

# Woodland Park Special City Election

## BLUE BOOK



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Election Day  
December 12, 2023

## **SUMMARY**

On December 12, 2023, in a special election, registered voters in Woodland Park, Colorado may vote on two ballot questions concerning the regulation of short-term rental (STR) properties located within the city limits of Woodland Park. The effective date of either ordinance is anticipated to be January 2024.

This analysis, produced by the Greater Woodland Park Chamber of Commerce, is an objective explanation of the two initiatives. For each initiative, we provide objective explanations of the initiatives, including the ballot question, fiscal impacts, and main arguments for or against. The Chamber does not judge the merits of the arguments or guarantee their validity. Ballot question sponsors will provide for and against arguments for each ordinance.

The authority to conduct the special election is contained in the Woodland Park City Charter:

### **Section 2.3 - Special Elections**

A special election shall be called by a resolution adopted at least thirty (30) days prior to the election. The resolution calling a special election shall set forth the purpose of the election.

Ballot Question #1 is placed on the ballot under the following authority:

### **City Charter of Woodland Park, Title VIII, Section 8.1 - Initiative**

(a) The registered electors of the City may initiate a proposed ordinance, pursuant to the initiative power reserved by Article V, Section 1(9) of the State Constitution, as to any legislative matter which is subject to said initiative power. Any initiated measure shall be in the form of an ordinance. The ordinance shall be initiated pursuant to the State statutes which establish procedures for a municipal initiative, except as otherwise provided in this Charter.

Ballot Question #2 is placed on the ballot under the following authority:

### **Colorado Revised Statute (CRS) 31-11-111 (2)**

The legislative body of any municipality may, without receipt of any petition, submit any proposed or adopted ordinance or resolution or any question to a vote of the registered electors of the municipality. The legislative body of the municipality or its designee shall fix a ballot title for the referred measure.

## **DISCUSSION**

As of the date of this publication, the City of Woodland Park does not specifically define or regulate short-term rentals under Title 18 Zoning, under table of permitted uses by zoning district. The City does license and collect taxes from property owners who rent out residential property for less than 30 days in zones across the City under the authorities of City Municipal Code, Chapter 5.04 - Business Regulations and Chapter 3.38 - Lodging Tax.

There is a moratorium on issuing new short-term rental business licenses through April 1, 2024. Currently licensed short-term rentals are those that were active as of January 14, 2023.

The special election ballot presents two ordinances addressing the definition and regulation of short-term rentals.

As there are two ordinances to consider in the special election, the following state statute applies:

**CRS 31-11-104, (2). Ordinances - initiative - conflicting measures:** Alternative ordinances may be submitted at the same election, and, if two or more conflicting measures are approved by the people, the one that receives the greatest number of affirmative votes shall be adopted in all particulars as to which there is a conflict.

**BALLOT QUESTION #1:**

**SHALL THE WOODLAND PARK MUNICIPAL CODE BE AMENDED BY A CITIZENS INITIATIVE TO DEFINE A SHORT-TERM RENTAL UNIT AS A DWELLING UNIT THAT IS RENTED OR UTILIZED FOR FURNISHING LODGING FOR ANY PERIOD OF LESS THAN THIRTY (30) CONSECUTIVE DAYS AND TO DEFINE PRIMARY RESIDENCE AS THE PLACE WHERE A PERSON SPENDS A MAJORITY OF THEIR TIME DURING THE YEAR; PROVIDING THAT SHORT-TERM RENTAL UNITS THAT ARE THE PRIMARY RESIDENCE OF THE OWNER/OPERATOR ARE ALLOWED IN ALL SINGLE FAMILY AND COMMERCIAL ZONING DISTRICTS AND SHORT-TERM RENTAL UNITS THAT ARE NOT THE PRIMARY RESIDENCE OF THE OWNER/OPERATOR ARE ONLY ALLOWED IN COMMERCIAL ZONING DISTRICTS AND IMPOSING REQUIREMENTS TO WHICH SHORT-TERM RENTAL UNITS WILL BE SUBJECT, INCLUDING OCCUPANCY LIMITS, PARKING REQUIREMENTS, AND A REQUIREMENT THAT THE PRIMARY RESIDENT BE LIVING ON-SITE THROUGH OUT A SHORT-TERM RENTAL VISITOR STAY?**

**A Yes Vote Means:**

- Updates the zoning code to only allow primary residence short-term rentals in single-family residential zoning districts.
- Allows both primary and non-primary residence short-term rentals in commercial zoning districts.

**Financial Impact:**

- Detailed analysis of tax impact has not been studied by the City. Lodging tax revenues from short-term rentals represents less than 1% of the Total City Budget.
- Regulation enforcement of code enforcement hours is unknown.

