

**Tourism Overlay District Task Force**  
**February 9, 2022 Meeting Minutes**  
**10:30 am – 12:00 pm, Breckenridge Town Hall Council Chambers**

**Meeting Attendees**

Task Force Members: Abby Epperson, Jim Schlegel, Bruce Horii, Kelly Owens, Steve Fisher, Devon O’Neil, Abbey Browne, Dick Carleton, Mike Hessel, Steve Gerard

Town Staff: Rick Holman, Shannon Haynes, Mark Truckey, Julia Puester, Bela Del Valle, Brad LaRochelle, Kirsten Crawford, Sarah Crump

**Attrition Overview**

Not much attrition occurred during the license renewal period. There were only 170 non-renewals. The vast majority of outstanding licenses will be renewed but the Finance Department is still working through required paperwork/fees for 150-200 pending approvals.

**Overview of Scenarios 1-4**

Scenario concepts: for all scenarios, license reduction would occur in Zones 2 and 3. Abbey Browne’s proposal calls for some additional licensing in Zone 1, two scenarios propose this (1 and 3).

Scenarios 2 and 3 allow for licenses to be replaced in Zone 1, but no additional licensing. This will take a longer time to reach any set cap goals.

Scenario 3 and 4 set a higher cap on license numbers. Overall 4100 licenses, including 2600 STRs and 1500 exempt licenses.

Most scenarios would require a significant amount of attrition to occur to reach the cap. Allowing more licenses in Zone 1 makes it more difficult to reach any cap that is set.

**Discussion**

Why do three of the four scenarios allow for more licenses and short term rentals- why would we allow more licenses? -Devon O’Neil

Feedback from many citizens is that parts of the community near the ski area were built for this type of use as the Town’s bed-base. We have tried to create a model that takes into account the level of lodging available in town. –Rick Holman

If we’re still allowing for growth in the total number of people in town we’re not succeeding in this effort. Devon O’Neil.

Having people long term staying will perhaps alleviate some congestion regarding traffic and crowding downtown. More impacts come from day-trippers. –Rick Holman

All scenarios show a reduction from the number of licenses allowed today. –Mark Truckey

But the number is artificially raised, because the gold rush period on licenses contributed to more licenses being purchased. – Devon O’Neil

All of these scenarios reduce the number of short-term licenses. – Jim Schlegel

This zoned approach has worked in other areas, like Tahoe and Truckee, to help with other issues beyond crowding like workforce housing. –Abbey Browne

I agree with Schlegel and Brown, we are reducing the numbers. We're getting documentation on which numbers fell off. We still are not tracking long-term rentals to know what exists. If we track long-term rentals with no fee tracking we will get more data to see if this zoned approach is working. We should have growth in Zone 1. – Abby Epperson

I worry that allowing for additional licenses in Zone 1 could discourage the new rent-to-local program? - Steve Gerard

I think that depends on the program, for example the lease to locals program allows those property owners to keep their STR license and long-term rent for 6 to 12 months. –Rick Holman

What about units that are looking at STR versus rent-to-local? In that case we want to incentivize rent-to-local over STR. –Steve Gerard.

None of these numbers include the future BGV development on the north gondola lot. – Kelly Owens

The ordinance doesn't seem to consider future growth of Town or future annexations. – Mike Hessel

That is what we want to avoid, that is why we want the overlay district. – Kelly Owens

What is your vision for future growth in Town? – Steve Fisher

As a Council, we are trying to adhere to the Destination Management Plan goals. That is our vision. – Kelly Owens

There is a need for attention to the quality of life portions of our Destination Management Plan. – Dick Carleton

I would like in Zone 1 an 80 % cap, which would allow for flexibility. – Abby Browne

I worry that if we allow for flexibility in Zone 1, won't those licenses just be grabbed up? – Kelly Owens

