

Memo

To: Breckenridge Town Council
From: Mark Truckey, Community Development Director
Sarah Crump, Planner I
Date: June 21, 2022 for June 28 Council Meeting
Subject: Resort Properties/Short Term Rental Discussion

The June 28 Work Session will focus on potential criteria for further defining the Tourism Overlay Zones and revisions to the Resort Properties definition.

Overlay Zone Criteria

At the May 24th Work Session, Town Council asked staff to create criteria for the Tourism Overlay Zone that more closely aligned with the Town's Land Use Guidelines (LUGs) and Land Use Districts (LUDs). This included looking closely at the LUDs which have descriptions of bed-base, lodging, and association with the ski-area. Staff has developed two options for defining Zone 1, as included in the boxed areas below. Option A works well assuming Resort Properties are separately allowed to continue licensing. Option B is provided in case the Council decides that they do not want to create a Resort Property classification. Finally, criteria is proposed for Zone 2.

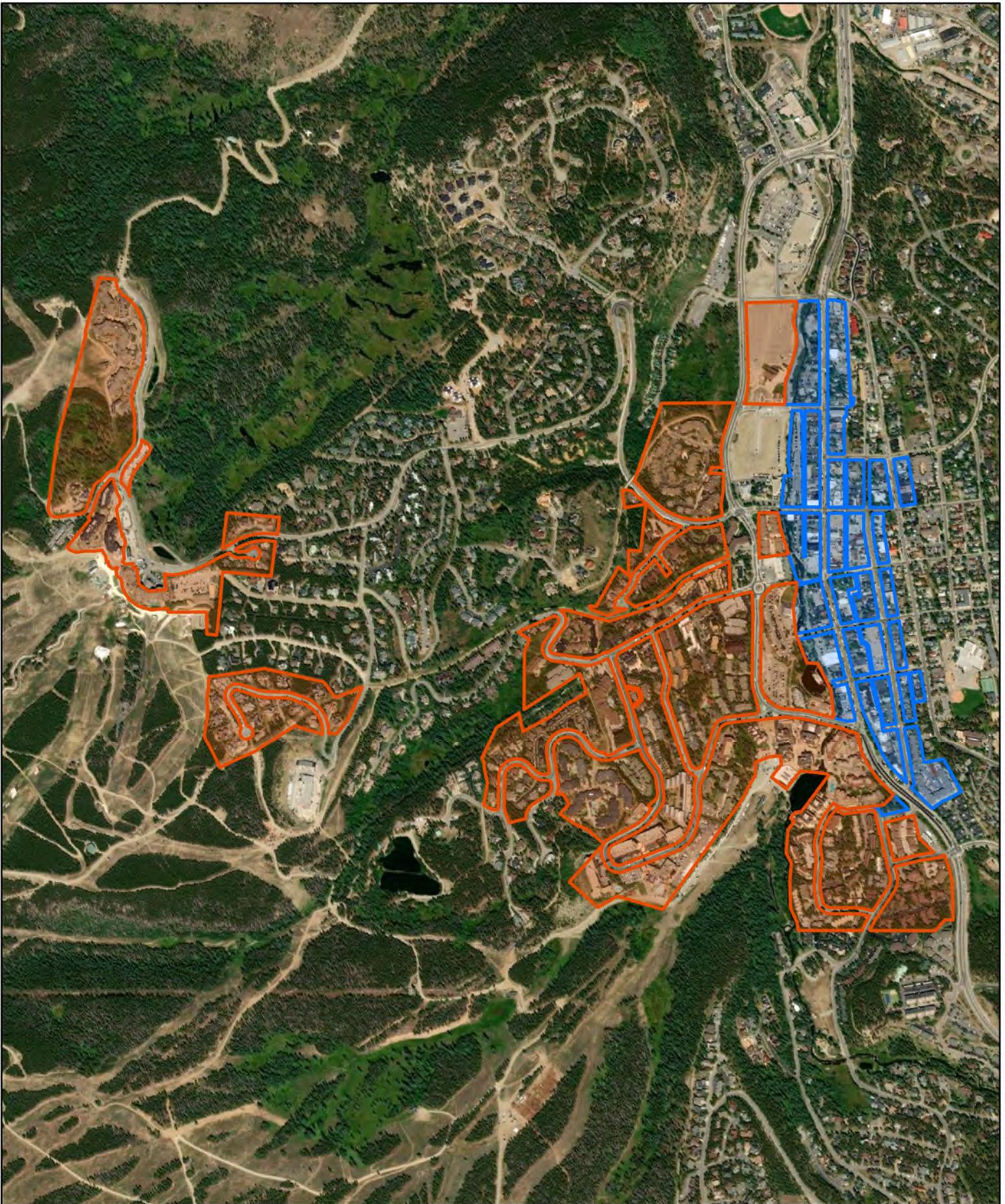
Overlay Zone 1 Option A "Focus on Ski Area Bed Base"

