



Arapahoe County

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Board Summary Report

File #: 25-416

Agenda Date: 8/5/2025

Agenda #:

To: Board of County Commissioners

Through: Bryan Weimer, Director, Public Works and Development

Prepared By:

Caitlyn Mars, Zoning and Weed Control Manager, Public Works and Development; Jason Reynolds, Planning Division Manager

Presenter: Caitlyn Mars, Zoning and Weed Control Manager, Public Works and Development; Jason Reynolds, Planning Division Manager

Subject:

1:00 PM *Short-Term Rentals Program and Regulations (LDC23-001)

Purpose and Request:

In this study session, Staff will provide additional detail on adjustments made to the draft ordinance to ensure optimal enforceability, as well as bring forward further discussion items on topics of concern discussed at the previous study session. Staff will be seeking authorization to move forward with public outreach on the draft regulations, including several proposed modifications.

Background and Discussion: Staff began researching regulation options for Short-Term Rentals in 2023 due to reported negative impacts on communities from existing Short-Term Rentals. Prior study sessions with the Board occurred on March 7, 2023, January 28, 2025, and April 14, 2025, discussing the various regulation topics and administration details of the regulations.

After the study session on April 14, 2025, staff continued to review the draft regulations with the County Attorney's Office to tighten up the language and eliminate potential loopholes. Another area of priority was ensuring ease and clarity of managing the Ordinance and licensing program.

To improve the integrity of the regulations, the following definitions were added: Affected Party, Application,

Good Neighbor Notice and Guidelines, Hotel unit, Multi-family Structure or Building, License, Lodging Unit (to replace “dwelling” for purposes of this ordinance), and Short-Term Rental License. In addition to these definitions, language was modified throughout to better clarify expectations of the application process, responsibilities of the Local Responsible Agent and Owner, and add further clarity to the processes involved in revocation, denial, and suspension of a license, as well as the appeal process.

The following topics are being brought to the Board for further consideration:

Restrictions: In prior study sessions, we discussed interest in ownership restrictions and challenges pertaining to practical enforcement of ownership requirements. At this time, the recommendation from staff is to limit the number of Short-Term rental days to no more than 180 days in a calendar year. This proposed approach would provide Short-Term rental income potential for those homeowners interested in obtaining a license, allow for simplicity in enforcement, and would also, along with other standards, address negative impacts on neighborhoods.

For the first year of licensing, the Licensee would acknowledge this restriction of the license. For subsequent/renewal years, the Licensee would be expected to provide a log of rental days, verifying compliance for the prior year.

Local Responsible Agent, “LRA” Requirements: Based on initial discussions, the LRA would be required to reside within Arapahoe County. The intent of having an LRA is to ensure prompt responses to tenant and neighbor concerns. Given Arapahoe County’s unique geography, a residence restriction could delay responsiveness. Some homes off S Uinta Way in the Four Square Mile area are in the City and County of Denver; although they are not Arapahoe County residents, they would be able to respond more quickly than an Arapahoe County resident LRA living in Byers.

Based on this assessment, staff recommend that any time the STR is rented the LRA must be able to respond within 15 minutes of inquiry from an Affected Party or tenant, and that they are able to physically respond to the property within 60 minutes, if necessary. These proposed requirements would ensure timely response from the LRA (or Owner who may also serve as the LRA) over geographically residing within the County.

Parking: Based on discussions during the previous study session, staff reviewed the parking requirements further. It is recommended that a parking plan be a required part of the application submittal and review process. The parking plan would be required to show that all required parking is provided on the STR private property and that all provided parking is paved, except for properties 2.41 acres or larger in size (it is more common to have unpaved driveways in larger lot rural areas). Additionally, a minimum of one parking space shall be identified for a studio or one-bedroom lodging unit and two spaces would need to be identified for units with two or more bedrooms.

