



SHORT-TERM RENTAL REGULATIONS UPDATE SUMMARY OF FEEDBACK AND DISCUSSION

**PC – BCC WORK SESSION
SEPTEMBER 14, 2022**





SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Work Session Purpose

1. **Share feedback** collected during the two recent Short-term Rental (STR) Regulations Update open houses and through the Community Questionnaire.
2. **Discuss possible options** for revision to the existing STR regulations.
3. **Hear feedback and direction** to further develop revision options





Community Feedback

SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Open House Webinar

- Completed August 9th
- 34 participants

Estes Valley Open House

- Completed August 15th
- 43 participants signed in

Community Questionnaire

- Available July 6th – August 28th
- General Questionnaire: 588 participants
- Detailed Questionnaire: 275 participants

All summarized On webpage: www.larimer.gov/planning/short-term-rentals

The intent of the open houses and questionnaire was to gather feedback from the community pertaining to short-term rental regulations and the update process.





SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Topics Addressed

Topics addressed in the Open Houses and Questionnaire:

1. Zoning districts
2. Caps on the number of approved STRs, current and future
3. Number of allowed STRs per property in accommodations or commercial zoning districts
4. Approval process
5. Retaining affordable or work-force housing
6. Fees and taxing of STRs
7. Restrictions on the number of days rented per year, including different types of license
8. Transferability of STR approvals
9. Creation of a 'mid-term rental' use and definition
10. Thoughts on B&Bs overall



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Feedback Summary

Feedback from the Open Houses and Community Questionnaire suggests the community supports some level of regulations.

Based on the feedback we have heard so far, the planning team is refining options and has eliminated some of the of the ideas that did not gain much support.

Of the remaining options, we suggest the following topics for focus:

1. Zoning districts where STRs are allowed
2. Addressing density and intensity concerns
3. Allowing multiple STRs on a property
4. Modification of the approval process based on STR type
5. Implementing impact fees or an incentive program to offset the impacts to work-force housing, long-term rental units, and affordable housing
6. Property ownership limitations
7. Transferability of STR approvals
8. Enforcement
9. Other issues that are consistently identified with proposed applications



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



1. Zoning Districts where STRs are Allowed

The feedback we received through the Questionnaire regarding County zoning districts where STRs are currently allowed indicated that there was little to no concern with where STRs are currently allowed. However, much of the feedback we have received from the open houses, active applications, and other feedback, indicates that allowing STRs in residential zoning districts creates compatibility concerns and conflict.

On a Countywide basis including the Estes Valley:

- STRs should only be allowed in the non-residential zoning districts where an existing residential dwelling exists; otherwise, new Single-family residential dwellings are not currently allowed in non-residential zoning districts, such as CD - Commercial Destination.
- Continue limit allowances in residential zoning districts.
- Permitted uses such as hotels, motels, resort lodge/cottages provide for accommodation or lodging uses in non-residential zoning districts.

In the Estes Valley area:

- Residentially zoned properties in the Estes Valley are subject to a STR cap and waitlist. Properties zoned accommodations are not subject to the cap or waitlist.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



2. Addressing Density and Intensity Concerns

Based on the feedback, the saturation of STRs in neighborhood environments creates compatibility issues. While there is not a singular method to resolve this issue, the following items could be good tools to address the issue:

