



Teller County Community Development Department

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MEMORANDUM

Date: June 9, 2026

To: Board of County Commissioners

From: Dan Swallow, Community Development Director

CC: Ross Herzog, County Administrator

Subject: STR Ordinance

Ross Herzog requested that I summarize the results of the individual meetings each of you had with Ross, Ivy, and me regarding policy direction for considering STR Regulations in a future hearing. Ross instructed me to breakdown the policy direction we received into the four following Categories:

- **Section 1:** potential regulation for which we received conflicting policy direction
- **Section 2:** potential regulation for which we received a consensus on policy direction
- **Section 3:** potential regulation of individual Commissioner Interest not mentioned by the other two Commissioners
- **Section 4:** potential regulation identified in other STR ordinances that were not previously mentioned but may warrant consideration

SECTION 1 CONFLICTING POLICY DIRECTION

While all three Commissioners were aligned on many of the proposed STR regulations, conflicting direction was given for the following:

1. **STR Density:** All three Commissioners proposed differing policy direction.

Stone	Proposed limiting density to 10% by subdivision and by 10% properties outside of subdivisions by quadrant. Would only apply to developed properties with a dwelling.
Williams	Opposed density limits
Campbell	Proposed limiting density by a minimum linear distance between STR properties.

2. **Cap on the Number of STR Permits:** While all three Commissioners are in support of a cap on the number of permits issued, Commissioner Stone proposed a method that differed from the other two Commissioners.

Stone	Proposed a cap of 10% of STR eligible properties by subdivision and by 10% of properties outside of a subdivisions by quadrant
Williams	Flat cap of 1,000 (flexible on the number)
Campbell	Flat cap but unsure of the number

- **We researched four 3rd-party companies who monitor STR advertising. These companies indicated that we have between 300-500 STRs operating in unincorporated Teller County.**

3. **Frequency of Inspection:** While all three Commissioners favored an inspection of STR properties, we received conflicting policy direction on the frequency of these inspections.

Stone	Initial and then every 3 years
Williams	Annual Inspection
Campbell	Annual Inspection

4. **Limit on Number of Occupants:** While all three Commissioners agreed that we should limit the number of occupants of STRs, we received conflicting policy direction on how to limit the number of occupants.

Stone	Limit based on design capacity of the OWTS
Williams	Two per Bedroom or design capacity of the OWTS
Campbell	One per Bedroom +2 or design capacity of the OWTS

- **Since each Commissioner agrees that the number of occupants should be based on the design capacity of the OWTS, we just need to reach consensus of how to limit the number of occupants if the STR is on a central sewer system.**

5. **Outdoor Campfires:** All three Commissioners are in favor of allowing campfires but only in a developed fire pit in accordance with our Burn Ban Guide and in accordance with any burn bans. One Commissioner proposed adding a requirement to lock the pit during burn ban.

Stone	Outside of burn bans in a developed fire pit with lock
Williams	Outside of burn bans in a developed fire pit
Campbell	Outside of burn bans in a developed fire pit

6. **Outdoor Cooking:** All three Commissioners support outdoor cooking in accordance with burn bans but two only support gas cooking appliances with shut off valve only.

Stone	Gas BBQ only
Williams	Gas or Charcoal
Campbell	Gas BBQ only

- 7. Owner Occupied:** We received conflicting information regarding regulation to restrict STRs to being owner-occupied only.

Stone	No requirement for owner-occupied but if an STR is not owner-occupied then it would not count against the cap.
Williams	Ideally owner-occupied
Campbell	No requirement for STR to be owner occupied

- 8. Limit Number of Bookings per Year:** All three Commissioners gave differing policy direction on limiting the number of bookings per year.

Stone	No limit
Williams	Fewer than 30 nights per year
Campbell	Maybe limit the number of bookings but open to how many

- 9. Require Record Keeping for Audit Purposes:** One Commissioner was in favor of requiring record keeping for audit purposes. Two Commissioners were in favor of requiring a State Sales Tax license but not record keeping requirement (one Commissioner asked what we would be auditing).

Stone	Require Sales Tax License but not record keeping
Williams	In favor of record keeping requirement
Campbell	Require Sales Tax License but not record keeping

- 10. Monetary Penalties:** While all three Commissioners were in favor of monetary penalties for violations, the amounts differed.

Stone	1 st violation \$500; 2 nd violation \$500 and suspend; 3 rd violation revoke
Williams	1 st violation \$250; 2 nd violation \$500; 3 rd violation \$1,000 and revoke
Campbell	In favor of monetary penalties but unsure of how much

- 11. License Revocation:** While all three Commissioners are in favor of revoking a license on the third violation, one Commissioner said the revocation should be at a PC hearing with the PC as the decision maker rather than an administrative revocation.