Criteria

- Includes all LUDs where the "Desired Character and Function" of the district includes phrases related to providing a bed base next to ski lifts. These phrases may include
 - Bed base/base of the ski area
 - Within walking distance to lifts
 - Close proximity to ski facilities/proximity to ski area base
 - Support ski base facilities
 - Development adjacent to ski runs

Notes

- The above criteria would qualify LUDs 21, 22, 23, 24, 39, and 40.
- LUD 20 does not qualify. However, the North Gondola Lots (BGV) and River Mountain Lodge (both located in LUD 20) would both potentially qualify as Resort Properties (based on current proposed definition) and thus be allowed additional STR licensing. The other properties in LUD 20 used for lodging are Blazing Saddles and Sawmill Creek Condos, which do not qualify as Resort Properties.
- Main Street Station is in LUD 19 and thus excluded from the "bed base" criteria above. However, because it would qualify as a Resort Property it would be allowed additional STR licensing.
- The South Gold Rush Lot in LUD 9.2 does not meet the above criteria. As written, this area may not qualify as a Resort Property, because of public right-of-way at Park Avenue (e.g., Resort properties cannot lay claim to adjacent amenities if separated from those amenities by a public right-of-way).



Tourism Overlay District Option A
Town of Breckenridge

- Zone 1
- Zone 2



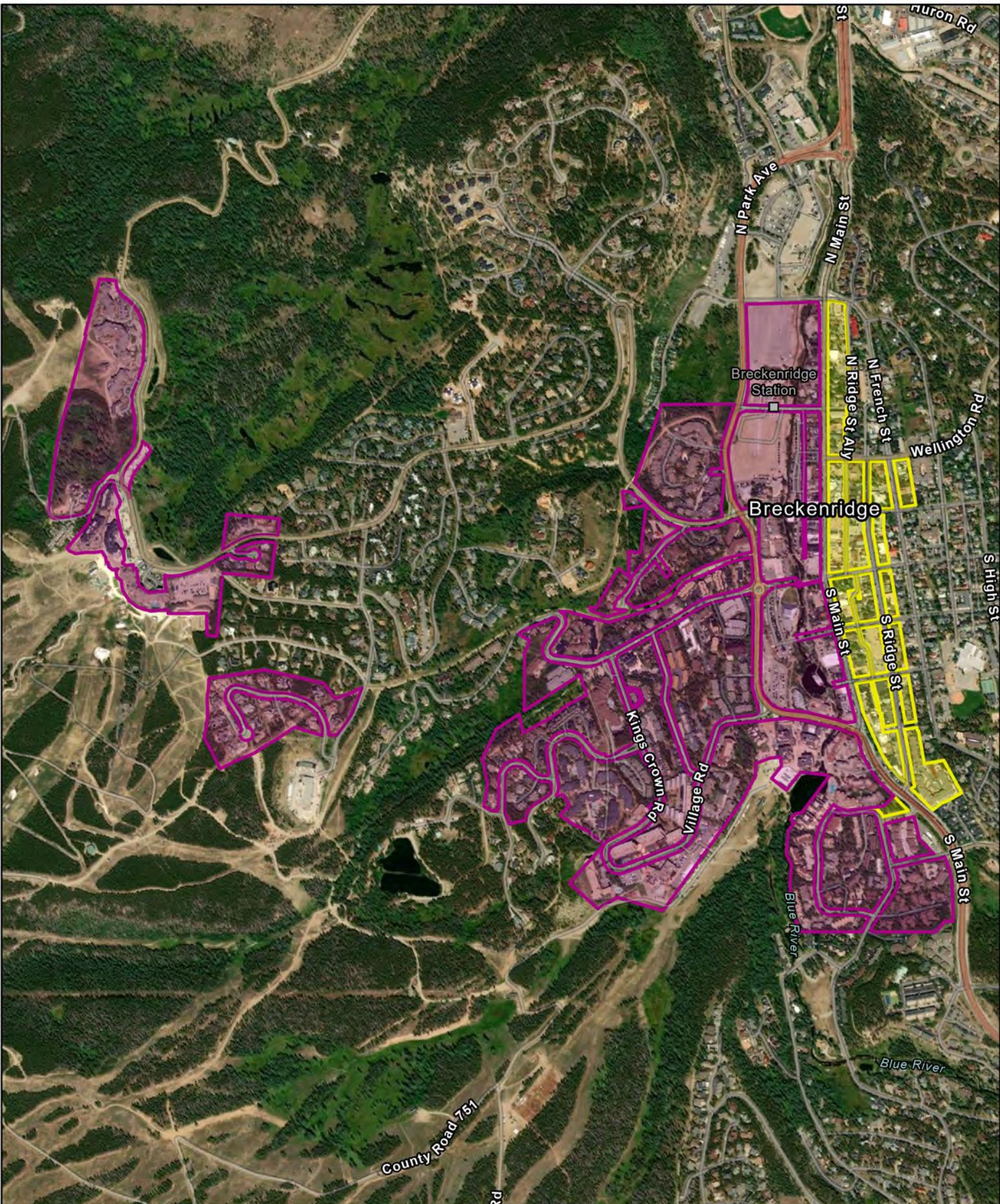
**Overlay Zone 1 Option B
“Bed Base/High density/Lodging”**

