

RESOLUTION NO. 2021-_____

**BOARD OF COUNTY COMMISSIONERS OF THE
COUNTY OF SUMMIT
STATE OF COLORADO**

**A RESOLUTION IMPOSING A TEMPORARY MORATORIUM ON THE
SUBMISSION, ACCEPTANCE, PROCESSING, AND APPROVAL OF ANY
APPLICATION FOR A LICENSE RELATED TO THE OPERATION OF A SHORT
TERM VACATION RENTAL IN UNINCORPORATED SUMMIT COUNTY**

WHEREAS, in recent years, the advent and increasing popularity of individuals and companies purchasing, advertising, and renting out residential properties as short-term lodging has resulted in more than 30% of all of Summit County’s housing stock being utilized as short-term vacation rentals; and

WHEREAS, the conversion of residential properties to short-term vacation rental units has a variety of effects on the neighborhoods in which such units are located, as well as on the community as a whole, including without limitation, issues with increased noise at all hours, parking and traffic problems, life and safety issues related to noncompliance with the building code, and trash not being kept or disposed of properly; and

WHEREAS, in order to combat such issues and pursuant to its authority to regulate land use granted by law including, without limitation, Article 20 of Title 29 and Article 28 of Title 30, Colorado Revised Statutes, in December of 2018, Summit County adopted rules and regulations regarding the operation of short-term vacation rentals in Section 3821 of the Summit County Land Use and Development Code (“Code”), including the requirement that all owners and operators of short-term vacation rentals obtain a permit; and

WHEREAS, in 2020, the Colorado legislature passed HB 1093, which established a new subsection in Title 30, Article 15, Section 401 of Colorado Revised Statutes, providing counties the authority to “license and regulate an owner or owner’s agent who rents or advertises the owner’s lodging unit for a short-term stay, and to fix the fees, terms, and manner for issuing and revoking licenses issued therefor”; and

WHEREAS, in 2021, Summit County adopted Ordinance 20, entitled “An Ordinance for Short-Term Vacation Rental Regulations” (“Ordinance”), which incorporated many of the provisions from Section 3821 of the Code, required short-term vacation rental owners and operators to obtain a license, and included additional provisions regarding enforcement, appeals, and fines for violations of the Ordinance; and

WHEREAS, the Code was also amended in 2021 to require a license pursuant to Ordinance 20 in order for any property to be utilized as a short-term vacation rental; and

WHEREAS, since the adoption of initial rules and regulations in 2018 and the adoption of Ordinance 20 in 2021, the number of short-term vacation rentals in the county has continued to increase, causing conflict within neighborhoods and contributing to the continued loss of local workforce housing stock, as housing units in traditionally local areas transition from long-term to short-term occupancy; and

WHEREAS, the county is currently experiencing a housing crisis whereby local workers are unable to find housing and are leaving the community, resulting in local businesses being understaffed and cutting hours and services due to the lack of employees, as referenced more fully in Resolution 21-39; and

WHEREAS, in order to address similar issues, including overcrowding and the limitations of existing infrastructure to support the influx of visitors, the Town of Breckenridge recently announced it would impose a cap on the number of short-term vacation rentals within the Town; and

WHEREAS, the Board of County Commissioners has serious concerns that as a result of the above-referenced impacts from short-term vacation rentals as well as the limitations on short-term vacation rentals imposed by the Town of Breckenridge, unincorporated Summit County will experience additional loss of housing stock to short-term vacation rentals on top of the increase in such use already occurring; and

WHEREAS, based on information presented to the Board by Summit County Planning and Housing staff, it appears that the existing rules and regulations in the Code and Ordinance do not adequately address the impacts the County is experiencing and expects to experience in coming months from short-term vacation rentals; and

WHEREAS, County staff have experienced an increase in the number of short-term rental applications in the last four weeks, which, coupled with existing staff shortages, will decrease the ability of staff to work on other priority projects such as incentive programs related to increasing the amount of long-term rental options available to local workers; and

WHEREAS, the imposition of a 90 day moratorium on the submission, acceptance, processing, and approval of short-term vacation rental licenses will allow the County staff and Board to investigate the relevant issues and develop any appropriate regulations related thereto; and

