

**Legislation Text**

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Agenda Date: 01/12/2021

Subject:  
Short-Term Rental Update and 2021 Strategy

Prepared By: Jennifer Henninger, Community Development Director and Reid Betzing, City Attorney
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**PURPOSE:**

Confirm staff has a complete list of issues and questions that council wishes to be addressed for a process that runs parallel to the ULUC, and for staff to walk through the STR strategy for 2021. The issues and questions are noted within the presentation and were provided to the city after the November 2020 council adoption of business license regulations for Short Term Rentals (STRs).

**PRESENTATIONS:**

<b>Staff Presenter(s):</b>	Jennifer Henninger, Community Development Director and Reid Betzing, City Attorney
<b>Additional Presenter(s):</b>	N/A

**SUMMARY:**

Since the adoption of Ordinance 41-2020 adding Chapter 23, entitled Short Term Rentals, to Title 3 Business Regulations there have been items brought forth to staff regarding additional STR regulations. Many of the items have already been addressed in the recently adopted business regulations, however there are others that will be addressed in the upcoming Unified Land Use Code (ULUC) slated for adoption in October. Staff has created a list of STR related items to be addressed over the coming year for Council to confirm.

**PRIOR ACTIONS OR DISCUSSIONS:**

Since January of 2019, a citizen group has met and provided several different ideas that could be addressed in future STR regulations. Among the items addressed by the citizen group was that owner occupied STRs be treated differently than those STRs that are not occupied by a property owner.

At Council's February 2020 workshop, a request was made to evaluate what actions could be taken on STR regulations prior to the formal adoption of the ULUC. In July of 2020, staff proposed a phased approach to STRs that included creation of a Good Neighbor Handout for owners, users, and neighbors of STRs and drafting new STR business license regulations. In November, City Council adopted new STR business license regulations and the Good Neighbor Handout is now being provided to STR applicants. Since the adoption of the STR business license regulations, staff has created a checklist for applicants to conduct an initial premises and compliance safety check, created a more detailed business license application for STRs and is currently working on digitizing the application so it can be submitted and paid for, completely online. Staff has also received several emails and calls regarding the recently adopted regulations requesting consideration of additional regulations. The City's ULUC consultant, KKC, has started to integrate these comments into the

working draft of the ULUC.

**ANALYSIS:**

The City currently has 47 registered STRs. This represents less than one percent of the housing stock in Littleton. The STR business license ordinance was an initial effort towards regulating STRs in the City of Littleton as policy direction unfolds through the ULUC process. Staff created a handout outlining the new requirements of the recently adopted Title 3 Business License Regulations and it is attached for your review.

***Items for further consideration***

Since adoption of the business license regulations, staff received feedback and questions from Council, the STR coalition, and members of the community related to STRs. Many of the questions and comments were addressed in the adopted licensing regulations. Others related to how the city regulations will address allowed use and location of STRs. These will be addressed in the ULUC. Each of the questions and comments received are summarized in the staff presentation.

Council Goal, Objective, and/or Guiding Principle

STR Regulations are part of Goal 1: Envision Littleton - Quality Community, Objective 1: Unified Land Use Code and Objective 2: Additional Code Enhancements.

Fiscal Impacts

Per the recently adopted business license regulations, there is now a \$200 application fee as well as a \$200 annual license renewal fee. The staff time associated with creating new STR regulations as well as implementation and enforcement of the new regulations and potential future regulations substantially exceed the fees for STRs. Additional regulations may necessitate the hiring of additional staff to administer.

Alternatives

N/A

**STAFF RECOMMENDATION:**

Confirm that staff has a complete list of feedback and questions. Address items in the ULUC and then, if necessary, modifications to the business license regulations in the fall of this year.