Criteria

- Includes all LUDs that include one of the following:
 - The “Desired Character and Function” of the district includes phrases related to: Bed base of ski area, within walking distance/close proximity to lifts, support ski base facilities, and other similar phrases
 - Residential uses of 15 Units Per Acre (UPA) or greater (as identified under LUD “Acceptable Land Uses and Intensities”)
 - Allows for “Lodging”; and
- Where properties are:
 - West of Main Street
 - South of North French Street (the section that runs from Park Avenue east past Main Street)

Notes

- The above criteria would qualify LUDs 20, 21, 22, 23, 24, 39, and 40. Portions of LUD 11 and 19 would also qualify.
- Without the geographic descriptor (west of Main/south of French), portions of LUDs 6, 18.2, and all of LUD 28 would also qualify.
- All “Resort Properties” would fall within the qualified LUDs listed above.



Tourism Overlay District Option B
Town of Breckenridge

- Zone 1
- Zone 2

Overlay Zone 2

Criteria

- Residential uses 12 UPA or greater (as identified under LUD “Acceptable Land Uses and Intensities”), that do not qualify within Zone 1.
- Properties must be south of North French Street (the section that runs from Park Avenue east past Main Street) and south of Wellington Road (for properties not located on Main Street)

Notes

- Under Option A, Zone 2 includes LUDs 11, 18.2, and 19. All are located in the core downtown area. Most of LUDs 11, 18.2, and 19 were proposed by the Task Force to be within Zone 2.
- If geographic descriptor (south of North French Street/south of Wellington) is not used, then LUD 6 (Welk/Ranahan Resort) and LUD 18 (North French Street residential) would also qualify. Both are outside of the area proposed by the Task Force to be included in Zone 2.
- If Option B is chosen, LUDs 11 and 19 would be included in Zone 1 and not Zone 2.

The following tables show the number of total units, along with the number of those total units that are STRs, within each zone based on the two options identified for Zone 1. Resort properties are separated out in Option A and not included in the zone calculations but are included in Option B zone calculations.

Option A			
	Units	STRs	Percentage STR
Resort	1780	1663	93.4%
Zone 1	1700	1207	71.0%
Zone 2	291	168	57.7%
All Other Areas	3959	1305	33.0%
Total	7730	4343	56.2%

Option B			
	Units	STRs	Percentage STR
Zone 1	3593	2945	82.0%
Zone 2	259	142	54.8%
All Other Areas	3878	1256	32.4%
Total	7730	4343	56.2%

Resort Properties Revised Definition

Below is the revised draft definition for Resort Properties. The revised definition considers the Council's request to include properties which meet most of the definition's criteria, yet have a lesser amount of amenity space, but are within close proximity to a ski area lift. The revised definition also removes commercial space from inclusion of "Total Resort Area". The definition now prohibits conversion of residential units to achieve any of the resort property criteria or requirements. Highlighted text has revisions.

Resort properties are multi-unit accommodation properties, with each unit having separate ownership, where guests have access to numerous onsite amenities. Resort property operations are similar to the operations of a resort hotel.

Resort properties must provide all of the following:

1. Twenty four (24) hour onsite front desk that is monitored by a person onsite.
2. Twenty four (24) hour phone line that is monitored by a person onsite.
3. Twenty four (24) hour private security capable of responding to complaints within a reasonable amount of time. The person responsible for staffing the front desk and the security personnel cannot be the same staff member.
4. Onsite housekeeping and laundry services. Self-service laundry machines do not meet this requirement.
5. A shuttle service to guests which is available daily, at least during scheduled peak hours and for the peak visitation months, June through September and December through March. Shared shuttle services with another resort property is encouraged.
6. Enclosed garage parking.

Resort properties must meet at least one of the following two criteria:

1. A minimum of 15,000 square feet of developed amenity or conference space (Total Resort Area) that is located on the premises of the property.
2. A minimum of 7,000 square feet of developed amenity or conference space (Total Resort Area) that is located on the premises of the property and a property entrance that is within 150 feet walking distance of a ski area lift terminal.

