Code considerations

Code changes should be:
• Positively impactful to the community
• Present solutions for good reasons
• Consider lessons learned by other jurisdictions
• Offer clear expectations
• Able to pivot when an amendment is needed

Code changes should not:
• Detract from the vision of the community
• Negatively impact other divisions/departments
Code Development: Why do we expend time?

- Clarify intent & establish clear expectations – wasted time is disrespectful
- Transparent & efficient process – due process for all
- Orderly development - support the vision for Berthoud’s future
- Establish efficient services – fiscally responsive for all
- Find a balance for the majority – BMP and industry standards
- Pivot – continuous improvement
Develop code language to consider allowing Short Term Rentals

Use prohibited

Concern expressed

Request made; issues identified & explored

Parameters established

Comments received

Code drafted

Public Hearings

Decision

9/26/2023

October – November, 2023

November, 2023 January, 2024

Work Sessions

February, 2024

6/27/24: Planning Commission
7/23/24: Town Board
8/13/24: Town Board

3/26/24

Presentation
1. STAFF PRESENTATION

The agenda item is introduced by Town Staff, including details of the proposed Code amendment.

2. PUBLIC HEARING

- The public hearing may be opened for testimony.
  - One at a time, citizens may have an opportunity to speak (3 minutes)
  - The public may ask questions, provide concerns, and offer approval or disproval of the proposal.
  - Public comments are testimony.
  - Staff and Trustees/Commissioners will not respond to the comments until all testimony has been received and the public hearing is closed.
- Once all who wish to speak have done so, the Mayor / Chairperson will officially close the Public Hearing which ends the public testimony period.

3. DISCUSSION & VOTE

- Usually two parts – an introduction meeting where public testimony can be accepted; and a second meeting where a vote is made.
  - The Trustees/Commissioners confer and have an opportunity to ask staff questions that arose during the public hearing period or questions of their own.
  - A motion must be made on an item, and if a motion is seconded, a vote is called; a majority must be found for any issue to pass (tie votes do not result in the passage of the item).
Short-term Rental Regulations

Request

Public Hearing to introduce Ordinance 1342 proposing regulations for Short-term Rentals, amending Chapter 30, Section 1 (Definitions) and Section 3 (Zoning) of the Berthoud Municipal Code, and to introduce Resolution 2024-09 amending the Town of Berthoud Fee Schedule to include fees for short-term rental application review and licensing.

Amend the Town of Berthoud Development Code by:
1. Add new definitions for Short-term Rentals and updated definitions for Bed and Breakfast found in Section 1 and Section 3;
2. Revise the use tables found in Section 3, which include zoning district and process requirements; and
3. Add Use-Specific Standards found in Section 3, including standards that apply to all short-term rentals.

Amend the Town of Berthoud Fee Schedule by:
1. Adding an Application Fee, and
2. Adding a Development Review Deposit Fee
Short-term Rental Regulations

Short-term Rental (STR) Background in the Town

The Town Development Code articulates allowable uses in the Zoning Chapter. Only those uses listed in the code are allowed in the zone district indicated. If a use is not listed in the code as “principal use” or “conditional use”, the use is not permitted.

➢ A STR is generally defined as a dwelling unit rented to guests for short-term lodging (30 days or less) when not occupied by the owner or operator.

➢ A STR is currently an unlisted use in the Town Development Code and therefore is not an allowed use.

➢ The Development Code currently defines and allows ‘Bed and Breakfast’ use in certain zoning districts. A ‘Bed and Breakfast’ is defined as an establishment operated in a private residence or portion thereof, which provides temporary accommodations to overnight guests for a fee, and which is occupied by the operator of such establishment.
Short-term Rental Regulations

Issues and Trends Related to Short-term Rentals

Through the process of developing STR regulations common issues related to STRs are consistently expressed by community members. Those common issues are as follows:

1. Saturation of STRs in neighborhood environments (density)
2. Loss of sense of community
3. Parking
4. Trespassing
5. Noise
6. Parties/Events
7. Enforcement

Town Board of Trustees decided to move forward with allowing STRs within Town limits and requested the development of a set of standards to ensure the health and safety of renters while managing impacts to the surrounding neighborhoods.

