

MEMORANDUM

To: NWCCOG Council

From: Jon Stavney, Executive Director

Date: July 18, 2018

Re: Short Term Rental Roundtable Discussion

At the July 26th Council Meeting, we are planning an open discussion among the membership regarding their experiences with STR. Many member jurisdictions have wrestled with this lately, and likely will continue. AirBnB was founded in 2008, and in the decade since has spawned a new industry. The disruption on our resort communities has been immense.

Those of you who are members of CAST (Colorado Association of Ski Towns) may be familiar with the study/survey they performed just two years ago. Since then there has been tremendous ink spilled in the newspapers and in staff memos, and much public engagement on the subject.

Our intent at this meeting is not to replicate local staff analysis or provide a comprehensive presentation on the matter but to stimulate discussion among the membership so that lessons learned and perhaps best practices can be shared. It is an open roundtable discussion.

To help prompt discussion, Grand County Commissioner Richard Cimino will present a brief PPT and share their experience. We are also providing a link to the Town of Silverthorne whose staff just put together an exhaustive memo on the matter for their council consideration. Another attachment has a collection of annotated recent news articles from around the region.

I look forward to hearing the discussion and learning from your experiences.

Steamboat Springs ranks high on list of Airbnb's hottest Colorado markets

January 18, 2018

STEAMBOAT SPRINGS — Airbnb hosts in Steamboat Springs brought 31,000 guests to the city last year and made \$4.5 million in income from renting out their bedrooms and homes, according to a report from the company that markets short-term lodging rentals.

Steamboat's Airbnb market had the sixth-highest guest count in Colorado and ranked above other resort towns including Vail, which brought in 21,000 guests.

Steamboat was second in the resort market only to Breckenridge, which reportedly brought in 89,000 guests while making \$16.5 million in host income.

The Airbnb market in Steamboat also is having a significant impact on the city's tax coffers.

Finance Director Kim Weber said Airbnb ranked 14th last year on the list of businesses and organizations that are generating the most tax revenue for the city.

City	Total 2017 Guest Arrivals	Total 2017 Host Income
Denver	325,000	\$51 million
Breckenridge	89,000	\$16.5 million
Colorado Springs	72,000	\$2,1 million
Boulder	67,000	\$14.1 million
Fort Collins	32,000	\$4 million
Steamboat Springs	31,000	\$4.5 million
Keystone	26,000	\$3.6 million
Silverthorne	22,000	\$2.9 million
Vail	21,000	\$5.8 million
Aurora	19,000	\$2 million

And based on the host income reported by Airbnb, the city of Steamboat would have earned about \$180,000 in sales tax revenue and \$45,000 in lodging tax revenue.

In addition, the city would have collected about \$22,500 from the half-cent sales tax for education.

While Weber noted the estimates represent a significant positive tax impact, she did also note the revenue was less than what she would have expected based on the sales tax numbers she has seen.

Statewide, Airbnb reported that it saw 1.2 million guests use their service last year, a 68 percent growth rate over the year before.

Steamboat Springs City Councilman Scott Ford crunched some numbers and estimated that the average daily rate Airbnb guests in Steamboat are paying is reasonable when compared to the city's competitive markets.

He also said he thinks Airbnb is becoming more mainstream and increasing the city's stock of short-term housing.

"Airbnb is just an additional marketing portal," Ford said.



Silverthorne eyes new regulations for short-term rentals

July 16, 2018

As Silverthorne dives into the arduous task of regulating short-term rentals, local officials are a long way from uncharted water. Exactly which route they may take, however, has yet to be decided.

With the rapid growth in the short-term vacation rental industry, Silverthorne is intent on crafting new regulations that town staff hope will be effective and enforceable.

Many local governments have undertaken similar efforts, and for a Wednesday work session devoted to STRs in Silverthorne, town staff prepared an informational packet detailing for town council existing regulations in Minturn, Salida, Manitou Springs, Georgetown, the Estes Valley, Durango, Crested Butte, Frisco, Vail and Breckenridge.

Silverthorne officials are trying to take stakeholders into consideration such as the property owners who own the units and those who live next to them while they look to rein in the burgeoning industry.

Som attached 1

The town doesn't want to forget about the business owners managing Silverthorne's STRs, nor do they want to create an uneven playing field for the businesses that have to compete against them. Neighborhood and homeowners associations and the people most affected by Summit County's housing crunch were also brought up during conversations.