WHEREAS, because the County does not have adequate current regulations pertaining to short-term vacation rentals, the County will suffer irreparable harm if a short, temporary moratorium on the submission, acceptance, processing, and approval of County licenses related to the operation of such businesses is not imposed; and

WHEREAS, the duration of the moratorium imposed by this resolution is reasonable in length, and is no longer than is required for the County to properly investigate, develop, and, if appropriate, adopt and implement any regulations deemed necessary with respect to short-term vacation rentals.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SUMMIT COUNTY, COLORADO THAT:

Section 1. Upon the adoption of this Resolution a moratorium is imposed upon the submission, acceptance, processing, and approval of any application for license related to the operation of a short-term vacation rental. To the extent practicable in light of limitations posed by the website and software system used to process short-term vacation rental licenses, the County staff is directed to refuse to accept for filing any such applications during the moratorium period, and, regardless of whether an ineligible application is inadvertently filed or accepted for filing by the website and software system, Staff shall not process or approve any such application and shall refund any fees paid. Provided, however, unincorporated areas around the bases of Keystone, Breckenridge and Copper ski resorts, as shown on the attached Exhibit A, shall be exempt from the moratorium because, without limitation, (1) those areas are proximate to the year-round tourist-oriented resort areas and have been developed to accommodate short-term, resort-based occupancy; (2) the impacts of short-term vacation rentals on neighboring properties are mitigated in part as a result of the function and design of such resort lodging in relation to the resort area, including large parking areas, centralized services such as trash, cleaning, and security, and the proximity of resort-based transportation services; and (3) the majority of problems and complaints received by County staff in relation to short-term rentals stem from outside the resort areas. All applicable rules and regulations will continue to apply to short-term vacation rental applications within the exempted areas.

Section 2. The moratorium imposed by this Resolution shall commence as of the date of the adoption of this resolution, and shall expire 90 days thereafter, unless sooner repealed or thereafter extended. Applications for short-term vacation rental licenses submitted prior to the date of adoption of this resolution shall be processed per existing rules and requirements. An exemption process is established for those individuals, landowners, or developers meeting the criteria and pursuant to the process set forth in Exhibit B.

Section 3. Before the expiration of the moratorium imposed by this Resolution the County staff, working with the County Attorney, shall carefully review the existing rules and regulations regarding short-term vacation rentals and promptly and with due diligence present potential changes to said rules and regulations to the Board as may be necessary to address the concerns of the Board.

Section 4. The Board hereby finds, determines, and declares that this resolution is necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the order, comfort and convenience of the County of Summit and the inhabitants thereof.

Section 5. The Board of County Commissioners hereby finds, determines, and declares that an emergency exists and that this resolution is necessary for the immediate preservation of the public health, welfare, peace or safety. The adoption of this resolution on an emergency basis is necessary in order to prevent a person from filing an application for a County license to operate a short-term vacation rental until the County has had a reasonable opportunity to determine: (a) where the existing rules and regulations are failing to address the impacts created by short-term

vacation rentals; and (b) what additional regulations, if any, should be imposed by the County upon such businesses. Failure to immediately impose the moratorium provided for in this resolution will potentially allow a person submit an application for a license from the County, and to possibly acquire certain rights with respect to the processing of such applications before the County has the reasonable opportunity to evaluate the possible community impacts that might be associated with the continual growth of short-term vacation rentals. This could lead to such a loss of long-term housing in the County, and the consequent loss of local workers, that businesses, residents, and visitors alike would be significantly negatively impacted. In addition, the County being forced to continue to accept and process short-term vacation rental licenses could cause irreparable negative impacts to the quality of life of existing Summit County residents, negatively affecting the cultural, environmental, and neighborhood areas of the County. The Board further determines that the adoption of this resolution as an emergency resolution is in the best interest of the citizens of the County of Summit.

Section 6. Should any one or more sections or provisions of this Resolution be judicially determined to be invalid or unenforceable, such determination shall not affect, impair or invalidate the remaining sections or provisions of this Resolution, it being the intent of the Board that such invalid or unenforceable provisions are severable.

APPROVED THIS 14th DAY OF SEPTEMBER, 2021.

County of Summit, Colorado:

Elisabeth Lawrence, Chair

ATTEST:

Kathy Neel, County Clerk