



Town of Blue River Memorandum

TO: Mayor Babich & Members of the Board of Trustees

FROM: Town Manager Michelle Eddy

DATE: January 2, 2024

SUBJECT: **Short Term Rental Discussion**

Mayor & Trustees

Below is current information on short-term rental licenses in Blue River as well as excerpts from the 2021 Comprehensive Plan. This information is provided in the monthly staff reports and is provided to facilitate discussion on any additional regulations the Board of Trustees wishes to implement.

Fees:

Annual License: \$300/year

Taxes:

Total collected: 12.275%

- Lodging Tax: 3.4%
- Blue River Sales Tax: 2.5%
- State Sales Tax: 2.9%
- Summit County Sales Tax: 2.0%
- County Mass Transit Tax: .75%
- Special District Sales Tax (Housing): .725%

Regulations:

The full code is located in Chapter 6 of the Town of Blue River Municipal Code

- Must rent a minimum of 10 days to be eligible for a renewal. Rentals are counted within a calendar year.
- All licenses expire 12/31 regardless of when they are issued.
- Any property receiving three or more verified code violations may lose their license for one year.
- Failure to pay and report taxes on a quarterly basis may result in loss of license.
- Occupancy is two people per bedroom plus two.
- Poster (below) must be displayed at home and license number must appear on all advertising.



Short-Term Rental (STR) Information

This notice is required by Sec. 6-1-110€ of the Blue River Municipal Code and must be made available to in all short-term rental properties. The Town hopes you to enjoy your stay and that you use the rented property with a respect for the quiet and mountain environment of the neighborhood.

PROPERTY ADDRESS: _____

Short-Term Rental License Number: _____

PROPERTY OWNER

Name: _____

Email Address: _____

Phone Number: _____

MANAGEMENT COMPANY/EMERGENCY CONTACT

Emergency Contact's Name: _____

Emergency Contact's Email Address: _____

Emergency Contact's Phone Number: _____

INFORMATION AND RESTRICTIONS

- ♦ The Town's quiet hours are **10:00 p.m. to 7:00 a.m.** during which time activities outside and within the premises that can be heard by neighboring properties will be subject to enforcement pursuant to the Town's noise ordinance.
- ♦ Speed limits on all Blue River residential roads is **15 mph** unless otherwise posted.
- ♦ **Trash and recycling schedule and instructions on how to properly dispose of trash to prevent wildlife conflicts. Trash shall not be placed outside prior to pick up day.**
Pick up day is: _____
- ♦ **Please turn off all exterior lights after 10:00 p.m.**
- ♦ Renters are not authorized to use the Goose Pasture Tarn. The Tarn is the lake east of Highway 9 near the north boundary of the Town of Blue River. Tickets will be issued for a renter and guest's unlawful use.
- ♦ Parking on any Town street is unlawful. All vehicle parking must be on the property you are renting in the space designed for parking. Parking for this property is limited to **5** vehicles.
- ♦ Fire restrictions _____
- ♦ Evacuation directions in the event of a fire or emergency _____
- ♦ Location of fire extinguisher _____
- ♦ Join Summit County Alert for latest alerts for roads and the area:

<http://www.co.summit.co.us/1149/Summit-County-Alert>; check www.cotrip.org

Important Phone Numbers

Emergency 911

Town Hall (970) 547-0545, Open Tuesday-Friday, 7a.m. to 5 p.m.

Non-emergency or after-hours assistance – (970) 668-8600

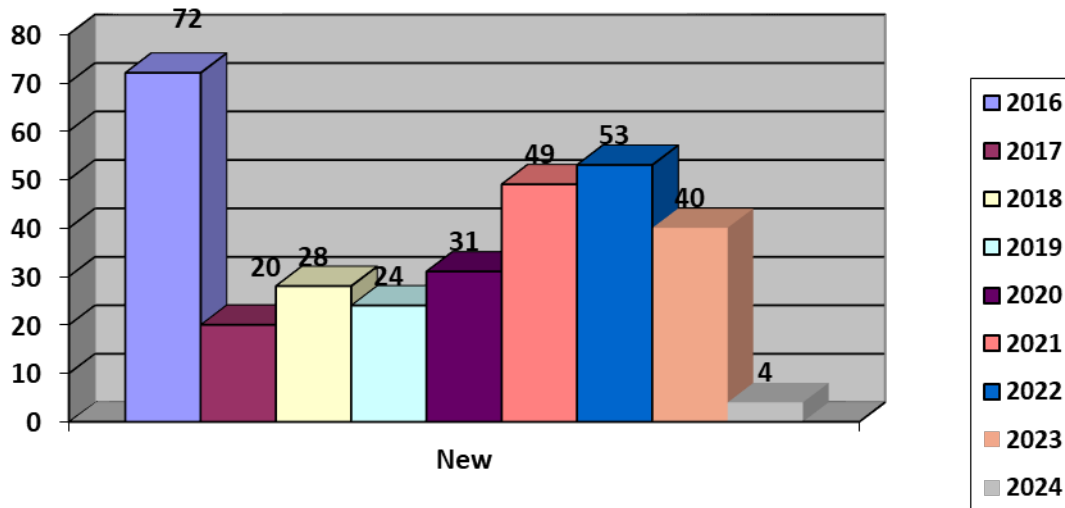
Information must be posted on both the interior side of the primary entry door and prominently placed on the kitchen counter.