I think people are holding licenses because they are scared to lose them. There are less than 20 applications on the waitlist for an STR license. Advertisement data will show if there is active online listing, but it is less than reliable. –Bela Del Valle

I am in favor of scenario 2. I agree with Carleton on the big picture vision for Town. I think without a guaranteed measure to indicate some attrition, it would be irresponsible to allow for more STRs without knowing we have come down in numbers. We're still so far above the cap. Time is on our side. Property owners have had time to participate in the gold rush. So much speculation here to allow for new licenses. – Devon O'Neil

Allowing for 250 more licenses, this will just be a swap, when a property sells the new owner will take a license. –Mike Hessel

I am pro scenario 3. It gives flexibility. –Abby Epperson

I would like to see a compromise between scenarios 3 and 4. –Abbey Browne, Jim Schlegel, and Mike Hessel

I like the idea of giving some flexibility for Zone 1, but would like a compromise between scenarios 1 and 2. The 2200 cap, Scenario 2 but allow some license movement from Zone 3 to Zone 1. –Kelly Owens

The overlay is an opportunity to control the future. Zone 1 was built for tourism; I support upping the cap to 2600. Putting more controls and caps into Zone 2 and 3; protect integrity of Zone 1 (shouldn't be free reign) but more controls on Zone 2 and 3. I agree with Abbey Browne on a compromise of 3 and 4. – Bruce Horii

I fall a lot closer to scenario 2 than other scenarios; I don't fall with 3 and 4 because 4 drastically increases the reasonable percentage of STRs in Zone 3. Less attrition will come out of Zone 2 than other zones. I wouldn't be completely opposed to some flexibility in Zone 1 but am worried about discouraging people from conversion to long-term rental. –Steve Gerard

I think it will be two years at least to see the effect of this ordinance. – Kelly Owens

Can we have a scenario that is a combination between 2 and 3? If we bring a resolution to Council will it be a one shot deal or can we refine the recommendation and come back? – Jim Schlegel

Ideally this group would reach consensus. Maybe there are a couple different reports that go to Council for recommendation. One for 3700 cap and one for 4100 cap. – Mark Truckey

I am in favor of the 4100 cap and taking 2 scenarios to Council. Without increasing numbers. Taking something to Council that increases STR numbers will likely get a firm no from Council. –Dick Carleton

I think we should talk about migration of licenses- moving licenses from Zone 3 to Zone 1. This would accomplish flexibility of licenses in Zone 1 and remove licenses in Zone 3. Would migration help to readjust? –Steve Gerard

Licenses must extinguish upon sale for this to work. Most agree.

There is a bigger picture of capacity of the Town to consider. – Devon O'Neil

Day trippers are more detrimental to quality of life than people STRing when considering traffic. –Steve Fisher

Day trippers don't have the same impacts as overnight guests. There are different impacts on availability of goods at the store from overnight visitors.–Devon O'Neil

I would like to summarize- we were able to agree on three Zones and where the Tourism overlay is located. It seems we need to consider taking two recommendations to Council. –Rick Holman

Regarding the migration of licenses, some Task Force members wanted to uphold the ability for people in Zones 2 and 3 to obtain new licenses. –Mark Truckey

Licenses could migrate from Zone 3 to Zone 1, through the attrition process until Zone 3 reaches cap. Zone 1 would also have a maximum cap. – Abbey Browne

There could be a 2:1 migration rate for licenses from Zone 3 to Zone 1.

Zone 1 has to have some flexibility to accommodate licenses for exempt properties. –Bela Del Valle

From a Staff perspective, there should be flexibility in Zone 1. –Rick Holman

Blend of 3 and 4 is my preference, but no increase to overall numbers. –Dick Carleton

**Staff Next Steps**

Staff will work on preparing some of the suggested hybrid scenarios and potential for a migration option that could result in two recommendations to Town Council.

**Next Meeting Date**

Wednesday, February 23<sup>rd</sup>, 10:30 am