During the work session, some consensus emerged among council's members and they framed the push to better regulate STRs as an effort that will come on two distinct fronts.

The first actions people are likely to see will be administrative in nature, concerning things like licensing, the fee structure and town code.

The bigger discussion, council said, is one its members don't feel comfortable deciding without more community input. It could mean restrictive actions like limiting the areas eligible for STRs, how often they might be allowed to rent them out or capping the number of STRs allowed in specific neighborhoods or the town altogether.

While town council isn't ready to make any decisions about caps, its members generally favored creating a separate business license in place of the standard business license that's currently required of STRs and hiring an outside company to identify unlicensed businesses operating in town.

Town staff said they aren't looking to make any profits with a new business license just for STRs, and corresponding fee structure, but they'd like to recoup the town's administrative costs from managing STRs by accounting for things like monitoring and the additional time staff spends on STRs that's uncommon to most local businesses.

"With business licensing, sales tax and lodging tax, there's a lot of staff time involved with that," said Laura Kennedy, Silverthorne's director of finance and administrative services, to town council. "It isn't your typical business that would have an accountant running the show."

Council was also favorable for requiring that business license numbers be included in STR advertisements, like Breckenridge currently does. This helps identify properties that have not obtained proper licensing or the owners not remitting sales and lodging taxes back to the town.

Requiring that STRs have a local contact within a specified response time to address complaints was another topic of discussion. Many council members voiced that they could support some kind of complaint-escalation process that revokes the business licenses for STRs if there are repeated complaints.

Summit County is also working on regulations regarding STRs that would apply to properties in unincorporated areas of the county, and Silverthorne is keeping a keen eye on that conversation, too.

There were also questions during Wednesday's work session about assessing STRs at the commercial tax rate. Silverthorne does not currently assess a property tax, but the one bed-and-breakfast in town pays an assessment rate in line with a mixed residential and commercial property, whereas STR properties are generally treated as residential entities.

Toward the end of the workshop, council asked the handful of people who attended the meeting about their interest in the topic. One man who lives in Silverthorne said STRs are destroying his neighborhood and, at least to him, they seem like commercial entities.

"I feel the sense of community is gone," the man said as he talked about the housing crisis and a shortage of workers.

Speaking from a very different perspective, a woman who rents out a room in her home told council that if the regulations are too restrictive and encompass all STRs, including owner-occupied rentals, people like her could be forced to give up that piece of their income, even though she said she only rents out the room a few months out of the year and carefully screens all of her guests.

"We're a smaller subset of the VRBO community," the woman said, "but there are a few people out there that, you know, if it became so burdensome or the license was \$750, we would probably consider not doing it."

3 Comments

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11



Scott Smith

How much is this agenda being PUSHED by VAIL ASSOCIATES and their kin to limit competion

for their rental business (most of their properties are being sold as time shares or condos, where they alone can rent them out!

I've been in Breck for decades and have NEVER heard anyone complain about rentals.

Like · Reply · 2 · 1d



Shane Ardell

Honestly the strongest argument I've heard against them is that it is contributing to a lack of affordable housing for our locals / workforce. Long term rentals are significantly scarce because short term rentals are more lucrative. I think they definitely have a place (in fact I rent out my home when I travel) and we obviously need short term rental options for the tourist industry, but I do also think the ease of getting into the short term rental business has made it hard for the people that make our tourism economy work to live here, even seasonally.

Like · Reply · 1 · 1d



Guy Schlacter

Shane Ardell, property market values drive annual rental revenue and income requirements by owners. If you translate those requirements to long term rentals, they still would not be affordable to seasonal staff or the majority of people working at the resorts or in the hospitality industry. Don't blame STRs, instead blame he market value of the county's real estate.

Like · Reply · 1 · 15h



Joelle Miller

Shane Ardell STR is not more lucrative than long term rentals. However, it allows an owner to still enjoy his property from time to time. It also allows lots of people to make a living as STR owners do hire cleaning companies to turn their properties over to the next guests as well as individuals who can provide maintenance services; they also contribute to the economy by providing a place to stay to guests who spend money in local businesses during their stay. Lastly, many owners have established relationships with local businesses and provide their guests with complimentary products That enhance their stay (baby gear rentals, gift certificate for bike rentals, tubing hill, breakfast in town etc). STR properties therefore contribute to the economy much more than through sales/lodging taxes.