Short-term Rental Status

Issued by Year

2016	72	*Previous number included previous years prior to Town taking over program
2017	20	
2018	28	
2019	24	
2020	31	
2021	49	
2022	53	
2023	40	
2024	4	

Total Active Licenses as of 1/2/2024: 219



Annual Revenue

Year	Sales Tax	Lodging Tax
2016	\$264,757.05	\$123,742.00
2017	\$237,468.92	\$126,585.55
2018	\$286,968.54	\$155,511.07
2019	\$425,616.72	\$166,883.33
2020	\$842,141.13	\$176,339.81
2021	\$844,558.23	\$228,743.34
2022	\$1,002,256.27	\$327,762.62
2023	\$996,818.50	\$303,230.72

2021 Comprehensive Plan

Short-term Rentals/Housing

Trend/Issue	Key Strategies & Priority Actions
<p>Short-term Rentals</p>	<p>Short-term rentals are the rental of a room or residence for a period of less than 30-days and absent a signed lease. The Town is encouraged to monitor the number of short-term rental permits and ensure a reasonable balance between different types of housing opportunities as well as ensuring protection of the community character.</p> <p>It is encouraged to develop messaging to reach short-term renters and visitors regarding requirements for managing trash and for reducing fire risks. Messaging should include QR codes with links to information on rules, and Town alerts.</p> <p>It is encouraged to review the possibility of central trash collections in the Town to reduce the negative impacts with wildlife.</p> <p>A cost-benefit analysis should be conducted to evaluate the overall impact of short-term rentals on the community, the administrative staff, the road, and public infrastructure.</p>
<p>Housing</p>	<p>The Town should monitor the forms occupancy of residences (e.g., short and long-term rentals, full-time residents, and second homeowners) to best track and measure the community character. This information could be used in designing regulatory and other tools to best preserve the desired community character.</p> <p>Accessory dwelling units should be considered as a tool to address long-term rental housing shortages. A review of the existing code and potential impacts should be conducted. Preserving the community character should be an important consideration when evaluating the potential for accessory dwelling units. Accessory dwelling units should not be allowed for short-term rental.</p> <p>Encourage the Town to explore all factors that contribute to housing challenges within the Town. The Town should consider creating a mix and balance of full-time residents, second homeowners, short and long-term renters, and visitors to maintain the community character of Blue River.</p>
<p>Community Vision</p>	<p>It is recommended for the Town to develop a Town Center for community gatherings, a park, and a pavilion. The Town Center area should consider a residential focused located or a setting near Town Hall and potentially incorporate open space areas or be located along Blue River Road.</p> <p>The Town should identify parcels centrally located and appropriate for a community pavilion, park and community gathering or community event area for resident use in a Town Park setting while maintaining the natural community character.</p> <p>The Town should research opportunities for conservation easements</p>

	<p>and acquire wetlands to preserve the Town’s natural attributes, possibly utilizing a third-party land trust for the conservation of the land.</p> <p>It is recommended to research opportunities for conservation easements and wetlands for open space opportunities to preserve community character and preservation of the residential community.</p> <p>The Town should evaluate the appropriate housing mix for the Town that will best maintain the desired community character. This may be accomplished by exploring limits and regulations for short-term rentals to ensure the future of the community character. A review of the cost/benefit of short-term rentals should be conducted to ensure a community balance.</p>
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Other Towns & County

Breckenridge

- Created Zone Districts and limited short-term rentals in various districts with fewer limitations in “resort zone” areas.
- Fees:

Number of bedrooms	BOLT	Reg Fee	Total
Studio	75	756	831
1	100	756	856
2	125	1512	1637
3	150	2268	2418
4	175	3024	3199
5	175	3780	3955
6	175	4536	4711
7	175	5292	5467

- Taxes: 12.275% (same as Blue River)

Dillon

- No caps
- Fees: \$700/annually
- Total tax: 14.875%
 - Town, State, County: 8.875%
 - Lodging/STR: 6%

Frisco

- Cap 25% of housing stock (900 licenses). There is currently a waitlist for licenses and it’s \$25 non-refundable to be placed on the waitlist.
- Fees: \$250
- Total Tax: 15.725%
 - Town, State, County: 8.875%
 - Lodging: 2.35%
 - STR Excise: 5%

Silverthorne

- Town of Silverthorne short-term rentals are capped at 10% of the number of units in most Town neighborhoods, Area 1, and 50% of the number of units within the Town Core and

Riverfront areas, Area 2. Short-term rentals are not allowed within deed restricted neighborhoods, Area 3.