Northern Colorado Communities with STR Regulations:

✓ Timnath
✓ Estes Park
✓ Windsor
✓ Fort Collins
✓ Larimer County
Short-term Rental Regulations

STR Regulations Project Timeline

November 2023:
➢ TBT Work Session #1 – discussion on current Town position, common issues and trends, address possible options, and gather feedback and direction from the Board.

January 2024:
➢ TBT Work Session #2 –
   ▪ Project kick-off with the Short-term Rental Regulations Project webpage
     • https://arcg.is/r5vz9
   ▪ Launch of Community Questionnaire (open Feb. 1, 2024 to Feb. 16, 2024)
     • Purpose to gather feedback and ideas from the community early in the STR Regulations project process
     • Members of the community were able to self-select to participate
     • Could participate in the questionnaire multiple times
     • Intended for those community members who reside within Town limits; however, individuals living in unincorporated Larimer and Weld County could participate
     • Total participants: 437
Short-term Rental Regulations

STR Regulations Project Timeline, cont.

➢ Staff completed extensive research into other jurisdictions short-term rental regulations, from across CO and beyond, including:

**Colorado:**
- ✓ Fort Collins
- ✓ Timnath
- ✓ Windsor
- ✓ Estes Park
- ✓ Boulder
- ✓ Longmont
- ✓ Lakewood
- ✓ Denver
- ✓ Colorado Springs
- ✓ Manitou Springs
- ✓ Buena Vista
- ✓ Salida
- ✓ Dillon
- ✓ Glenwood Springs
- ✓ Grand Junction
- ✓ Montrose
- ✓ Durango
- ✓ Alamosa
- ✓ Del Norte
- ✓ Larimer County
- ✓ Summit County
- ✓ Grand County
- ✓ Boulder County
- ✓ Pitkin County
- ✓ San Miguel County

**Outside Colorado:**
- ✓ Moab, UT
- ✓ Sante Fe, NM
- ✓ Santa Cruz, CA

➢ Staff met with Special Interest Groups, including town staff, Berthoud Fire, and SAFEBuilt
March 2024:

➢ **TBT Work Session #3** – provide summary of feedback gathered through Community Questionnaire and overview of 1st draft of STR regulations

- 1st Draft of STR Regulations based upon the following:
  - Research
  - Community Questionnaire feedback
  - Written public comments and work session public comments
  - Special interest group discussions
  - Discussions with Town Board of Trustees

- Town Board provided valuable input on a number of items and requested revisions of others

- Those revisions and points of clarification are reflected in the Public Hearing Draft (will discuss in more detail in a moment)
Short-term Rental Regulations

Types of Feedback Received
- Community Questionnaire responses (437 total!)
- Email comments (5 total)
- Work Session Testimony (3 work sessions total)

✓ Community feedback is invaluable
✓ Feedback is the foundation of the draft regulations
✓ Proposed regulations can be directed back to community input
  - Licensing requirements
  - Maximum guest count
  - Limiting one STR per property
  - Not allowed in an accessory dwelling unit
  - Parking requirements
  - Restricting use as an event space
  - Restricting changes to outside appearance of the home
  - Life safety requirements
  - Property management requirement, response to concerns

✓ Regulations that strike a balance for the majority
Public Hearing Draft of STR Regulations

The Public Hearing Draft of Short-term Rental Regulations amending the Development Code is organized based on sections of the Development Code.

Definitions

The Public Hearing Draft proposes a definition for Short-term Rental, which is currently not defined in the Development Code. This includes total maximum occupancy for short-term rentals. This also includes clarifying of total maximum occupancy for Bed and Breakfast use as currently defined by code.

