

STUDY SESSION NOTES
CITY OF WHEAT RIDGE, COLORADO
City Council Chambers 7500 W. 29th Avenue
March 18, 2019

Mayor Starker called the Study Session to order at 6:30 p.m.

Councilmembers present: Amanda Weaver, Janeece Hoppe, David Kueter, Zachary Urban, Larry Mathews, Kristi Davis, and George Pond

Absent: Leah Dozeman

Also present: City Clerk, Janelle Shaver; City Manager, Patrick Goff; Police Chief, Daniel Brennan; Community Development Director, Ken Johnstone; other staff, guests and interested citizens.

CITIZEN COMMENT ON AGENDA ITEMS

Carol Mathews (WR), a member of the NRS committee, commented on the study. She suggested the 27 members were not unbiased or non-political, but all brought energy for their issues and were dedicated to bringing all sides of every issue to the greatest number of WR citizens. There were 1,053 responses to the survey – a record, thanks to Korey Stites who led the communications strategy, Morgan Richards to coordinated outreach, and Guy Nahmiach who wrote Gazette articles and coordinated with neighborhood schools. She recited a long list of elected officials, citizens groups and individuals, and City departments who aided in the process to encourage participation.

Carol Mathews (WR) encouraged preservation of R-1 zoned neighborhoods. She listed a number of problems caused by a short term rental in her neighborhood. It has become an unforeseen threat to quality of life and calls to staff have been answered with “The City has no policies on Airbnb’s.” She read a list of negative impacts Airbnb’s have had in San Diego. She suggested a compromise which would ban STR’s in R-1 neighborhoods and allow citizens in R-2 and R-3 neighborhoods to decide.

Kirk McCoy (unincorporated Jeffco) doesn’t live in Wheat Ridge, but owns four rental properties in WR – three Airbnb’s and one long term rental. He has really had no problems with the short term rentals. He thinks they bring value/revenue to the community. When he travels with his five children they stay at Airbnb’s.

Rachel Hultin (WR) has used Airbnb’s in several states and countries, and is a huge fan. Her research on how other communities regulate them indicate they are pretty easy to regulate. It would allow us to capture the revenue and offer housing flexibility for visitors. She recently hosted a Deep Dive Club that had a dialog about why BnB’s might be good for WR. She listed several reasons the 13 people came up with. She encouraged Council to come up with some regulations and allow these to continue.

Chris Bird (WR) was on the NRS committee and spoke about all the work that went in to the study. Response was varied and good – truly representative of the community. People love the quality of life here and see Wheat Ridge as an oasis in the metro area.

Nancy Ferrier (WR) has been an Airbnb host for 2 years. She highlighted the good things she has offered people. It has helped her financially to upgrade her house and she believes her neighbors benefit from her good curb appeal. She helps create a global community.

John McMillin (WR) uses Airbnb all over. He will never stay in a hotel again. He would like to do it with one of his properties. It's an entrepreneurial opportunity. He recalled that taking in boarders used to be a very common American experience that he sees as a tradition.

Masami Covey (WR) has been an Airbnb host in Wheat Ridge since 2012; they have 400 reviews. She loves it, but has had some bad experiences with guests in their Denver Airbnb (where they didn't live). Marijuana was a problem. She now has a long list of rules. Her experience is the ones where the owners don't live in them have problems. She supports them only if the owner actually lives there. Airbnb is about sharing your home. She is against people who own multiple Airbnb's.

Janice Straybe (WR) moved here and has been an Airbnb host for two years; it supplements her income. Regarding problems, she said she's lived in communities where she had problems with neighbors who are permanent residents. Her neighbors have no issues with her Airbnb. She understands having some regulations.

Tom Robinson (WR) is a short term rental host. He wishes he could leave a review for the college girls living next to him and have them removed, but you can't do that with a long term rental. He agrees with the positive things that have been said about Airbnb. It is only one of the short term rental platforms, designed for a certain target market. He believes if we have a policy, we can collect revenue; if we don't, we can't. He manages properties in Denver, and noted that Denver makes a lot of revenue on Airbnb's. There are ways to regulate it so we attract the kind of visitors we want, and the kind of host that we want. He'd like to see it done responsibly so we can collect revenue.

