

CITY OF LEADVILLE

800 HARRISON AVE. LEADVILLE, CO 80461

WORK SESSION MEETING AGENDA

Tuesday September 12, 2023 6:00 P.M.

Council Chambers & Zoom

https://leadville-co-gov.zoom.us/j/83526944548?pwd=aEdjdGtpNlEyZmt5YVQ1bDBQbnN4dz09

Meeting ID: 835 2694 4548

Passcode: 80461

Dial by your location

+1 719 359 4580 US

6:00 pm	1.	Call to order of work session of City Council
	2.	Roll call
	3.	Optional Pledge of Allegiance or Moment of Silence
	4.	Approval of Agenda
	5.	Public Comment Regarding Items Not on the Agenda or Public Comment on Short-Term Rentals within the City of Leadville
6:15 pm	6.	Short-Term Rental Work Session

^{*} These items may not have briefs or may have additional briefs Tuesday before the Council meeting.



MEMO

TO: City Council and Planning and Zoning Commission

FROM: Chapin LaChance, Planning Director

Hannah Scheer, Deputy City Clerk

MEETING DATE: September 12, 2023

SUBJECT: Joint Work Session: Short Term Rentals (STRs)

Mayor Labbe and City Council,

The City Council last convened to discuss STR regulations at the February 28, 2023 Joint Work Session with the Planning and Zoning Commission (P&Z). All seven (7) City Council members were present. Five (5) of the six (6) P&Z members were present, not including the Mayor. The City Council and the P&Z discussed questions from staff, and provided the responses listed below in bold text.

- 1. Should the maximum number of STR licenses available per year continue to be based on percentage (currently 12% of the total number of residential parcels within the city), or should the maximum number be changed to a specific number of licenses?
 - Four (4) of the City Council members and four (4) of the P&Z members responded that the maximum number be changed to a specific number of licenses, for a total of eight (8) of the twelve (12) participants. One (1) City Council member and two (2) P&Z members responded that the limit should continue to be based on percentage. The City Council tasked the P&Z with a recommendation regarding the numerical license limit.
 - At the 3/22/2023 P&Z meeting, the P&Z discussed their recommendation. Three (3) P&Z members, including the Mayor, and one (1) alternate attended the P&Z meeting, for a total of four (4) participants.
 - o The attending P&Z members were split 2-2 on reducing the number from 171 to a lower number (Example discussed: 150) vs. keeping the number at 171.
 - The attending P&Z members unanimously agreed there should be a formula for annual reconsideration or increase, but did not decide what that formula should be.
 - Below are the Planning Director's notes on individual Commissioner responses from the discussion:
 - commissioner Zhu: Ok with current waiting list. Prefer discussion for year over year increase.
 - Commissioner Edwards: Lower to 150 with 3% annual increase. Does not create long wait on rental license.
 - o Commissioner Tannous: Backdate building permits and use that data for % increase. A lot of

people brought into compliance over the past year, which lost some STRs on the market, 170 feels good. Not hearing that there was a net negative social impact by having 171 units. Not sure that removing 20 or 30 is going to make a difference. If minimal social impact, no reason for lower number.

- o Commissioner Zhu: Agree with Commissioner Tannous. 10 people in waitlist is healthy number. Don't see reason to take 30 away. Can do good with accommodation tax.
- o Commissioner Edwards: Disagree. 10 is not a large enough waiting list. 20 or 25 would be better. Licenses turnover quickly. In favor of going back to number closer to 150.
- Unanimous: Need some formula for annual reconsideration/increase.
- 2. Should the density of STR licenses within the city also be limited (Ex: By neighborhood or block)?
 - Seven (7) of the participants responded that the density of STR licenses within the city <u>should not be</u> limited, most citing administrative concerns. Five (5) of the participants responded that the density of STR licenses within the city <u>should be</u> limited.
- 3. Should STR licenses continue to require Conditional Use Permits (CUPs)? If so, should the CUP requirement distinguish between Class 1 and Class 2 licenses?
 - The participants unanimously responded that STR licenses should only required an administrative permit, which could be re-classified as a Conditional Use and referred to the City Council at the discretion of the Planning Director or City Council.
- 4. Should the City's regulation of STR licenses be consistent with Lake County's regulations?
 - The participants unanimously responded that city's regulation of STR licenses should not be required to be consistent with Lake County's regulations.

STR statistics per the Deputy City Clerk's office:

Active licenses: 171 (12% of 2022 residential parcels)

- Class 1: 22Class 2: 169
- Awaiting reply from homeowners on waitlist to fulfill the last 2 toward the cap