Like · Reply · 15h



Scott Smith

Summit county's EXISTENCE as it has developed is due to the rental business. A majority of vacation home/condo owners could never afford their property if they couldn't rent it out. People have invested huge chunks of their savings into a vacation home in Summit. Banks have made loans based on the fact that owners can pay back their loans because they rent their places out when they are not using them.

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Kathy Altorfer

What ever happened to living within your means? So permanent residents should have peace and quiet upended just so someone who can't actually afford a house can get renters/transients to pay the bill?

As far as unicorporated Summit County, the powers that be should prevent any A-1 zoned area from use as a short term rental zone. It is inappropriate for that sort of thing and not in keeping with the intended uses of A-1. It should be a no brainer that any

subdivision or development zoned A-1 that has covenants already in place that prohibit short term rentals should be enforceable not only... See More

Like · Reply · 2 · 1d · Edited



Guy Schlacter

Kathy Altorfer I think you would be rather surprised comparing "reports of disturbing the peace," or "other reports of crime," from STRs as a percent of total STRs, versus those from long term rentals as a percent of long term rentals. I think no youllmfind a much smaller percent of STR incidence rate.

Like · Reply · 15h



Susan Knopf

Gee if licensing is so burdensome, why don't they just skip it? Taxes are generally paid through reservation sites. Can you say free market?

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Residents oppose, county approves short-term rental fee change

June 27, 2018

Short-term rentals were again a hot topic of debate this week as the Grand County Board of Commissioners debated and ultimately approved a change in the fee structure for the lodging accommodations, establishing an annual "pillow fee" for the rentals.

During a nearly three-hour public hearing Tuesday, commissioners discussed a new fee structure to be applied to short-term rental permit applications in unincorporated Grand County. But the bulk of the hearing was taken up by a lengthy public comment period, with commissioners hearing comments from over a dozen citizens.

The majority of those who addressed the commissioners were opposed to any increases in fees and were predominately owners of short-term rentals or members of related industries such as property management, real estate or tourism marketing.

Catherine Ross, executive director of the Fraser & Winter Park Chamber of Commerce, expressed opposition on behalf of the chamber to the raising of any fees.



"The Chamber does not feel this is the right time to raise the fees," Ross told commissioners. Instead, Ross suggested to the commission that a working group could be put together to further examine the issue.

Others who spoke out against raising fees stressed the value that the rentals provide to Grand County in terms of revenues; the sales taxes remitted to the county by short-term rentals were highlighted more than once. Opponents said they believed any increase would be onerous and could potentially reduce the number of short-term rentals in the county. More than one individual referred to a fee increase as a "punishment."

Three individuals, all property owners in Grand County who do not operate short-term rentals, spoke in favor of an increased fee structure, highlighting concepts of fairness as well as fiscal responsibility.

"Any future tax increase or reductions of county services to offset the costs of the short-term rental program is not going to be embraced by the registered voters of Grand County," claimed area resident Stan Spencer.

Commissioner Kris Manguso opposed raising fees for short-term rentals, saying she preferred to table the decision for another year.

"Let this group get together and come back to us with something that works for both sides," she said.

But Commissioners Merrit Linke and Rich Cimino both supported changes to the fee structure.

Linke repeatedly referenced figures from county staff that showed the county has spent more than it brings in for the short-term rental program, spending on items such as administrative costs, staff time and monitoring software. He proposed increasing the annual fee by \$100, to \$250, to help offset costs.

Cimino opposed a flat fee and instead proposed a variable fee structure based on the number of accommodations each short-term rental advertises, called a "pillow count." The new permit fee structure, of \$25 per pillow, was approved with Cimino and Linke voting in favor and Manguso voting against.

The annual "pillow fee" is paid at the time of application for an annual permit and is based on maximum number of occupants. So a short-term rental that can accommodate four people would pay \$100 for a permit each year. The average maximum accommodations for short-term rentals in unincorporated Grand County is 9.4, according to county data.