- Fees:
 - Studio –\$150
 - One Bedroom - \$200
 - Two Bedrooms –\$250
 - Three Bedrooms –\$300
 - Four Bedrooms –\$350
 - Five bedrooms – \$450
 - Six or more bedrooms – \$500
- Taxes: 6% Lodging tax
- *Silverthorne will have a ballot question increasing short-term rental taxes to fund workforce housing.

Summit County

- Created zone districts that limit by basin and location similar to Breckenridge.
- Fees:
 - Resort Overlay Zone - Resort License: \$280/year
 - Neighborhood Overlay Zone - Type I: \$225/year
 - Neighborhood Overlay Zone - Type II: \$340/year
- Taxes
 - Total: 8.375%
 - State/County: 6.375
 - STR Tax: 2%

Code Violations 2015-2023

Total Violations:

302

Violations for STR's while licensed as an STR:

141 (47%)

Percentage of Repeat Offenders:

1%

Breakdown 2020-2023 Short-term rental specific violations:

- 2020
 - Total violations: 10
 - Violations by STR: 7 (3 from the same home)
 - Percent of total: 70%
 - Type
 - Renting without a license: 2
 - Violation of Public Health order: 2
 - Trash violation: 3
- 2021
 - Total violations: 27
 - Violations by STR: 8 (2 from the same home)
 - Percent of total: 30%
 - Type
 - Renting without a license: 1
 - Trash violation: 7
- 2022
 - Total violations: 31
 - Violations by STR: 16 (7 from 3 properties)
 - Percent of total: 51%
 - Type:
 - Parking: 1
 - Trash violation: 15

- 2023
 - Total violations: 17
 - Violations by STR: 13 (2 from same home)
 - Percentage of total: 76%
 - Type:
 - Noise/Parking: 1
 - Occupancy Advertisement: 2
 - Trash: 10

Percentage of STRs by Subdivision

*****Please note the percentage of STRS is based on total homes built within each subdivision and NOT buildable lots.***

Subdivision	# STR	%STR **	% Build Out	% Full-Time Res.
96 Sub	9	24%	90%	30%
97 Sub	11	27%	84%	37%
Aspen View	7	44%	80%	13%
Blue Rock Springs	13	24%	93%	46%
Bryce Estates	1	25%	57%	0%
Clyde Lode	0	0%	50%	0%
Coronet	10	32%	78%	35%
Crown	22	33%	93%	28%
DOT Condo	5	14%	100%	31%
DOT Placer	0	0%	50%	100%
Golden Crown	3	60%	63%	20%
Lakeshore	12	30%	93%	23%
Leap Year	8	38%	91%	43%
Louise Placer	4	50%	73%	13%
McCullough Gulch	1	33%	43%	67%
Misc Sec TR7-77 Land	0	0%	22%	40%
Mountain View	13	27%	96%	34%
New Eldorado Sub	4	50%	73%	38%
New Eldorado Townhomes	1	11%	100%	56%
Pennsylvania Canyon	0	0%	100	0%
Pomeroy	0	0%	0%	0%
Rivershore	0	0%	63%	0%
Royal	16	24%	94%	31%
Sherwood Forest	20	26%	90%	23%
Silverheels	1	25%	67%	29%
Spillway	3	15%	90%	25%
Spruce Valley Ranch	0	0%	68%	20%
Sunnyslope	12	40%	86%	33%
Timber Creek Estates	29	41%	89%	7%
Wilderness	14	25%	96%	33%

For Discussion Purposes Only:

- Potential Regulations:
 - Increase annual fees
 - Require responsible agent
 - Increase minimum days to be rented
 - Establish limitations on number of licenses available to establish a balance within the community of full-time; second homeowner and STR license holders.
 - Currently:
 - Full-time: 30%
 - Second Homeowner: 43%
 - STR License holders: 27%
 - Average home price in Blue River currently is \$1.68 million
- Develop incentives for long-term renting of homes. The County does offer these types of incentives.