Stone	Revocation on 3 rd violation but only after a PC hearing
Williams	Revocation of 3 rd violation
Campbell	Revocation on 3 rd violation

- **We did not discuss the time period for the violations such as violations per license period vs. some other time period vs. 3 violations and you're revoked period, with no timeframe.**

- 12. Local Property Manager:** All three Commissioners were in favor of having a person locally to respond to complaints. We received differing direction on their response time.

Stone	Local person to respond within 60 minutes
Williams	Local person to respond within 30 minutes
Campbell	In favor of local manager but unsure of response time

13. Limiting STRs to Specific Zone Districts: We received conflicting direction on limiting STR to certain zones.

Stone	In favor of limiting but unsure which zones
Williams	Limit to A-1 and R-1 only
Campbell	Unsure

14. Noise Decibel Limits: One Commissioner was in favor of limiting noise in accordance with the State limits and the other two were not in favor of decibel limits.

Stone	No limits
Williams	55 decibels in accordance with State limit
Campbell	No limits

15. Quiet Hours: Two Commissioners were in favor of differing quiet hours and one Commissioner responded he was probably not in favor of quiet hours.

Stone	Probably not
Williams	10 p.m. – 6 a.m.
Campbell	10 p.m – 8 a.m.

16. Fine for Advertising STR Without STR Permit: All three Commissioners were in favor of establishing a fine for advertising an STR without a permit but the amounts differ.

Stone	\$1,000/day
Williams	\$250
Campbell	In favor of fine but didn't offer an amount

17. On-property ATV Use: We received differing policy direction regarding the on-property use of ATV at STR properties.

Stone	Prohibit
Williams	Unsure because it would be hard to enforce
Campbell	Prohibit

18. Prohibit STRs in ADUs: Two Commissioners were in favor of prohibiting STRs in ADUs and one was not in favor of this prohibition

Stone	Allow STRs in ADU – Would require a LUR revision
Williams	Prohibit
Campbell	Prohibit

19. Prohibit STRs in Multi-Family Apartments or Condos: Two Commissioners were in favor of prohibiting STRs in multi-family buildings and one was not.

Stone	Allow STRs in Multi-Family
Williams	Prohibit
Campbell	Prohibit

20. Fee Amount:

Stone	Enough to cover costs
Williams	Medium fee to cover costs
Campbell	Costs + 25% to cover unforeseen expenditures

- **Considering we are receiving information that there are 300-500 active STRs in Teller County outside of the municipalities and it will take 2 FTEs plus benefits and a vehicle, we should back into this number conservatively**

Two professional level employees (60K x 2)	120K
Benefits at 39%	46.8K
1 Vehicle Annual operation and maintenance	2.25K
Vehicle Fuel	5.25K
Computers and equipment	8k
Office Supplies	1K
+25% unforeseen expenses	45.825K
3 rd Party Monitoring/software	15-60k
Total	\$289,125

Assuming worst case in all categories we estimate it will cost about \$300,000 to run the program. Cost recovery would be as follows:

300 Licenses	\$1000 per License
350 Licenses	\$850 per License
400 Licenses	\$750 per License
450 Licenses	\$650 per License
500 Licenses	\$600 per License
550 Licenses	\$550 per License
600 Licenses	\$500 per License
650 Licenses	\$450 per License
700 Licenses	\$425 per License
750 Licenses	\$400 per License

21. Initial Grace Period: All three Commissioners are in favor of an initial grace period of differing lengths to account for the length of time for staff to process applications.

Stone	Issue a provisional license until staff can process application
Williams	30-45 days
Campbell	3-6 months

22. Evacuation Plan: We received differing policy direction on whether an evacuation plan should be posted in each STR:

Stone	No – Condition change
Williams	Yes
Campbell	Unsure

SECTION 2

CONSENSUS ON REGULATION:

We received a consensus on policy direction from all three Commissioners for the following potential regulations:

1. **STR Definition:** < 30 days
2. **Resident Priority:** We need to establish how we accomplish (lower fees, resident licenses don't count against the cap or other).
3. **OWTS Inspection:** Annual
4. **Off Street Parking:** We need to establish how many spaces.
5. **Off Street Snow Storage:** To be identified on the site plan
6. **Prohibit Events in STRs**
7. **Weekly trash removal and bear-proof trash receptacles**
8. **Requirement for Sanitary Facilities:** Operable bathroom (toilet, shower, sink) and kitchen.
9. **Only structures with CO are eligible for STR license**
10. **License Renewal Frequency:** Annual
11. **Tiered Permit Types:** Tier one – Owner Occupied; Tier two – Resident, not owner occupied; Tier 3 - Non-Resident
12. **Post STR License Number in All Ads**
13. **Requirement for Floor Plans:** To identify unpermitted work
14. **HOA Notification Requirement**
15. **Non-Transferable Permits**
16. **Requirement for Manager to Signup for Everbridge**
17. **Requirement to post rules in STR**
18. **Provision to allow inspection at any time to investigate violations/complaints**
19. **Requirement for Downcast Lighting**
20. **Publish STR Licenses on Website**
21. **Notification Requirement for Contiguous Property Owners**
22. **Establish STR Regulations by Ordinance**