0 Comments

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Millions are at stake in short-term rental debate, company says

April 29, 2018

The smallest change in the lodging industry can represent millions of dollars in its overall economic impact, according to company officials with Summit Mountain Rentals (http://summitrentals.com), who say they're hoping to spark a fact-based conversation regarding short-term rentals as local governments consider imposing new regulations on the growing industry.

To help facilitate that conversation, the property-management company working out of <u>Breckenridge</u> and <u>Frisco</u> has produced an analysis of the towns' most recent sales tax reports related to lodging that suggests short-term rentals account for an even greater slice of the economic pie than many might think.

In Breckenridge, for example, the company notes that lodging was a \$147 million industry in 2017. While this statistic includes hotels and inns, as well as short-term rental properties like the ones posted on Airbnb.com and VRBO.com, the company contends the sector had an overall direct economic impact of \$442 million last year alone.

To show how important short-term rentals are to the strength of the local economy, Summit Mountain Rentals also pointed to recently released data from Airbnb.com ranking Breckenridge — with 89,000 guests paying \$16.5 million in 2017 — as its second-highest market in Colorado behind Denver.

Additionally, Breckenridge reported in 2016 that vacation visitors contributed \$313 million to the town's economy between lodging and other purchases, meaning that nearly one-third of all the town's taxes came from lodging, according to Summit Mountain Rentals.

"It's also important to remember this is from the town of Breckenridge so this is capturing just the lodging units that are within town limits," said Gavin Dalgliesh, the company's marketing and revenue manager, further explaining that properties just outside of town limits, like ones in Blue River, were not incorporated in the figures.

Turning the focus to Frisco, Summit Mountain Rentals' analysis suggests that with the town collecting \$380,326 in sales tax revenue from short-term rentals in 2017, they had a total impact of \$228 million on Frisco's economy last year.

In the analysis, the company used the towns' sales tax reports for the baseline data before multiplying those figures by "conservative" estimates to try to determine the overall economic impact. However, those figures "are an approximate calculation" and "cannot be confirmed" by the Breckenridge Tourism Office, according to a spokeswoman for the organization. Likewise, Frisco revenue specialist Chad Most also wouldn't endorse the company's analysis on Frisco's behalf, but the accountant said he didn't want to undermine it, either.

Like many things in life, Most explained, the "devil is always in the details." Without splitting hairs on the "underlying assumptions," he wholeheartedly agreed with the idea that short-term rentals play a major role in the local economy, a fact that's clearly illustrated in Frisco's sales tax and lodging reports.

"Yeah, it's a pretty large impact," Most said. "That's for sure."

He also confirmed that company representatives sat down with him for over 45 minutes to go over the analysis, and if someone is willing to accept the assumptions, Most said the figures should be considered "valid" and thought of as "a valuable starting point for a discussion."

And that's really what the people at Summit Mountain Rentals say they want — to be included in the discussion — as towns like Frisco consider imposing new regulations on the industry.

Contrary to what some may think, Reid Tulley, marketing communications manager for Summit Mountain Rentals, said that the company actually doesn't mind rules, and in many cases welcomes them. He just hopes local governments "will consider all the facts and data that support the reason they're making these rules" when they do so.

"We're really just trying to shed some light on the situation," Tulley explained. "We want to start the conversation, make ourselves available if they need any supporting data from the professionals and put ourselves out there as the people who really have our fingers on the pulse of this industry in the local market."

According to Tulley, concerns over rowdy guests are mostly overstated, as he said he's looked over the police department's calls in Frisco regarding short-term rentals and they constitute only a small fraction of the overall number of complaints police field.

"We don't see too much of it," Tulley said of the noise complaints. "I think if we look at it on a yearly basis, it wasn't even one a month."

Another complaint often levied against short-term rentals is that they're gobbling up the available housing with long-term rental housing being converted to short-term vacation properties, further exacerbating Summit County's housing crisis. However, that's another misconception, according to David Scott, Summit Mountain Rentals marketing director.

To back up his point, Scott highlighted figures showing the number of short-term rentals in Frisco has actually fallen over the last five years at the same time the housing crunch has only gotten worse, saying that with the number of short-term rental properties in Frisco dipping from more than 1,000 in 2012 to 867 in 2016, "it's hard to maintain that short-term rentals are growing in Frisco and negatively impacting the long-term rental market."

In reality, Tulley contended professional property-management companies are "local governments' best friends and allies" in ensuring tax compliance and following local regulations.