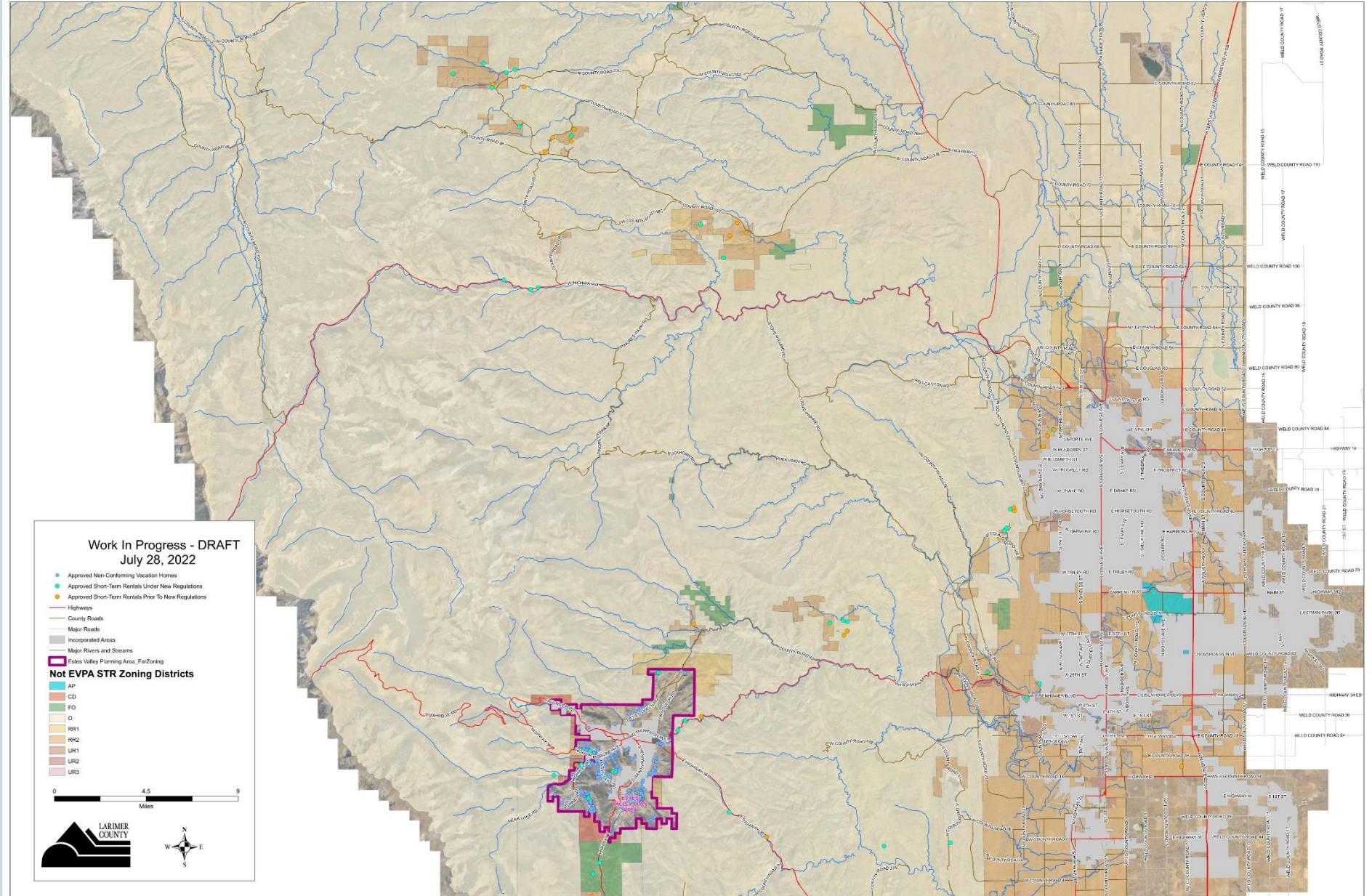
- Limitations to the saturation of STRs
 - Countywide
 - Caps
 - Physical separation between approved STRs
 - Geographic Location
 - Caps
 - Physical separation between approved STRs
 - Neighborhood
 - percentage of STRs allowed in a subdivided development