Home Inspection Requirement: It was initially proposed that a third-party inspection be conducted, at the expense of the property owner, to verify compliance with the identified life safety standards. Upon further review of this process and requirement, it was determined that a more efficient approach could be equally beneficial, and it is recommended that the requirement of a third-party inspection be removed from the regulations. Instead, staff suggests requiring an owner submit a detailed summary demonstrating compliance with the life safety standards, in addition to an affidavit certifying compliance with these standards, with their initial license application and any subsequent renewal application. The County would then reserve the right to inspect if there are any concerns.

Separation Limits: In Arapahoe County, STRs have generated complaints about noise, activity, and parking. Globally, research has found that increasing numbers of STRs are correlated with increases in rents (see “Summary of STR Research” attachment). Affordability remains a critical issue in the Front Range and every dwelling unit converted to an STR removes that dwelling unit from an already constrained long-term housing market. For these reasons, the proposed STR regulations include provisions limiting the clustering of whole house STRs and capping the total number of whole unit multi-family STRs. The spacing restrictions would not apply to partial unit STRs, where a resident offers a room or suite rental.

For single-family detached homes, duplexes/single-family attached homes, and townhomes, the proposed ordinance requires 500 feet of separation between whole unit STRs. This prevents clusters of STRs from causing noise, traffic, and parking disruptions in neighborhoods. The separation requirement also limits the total number of houses that can be converted to STRs. For example, in Holly Hills north of Iliff, the spacing requirement would restrict total STRs to approximately 18 of 486 parcels in that neighborhood (or 3.7% of parcels).

For multi-family properties, which include apartments and condominiums, staff proposes placing a specific limit on the number of whole unit STRs. Multi-family housing is typically more affordable than other forms of housing and the proposed regulations prioritize preserving that affordable housing stock, particularly stock that is available for purchase. Per US Census Data, there are 12,848 multi-family housing units in Unincorporated Arapahoe County, with 1,930 of those being owner-occupied. The Census does not differentiate between apartments/for-rent and condominiums/for-sale but owner-occupied units can serve as a conservative estimate of condo units. Not all condos are owner-occupied, so the actual number of condos is larger than 1,930 units: assuming condos are owner-occupied at unincorporated Arapahoe County’s average owner occupancy rate of 79%, there are about 2,428 multi-family condo units. Staff recommends limiting multi-family STRs to no more than 100 units; this is approximately 4% of the estimated number of condos.

To summarize, whole unit single-family detached, duplexes/two-family, and townhome STRs would require 500 feet of separation and multi-family would be capped at 100 units. Neither restriction would apply to partial unit STRs, which have on-site hosts.

Fiscal Impact: Colorado Statute empowers counties to regulate short-term rentals, which includes the authority to require licensing and registration fees. Adoption of new regulations will potentially lead to additional enforcement. Adoption of a licensing system and use of a supporting third-party service will have initial startup

costs. Initially, even with continuing administration costs, the program was expected to break even within four years.

Alternatives: 1. Proceed with public outreach on the draft regulations

2. Do not regulate Short-Term Rentals

3. Prohibit Short-Term Rentals altogether

Alignment with Strategic Plan:

☐ Be fiscally sustainable

☐ Provide essential and mandated service

☒ Be community focused

Staff Recommendation: Staff is seeking confirmation that the Board supports this proposal, including the following provisions in the regulations:

1. Ownership Restrictions: Restrict all Short-Term Rentals to renting no more than 180 days total in a calendar year.
2. Local Responsible Agent: Remove the requirement for the LRA to reside within Arapahoe County and instead require they be available at all times the STR is rented, be responsive to tenant or Affected Party within 15 minutes of being contacted, and be able to physically respond to the property within 60 minutes, if necessary.
3. Parking: Require a parking plan to be submitted with application to address the minimum parking requirements, as well as identify restrictions for right-of-way parking and parking on non-paved surfaces.
4. Home Inspections: Require the owner to sign an affidavit and demonstrate compliance with the life safety standards in their application submittal. Reserve the right for inspection, if necessary.
5. Separation Limits: Limit the total number of STR licenses in multi-family buildings or structures to no more than 100 throughout Unincorporated Arapahoe County.

Concurrence: N/A