"There's a lot of coverage about short-term rentals — 'Oh, they're bad,' and this, that and other things," he said.
"But we just want everybody to take a step back and say, 'Hey, this is a huge part or our economy up here so let's get everybody in on the conversation."

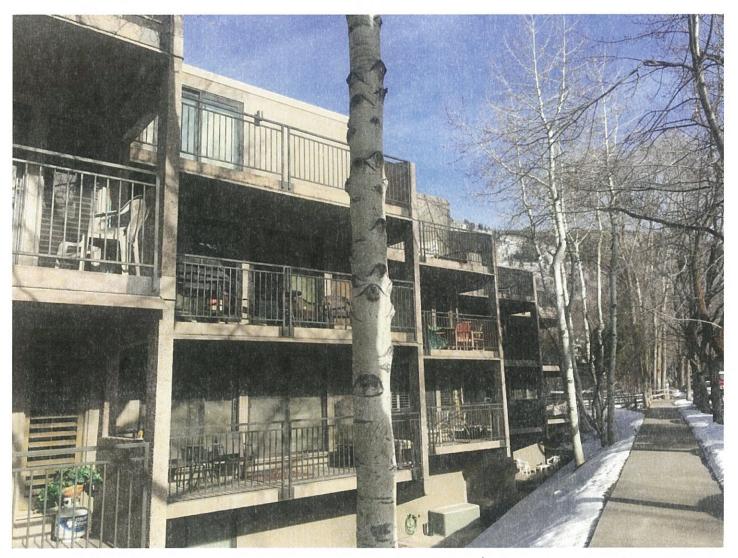
As far as a workable model goes, Tulley points to existing regulations in Breckenridge as something other towns and counties might want to consider when looking to craft regulations of their own.

"We like Breckenridge's model," said Tulley, highlighting a recent study that found over 98 percent of the 3,526 short-term properties in town were complying with its rules and collecting the 3.4 percent lodging tax. "It works for us, it seems to work for the town and it seems to work for rentals-by-owners."

https://www.aspendailynews.com/news/cities-requiring-airbnb-ads-to-list-licensing-info/article_70100a9c-25a1-11e8-b64e-eb01183b5f60.html

Cities requiring Airbnb ads to list licensing info

Curtis Wackerle, Aspen Daily News Staff Writer Mar 12, 2018



Condos in Aspen often find their way onto Airbnb or another short-term rental platform. The "million dollar question" is to what extent the growing popularity of the platforms has caused housing stock that previously served longterm residents to convert to short-term rentals.

Curtis Wackerle/Aspen Daily News

City of Aspen officials may follow other towns' lead in pursuing a low-tech solution to a high-tech problem.

Achieving widespread compliance with short-term-rental regulations in the era of Airbnb may be as simple as requiring a few numbers be posted in every advertisement.

That has been the town of Breckenridge's experience, since it passed a law last summer requiring that all short-term rental listings include the host property's town license number.

Breckenridge, like Aspen, has long allowed residential properties to be used for short-term tourist accommodations, so long as lodging and sales taxes are paid. In Aspen, such homes and condos historically have made up 40 percent or more of the total tourist bed base. But tracking compliance is difficult without additional tools, as it often requires a forensic investigation to determine the address and ownership information connected to a rental ad.

Breckenridge changed that paradigm with the law that makes checking compliance much easier. The Summit County ski town works with a third party compliance auditor that, using the town ID number, cross checks listings with town records.

Town spokesperson Haley Littleton said that, since the law has been passed, compliance rates are exceeding 90 percent.

She added that sometimes the short-term rental platforms want to block the numbers as their software thinks it's a phone number, but progress has been made on that front.

The compliance rate is Aspen is difficult to know now. While there are more than 400 local listings on Airbnb, the town has less than 200 business tax licenses on file for tourist accommodations, which include traditional lodges. The planning and zoning office counts only 61 active short-term rental permits, which are required to be renewed annually.

Complicating the analysis is that each license and permit could represent dozens of units. Many if not most short-term rentals are associated with a property management company that only needs one license for all its units. City officials in the future may require more information on how many units are associated with each permit.

In a work session last month, finance director Don Taylor and city attorney Jim True said they are considering multiple options to get a better handle on the local short-term rental marketplace and increase compliance with local tax and registration regulations.

