



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: October 14, 2021	ITEM NO.	SUBJECT: Direction on Short Term Rentals including Planning Commission and Staff Recommendation
Presented by: Town Administrator /Clerk		

Background

Following multiple workshop discussions, additional material relating to ordinance and policy for Short Term Rentals was distributed per the July Board meeting direction –

Discussion took place about additional information to consider short term rentals in town, as reviewed and discussed in the earlier workshop. Trustee Dawson suggested multiple definitions including owner occupied, non-resident owned and accessory spaces. Discussion took place about fees and existing places becoming compliant. Attorney Krob stated that language may be written in the ordinance to allow a timeframe (i.e., within 24 months from adoption). Discussion about data took place and it was determined that, once this information begins to be established, the board can modify depending what they learn in the future of rentals in town. **Staff was directed to gather municipal code samples for resident-owned; non-resident owned; lodging fees and any additional fees** (i.e., public safety, administrative, etc.); and criteria of the various short-term rentals.

Additionally, the Planning Commission reviewed this item at a 7/21 workshop with the following – **provided a recommendation to the Board to allow Short Term Rental in all zoning by a 7-0 vote, as follows:**

- *Define short term as 30 days or less*
- *Limit to owner occupied*
- *Principal residence for no less than 9 mos of year*
- *Provide minimum of one permanent parking space*
- *Include insurance and safety requirements (as defined in sample code)*

Town staff reviewed various code and policy language and found Leadville to be fitting and distributed the municipal code and policy for reference, defining two classes – resident-occupied rental and non-resident rental. Staff suggests two different fees for the two class licenses. Additionally, staff suggests a lodging fee be modified to a *percentage* of the overnight rate (2-5%). Lodging fees range typically 1-5% up to 10% depending on the area.

Recommended Action

Staff recommendation is to model Leadville and added considerations, as follows –

Define Short Term Rental (STR) as less than 30 days.

Define two class –

1) Owner occupied and 2) Non-occupied with respective fees – \$250/owner; \$400/non-owner

Possibly *limit* non-owner to not be within 1000 ft of another non-owner rental

Note: to discourage rental business buying up neighborhood

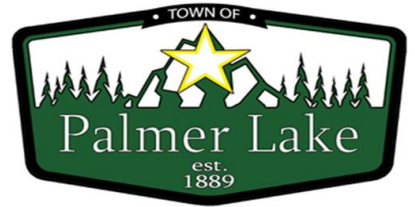
Allow STR in all zoning code (similar to Home Occupation, copy enclosed) with following criteria –

Application to apply for STR (keep register)

Allow guests based on number of sleeping room/beds – i.e., 2 spare = 4 people max

Allow parking based on available space on property (without utilizing public space)

Require Annual Business License, respective sales tax, lodging fee to municipality



OTHER CONSIDERATIONS –

- Must be a lawful dwelling unit
- Must maintain weekly residential trash collection services
- Must provide proof of liability insurance in the amount of not less than \$500,000
- Property must remain compliant with all planning, zoning, building, and other municipal code
- Must abide by all applicable noise, housing, and public health ordinances and all other fire and safety ordinances
- Must park in private driveway with overflow parking only on the street where permitted
- Must NOT allow hosting of wedding or large social/commercial events at a short-term rental
- Must have a 24-hour point of contact on file with the Police Department able to respond within 1 hour in the case of an emergency
- Must apply for annual business license - valid for 1 year and will review if 2 or more complaint on file
- Others?