SECTION 3

INDIVIDUAL COMMISSIONER INTEREST IN REGULATIONS

NOT MENTIONED BY THE OTHER COMMISSIONERS

Commissioners Stone and Williams offered policy direction that was not discussed by the other two Commissioners as follows:

Commissioners Stone:

- Proposed owner-occupied STRs not count against the overall cap
- Proposed requiring fire pits to be locked during burn bans
- Proposed allowing ADUs to have STR license – would require LUR amendment
- Proposed limiting STR licenses to 10% of eligible homes by subdivision and by quadrant if outside of subdivision
- Revocation through hearing before PC
- A property is not eligible for an STR license until it has been owned for 365 consecutive days immediately preceding the date of application.
- If a license is revoked, the licensee cannot reapply for an STR license for three years.

Commissioner Williams:

- Proposed no STR regulation could violate current LUR – STRs in ADUs
- Proposed appropriate zone district activities be posted in STR
- Proposed a minimum of 2 FTEs to manage the STR Program: (1) Administration (1) inspection/investigation
- Not interested in appeals
- Proposed requiring Schedule B of title work if HOA is inactive
- Fee should be cost for two FTEs + 25% to cover unanticipated costs
- Proposed STR owners be required to have a business license
- Not interested in an iterative process, develop a robust STR program from the start using lessons learned by other counties
- Not interested in incentivizing STRs through cheap license fees

SECTION 4 **STR REGULATIONS NOT DISCUSSED BUT** **WARRANT CONSIDERATION**

While researching other Colorado Counties STR regulations, the following potential regulations were identified that have not yet been discussed with the BoCC but warrant consideration:

- Larimer County states in their Ordinance that STRs are currently not legal which is the case in Teller. This would avert the takings argument as well as ex post facto regulation arguments. Perhaps the BoCC should consider such language. For instance,

WHEREAS, the use of residential dwelling units as short-term rentals has grown drastically in the past decade, despite the fact that they have never been a permitted land use in Teller County

- How do we determine owner-occupied? Other counties have used the following criteria:

Owner Occupied STR: A Short-Term Rental that is the primary residence for the property owner as proven by submitting two of the following documents showing the address of the Owner-Occupied STR:

- Driver's License or State issued I.D.
 - Voter registration
 - Redacted tax return from the previous year
 - Vehicle Registration
 - The official mailing address on the Teller County Assessor Website
 - Any other legal documentation deemed sufficient by the Director which is pertinent to establishing primary residency.
- Should we issue licenses on a running basis based on date of approval for one year or for each calendar year. For instance,

STR Licenses shall be issued for a term of one year from the date of issuance of the license.
OR

STR Licenses shall be issued for the calendar year for which the applicant applies. STR licenses issued after September 30 will be valid for the remainder of the year they are issued as well as the following calendar year.

When title of the property containing the STR is transferred or is otherwise conveyed to a new Owner, the license shall automatically expire.

If a Provisional License is issued pursuant to Section 9, it shall expire no later than 180 days from the date of its issuance.

- Do you want to require property damage and bodily injury insurance and if so, how much? I have seen other counties require \$500k to \$1M.
- Do you want to limit STR licenses to one per property. Multiple STRs on a single property would need to be through a Special Review Use Permit such as a resort.
- Do you want to prohibit outdoor advertising of STRs?
- Should we require a licensee like we do for Contractor Licenses so if a license is revoked, they cannot get a license through another business entity like a new LLC?
- Do you want to limit the number of licenses a licensee can hold (on different properties)?
- Do you want to require an indemnification clause like some counties do to further protect the County. For instance.
 1. Teller County assumes no responsibility for the operation of the STR and the owner agrees to hold Teller County Harmless for any injury or damage that may occur, of whatever type and nature, as a result of the operation of the STR.
 2. No term or condition of this Ordinance shall be construed or interpreted as a waiver, either expressed or implied, of the monetary limits, notice requirements, immunities, rights, benefits, defenses, limitations, and protections available to Teller County and/or its employees under any applicable law, including but not limited to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et. Seq, as currently written or hereafter amended or implemented.