

## Legislation Text

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Agenda Date: 01/08/2019

Subject:

Discussion on outstanding items regarding a draft ordinance for the regulation of Short-Term Rentals

Presented By: Jocelyn Mills, Community Development Director and Steve Kemp, City Attorney
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### **REQUESTED COUNCIL ACTION:**

Does city council support providing final direction to staff on the unresolved issues of residency and occupancy, in order for staff to prepare the draft ordinance regarding short-term rentals (STR) for second reading on January 15, 2019?

### **BACKGROUND:**

The purpose of the study session is for council to provide final direction to staff to prepare the second reading of the proposed ordinance to regulation short-term rentals.

For context, the draft ordinance is designed to meet the three objectives, as previously discussed:

- Maintain community and neighborhood character
- Develop rules to ensure public safety
- Develop a formalized process to regulate short-term rentals

On December 4, 2018, city council approved the first reading of the draft ordinance to address short-term rentals. This study session is for council to provide staff with final direction on the draft ordinance.

Mayor Brinkman reached out to the members of the Metro Mayors Caucus and asked if they had addressed the issue of STRs; if so, how did they address the policy issue of primary residency and their reasoning. Attachment 6 is a summary of their comments as of this date.

### **OVERVIEW:**

Based on council feedback over the past few weeks, attached is the draft ordinance with proposed updates along with commentary notes from the city attorney and council members. There are two outstanding issues to be resolved: residency and occupancy. All other items (use in zoning districts, lodging definitions, parking requirements, licensure and revocation processes, notification to adjacent neighbors, copies of trash, noise, and parking regulations, and identification of local contacts) have been resolved.

Staff also has two recommendations regarding the draft ordinance, to increase the fee for the operator's license based on additional costs to use a third party to assist with management of STRs, and to delete a section discussed by council early on in drafting of these regulations, Section 10-4-18 (A), which requires written notification to adjacent property owners within 300 feet of a pending STR operator's license. This 14 day

notification provision would add significant staff resources at the front of these applications, and since that time and discussion, there is another section that has been added, Section 10-4-18(B)7. This section requires that owner information and local contact information be provided to adjacent property owners of a STR. Also, the city plans to work with Host Compliance to assist with the management of STRs. One service they provide is a hotline operated 24/7 for community members to call, to address any issues with STRs in their neighborhood. Both Section 10-4-18(B)7 and the hotline will enable community members to address any issues with STRs if needed.

Oversight of the city's STR program would be with the departments of Community Development and Finance. Host Compliance would assist with the management of the program, and is able to provide the city the following services:

- **Address identification.** This includes identification through an online dashboard with complete address information and screenshots of all identified STRs in Littleton's jurisdiction.
- **Mobile enabled permitting and registration.** This includes mobile/web application forms and back-end systems for streamlining Littleton's permitting and registration processes, and capturing payments, signatures and required documents.
- **Compliance monitoring.** This includes ongoing monitoring if STRs for zoning and permit compliance coupled with systematic outreach to illegal short-term rental operations (using Littleton's form letters).
- **Dedicated hotline.** A 24 hour a day, 7 days a week staff telephone hotline for neighbors to report non-emergency STR problems.