

LARIMER COUNTY ESTES VALLEY PLANNING ADVISORY COMMITTEE MINUTES OF THE OCTOBER 11, 2022, CONTINUATION MEETING FROM SEPTEMBER 15, 2022

The Larimer County Estes Valley Planning Advisory Committee met on Tuesday, October 11, 2022, at 4:00 p.m. virtual video only.

Committee members present included: Rex Poggenpohl, David Converse, Mike Kennedy, Frank Theis, and Drew Webb. Commissioner Jody Shadduck-McNally attended.

Staff present included: Lesli Ellis, Matt Lafferty, Amy White Tawn Hillenbrand and Christina Scrutchins.

Public present included: 6 members; Charles Fain, Christopher Heumann, Deb Dufty, Rich Chiappe, William Brown, Lee Currie, and Roger Sherman.

AGENDA, CONTINUED

- A. CALL TO ORDER
- B. ROLL CALL
- C. DISCUSSION ITEM CONTINUED FROM SEPTEMBER 15, 2022
- D. ADJOURN

ADOPTION OF AGENDA

Member Webb made a motion to approve the agenda.

Member Poggenpohl seconded.

All voted in favor (6-0).

DISCUSSION ITEM NO. 2 SHORT-TERM RENTAL REGULATIONS PROJECT OPTIONS CONTINUED FROM SEPTEMBER 15, 2022:

The committee agreed that the Estes Valley Short-Term Rental Alliance could provide a 5-minute presentation, as requested by EVSTRA. Other organizations that request time would be granted similar opportunity.

ESTES VALLEY SHORT-TERM RENTAL ALLIANCE PRESENTATION

William Brown gave a brief presentation regarding the background of the Estes Valley Short-Term Rental Alliance (EVSTRA). The alliance was formed in August of 2022 and since then has represented 100s of short-term rental properties. Their intent is to be an advocate for the adoption of the Lodging Tax Extension included on the ballot. The EVSTRA's interest is because short-term rentals rely on a strong and diverse local work force and their understanding that short-term rentals would be a major part of the revenue stream caused by the enactment of the valid initiative. The EVSTRA was also created to make a positive difference for the community. EVSTRA would like to respond to the recommendation presented to the Board of County Commissioners.

STAFF PRESENTATION

1. Staff gave a presentation regarding the feedback collected through the Community Questionnaire, primarily focusing on Estes Valley, feedback and summary from PC-BCC Work Sessions on September 14, 2022, and September 19, 2022, and gather feedback or thoughts from Estes Valley Planning Advisory Committee about the process moving forward. The community feedback to date includes the following: Open House Webinar held on August 9, 2022, with 34 participants; Estes Valley Open House held on August 15, 2022, with 43 participants signed in; Community Questionnaire held from July 6 through August 28, 2022 with 588 general responses and 275 detailed responses; Planning Commission (PC) and Board of County Commissioners (BCC), held on September 14, 2022 and September 19, 2022; and Fire Districts Meeting held on October 6, 2022, to gather feedback related to health and safety concerns related to access, wildfire, and emergency evacuations. The

process and schedule moving forward include Engagement, Events and Timeline. Feedback that was given from the open houses and online questionnaires can be reviewed online. Larimer County met with the Fire District to also receive feedback, reviewed Larimer County Jurisdiction regulations, reviewed other community examples, and refine location and density maps.

Staff included the following reminders: October 25, 2022 (now Oct. 26), is the initial draft regulations release date for Public Review; a webinar for the Estes Valley will be held on November 1, 2022; a County Wide webinar will be held on November 7, 2022; Public input on draft regulations will be accepted through end of November; and other advisory committees will be accepted in November. Towards the end of the 2022 year, the public hearing draft regulations will be completed following with the December Planning commission and Board of County Commissioners Work Session, and Hearings/adoption of proposed regulations in the early year of 2023.

Based on the feedback that was received from the online questionnaire, the planning team is refining options and has eliminated some of the of the ideas that did not gain much support. The Planning Commission and Board of County Commissioners feedback included the following: Get data on residential and non-residential zoning districts to help support this work; keep cap in Estes Valley residential areas; consider applying cap to Bed & Breakfast, or host occupied STRs; consider geographic percentage limits for some subdivisions within the county that have small lots; generally, continue only “one STR per property,” except in EV A and EV A-1 where existing multi-family units already exists. Be cautious and consider safety issues in multi-family units; consider the interplay between process and standards; don’t move in the direction of process that would eliminate neighborhood notice – or give false hope; heard divergent discussion about license transfer upon sale of an approved STR; improving transparency – creating maps that show approved STRs and making them available to the community; evaluate documentation process for code compliance complaints; and addressing compatibility concerns by creating more objective review criteria specific to health and safety such as emergency access, water availability, and wildfire hazard areas.

