

The background features a dark blue, almost black, trapezoidal shape on the left side. To the right, there are several overlapping, semi-transparent green shapes in various shades, ranging from light lime green to a darker forest green, creating a layered, geometric effect.

Pitkin County - Draft Short Term Rental Ordinance

Pitkin Draft STR Ordinance -Background

After HB20-1093 passed, Pitkin County BOCC held multiple work sessions to discuss licensing regulations.

On December 15, 2021, the BOCC held their first reading of the proposed ordinance. Subsequent reading and public hearings were held on January 26, March 27, and April 13, 2022. The proposed ordinance will be heard again for third reading and public hearing on May 11, 2022.

Initial discussions at work session concerned a broad licensing regulation for anyone participating in short term rental activity in unincorporated portions of the county.

Pitkin Draft STR Ordinance -Changing Conditions

The COVID-19 Public Health Emergency delayed BOCC action on STR regulations.

Concurrently, the pandemic caused an influx of people into Pitkin County who sought STRs as alternate lodging accommodations. The real estate market additionally ballooned as people sought second homes in rural environments to temporarily weather the pandemic while they could work remotely. Short term rental income was sought for periods of time when second homes were not in use by primary owners.

Pitkin Draft STR Ordinance -Impacts of STRs

The expansion of STR activity has detrimental consequences to health, safety, and welfare of residents and visitors, alike.

- Reduction of potential housing stock for local workers
- Increase on services/resources through increased number of visitors
 - Transportation
 - Recreation
 - Backcountry environment
 - Water
 - Safe septic

“This resulting increased demand for services and resources has been generated by a pattern of changing residential land uses to de facto commercial uses without any review or constraint or analysis as to the compatibility of this change or its sustainability within the community.” *(from proposed ordinance)*

Pitkin Draft STR Ordinance

-Quotas/Zoning/Ownership

Quotas:

- Number of nights was considered, but found that without sequencing when particular properties would be available any limitation would not necessarily reduce impacts because of desirability of certain dates (e.g. Fourth of July, Christmas - NYE)

Zoning:

- Densities of the number of licenses in a zone district were not considered
- The Rural and Remote zone district was considered for prohibition of licenses, but has been amended to allow for a narrow licensing regulation

Ownership:

- principal residency requirement would be a natural limiting force against having the property available all year long for rental.

Pitkin Draft STR Ordinance

-Who can apply for a license?

Applicant; a natural person who is the owner, or is in an ownership position, of a property proposed for a short term rental license. A tenancy or leasehold does not constitute an ownership interest in property under this Code. An applicant must use the licensed property as their principal residence.

Principal Residence; the location where an owner, or a person in an ownership position, maintains their legal residence and place of usual habitation during the term of a short term rental license issued pursuant to this Code. A person can have only one principal residence. Proof of Residence: At least two (2) of the following documents:

- a. valid Colorado driver's license;
- b. valid motor vehicle registration;
- c. voter registration;
- d. Federal or state tax return;
- e. other legal documentation deemed sufficient by the Licensing Authority which is pertinent toward establishing principal residence.

Pitkin Draft STR Ordinance

-Exception to Primary Ownership requirement

Legacy properties for long time, but not primary resident, property owners:

During the public comment, the BOCC heard that the principal residency requirement would work a unique hardship on property owners that have locally owned their property for a long time, and have regularly rented it short term, but whose various owners do not use the property as a principal residence.

Criteria to qualify for the exception (under consideration):

Legacy owners would have to demonstrate continuous familial title to property for 10 years or more AND short term rental activity over 5 years or more as demonstrated by State of Colorado sales tax receipts.

Pitkin Draft STR Ordinance

-Zoning, Special Considerations

STR activity in the RR (Rural and Remote) zone district presented additional concerns for the BOCC. This zone district is characterized by:

1. Location more than one-half (1/2) mile from winter-maintained public roadways,
2. Absence of traditional utility service districts, such as electric, gas and phone,
3. Limited availability, or absence of rapid, traditional Pitkin County emergency services,
4. Little or no development existing in the surrounding area,
5. Presence of natural hazard areas or important environmental or historic resource areas,
6. Location within subalpine or alpine ecosystems, and/or location at or above the nine thousand (9,000) foot elevation, and/or
7. Location adjacent to U.S. Forest Service or Bureau of Land Management owned properties.

The BOCC considered a total prohibition of licenses in this zone district but have amended the ordinance most recently to allow special review by the BOCC upon recommendation of the Licensing Authority once criteria could be demonstrated that sufficient access to emergency services were available and risk was limited to other private and public lands.

Pitkin Draft STR Ordinance -Licensing Authority

The Licensing Authority is the individual or office within the County vested with the responsibility to administer and enforce this Code. The Licensing Authority is appointed by the County Manager with consultation with the Board.

Currently, the Licensing Authority is housed within the county's Community Development Department. A single staff person has been hired to create the application infrastructure and process applications.

The effective date of the license is expected to be 90 days after adoption of the ordinance and are valid for one year.

Pitkin Draft STR Ordinance -Application Requirements

All applications for licensing shall include the following information:

1. Property owner's name and the address of the property to be licensed. Signature of the applicant. At least two (2) documents indicating that the short-term rental is the applicant's principal residence.
2. Size of the residence to be rented and whether the entire residence is available for rent or only a portion.
3. Number of bedrooms and bathrooms in the residence available for rent and in total.
4. Size of the property on which the residence is located and its zoning designation.
5. Maximum number of renters or guests intended to occupy the rented residence.
6. Identity and contact information of any third party managers or agents having control of the property while it is rented and having the ability to respond to complaints and problems associated with the property.

Pitkin Draft STR Ordinance

-Application Requirements, Cont.

7. All previous notices of code violations, warnings, or complaints concerning the property.
8. Source of water for the residence and if the residence is on a sewage collection system or an on-site wastewater treatment system.
9. Number of nights in the license term that are available for rental and if rental activity is year round or if it is seasonally or otherwise limited.
10. Affirmation of the Applicant/owner of the presence in the residence of working smoke and carbon monoxide detectors and fire extinguishers.
11. Any additional information that the Licensing Authority believes might be useful in determination of the application.
12. Notice of an application shall be mailed to all adjoining property owners for comment 15 days prior to a determination of an application.

Pitkin Draft STR Ordinance -Appeal

Appeals for denial of a license:

The Licensing Authority shall issue licenses on behalf of the Board. Actions of the Licensing Authority issuing or denying licenses may be appealed by any interested party to the Board within 10 days of the licensing action. Such appeals are handled de novo without limitation to the record of the Licensing Authority action.

Appeals for violations of licensing provisions:

A hearing on the violation will be presided over by the Pitkin County Hearing Officer for a determination of whether a violation has occurred. Upon the Hearing Officer's determination that a violation has occurred, the Board shall determine the appropriate action to be taken regarding the license.

Pitkin Draft STR Ordinance -Data Collection

Licensee shall maintain records of rental activity to be shared with the Licensing Authority, consistent with the requirements of the Licensing Authority, and comprised of, at a minimum,

- the number and dates of the nights rented,
- the number of guests for each rental day/night,
- the frequency of maid/concierge services,
- the number of service people retained to maintain the rented residence and their vehicle trips to the residence,
- payment of sales tax and rental rates, and
- other general records needed for the Licensing Authority to determine the intensity of rental activity and impacts associated with the rental activity.