The officials said they were not in favor of working out a direct collection and remittance agreement with Airbnb, which dozens of towns have signed up for, unless the online rental platform was willing to renegotiate its "standard" agreement. That agreement does not give the city a way to audit

individual owners or collect back taxes, they said. Airbnb also would also only consider the revenue paid to the host, minus the platform's commission, as taxable, whereas the city believes the entire cost of the unit paid by the guest should be taxable.

The officials said they were hoping that Airbnb would work out an arrangement with Aspen similar to a recent agreement with San Francisco, which requires Airbnb and its competitor HomeAway to confirm that the properties it lists in that city are registered and compliant. The agreement came after Airbnb sued the city to block a law San Francisco passed that levies fines on the companies for any illegal rentals booked on their platforms.

Following a court ruling in the city's favor, Airbnb and HomeAway agreed to work with the city to check hosts' registration numbers before allowing bookings, while making monthly reports to San Francisco's Office of Short Term Rentals on who is active on the platform.

Unlike Aspen and Breckenridge, San Francisco puts limits on the volume and intensity of short-term rentals allowed in the city. While a resident is allowed to host guests in a spare room as much as they would like, whole-unit rentals are capped at 90 days per year in San Francisco, which is in the midst of a housing crisis. Additionally, a host can only rent a unit that is their primary residence, which prevents an entity from purchasing multiple residential properties and converting them into short-term rentals.

"San Francisco's pioneering rules on short-term rentals are designed to strike a balance, allowing residents to supplement their income by occasionally renting out a spare room or their home while at the same time protecting the existing housing supply from being cannibalized by the lucrative travel market," says a press release from the San Francisco City Attorney's Office.

The city of Denver has a similar rule requiring that short-term rentals are <u>only allowed in a unit that</u> serves as a person's <u>primary residence</u>. Denver also requires all online add to list the unit's registration number, which makes it easier to check compliance with local rules.

In Breckenridge, compliance rates in the 90s mean that city officials can better track the marketplace.

"Our whole goal in licensing ... is to understand how short-term rentals are being used" and what implications they have on the larger community, said Littleton, the spokesperson for the town that, like Aspen, counts residential short-term rentals as a longstanding and important part of the local resort economy.

"The million-dollar question," she said, is whether, or to what extent, the growing popularity of short-term rental platforms has caused housing stock that previously served longterm residents to convert to short-term rentals.

"We are trying to get a hold of that — all mountain towns are," she said.

curtis@aspendailynews.com

Curtis Wackerle

Compliance with Vail's new short-term rental regulations off to slow start

March 17, 2018

VAIL — After months of research and debate, the Vail Town Council in 2017 approved a set of regulations for people who use their units for short-term rentals. The program is off to a slow start.

Town officials put out information and held a couple of open houses (https://www.vaildaily.com/news/vails-new-short-term-rental-regulations-are-effective-march-1-heres-whats-required/) about the topic.

The new regulations require unit owners to have a town-issued short-term rental license. That license number must be posted on all print and online advertisements.

The regulations also require unit owners to have a local contact person for complaints and certify that their units have required life-safety equipment on hand. The regulations also established a local complaint line for people concerned about noise and other problems.

Despite the push to get people licensed before the regulations took effect on March 1, the regulatory program is off to a slow-ish start.

NEW TRACKING TECH

As of Wednesday, March 14, about 600 owners had either completed their licenses or were somewhere in the approval pipeline. Town officials have identified 2,628 units being used as short-term rentals.

That's about as many people who previously had town-issued business licenses. The total of completed or inprocess licenses is about equal to those who had the previously required town sales tax licenses.

The difference is that town officials now believe they have the technology to track down unlicensed units.

Town sales tax administrator Johannah Richards said the town is rolling out new software in three phases.

The first phase was getting the online application system up and running. The second phase was establishing a complaint system and a way to document them. The complaint system is a big deal, since three verified, unresolved complaints in a year — for problems including noise, parking and trash — can lead to a two-year

rental license revocation. The complaint system can be used either online, or with a local phone number, 970-331-0632.

The complaint system was operational on March 1. So far, the system has logged three complaints. Richards said two of those complaints have been resolved. The third was registered about an unlicensed unit.