## Arguments For Ballot Question #1:

1,345 verified voters signed the Citizens Initiative Petition, calling for this ordinance to be voted on in a special election. This ordinance clarifies which zoning districts will allow short-term rentals based on whether a property is a primary residence or not.

- **Community Concern:** Addresses the top concern identified in the City's short-term rental community engagement process – short-term rental lodging businesses operating in residential neighborhoods.
- **Zoning Regulations:** Defines the previously undefined short-term rental use in Woodland Park's zoning code and specifies the appropriate zoning districts those short-term rental businesses are allowed.
- **Zoning Rationale:** Updates the Zoning table of Permitted Uses to allow only primary residence short-term rentals in single-family residential zoning districts, maintaining neighborhood integrity. Allows both primary and non-primary residence short-term rentals in commercial zoning districts, locating short-term rental businesses in proximity to other businesses.
- **Zoning Consistency:** No zoning exceptions based on license issue date, fluctuating caps, HOA viability, or other criteria – the same rules apply to all properties, not just some of the properties. Provides assurance to Woodland Park's residents that Woodland Park's zoning codes will continue to protect their property rights. Residential neighborhoods remain for residents, not lodging businesses.
- **Colorado Specific Precedence:** The Primary Residence Requirement is the short-term rental regulatory approach used in the six most populous cities in Colorado, dating back to 2017, and is also used in the comparably sized, nearby City of Manitou Springs. The Primary Residence Requirement leverages the findings from other Colorado communities that short-term rental hosts renting their primary residence protect the integrity of neighborhoods.
- **Housing Stock:** Existing short-term rentals in residential neighborhoods can be converted to their intended single-family use and added to our available housing stock to support our local workforce. Protects affordable housing options by prohibiting short-term rentals in multi-family zones.
- **Simplicity:** Strictly focused on fixing our Zoning Code; it leaves it to the City to define and administer complex, short-term rental Business Regulations. Defining Business Regulations remains a City Council responsibility.

## **Arguments Against Ballot Question #1:**

The Citizens' Initiative Ordinance focuses on defining short-term rental units and specifies where they are allowed based on primary residence status:

- **Business Regulations and Zoning Regulations.** The ordinance only addresses Title 18 (Zoning) in the Woodland Park City Code. It does not include amendments to Title 5 (Business Regulations). If approved, the ordinance would require further legislative deliberation by the Woodland Park City Council to address related code modifications.
- **Property Rights:** The ordinance prohibits the ability of non-primary residence property owners in Urban and Suburban Residential zones to operate short term rentals. This restriction removes most homeowners' ability to maximize the highest potential rental revenue use for their property.
- **Economic Opportunity:** The ordinance limits absentee property owners from operating short term rental properties. The ordinance requires at least one of the primary residents live on-site during a short-term rental visitor stay.
- **Zoning Restrictions:** Short-term rental units that are not the primary residence of the owner/operator are only allowed in commercial zoning districts.
- **Exemptions for Existing Businesses:** The ordinance identifies a specified end-date (December 2024) for existing short-term rental licenses for non-primary residences.

## **BALLOT QUESTION #2**

**SHALL TITLES 5 AND 18 OF THE WOODLAND PARK MUNICIPAL CODE BE AMENDED BY THE ADOPTION OF AN ORDINANCE REFERRED TO THE VOTERS BY THE WOODLAND PARK CITY COUNCIL, CONCERNING THE REGULATION AND LICENSING OF SHORT-TERM RENTAL BUSINESSES AND THE ZONING OF SHORT-TERM RENTAL UNITS WITHIN THE CITY, AND IN CONNECTION THEREWITH DEFINING “SHORT-TERM RENTAL BUSINESS”, REQUIRING A LICENSE TO OPERATE A SHORT-TERM RENTAL BUSINESS, SETTING CONDITIONS FOR THE ISSUANCE AND REVOCATION OF SHORT-TERM RENTAL BUSINESS LICENSES AND PERMITTING COUNCIL TO ESTABLISH A LICENSE FEE; AMENDING THE ZONING CODE DEFINING “SHORT-TERM RENTAL UNITS”, DESIGNATING ZONING DISTRICTS IN WHICH SHORT-TERM RENTAL UNITS WILL BE PERMITTED, PERMITTING SHORT-TERM RENTAL UNITS IN SINGLE FAMILY RESIDENTIAL, COMMERCIAL, AND PLANNED UNIT DEVELOPMENT DISTRICTS, SETTING CAPS ON THE NUMBER OF SHORT-TERM RENTAL UNITS PERMITTED BY DISTRICT, EXEMPTING CURRENT BUSINESS LICENSE HOLDERS OF SHORTTERM RENTAL BUSINESSES FROM ZONING USE RESTRICTIONS, CAPS, AND DISTANCE REQUIREMENTS, AND SETTING STANDARDS IN CONNECTION WITH THE SHORT-TERM RENTAL UNIT USE?**

### **A Yes Vote Means:**

- Updates the zoning code to allow short-term rentals in primary and non-primary residences in single-family residential zones.
- Adds new section to Title 5 Business Regulations to define short-term rental licensing, operating regulations and license revocations.
- Currently licensed short-term rentals will be permitted to continue under the new business regulations.

