childcare challenges in the Estes Valley by targeting objectives and outcomes presented in this Annual Funding Plan, including but not limited to, tuition assistance programs, out-of-school program expansion, capital projects and facilities, and addressing challenges in the early childhood workforce.

#### Childcare Facility and Capital Funding Grant

Childcare Facility and Capital Funding Grants are dedicated to supporting new facilities and facility improvements that are designed to create nurturing and stimulating environments to enhance early childhood development.

- Application Window: June 15- September 1
- Funding Allocation: \$100,000

#### Out-of-School Funding Grant

Out-of-School Funding Grant supports the expansion of existing programs serving children 0-13 years old when school is out of session. Funds must be used to increase capacity and serve more children in the Estes Valley after-school and when school is out of session.

- Application for School-year: July 15- October 1
- Application for Summer: March 15- May 1
- Funding Allocation: \$50,000

#### Childcare Stability Initiative

Childcare Stability Initiative provides eligible entities with a direct subsidy to support the early childhood and childcare workforce, and general operations and overhead of entities that play a critical role in providing childcare capacity in the Estes Valley.

- Applications due July 1.
- Funding Allocation: \$300,000

Tuition Assistance Funding

6E Lodging Tax revenue is available through the Childcare Assistance application, or by direction of the Town Board, to fund low- to middle-income families in the Estes Valley.

Requests for funding over \$50,000 must be approved by the Town Board.

Funding Allocation: \$300,000

New License Incentive Program

Family Childcare Home (FCCH) providers who become licensed and enroll in the Early Childhood Council of Larimer County Coaching Program to achieve a Colorado Shines Quality Level 2 rating will receive a \$1,000 bonus.

Funding Allocation: \$5,000

**Exhibit C: Proposed 6E Childcare Budget**

Based on projected revenue and allocated funds for developed funding programs, the following budget provides a proposed use of 6E revenue and expenditures throughout the year.

2026 Projected Childcare Budget

<b>Revenue</b>	
Roll-over from 2025/Reserve	\$750,000
Projected 6E Revenue	\$1,102,500
<b>Total</b>	<b>\$1,852,500</b>
<b>Expenditures</b>	
Allocated Program Funding	\$955,000
Childcare Facility Account Transfer	\$30,000
<b>Total</b>	<b>\$985,000</b>

An allocation of funds for each grant funding program ensures that funds are available to distribute and directs the prioritization of awards. These programs do not represent the total expected revenue in 2026. Funds may be distributed *up to* the amounts outlined in the proposed

program budget and may change throughout the year. By vote of the Town Board, expenditures may exceed funding allocations outlined below.

2026 Projected Program Funding Allocation

<b>Priority Objective</b>	<b>Allocated Funding</b>
Childcare Stability Initiative	\$300,000
Childcare Facility and Capital Grant	\$100,000
Tuition Assistance	\$500,000
Out-of-School Funding Grant	\$50,000
New License Incentive Program	\$5,000
<b>Total</b>	<b>\$955,000</b>

**Exhibit D: Childcare Stability Initiative**

Childcare Stability Initiative Request and Staff Recommendations

<b>Applicant</b>	<b>Amount</b>	<b>Recommendation</b>
Mountaintop Childcare	\$35,000	Yes
Park Place Preschool	\$25,000	Yes
YMCA BKB Preschool	\$40,000	Yes
Cubs Den	\$15,000	Yes
YMCA Summer Inclusion Program	\$60,000	Yes
Boys and Girls Club- Summer Program	\$60,000	Yes
Boys and Girls Club- School	\$40,000	Yes
Mountaintop Summer Program	\$15,000	Yes

The funding requested by Estes Valley childcare organizations and stakeholders has been recommended for approval from the Town Staff review committee for 2026. A total distribution of \$290,000 will be awarded in January 2026.

**Exhibit E: Childcare Facility Account**

As presented in Policy 225: Childcare Funding Guidelines, the Childcare Facility account was established with revenue from the rental of a Town-owned facility to a childcare provider. The Childcare Facility account is used to fund future maintenance, repairs, expansion, and acquisition of childcare facilities to be owned by the Town. 6E Lodging Tax revenue may be allocated to the Childcare Facility account with approval by the Town Board.

Expenditures from the Childcare Facility expense account for Town-owned childcare facilities will be presented and approved through the Town’s annual budget approval process and Annual 6E Funding Plan.

Facility Account Projections

Revenue	2025	2026
1250 Woodstock Rent	\$37,452	\$37,452
FDGD Grant	\$10,000	\$10,000
6E Fund Transfer		\$30,000
<b>Expenses</b>		
Repairs and Maintenance	\$935	\$5,000
ADA Compliance Project		\$50,000

Staff recommend investing in upgrades to the outdoor ramp and playground area to meet ADA compliance and enhance the space to meet the needs of all children. The Town has applied for grant funding, but recommends transferring \$30,000 in 6E Lodging Tax revenue to the Childcare Facility Account to begin work on these projects, regardless of whether the project is awarded.

Additional repairs and maintenance expenses are projected in 2026 as outlined in the proposed 2026 Childcare Facility Account budget.

2026 Repairs and Maintenance

Exterior	
Signage	\$1,000
Lawn/Playground Maintenance	\$1,000
Gutter Extension	\$250

<b>Interior</b>	
Paint	\$1,000
Electrical Updates	\$1,750
<b>Total</b>	<b>\$5,000</b>

As of September 2025, the Town has been awarded \$20,000 in grant funding from Visit Estes Park, from proceeds they are redistributing back into the community from the Frozen Dead Guy Day festival. The Frozen Dead Guy Day (FDGD) Grant will support the ADA Compliance Project at the Mountaintop Childcare facility as proposed:

ADA Compliance Project

<b>Revenue</b>	
FDGD Grant	\$20,000
6E Fund Transfer	\$30,000
<b>Expenses</b>	
Ramp Construction	\$30,000
Surfacing	\$10,000
Equipment	\$5,000
Exterior Upgrades	\$5,000
<b>Total</b>	<b>\$50,000</b>