The next phase of the program is to identify unlicensed units and their owners and notify the owners of the town's new requirements.

Town finance director Kathleen Halloran said those owners will be notified by letter and given a chance to get into compliance with the regulation.

Making letters the third step is opposite of the way licensing is handled in most other places. Elsewhere, letters go out first, Halloran said.

CARROTS AND A BIG STICK

For those who don't get licensed, the town's code has a couple of pretty big hammers, Richards said.

Fines for noncompliance can reach a maximum of \$2,650 per day and up to 90 days in jail.



A license is \$150 per year.

"Our goal is to help get everyone in compliance, and not to penalize," Richards said.

When Vail Resort Rentals owner Dale Bugby was on Vail's council a few years ago, he and other town lodging managers lobbied the council to impose regulations on the then-burgeoning online rental business. Council members at the time took a mostly hands-off approach to regulation.

As the business continued to grow, along with complaints from neighbors, the council in 2016 started work on new regulations.

Bugby said the new regulations represent a good start.

"I'm glad they've followed up and put into the regulations some of the things I'd asked for initially," Bugby said.

Bugby said having requirements for local contacts is a benefit, as is a system to respond to complaints. Those complaints — particularly about unlicensed units — are likely to come from either neighbors or homeowners associations.

"That's a tool to find out who's licensed," Richards said.

But that process may take some time.

Vail Daily Business Editor Scott Miller can be reached at 970-748-2930, smiller@vaildaily.com (mailto:smiller@vaildaily.com) or @scottnmiller.

BY THE NUMBERS

2,628: Short-term rental units in the town of Vail.

Summit County commissioners ban short-term rentals in the backcountry, citing safety concerns

March 27, 2018

Summit County commissioners voted unanimously on Tuesday to ban short-term rentals in the backcountry, citing safety concerns as well as a desire to maintain the character of the landscape.

Along with the prohibition, the commissioners approved backcountry zoning regulation changes limiting backcountry deck sizes and provided clarification on issues such as permits needed for road improvements and snow plowing.

The board approved the continuing short-term rental ban after a recommendation from the Summit County planning department. Planning director Don Reimer told the board that his staff had gathered public feedback after months of discussions. Short-term rentals are not currently regulated in Summit County, and Reimer said that a draft proposal for countywide regulations should be delivered to the board by May.

In the meantime, Reimer said he recommended a continuing prohibition on backcountry short-term rentals, based mainly on <u>safety concerns</u>, such as accessibility for emergency services. He also cited public concerns that an unregulated rental industry in the backcountry could ruin its character, and the fact that the move would not affect any current landowners.

"There are no short-term rentals currently in the backcountry zone, so it wouldn't impact anybody's right to do that," Reimer said. "Even if it was a permitted use in the backcountry zone, there should be some criteria to ensure that the effects are mitigated."

Reimer went on to say that a draft proposal for countywide short-term rental regulations should be ready to review by the end of May, and at that point conditional use permits for backcountry vacation rentals may be considered.

Several Summit residents spoke against the prohibition.

John Coon, who owns a home in Dry Gulch, said the ban represented a "physical stripping" of property rights.

"I just see down the line a continued limiting of what one can do on their property," Coon said, adding the county was wasting taxpayer dollars on a non-issue. "We're looking for solutions for problems that don't exist."

Barbara Vonderheid, an attorney and Summit resident, said the ban will hurt property values for backcountry homeowners, and that the county did not have any facts or findings that supported their reasons for the ban aside from an aversion to short-term rentals.

"I think that some of the decisions have been made about short-term rentals because we just think it's a bad thing," she noted. "It's a politically correct thing to not like short-term rentals in Summit County."

John Nelson, who owns a claim in French Gulch, was incensed by the fact that there were many maintenance issues in the county that are going unaddressed while the board passed a ban on a problem that hasn't emerged yet.

"The county is trying to implement further restrictions, trying to take further land rights from us and trying to ban things that never happened," Nelson said.

Jim Bradley was the only private citizen to speak in favor of the ban. Bradley said that while he did not own a property in the backcountry, he has seen the negative effects of short-term rentals after his neighbor started renting his house out.

"We've had 24 people stay in a four-bedroom house," Bradley told the board. "They park all over the place and on our yard. We have had dirt bikes and ATVs revving up in the morning."