John Clark (WR) asked why Agenda Item 3 (the Porchlight Family Justice Center) is not included in the outside agency list.

Chis Chidley (WR) is an architect that has designed a number of Airbnb's and ADU's in Denver and elsewhere. He pointed out that since rental properties are too expensive to purchase these days, creating an Airbnb or an ADU is a viable financial option. He favors them, but thinks that, unlike what Denver has allowed, we should have a requirement for adequate off-street parking.

1. NRS Update

Mr. Goff gave opening remarks about the report. A City Council retreat will be held April 6 with the consultants to discuss it. Tonight is a good time to present deeper questions Council would like to discuss then. Consultants from czb LLC, **Charles Buki, Thomas Eddington, and Eric Ameigh** were present, as were Co-Chairs of the citizen committee **Rachel Hultin, Korey Stites and Kathleen Martel**.

Co-Chairs.

Co-chair Rachel Hultin reported that the 27-member steering committee empaneled last July is down to 23. She said the success of the NRS will be due to the facilitation of the steering committee's work with the community, with each other and with the consultants. She praised CZB and their work, and commented about Wheat Ridge being quirky.

Co-chair Kathleen Martel talked about the make-up of the committee.

- Members were diverse from all areas of WR, including ten business owners and tenure of residency ranging from less than one year to 58 years. Four people on the committee have been here less than a year; 11 less than 5 years; 8 in the 5-20 year range; 7 in the 20+ range.
- They broke into small groups that each had 3 council districts, new and older residents, men and women, and business owners. In the community they met at a variety of locations and asked "what are you willing to give up to get what you want?"
- Then they had a large open house in December with 100+ participants. They even asked children what they loved about Wheat Ridge.
- Some folks had more time to analyze information. That small working group of 12 is still meeting. The large group meets less frequently.
- The survey was a great success.
- The working group broke down into smaller focus groups to listen to people who don't think their voices have been heard.

Co-chair Korey Stites pointed out that the group realized Council didn't just want the committee members' opinions.

- They made efforts to reach out into the community. Meeting in various places they reached about 100 people.
- That wasn't enough, so they had an open house Dec 2 with staff and businesses and others; 120 people attended.
- The consultant thought 500 responses to the online survey would be good. The committee wanted more and did publicity. They got 1053 responses.
- Tomorrow and Wednesday there will be four open houses.
 - March 19 from 9-11am at the Active Adult Center and 4-6pm at WR High Sch
 - March 20 from 7:30-9:30am at the Re Center and 5-7pm at Colorado Plus.
 - He urged people to come see the results of the survey and give their opinions.
- There are also display boards in the lobby and the Committee will present to the Planning Commission on Thursday.

Ms. Hultin added that the goal has not been to reach consensus, but to be inclusive. They have worked hard to reach all types of residents. She thanked all who have participated.

Process Update - Eric Ameigh

Mr. Ameigh noted there is an emerging direction for the report, but it isn't finished yet. Certain emerging ideas have come to the fore and need further discussion.

- Mr. Ameigh went through the timeline of the various meetings that were held - what was done and when. He was happy to report that Wheat Ridge destroyed their company's records for survey responses.
- Their company tries to focus on the fewest number of things that are most important.
- He explained the 80/20 Rule of Pareto Planning. 20% of your efforts create 80% of the outcomes.

Emerging NRS Direction - Eric Ameigh

- In taking the pulse of the community, they found that most are satisfied with how things are. Residents don't want or need big change. We aren't at a crossroads anymore. There are a few things folks want.
 - 1- Strong desire for neighborhoods to self-manage change at the neighborhood level.
 - 2- Strong desire for primary corridors to look better.
 - Last year's survey had 81 % rating the quality of life as good or excellent and 90% thinking it's a good/excellent place to live. The NRS survey shows 58% saying WR has gotten better the last five years and 24% saying it's about the same.
 - Things are getting better. Only minor tweaks are necessary.
 - Amenities like parks/rec, parades, festivals, restaurants received high marks.
 - He suggested that as the real estate market strengthens, he thinks it makes sense to make changes to properties – popping tops, adding bathrooms, and adding ADU's. The question isn't how do we create change, but rather how do we manage change.
 - Neighborhood engagement and neighborhoods involved in planning are recommended. Development should include resident input. Need education for residents. There is a strong desire by residents to be involved in the decision making process.
 - Different neighborhoods have different kinds of fixes.
 - He went through some major desires of respondents:
 - Like hometown feel and knowing neighbors. Smallness is important.
 - 79% want to weigh in on things that directly affect them.
 - 63% would participate in neighborhood organizations.
- Special issues include
 - Property conditions and code enforcement.
 - Note: 15% of single family homes are absentee owned.
 - 79% believe their neighbors' property is well maintained.
 - There is no real support for a rental inspection program or additional code enforcement resources.