Density Maps ➤ Staff are currently working to further refine the maps

SHORT-TERM RENTAL REGULATIONS UPDATE

AUGUST 15, 2022





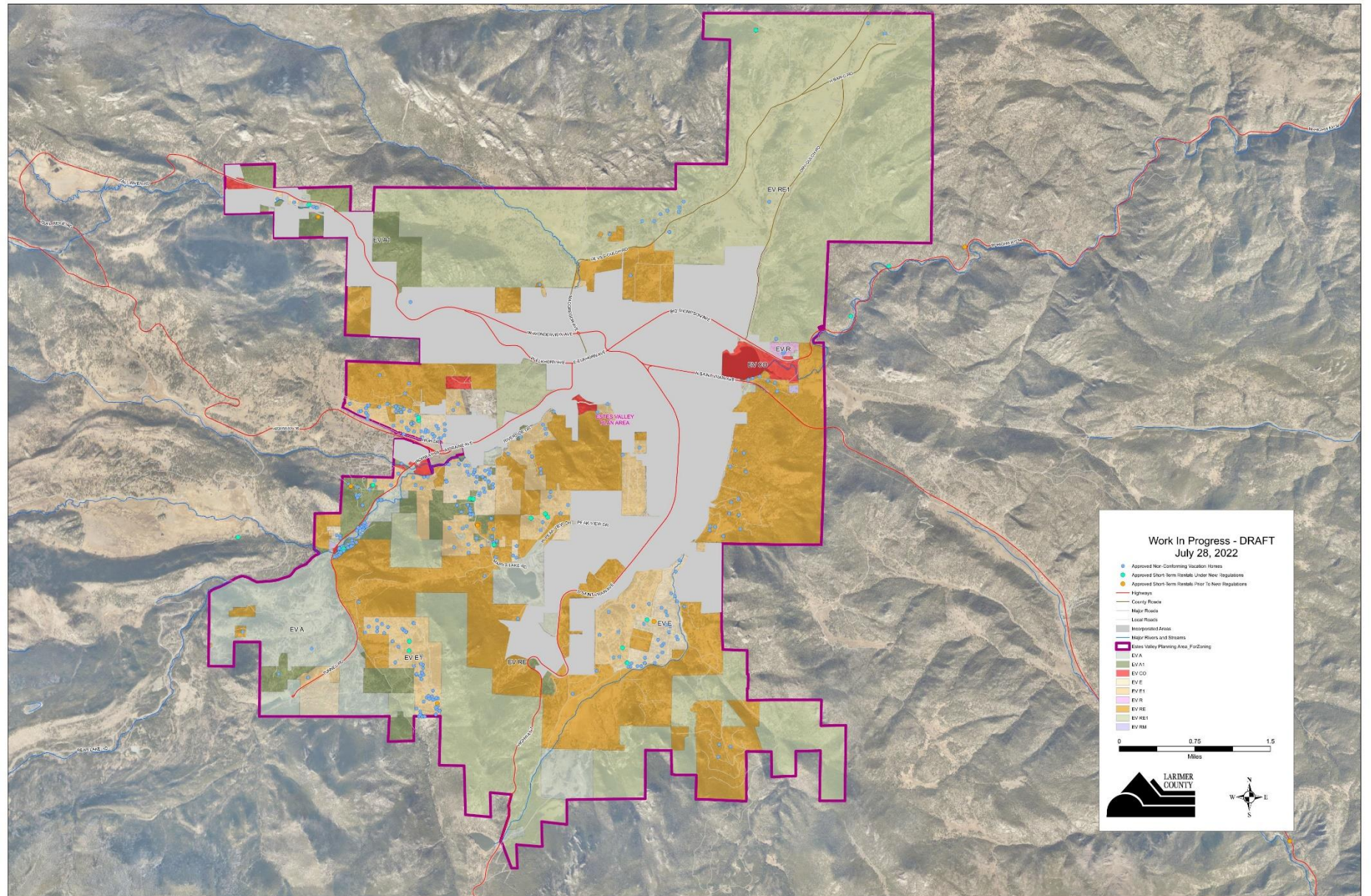
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SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Estes Valley





SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



3. Allowing multiple STRs on a property

Based upon feedback, the number of STRs on a property should be treated differently between the Estes Valley and the overall County. This is largely relevant in the accommodations zoning districts in the Estes Valley. Therefore, this topic is dealt with separately for the Estes Valley.

On a Countywide basis (excluding the Estes Valley):

- STRs should only be allowed in the non-residential zoning districts where an existing residential dwelling exists; otherwise, permitted uses such as hotels, motels, resort lodge/cottages provide for accommodation uses which includes those with multiple occupancies.
- Outside of the non-residential zoning districts, STRs should be limited to one per property.

In the Estes Valley area:

- Outside of the non-residential zoning districts, STRs should be limited to one per property.
- Because the EV A and EV A-1 zoning districts in the Estes Valley allow single- and multi-family residential dwellings, having more than one STR on such properties should be permissible where more than one dwelling unit exists.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



4. Modification of the approval process based on STR type.

Questions were raised in feedback and during development review regarding the STR approval process, based on occupancy limits, zoning district, or whether or not the STR was owner-occupied. Some members of the community believe the Administrative Special Review (ASR) process is too stringent while others believe it is not stringent enough.

Occupancy Limits:

On a Countywide basis including the Estes Valley:

- Small STRs, those that are 10 or fewer occupants, currently requires ASR. The process could change to an Administrative Special Review with a County Commissioner hearing. If the objective is to simplify the process, then it could remain unchanged or convert to a Site Plan Review process. (but Site Plan Review does not require neighbor notification).
- Large STRs, those that are 11 or more occupants, could be converted to the Special Review process to ensure compatibility issues are adequately addressed in a public hearing process.

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SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Modification of the approval process based on STR type, cont.

Zoning Districts:

On a Countywide basis including the Estes Valley:

- On a Countywide, feedback does not suggest changing the approval process based upon zoning district.
- In the Estes Valley area, which includes the accommodations zoning districts EV A and EV A-1, simplifying the approval process could be considered. The alternatives are to simplify the process to either a building permit only or Site Plan Review, or to keep the process unchanged. The latter provides opportunity for neighborhood input.

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SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Modification of the approval process based on STR type, cont.

Owner-Occupied STRs:

On a Countywide basis including the Estes Valley:

- Comments indicated that accommodation uses occupied by the owner during the rental process should have a simpler development review process than those not occupied by the owner during the rental process. Currently the County addresses this issue by referring to an owner-occupied facility as a Bed & Breakfast (B&B) and a non-owner-occupied facility as a STR. This distinguishing factor results in reduced procedural requirements and standards for the B&B vs. STR.

Note: County Building and Planning staff have discussed the potential of requiring a Life Safety Inspection for both types of uses.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



5. Implementing impact fees or an incentive program to offset the impacts to work-force housing, long-term rental units, and affordable housing.