### **Financial Impact:**

- Detailed analysis of tax impact has not been studied by the City. Lodging tax revenues from short-term rentals represents less than 1% of the Total City Budget.
- Regulation enforcement of code enforcement hours is unknown.

## Arguments For Ballot Question #2:

The Woodland Park City Council-sponsored ordinance creates a framework for short term rental regulation and appropriate restrictions to maintain a balance between local homeowners and short-term rental owners and guests in Woodland Park.

- **Regulation and Oversight:** Proposed amendments to both Titles 5 (Business Regulations) and 18 (Zoning) of the Woodland Park Municipal Code provide a comprehensive means to regulate and oversee the short-term rental industry.
- **Definition and Licensing:** The proposed ordinance includes a clear definition of short-term rental business and requires operators to obtain a license to run such a business. This is essential to ensure that operators are held accountable for their activities and that the city can monitor and regulate them. This ordinance does not differentiate between primary residence owners vs. non-primary residence owners and applies the same rules equally to all residential homeowners in the zoning code.
- **Zoning and District Regulations:** By designating specific zoning districts where short-term rentals are allowed, the City can strike a balance between maintaining residential areas and allowing short-term rentals in commercial and planned unit development districts. The ordinance also recognizes a stated community concern to protect affordable housing options by prohibiting short-term rentals in designated multi-family zones.
- **Caps and Standards:** To prevent over saturation of short-term rentals in Woodland Park residential neighborhoods, the ordinance establishes caps on the number of licenses issued. Setting standards (i.e., occupancy limits, parking restrictions, and prohibitions on events) addresses issues related to noise, safety, and overall neighborhood quality. Physical distance limitations for all new license applicants addresses concerns related to the numbers of short-term rentals in residential zones.
- **Exemptions for Existing Businesses:** The provision exempting current business license holders of short-term rental businesses from zoning use restrictions, caps, and distance requirements is a way to accommodate existing operators while still regulating future growth in the industry.
- **Revenue Source:** Short-term rental licenses represent a significant source of lodging tax revenue for the City of Woodland Park that can be used for the betterment of our community.
- **Accountability for Safety and Liability:** All short-term business license holders must maintain liability insurance, agree to reasonable occupancy parameters, provide a parking plan, and more to promote good neighbor accountability. Licenses can be revoked and suspended for non-compliance by the owner or the guest. Penalties will also be established for operating a short-term rental unit without a license.

## Arguments Against Ballot Question #2:

The Woodland Park City Council-sponsored ordinance provides the fundamental change to our zoning ordinances to allow short-term rental business in both residential and commercial districts in Woodland Park. This fundamental change is easily lost with the inclusion of a comprehensive framework for regulating and overseeing short-term rental businesses in Woodland Park.

- **Community Concern:** Does not solve the top concern identified in the City's short-term rental community engagement process - short-term rental lodging businesses operating in residential neighborhoods.
- **Complexity:** Rather than focus on our basic Short-Term Rental problem of where they are allowed and not allowed by our Zoning Code, this adds complex Business Regulations that should not be considered until we have Short-Term Rentals defined in our Zoning Code.
- **Residential Zoning Sanctity:** Any single-family residential home in Woodland Park has the potential to be converted into an out-of-state, investor-owned short-term rental at any time. Allows all grandfathered short-term rentals to operate indefinitely in residential neighborhoods provided they renew their license and comply with Business Regulations. Residential neighborhoods will no longer be just for residents.
- **Short-term Rental Saturation:** With the proposed caps by district, 92 Investor-Owned Short-Term Rentals already operating in Woodland Park's single family residential neighborhoods (SR & UR zoning districts) could be immediately joined by an additional 25 more short-term rentals. With the waiving of caps in Planned Unit Development (PUD) Districts, there are no zoning limitations on the number of investor-owned short-term rentals allowed in those neighborhoods, only a 250' proximity restriction.
- **Zoning Consistency:** Grandfathering, Caps, and Proximity limits are arbitrary and inherently unfair compared to clear and consistent guidance based on our Zoning Laws. The same permitted use does not apply to all properties in a zoning district. Eligibility to operate any given residential property as a short-term rental will vary over time.
- **Housing Supply:** Continues to stress our workforce housing supply with many potential homes for families operated as Short-Term Rentals instead.