- Regarding ADU's, nothing in the NRS process contradicted the 2018 Resident Survey findings.
 - 48% strongly/somewhat support it; 22% are against it; 30% are neutral or don't know. For many, "it depends" on design and form or on use.
 - As professionals their company doesn't think it's a big issue that needs regulating.
 - 73% of NRS respondents agree the City should:
 - ensure the community fully understands what ADUs and short term rentals are,
 - the community should be told the pro's and con's so residents can let Council know their opinion.

They will go before Planning Commission this week, have the draft strategy ready in May, and the final strategy in June.

Feedback and Questions

- Councilmember Mathews asked if we have accomplished our 2005 goals and would like to discuss that in greater detail at a future date. He also wants to know how high density works with our desire for small town feel.
- Councilmember Urban commented about the neighborhood planning process. 20% are very involved and participate. How do we know we're getting proper feedback? Quality of feedback matters; tone, content, and character matter.
- Councilmember Davis said she also has questions about density. She commented on how NIMBY makes policy making difficult.
- Councilmember Pond gave thoughts on policy and process. He thinks the issue of improving corridors is great. He wondered about 38th Avenue. Mr. Ameigh said tonight is a once over - details will come later.
- Councilmember Hoppe suggested the co-chairs join Council on April 6 at the retreat. She would like to see how the suggestions from the NRS help us achieve our goals.
- Councilmember Kueter asked if the data can be broken down geographically. It can.
- Councilmember Weaver commented on the wonderful process.

The Mayor declared a short break at 8:10pm. The study session resumed at 8:17pm.

2. Short-term Rental Discussion

Mr. Goff noted tonight's presentation would be an overview of short term rentals.

Staff presentation ~ Marianne Schilling

This is about accommodations for short term rentals

- 140 active Short-term Rentals (STR's) in WR right now (under 1% of households)
- The city gets about three calls a month asking how to become licensed for them.
- Code permits rooming/boardings for up to 2 people for not less than 7 days; and if the entire dwelling is rented it must be not less than 30 days..
- She reported on what some other cities do. 14 other cities and counties were surveyed. 9 have rules and allowances were all over the place. Generally they

- are constituted to the entire house, they have to have a business license and/or a STR licenses and hosts are required to collect and submit sales tax.
- The staff position is that citizens generally support collecting a lodger's tax, are split on how long the stay can be, but were split on regulating the amount of . Some prefer allowing rental of the whole house; homeowners prefer only renting a room.
 - Staff would like some direction from Council.

Discussion

Councilmember Davis supports some types of regulations for it.

Councilmember Weaver shared her experiences with Airbnb as a guest and a host for five years. She thinks it's important that single homeowners to be able to earn extra money. She pointed out there are financial and social benefits to the host, and for the City there is tax revenue to be gained.

Councilmember Kueter noted that Englewood and Lakewood currently forbid them. He suggested that unless a staff member is hired to oversee this, forbidding them is not feasible. Ignoring it does nothing to regulate it and is a missed opportunity for revenue.

Councilmember Hoppe said she supports some regulations for Airbnb's such as:

- having them licensed and maybe requiring an annual renewal
- requiring them to pay Lodger's Tax
- some kind of safety regulations (she likes the Ft. Collins model).

She favors Council gathering information and opinions, then brainstorming and giving staff some direction.

Councilmember Urban thinks our responsibility is to look at the costs and impacts to the City more than the benefits.