Bradley added that property rights only extend as far as they do not disrupt the rights of other property owners.

"This neighbor, he is using his property rights, as he has a right to do. But it's affecting us negatively," Bradley said.

Mark Truckey, assistant director of community development for the town of Breckenridge, said the town supported the ban and set aside concerns that it would lower property values.

"I remember when we had discussion about house sizes in the backcountry zone in the early 2000s, there were complaints it would diminish value," Truckey said. "But it's all about trade-offs, like not having to pay extra for roads and protecting the character of the backcountry."

In the end, the commissioners unanimously voted to pass the short-term rental ban along with the rest of the zoning changes.

Commissioner Karn Stiegelmeier noted the effect the rentals were having in residential areas, and did not want to risk the same effect in the backcountry without setting forth regulations.

"It's frightening what goes on with STRs in regular neighborhoods," Stiegelmeier said. "My experience with the people who stay in short-term rentals, they hardly know what state they're in. They're very nice people, but they often don't have a clue what issues we face here. They might not know what winter is, anything about safety, wildlife, trash hazards. We need to consider what impact having those same people in the backcountry would have."

Commissioner Thomas Davidson concurred, and said that the process for short-term rentals must be cautious and deliberate, especially when it comes to the backcountry.

"I am comfortable saying that the backcountry is inappropriate for short-term rentals. We need to have a lot more conversation about what Airbnb and VRBO are doing to this county."

Commissioner Dan Gibbs said safety was of paramount concern for his decision to vote with the other commissioners to ban short-term rentals. "In a previous life I was very involved with search and rescue," Gibbs said. "I'm an avid trail runner and backcountry skier, and people often stop me and ask me how to get to this trailhead, how to get from point A to B. I worry about how they'd fare alone in the backcountry. I really worry about the emergency services, whether an ambulance can get to people. I worry about their life safety and welfare, and it's a big role we have to ensure they're safe."

The commissioners are expecting to establish countywide rules for short-term rentals this summer, including special provisions for backcountry rentals if they are approved.

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Matthew McGinnis

One reason i moved from Colorado they are nazis about what you can or cant do on your own property. California is worse

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Patty McNeely Soechtig

Please define the "back country"

Like · Reply · 5 · 16w



Brittany Cleal

Regulating deck sizes? The rules in regulations in Summit County are just insane. I get there has to be regulations in order to keep our beautiful mountains just that, beautiful, but if you sell land to someone who gives you the right to put restrictions on things like deck sizes?

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Letter: Short-term rental impact substantial and negative

July 17, 2018

I have been a residence owner in the Sunnyshore Park Subdivision for 24 years, the last eight a full-time registered voter in Grand County. Until last year when short-term rentals moved in, this legacy community was a congenial, family oriented, quiet, safe and peaceful place to live. It was those qualities that led to all the homeowners to purchase here — until recently, that is. The impact on our community of the STR incursion has been substantial (and negative) on all these desirable qualities. I have attended the three Board of County Commissioner's Workshops on STR's this year, and listened to residents of other Grand County communities tell similar (and in some cases worse) stories.

Although the County has made progress in identifying non-permitted STR units and the real cost to the county of STR operations, there remains a large associated cost structure (management, law enforcement, roads, housing, emergency response, etc) still to be identified and quantified. The effect on county taxpayers is decidedly negative, and is substantial. The arguments from STR owners and STR Property Managers that this activity brings tourists and tax income to the county, and raises everyone's property values, is laughable. There is no evidence that the associated costs are covered by this supposed increase in tax revenue (not to mention that the STR revenue is likely pirated from other Tax based lodging interests in the county meaning no net benefit), and I am certain that the vast majority of homeowners who plan to reside here full or part time just love paying higher property taxes each year to support the STR owners!

It's time for Grand County to get "real." There are approximately 11,800 registered voters in Grand County, and at the published County average of 2.5 persons per households, this translates to 4,720 residences with voting rights. County officials now report that there are at least 800 STR's, either properly permitted or not, meaning that 83 percent of the voting population is paying to support the profit making activities (and the negative effects) of only 17 percent. This imbalance is likely much higher, as many if not a majority of the 17 percent STR owners are not residents (for voting) in the County. It's time for the county to put the issue of whether or not the voters of Grand County want short-term rentals here.

Tim Ziebarth, Granby