The intent of the meeting with the Fire District was to discuss the STR regulations update and to gather feedback from the local fire districts on suggested improvements to the regulations pertaining to compatibility and public health and safety, more specifically emergency access and wildfire.

Larimer County completed a comparative analysis of short-term rental regulations to the City of Fort Collins, Town of Timnath, and the Town of Estes Park. Loveland, Berthoud, Wellington, Windsor, and Johnstown do not currently have short-term rental regulations. Boulder County, Pitkin County, Summit County, Grand County, San Miguel County, City of Aspen, Town of Vail, located in Colorado, were also included in the comparative analysis as well as Santa Cruz, located outside of Colorado. Staff will continue to add information to the comparative analysis table.

ESTES VALLEY PLANNING ADVISORY COMMITTEE COMMENTS AND DISCUSSION

Members discussed the following:

- Based on the areas that were included in the comparative analysis, is there an area that is operating the best?
- Assumed that Short-Term rental License transfer is a regulation that is being discussed throughout other Communities.
- Wanted clarification from staff if they are looking for specific recommendations from the Estes Valley Planning Advisory Committee.
- In non-residential zoning districts, EV A and EV A-1, short-term rentals should be allowed, short-term rental licenses should be transferable, and the short-term rental process should be simpler.
- Wanted clarification if the different types of short-term rental licenses between a property that is rented out 365 days out of the year and a property that is rented out 10 days out of the year was indicated in the Short-Term Rental Regulations update.
- Short-Term Rental regulations within commercial zoning districts could be reviewed and approved by staff and not presented in front of the boards and committees, but short-term rental regulations within residential neighborhoods should.
- Wanted clarification if there are issues in accommodation zoned areas for density.
- Wanted clarification regarding the difference between EV A and EV A-1 for the cap on use.

- Short-term rentals within the EV A zoning district should be compared to hotels and short-term rentals within the EV A-1 zoning district should be compared to historical established cabins.
- If the Estes Valley Planning Advisory Committee recommend allowing short-term rentals within very low-density zone areas or designate one area for only short-term rentals that is zoned residential.
- If there should be a cap for short-term rentals within a residential neighborhood based on density, should there be separation requirements between short-term rentals and residential neighborhoods, and how many short-term rentals within residential neighborhoods is too much?
- If there should be a special category for short-term rentals that are not within established residential neighborhoods, and short-term rentals should be located on a more relaxed low density accommodation area.
- Be cautious in considering short-term rentals within larger low density accommodation areas that are very close to wildlife migration routes.
- Recommend including wildfire and wildlife as part of the short-term rental review process and require more restrictions.
- Make sure the Comprehensive Plan matches the plan for short-term rentals.
- Concerns with using other community data on a specific bases regarding short-term rentals, due to every area is different and to listen to the Estes Valley Community.
- Concerns of some Estes Valley community members having more than one short-term rental as next-door neighbor.
- How the Short-Term Rental density and separation issue should be reviewed and if one or two properties should be in-between short-term rentals.
- Location of a property and how often a property is rented should be taken into consideration within Estes Valley residential areas.
- Concern that if the regulations become too detailed it will be harder for staff to regulate short-term rental regulations.
- The Estes Valley Short-Term Rental Alliance could be a positive step and contribution to short-term rental issues.
- Consider not issuing any more short-term rentals within residential zonings but allowing an allowance in large lot locations and special zoning districts that are non-conforming areas, who would make the determinations and what would be the criteria for the special zoning districts, and if a Public Hearing should be required within the special zoning district.
- Could the special zoning districts follow the accommodation zoning district process and be identified as non-conforming?
- Recommend discussion in identifying what would be considered a business and what would be considered a Short-Term Rental.
- Could there be Provisional Permits within the Estes Valley for short-term rentals?
- Regardless of the zoning and a location of an approved short-term rental, they could be reviewed on an annual basis.
- Due to Short-Term Rentals being a non-owner-occupied property they should have stricter regulations, and staff should consider making a distinction between an owner-occupied property and a non-owner-occupied property.
- Should the County incur cost, in responding to short-term rental, the owner should be responsible for the cost, and it might help enforce regulations.
- Consider addressing what to do with a corporation that runs short-term rentals.
- What does the County consider to be a residential area and recognize that most of the residential areas in the Estes Valley do not have operating HOAs.
- Come up with some clear definitions of what is trying to be regulated and what are the key factors.
- Short-Term Rentals are commercial, and if the property is used as a short-term rental half the year and getting a mortgage interest deduction from the IRS, and it is only going to be used by the owner's ten percent of the time, then identifying that it is commercial and collecting sales tax.
- Short-Term Rentals should pay commercial property tax, and pay lodging tax, but would be difficult to enforce.
- Suggest that the Short-Term Rental license fees be raised to cover the cost of County enforcement.
- How would staff execute making short-term rentals property taxes commercial?

