

Summary of Citizens STR Study Group meeting
Sisson Library
January 11, 2023

Present:

Carl Young, Lynn Frederick, Glenn Walsh, Cynda Green, Fabie Van Capel, Kristen Bair, Lee Riley, Pamela Flowers, Gary Hardin, Bill Hudson

Via Zoom: Shellie Hogue, Bob Serra

1. After reviewing the zoning map for Archuleta County, and sample maps of various neighborhood STR densities, the group had a roundtable discussion about density caps. The discussion was framed by the three “agreed upon priorities” that were listed in the County’s June 2022 ‘Vacation Rental Policy Options’ document.

- . It is a priority to **support tourism as a key contributor to economy and jobs in the County.**
- . It is a priority to **preserve the small town, rural, quality of life for residents of the County.**
- . It is a priority to **move the needle regarding affordable workforce housing availability in the County.**

Carl Young lives adjacent to an STR owned by an out-of-towner who does not respond to complaint phone calls. He lives in Pagosa Pines subdivision, which includes about 100 lots. He felt a 5% STR density would be appropriate in his subdivision, with a required distance between STRs, so that a non-STR home would be adjacent to no more than one STR.

Lynn Frederick lives in Twin Creek Village and is concerned about STRs that are not licensed. The biggest problem she has experienced is with tourists putting out trash during bear season. She would like to see a 5% cap put in place. She is concerned that absentee property owners would be likely to stymie attempts to create local improvement districts for road upgrades, because they themselves do not use the roads. Thus, a neighborhood cap would be appropriate. She doesn’t think we need to subsidize second-home buyers who can’t otherwise afford the investment without operating an STR.

Fabie Van Cappel would like county policies to differentiate between local owners and out-of-town owners. People who live here are more invested in the community. She would like to see owners limited in terms of the number of STRs they can own in Archuleta County. She wonders if the County can differentiate between owners who purchase property because they planning to retire here, and ‘investment companies’ who are simply milking money out of the community.

Glenn Walsh has no particular opinion about caps; he has not noticed that STR renters are any more annoying than long-term renters or home owners. He buys the idea that STRs are an important part of the economy, but currently receive a significant tax subsidy, paying one-quarter the property tax rate paid by motels. According to the Root Policy study done for the Town Council, STRs generate many jobs, but the jobs are generally low-paying tourist industry jobs, which creates a huge problem. He notes that many second-homes that were used a few times a year by a couple or family are now STRs used year round by much larger groups, thus causing increased impacts on roads and other infrastructure. This is a dynamic industry that, he says, can afford to pay for its impacts.

Cynda Green feels caps are advisable to keep the community from being overrun by STRs. She is disappointed that the commissioners have not yet put caps in place. She agrees with Glenn's suggestion, that an STR excise tax be put in place, understanding that the voters would need to approve it. She believes STRs are truly commercial properties and should be paying the same tax rate as motels, although she feels the Gallagher Amendment treats commercial properties unfairly.

Kristen Bair does not live in close proximity to STRs, but she is concerned about how STRs affect real estate prices. If the commissioners are not willing to ask STRs pay higher fees, to support needed housing, then density caps are appropriate. The STRs do provide jobs in the tourism industry, but people have to work two or three jobs to afford the rents. She wonders if Archuleta County is a sinking ship. She doesn't like the idea of 'workforce housing' if it implies 350-square-foot rooms in a former motel.

Lee Riley feels condos and townhomes shouldn't be under the same density limitations as single-family homes. He says STRs are a viable way for second-home owners to subsidize their investments. Density caps will have the effect of devaluing homes that are not currently STRs. He doesn't agree with a blanket '5% cap' in every subdivision, but thinks the caps need to vary according to the character of the neighborhood.

Pam Flowers suggested that condos and townhomes, because they are more affordable, are more likely to supply housing for working families and should have stricter caps than larger homes. She also feels owner-occupied STRs should be treated more leniently.

Gary Hardin says STRs are becoming a key industry here; the community leadership has failed to diversify the economy. He feels the community could benefit from other types of industries, helping to pay for our infrastructure needs. We can't allow tourism to be the only industry; sooner or later the economy will collapse and tourism will dry up. He has seen a sharp increase in the value of his home, and realizes his property taxes will soon increase. He prefers an increased tax on STRs over a density cap.

A subcommittee will meet on Wednesday, January 18, at 4:30 at the Library to further discuss the issue of density caps, based on the comments offered by the entire group.