The questionnaire included questions pertaining to affordable housing, long-term rental units, and work-force funding. Responses from the community indicates a variety of differing thoughts on this matter. STR regulations do not address impact fees or incentive programs, so staff will come back to this topic.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



6. Property ownership limitations

An option is to create a limit or minimum to the length of time an owner(s) must own a property before it can be converted to a STR. Community feedback indicates limited interest in this approach, but other discussions suggest some interest.

- To manage the conversion of long-term rentals and/or housing to STRs the County could:
 - require ownership (e.g., minimum of one to two years) before STR conversion
 - Other ???



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



7. Transferability of STR approvals.

As noted previously, based upon the feedback, the saturation of STRs in neighborhood environments creates compatibility issues. Limiting or restricting the transferability of a STR approval when a property is sold to a new owner(s) may help address density concerns and thereby address some compatibility issues.

On a Countywide basis including the Estes Valley:

- Comments from participants indicated that restricting transferability would be beneficial with some exceptions applied to family-owned properties that pass from family to family and previously approved STRs which may be ‘grandfathered in.’ Currently the County requires a re-certification process for all approved STRs every two years. Re-certification requires the property owner to confirm their contact information with the Community Information Resources Team (CIRT). The process does not currently require a fee. A possible alternative to restricting transferability would be to strengthen or further develop the existing re-certification process.

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SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Transferability of STR approvals, cont.

- Estes Park recently adopted an Ordinance (Ordinance No. 13-21) restricting the “transfer of business licenses for vacation homes and bed and breakfast inns.” The ordinance applies to new vacation home and B&B licenses and states that licenses are not transferrable upon sale or transfer of ownership of the property. Properties that were approved for a vacation home or B&B use prior to the date of the ordinance are ‘grandfathered’ in and the approval may be transferred if the new owner files an application to transfer the license within 30-days of transfer of ownership. The County may consider a similar approach if strengthening the existing re-certification process is not viable.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



8. Enforcement

Throughout the process we have heard concerns that the County is not addressing complaints and purported violations at STRs. Many of these issues involve such things as noise and trespassing. Verifying and resolving these issues is difficult because County staff who would validate these issues do not work evening hours or weekends leaving compliance up to the property manager for the site or to workday hours. The County has stepped up compliance through its ordinance and has provided information online and continues to work on this.

- To improve upon enforcement issues the County could:
 - investigate options such as online complaint forms and a GIS map that makes the units transparent to the community
 - provide online information including property management contacts, conditions of approval, and maps showing approved STRs
 - Other ???



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



9. Other issues that are consistently identified with proposed applications include:

Additional compatibility concerns expressed through feedback and active applications include:

- Access, including emergency access and grade of roads
For properties located in the rural portions of the County, and more specifically in the mountain region, we are hearing concerns regarding community safety related to emergency access and road standards. The Larimer County Rural Area Road Standards (LCRARS) addresses road standards including emergency access. The standards address minimum road width and maximum road grade for new construction. To address safety concerns related to emergency access and road grades, it may be appropriate to address minimum road width (e.g., 20-feet) and maximum road grades (e.g., 12%) in the STR standards, requiring property owners to provide evidence of adequate access. An alternative would be to not allow STRs in the mountain region of the County.

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SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Other issues that are consistently identified with proposed applications, cont.

Additional compatibility concerns expressed by the community through feedback and active applications include:

- Allowing uses in hazard areas such as flood zones and wildfire areas. Based upon feedback that we hear, STRs should not be allowed or limited in hazard areas out of safety concerns for not only occupants of the STR but for the community at large. STRs are currently not permitted in established floodplains; however, the regulations do not restrict or limit the use in wildfire hazard areas. Staff recommends restricting the use in extreme/very high/high wildfire hazard areas. Furthermore, although the regulations state that STRs shall not be located within an established floodplain, regulations do not address access that is in an established floodplain. Staff recommends revising the regulations to limit or restrict access that is in an established floodplain, such as a river crossing.



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Process Timeline

- Current:
 - Discuss feedback summary and options for revision with Planning Commission and Board of County Commissioners for feedback
 - Sept. 14th - PC Work Session, BCC will be out
 - Sept. 19th – BCC Work Session
- Up Next: Materials and options for discussion with public (available next week, online)
 - EVPAC meeting in early October (TBD)
- November
 - Prepare draft regulations (TBD)
 - Public input on draft regulations at meetings and online for about a month
 - Other advisory committees in November
 - ** details to project website as we progress ** www.larimer.gov/planning/short-term-rentals
- Final draft and adoption of proposed regulations – early 2023



SHORT-TERM RENTAL REGULATIONS UPDATE

SEPTEMBER 14, 2022



Other questions or feedback?

- Is staff heading in the right direction based on the feedback?
- Do you have any other suggestion?