- He favors annual licensing and renewal, but noted if we license it the City and the host will both be on the hook for health and safety issues.
- He's undecided right now about Ft. Collins' policy of self-certification.
- There are zoning code issues about accessory uses and the number of people allowed. A family of five is not "2 people".
- He thinks requiring owner occupation during rental is a good first step. He doesn't think hostels and flop houses are appropriate in residential zones.
- He thinks personal licenses and property licenses should be regulated differently.

Councilmember Mathews stated the following:

- The purpose of zoning is to maintain order. He thinks STR's are commercial ventures and inappropriate for single family neighborhoods.
- When people start businesses they have to have a tax license.
- Locating them would not be hard; they advertisement. We have a map that shows where these 140 STR's are.
- We also have rules about bed and breakfast units ("subordinate use of a one family dwelling which offers sleeping rooms for overnight, transient occupancy"). Why aren't we following them?
- We have Lodging Tax; why aren't we collecting it?

- We have codes for this and we aren't enforcing the rules we have. What is a residential neighborhood for? We are here to protect our neighborhoods.

Mr. Goff said 'Bed and Breakfast' as defined in our Code is different from 'Short Term Rentals' as they are today. Staff will not tax/enforce/license any Airbnb's until they get direction from Council.

Discussion continued.

- Councilmember Hoppe disagrees that residential neighborhoods are just places for families. She thinks manpower is an issue and agrees that hostels are not what we want.
- Councilmember Pond agrees we should be thinking about how to regulate this, and he doesn't want to degrade our neighborhoods.
- Councilmember Davis elaborated on ways she thinks we can regulate this. She repeated what she learned in San Francisco about Airbnb's aiding affordable housing.
- Mr. Johnstone told Councilmember Urban there are no operating Bed and Breakfast facilities in the city. Boarding houses require a Special Use Permit, and we have none. We do not license boarding houses.
- Mr. Goff suggested a survey to Council about what regulations they support.
- Mr. Johnstone asked if Council was interested in having neighborhood outreach meetings, and also noted that the NRS study was to provide guidance on this issue.
- Councilmember Urban thought it important to reach out specifically to current hosts and their neighbors.
- Councilmember Davis asked if a permit was required to rent out a house long term. She'd like to see long term rentals included in this, because they can be problems too.
- Councilmember Kueter reminded that cbz said the NRS data on this can be broken down geographically.
- Councilmember Weaver said we should be careful about regulating parking spaces and safety and not venture into the demographic about why we are regulating it.
- Councilmember Urban urged that property owners be at the house during rental stay, and that tenants of rentals not be allowed to operate Airbnb's.
- Councilmember Hoppe didn't think it was fair to regulate parking for Airbnb's; it isn't regulated for homeowners.

There was consensus to have staff survey the Council about what options they support and bring the results back.

There was discussion about having staff send a letter to Airbnb operators and their neighbors informing them this topic will be discussed at a study session. The data itself would cost \$5-10K.

Councilmember Urban did not receive consensus to have staff compile a list of Airbnb's in the City.

3. Budget Supplemental for Porchlight Family Justice Center

Chief Brennan asked Council to appropriate \$18,000 from Wheat Ridge as our share for the Family Justice Center, now identified as Porchlight (FJC), to serve Jefferson and Gilpin counties. Over 75 agencies will work together to provide coordinated services for victims of violence – including physical abuse, emotional abuse, harassment, threats, strangulation, murder, elder and at-risk adult abuse, human trafficking, property damage, and child abuse.

Members of the WR Police Department remain involved as subcommittee members on this project, and staff continues to assess how our organization will integrate these services into our department.

Last year when we were preparing our budget, our share had not yet determined. The goal is \$1,200,000 (from all sources) to become operational.

Discussion and questions followed.

Councilmember Hoppe received unanimous consent to proceed with the \$18,000 budget supplement for the Family Justice Center.


4. Staff Report(s) None

5. Elected Officials' Report(s)


David Kueter informed the City Clerk that he would be out of town next week.

Larry Mathews asked for an update on the G Line. Mr. Goff said the 21 days is up. The quiet zone application is being rushed.

ADJOURNMENT: The Study Session adjourned at 9:47 p.m.


Janelle Shaver, City Clerk

APPROVED BY CITY COUNCIL ON June 10, 2019


Janeece Hoppe, Mayor pro tem