

**MINUTES
CARBONDALE BOARD OF TRUSTEES
SPECIAL MEETING
DECEMBER 21, 2021
CARBONDALE TOWN HALL**

Mayor Dan Richardson called the Board of Trustees Special Meeting to order on December 21, 2021, at 6:00 p.m.

ROLL CALL:

The following members were present for roll call:

Mayor	Dan Richardson
Trustees	Marty Silverstein
	Erica Sparhawk
	Ben Bohmfalk
	Luis Yllanes
	Heather Henry

Arrived After Roll Call	Lani Kitching
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Staff Present:

Interim Town Manager	Kevin Schorzman
Town Clerk	Cathy Derby
Finance Director	Renae Gustine
Planning Director	Janet Buck
Planner	John Leybourne

SHORT-TERM RENTAL (STR) DISCUSSION

Kevin Rayes, Ali O'Neal, Shirley Powers and Chris Hassig, representing the Community First Carbondale coalition, were present at the meeting.

Mayor Richardson gave a little background on STRs. He explained that several years ago the Board looked in to regulating STRs and based on research they decided not to regulate them. Community First Carbondale developed an initiative regulating and taxing STRs. Mayor Richardson asked Kevin to discuss STRs with the Board prior to putting it on the ballot and Kevin agreed.

Trustee Kitching arrived at the meeting.

Kevin explained that Community First Carbondale was formed by a group of locals to address the nexus between the proliferation of STRs and the housing crisis that

continues to impact the Valley. The lack of regulation has contributed to the displacement of working locals and those who once considered Carbondale home.

The Coalition's goals are as follows:

1. Reduce real estate speculation in Carbondale
2. Extract additional tax revenue for the purpose of developing affordable housing
3. Prioritize and empower full-time locals

Discussion ensued.

Trustee Sparhawk asked the Coalition if they have looked at VRBO and Airbnb listing. Yes they did, there are 20-40 available within town limits and everyone of them could be converted to a long-term rental.

Trustee Yllanes stated that the proposal doesn't address LLC's or fractional ownership. Kevin stated that only one license would be permitted per person. Also, they define what a person is and they are not a legal entity.

Mayor Richardson opened the meeting to public comment.

Drew stated that he has lived here for five years and has moved four times. If he has to move again it will be out of Carbondale. He doesn't believe the Town is standing up for renters.

Alyssa Reindel stated that she has lived here for 12 years and she has been a renter the whole time. When she moved here she didn't have the resources to buy a house. She was just notified that her landlord is taking advantage of the hot housing market and is selling her rental. There is nothing to buy or rent. She asked the Board to do whatever they can to help let us stay here.

Lyndsay has lived here for 11 years. She asked how the Aspen moratorium on STRs will affect us? She would hate to see it shift here. She stated that Thompson Park has 13 free market homes, four of them are STRs and one is owned by a second homeowner. This housing is not helping workers. Lyndsay volunteers extensively – we make the community what it is and VRBO is boasting about what we make happen.

Alex has lives here for four years. In that time he has been homeless twice. There is a gap in what qualifies as affordable. He makes too much money to qualify for deed restricted housing, yet he can't afford to rent on the open market. He asked how can we incentivize landlords to put long term rentals on the market? We need to explore different ways to make affordable housing available to different types of people. How can we prevent price gouging in new developments?

Mark Chain has lived in Carbondale for 38 years. STR growth has been morphing over the years. We need to cooperate regionally, yet each town needs to have different regulations. We need a housing advisory group. He recommended that any funding

received from an increase in taxes should be used to fund staff in charge of regulations and enforcement. This problem is happening everywhere and it's complicated.

Brittany stated that she owns a STR business in the Valley. Ninety-five percent of her clients are second homeowners. If you take away their ability to STR their homes they would not become long-term rentals, they would sit vacant. She agrees with increased taxes, licensing, and grandfathering existing STRs. She employees 15 people who she pays \$40/hour. She likes how Glenwood Springs handles their STRs. The struggle is how do we raise wages so people can afford to live here? Over 200 units are being built in town – won't they address the rental crisis? Blaming STRs for the housing crisis is a little much. The average single-family home in Carbondale costs \$1.7 million. How can an owner rent to a long-term renter at that price? The Coalition is comparing us to Telluride and Santa Fe.

John has lived here for four years. He agrees that the housing crisis in Colorado is bad. He manages 40 STRs. He believes that STRs are a scapegoat. He likes incentivizing long-term rentals. Traveling workers is a growing trend – are you saying that they aren't welcome here? We need STRs, traveling nurses rely on STRs. Consider the impacts STRs have on the historic core. We need to invest in housing stock rather than regulate STRs.

Chris has lived here for five years. Renters are your volunteers. Options are available – explore what other communities are doing. She has a list of what other communities are doing. How do we incentivize long-term rentals? She noted that there are no renter rights in Carbondale.

Brent stated that he has a STR in his basement. They previously rent it long-term but his parents use the unit when they visit so a STR became the best option. STRs are impactful on how he can afford to live here. He doesn't have a problem going after LLC's who own STRs but for many locals it's how they afford their mortgage.

Kevin explained that their proposal would accommodate people like Brent – they would just need to get a permit. He noted that Brittany likes the way Glenwood Springs handles their STR. They have a cap on the number of licenses based on the zone district. Getting a permit is arbitrary. The Coalition wants to remove arbitrary and prioritize locals and prohibit second homeowner STRs.

James stated that he manages 40 STR units. Eliminating STRs will not help the housing crisis. He asked the Board to leave STRs unregulated, or grandfather those who already own STRs.

The Board discussed goals and the next steps which include:

Goals

Prevent future conversion of work force housing to STRs.
Encourage conversion of STRs to work force housing

Steps

- Pursue permitting on existing STRs
- Possibly prohibit STRs in non-owner occupied housing units
- Create a job description for the new planning technician
- Involve the communications consultant in the process
- Create an ordinance for review at the March 22nd meeting

The Board continued the STR discussion to the January 18th work session.

EXECUTIVE SESSION

At 8:30 p.m. Trustee Silverstein made a motion to go into an Executive Session to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a). Trustee Yllanes seconded the motion and it passed with:

7 yes votes: Silverstein, Richardson, Bohmfalk, Kitching, Yllanes, Sparhawk, Henry

At 9:00 p.m. Trustee Kitching made a motion to adjourn the Executive Session and return to the Special Meeting. Trustee Silverstein seconded the motion and it passed with:


7 yes votes: Richardson, Yllanes, Kitching, Sparhawk, Henry, Bohmfalk, Silverstein

ADJOURNMENT

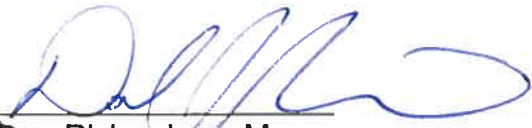
The December 21, 2021 Special Meeting adjourned at 9:10 p.m. The next regularly scheduled meeting will be held on December 28, 2021, at 9:00 a.m.

APPROVED AND ACCEPTED

ATTEST


Cathy Derby, Town Clerk




Dan Richardson, Mayor