Zoning

The Public Hearing Draft proposes adding short-term rentals to the tables of Principal and Conditional Uses (Table 3.3), Conservation Subdivision Uses (Table 3.5), Suburban Uses (Table 3.7), and Urban Uses (Table 3.10) as a Principal Use By Right with licensing in specific zone districts.

Use Specific Standards

The Public Hearing Draft proposes use-specific standards for short-term rentals. The use specific standards are organized into subsections.
Short-term Rental Regulations

Public Hearing Draft of STR Regulations, cont.

First Subsection
Proposes Short-term Rental Business License requirements, including:
  • annual renewal,
  • license transferability standards,
  • limit to number of licenses per owner, and
  • posting of business license information.

Second Subsection
Proposes general standards for Short-term Rentals.
  • General Standards cover the majority of the regulations
  • Address many of the best management practices and industry standard requirements
  • This includes such requirements as:
    ▪ establishing a cap on the number of approved short-term rentals,
    ▪ limiting short-term rentals to one per property,
    ▪ legal dwelling unit standards,
    ▪ total occupancy limit,
    ▪ minimum off-street parking requirements, and
    ▪ restricting use of the short-term rental as an event space.
Third Subsection
Proposes safety standards, including:
  • life-safety inspection requirements,
  • fire extinguisher,
  • safety signage,
  • operations manual,
  • property manager requirements,
  • neighbor notification requirements, and
  • proof of liability insurance requirements.

Fourth Subsection
Addresses taxes, record keeping requirements, and enforcement.
Town Board Requested Considerations and Revisions

Work Session March 2024 the Board requested the following considerations and revisions to the draft regulations:

1. Limit the number of license an owner can hold at any given time
   **Result** – Language added to Section C.4: “A property owner shall obtain no more than two short-term rental business licenses in the Town at any given time.”

2. Set cap at 50 total approved STRs
   **Result** – Cap has been set Section D.1: “The maximum number of short-term rentals in the Town shall not exceed fifty (50). An application for a new short-term rental shall be processed on a first-come-first-served basis. No applications for a short-term rental will be accepted if the maximum number has been met.”

3. Clarify ‘multi-family residential’ in the General Standards
   **Result** – Added ‘apartment’ to the statement in Section D.3: “A short-term rental shall not be allowed in multi-family apartment dwellings, as defined by this code.”
Town Board Requested Considerations and Revisions

4. Clarify the parking requirements language
   
   **Result** – Reworded the language provided in Section D.7: “The required minimum number of guest parking spaces for the short-term rental, noted in the table below, shall be provided on-site in a garage, on the driveway, or in a parking lot for multi-unit buildings or developments.

5. Consider parking options for properties with no garage and/or driveway
   
   **Result** – If a property does not contain a garage and/or driveway, the owner could pursue a Variance Request with the Town Board of Adjustment.

6. Provide additional Life Safety details in the Safety Standards
   
   **Result** – Additional language was added to the Safety Standard section including Section E.4: “A sign containing the following information shall be posted at each interior entrance and exit of the short-term rental:
   
   a) The property address.
   b) The maximum number of occupants or guests permitted to stay in the short-term rental as approved by the Town.
   c) Contact information for the Fire Department and Police/Sheriff Department.
   d) Contact information for the short-term rental property manager or property owner.”
Taxation of ‘Bed and Breakfast’ (B&B) Use

• How Larimer County Assessor defines ‘Bed and Breakfast’ use
• Clarification requested to determine if it would be beneficial to modify Town Development Code definition of B&B
• County’s Chief Appraiser clarified:
  ✓ Assessor’s definition for what is considered a B&B is based on State Statute
  ✓ No correlation or connection to Town’s definition in the Development Code
  ✓ Town’s Development Code definition of B&B has no bearing on the valuation method and tax rate applied by the County.

Result – There would be no benefit or justification to modify the Town Development Code definition of ‘Bed and Breakfast’.
Planning Commission Recommendation

The Planning Commission recommends the Town Board of Trustees approve Ordinance 1342 (Series 2024) with all attached Ordinance Appendices on second reading to be held on August 13, 2024.