COMMISSIONER SHADDUCK-MCNALLY COMMENTS

Commissioner Shadduck-McNally asked and stated the following:

- Did staff reach out to Routt County and Louisville regarding short-term regulations?
- Remind the Estes Valley Planning Advisory Committee regarding wildfire hazard area response times, water, etc. and that they are important things when considering larger properties.
- Mentioned that she has received two complaints of illegally feeding the wildlife from short-term rentals just in the past week in Estes Valley. Conversations are continuously being held with other County Commissioners regarding wildfire hazard areas near the national forest and are discussing not allowing Short-Term Rentals within areas near the national forest.

STAFF COMMENTS

Staff stated the following:

- Routt County does not allow short-term rentals, but staff will consider and include information in the table from Louisville.
- Almost every Colorado mountain community is working on their Short-Term Rental regulations, and staff does not have data based on which community has handled them the best, but there is a lot of good information.
- Most Communities have moved in the direction to eliminating Short-Term rental License transferals, and there are different ways to handle – not one-size-fits-all.
- Clarified that they are not looking for specific recommendations from the Estes Valley Planning Advisory Committee at this time due to not having draft recommendations, but will have draft recommendations at the November 17, 2022, Estes Valley Planning Advisory Committee meeting.
- The Short-Term Rental Regulations Potential Options Analysis, available at <https://www.larimer.gov/planning/short-term-rentals>, has information regarding the types of licenses. Several jurisdictions have license types that distinguish types of licenses that are issued for year-round rental versus a limited number of days rented throughout the year. Jurisdictions will also distinguish if a property is host-occupied versus non host occupied and different standards apply within each zone, with more restrictive standards in the neighborhoods.
- The zones, themselves, are limited in density according to the Land Use Code and the Use Table and there wouldn't be more density than what's allowed.
- The County's objective would be that EV A-1 short-term rentals should be limited to single family residential properties.
- Curious about what the Estes Valley Planning Advisory Committee thinks on what the density is like in the Estes Valley residential area so staff can complete further analysis.
- Larimer County does not have Provisional Permits, but most jurisdictions have an annual license renewal period that will consider the status of complaints and how the short-term rental has performed.

PUBLIC COMMENT

Deb Dufty, William Brown, and Rich Chiappe

Comments:

- When HOAs enforce regulations, it costs money.
- Increase in traffic.
- There should be a very serious enforcement with respect to non-licensed Short-Term Rentals.
- There should be penalties for operating a non-licensed Short-Term Rentals.
- Minimize any differences in regulation between the town and the county in Estes Valley.
- Fire concerns
- Short-Term Rentals are not businesses.

ESTES VALLEY PLANNING ADVISORY COMMITTEE FINAL COMMENTS

Members commented and recommended the following:

- It might be a good idea to have the Alliance come and inform the Estes Valley Planning Advisory Committee more about who they are.
- The Estes Valley Planning Advisory Committee needs to be careful in their engagement with special interest groups, such as the Estes Valley Short-Term Rental Alliance, advocating for business interests.

- Giving staff definitive recommendation from the Estes Valley Planning Advisory Committee for the County Commissioners before you present recommendations.
- Members would like to get feedback from the County Commissioner meetings regarding the Short-Term Rental applications for which the Estes Valley Planning Advisory Committee recommended denial.

STAFF COMMENTS

- Staff will ask for a definitive recommendation from the Estes Valley Planning Advisory Committee once the draft regulations are ready.
- Staff is planning to provide a summary at the next meeting regarding the short-term rental applications that the Estes Valley Planning Advisory Committee recommended denial on.

ADJOURN

With there being no further business, the meeting adjourned at 6:00 p.m.