The Planning Commission also recommended that the Town Board of Trustees consider specific enforcement measures, particularly time of response and revocation of licenses, and consider the distribution of short-term rental units within the Town including consideration of setbacks (buffer between approved units) including buffer for single-family and multi-family units.
Short-term Rental Regulations

Town Planning Commission, cont.

Additional Research and Analysis:

Enforcement

Section 5, *Enforcement*, of the current Development Code establishes requirements and standards for enforcement of all regulations contained within the Development Code, inclusive of the short-term rental regulations.

- This Section addresses:
  - Specific activities violating the Chapter
  - Remedies and enforcement powers
    - including but not limited to revoking permits or approvals issued by the Town
- Because enforcement is addressed in Section 5 of the Development Code, it is not necessary to repeat the requirements and standards in the short-term rental regulations.

**Result** – Staff revised language in the Public Hearing Draft, specifically Section F.3, simplifying the language and making a direct reference to Section 5 such that: “A short-term rental business license constitutes a permit, and this Section shall be enforced in accordance with Section 5 of the Berthoud Development Code.”
Additional Research and Analysis:

Buffer or Separation
First discussed with the Board during Work Sessions in November 2023 and January 2024
• Buffer/separation requirement was not pursued following those discussions
• Having received Planning Commission’s recommendation (based on community feedback), Staff revisited the concept.

Result – Staff adds the following language to the Public Hearing Draft of Regulations, specifically Section D.2: “A short-term rental must be a minimum of 500-feet from another short-term rental. This distance is measured from center of principal dwelling to center of principal dwelling.”
Short-term Rental Regulations

Next Steps

➢ **Town Board of Trustees Hearing**
  ▪ 2nd (Final) Reading: August 13th*
  * If approved by the Town Board of Trustees on August 13th, the regulations will go into effect 30 days later.

➢ **Continued development of internal procedures and policies**
  ▪ Application packets
    ✓ Letter from HOA/Metro District
    ✓ Proof of Ownership
    ✓ Proof of Liability Insurance
    ✓ Operations Manual
    ✓ Application Form
    ✓ MOU
    ✓ amongst others
  ▪ Submittal requirements
  ▪ Document templates
  ▪ Life-safety inspection checklist

➢ **Staff will host two (2) public webinars**
  #1 Wednesday, August 14th at 6:00pm
  #2 Thursday, August 15th at 7:00am

  Intent to go over the STR Business License approval process
  ✓ Timelines
  ✓ Application Fees
  ✓ Submittal Requirements
  ✓ Expectations for the Life-Safety Inspection

  More info, including webinar link, will be posted to the project webpage ([https://arcg.is/r5vz9](https://arcg.is/r5vz9))

  Sign up for STR Project email list by sending a request to STR@Berthoud.org
Short-term Rental Regulations

Next Steps, cont.

Recommended Action:

The Planning Commission recommends the Town Board of Trustees approve Ordinance 1342 (Series 2024) with all attached Ordinance Appendices on second reading to be held on August 13, 2024.

The Planning Commission also recommended that the Town Board of Trustees consider specific enforcement measures, particularly time of response and revocation of licenses, and consider the distribution of short-term rental units within the Town including consideration of setbacks (buffer between approved units) including buffer for single-family and multi-family units.

The Board of Trustees may give direction to staff to bring Ordinance 1342 (Series 2024), with the above referenced revisions, back for consideration at a second reading on August 13, 2024.
For project information including project timeline visit:

Direct link to the Project webpage:
https://arcg.is/r5vz9
OR
Town of Berthoud Planning Department at:
https://www.berthoud.org/178/Planning-Department
‘Short-term Rental Regulations Project’ tab

To be added to the STR Project email contact list, send request to STR@Berthoud.org
Short-term Rental Regulations

Heron Lakes

500-feet

250-feet
Short-term Rental Regulations

PrairieStar

500-feet

250-feet
Short-term Rental Regulations

Old Town

500-feet

250-feet
Short-term Rental Regulations
Short-term Rental Regulations