"Total Resort Area" is the total combined amenity and conference space on property. Amenity spaces can include: pools and pool decks, hot tubs, spas, saunas, steam rooms, fitness centers, sports courts, locker rooms, ski locker rooms, arcades, common patios, grilling areas, lounges, theaters, media rooms, playgrounds, activity rooms, and business centers. Conference space can include meeting rooms, ballrooms, and associated kitchens and service areas. Other areas, not listed here, deemed to be amenity or conference space are subject to review by the Director. Amenity and conference spaces available to the Resort Property's guests may be located on an adjacent property if the amenity and conference areas are well connected to the main property via pedestrian walkways and access by pedestrians is not impeded by a public right-of-way. Conversions of existing residential uses do not qualify for purposes of meeting the above requirements or Total Resort Area definition.

Amenity Spaces and Total Resort Area

Staff has conducted an analysis of the above Resort Properties definition and have not found any other lodging or condominium properties that could currently qualify under the definition. A revised Exempt Properties Self-reported "Resort Area" table is included below. This table is a self-reported summary of the amenity and conference spaces provided by each of the properties currently considered "exempt."

Property	Address	Residential Units	Amenities	Conference	Amenity and Conference Combined ("Total Resort Area")	Entrance within 150 ft of Ski Lift Terminal	Shuttle	Description
Beaver Run Resort	620 Village Rd	369,170	37,440	50,000	87,440	yes	yes	Garage parking, indoor conference space, shuttle service, food market, three restaurants/bars, tennis court, arcade, two pool and hot tub areas, sauna, steam room, spa, ski lockers, fitness center, retail shops
BlueSky Breckenridge	42 Snowflake Dr	72,152	10,000	2,000	12,000	yes	yes	Garage parking, shuttle service, fitness center, pool and hot tubs, business center, bar, game room, spa, ski lockers, meeting rooms, catering kitchen, lounge, board room, retail shops
Crystal Peak Lodge	1891 Ski Hill Rd	55,530	7,513		7,513	yes	yes	Garage parking, shuttle service, media room, ski lockers, conference room, fitness center, pool, hot tub, and shared access to One Ski Hill Place amenities
Grand Colorado on Peak 8	1627 Ski Hill Rd	176,265	69,278	500	69,778	yes	yes	Garage parking, shuttle service, commercial/retail, ski lockers, pool and hot tubs, salon, spa, market, boardroom, movie theater rooms, fitness center, steam room, sauna, on site restaurant

Property	Address	Residential Units	Amenities	Conference	Amenity and Conference Combined ("Total Resort Area")	Entrance within 150 ft of Ski Lift Terminal	Shuttle	Description
Grand Lodge on Peak 7	1979 Ski Hill Rd	147,235	44,042	500	44,542	yes	yes	Garage parking, shuttle service, movie theater rooms, pool and hot tubs, sauna, steam room, spa, fitness center, on-site restaurant, bar and lounge, family arcade, convenience store, playground, mini-golf, retail shops, library, business center, and conference room
Grand Timber Lodge	75 Snowflake Dr	191,200	39,704	504	40,208	no	yes	Garage parking, shuttle service, activities room, restaurant, bar, fitness center, pool and hot tubs, business center, playground
Hotel Breckenridge (aka Marriott, dba Mountain Valley Lodge)	655 Columbine Rd	72,000	18,514		18,514	no	no	Garage parking, fitness center, pool, hot tub, game room, activity center

Property	Address	Residential Units	Amenities	Conference	Amenity and Conference Combined ("Total Resort Area")	Entrance within 150 ft of Ski Lift Terminal	Shuttle	Description
Main Street Station Includes: Grand Central Breck Houses, Hyatt (Main Street Station Vacation Club), Water House on Main Street	505 S Main St	161,639	79,343	5,506	84,849	no	no	Garage parking, pool and hot tubs, lounge, conference space and catering kitchen, on site restaurants, retail shops
Mountain Thunder Lodge	50 Mountain Thunder Dr	116,895	8,003	8,883	16,886	no	yes	Garage parking, shuttle service, two fitness centers, 5 meeting rooms and conference and banquet facilities with catering kitchen, convenience store, playground, pool and hot tubs, ski lockers, lounge, commercial retail space
One Ski Hill Place	1521 Ski Hill Rd	95,929	14,549	7,905	22,454	yes	yes	Garage parking, shuttle service, commercial and guest services includes: restaurant, bar, food court, retail shop, recreation room, fitness center, hot tub, pool, steam room, sauna, ski lockers, conference area with catering kitchen

Property	Address	Residential Units	Amenities	Conference	Amenity and Conference Combined ("Total Resort Area")	Entrance within 150 ft of Ski Lift Terminal	Shuttle	Description
River Mountain Lodge	100 S Park Ave	84,700	12,614	7,107	19,721	no	no	Garage parking, commercial space, pool and hot tubs, fitness center, bar and lounge, conference room/banquet hall, sauna, steam room, ski storage
Valdoro Mountain Lodge - Timeshare Only (no onsite rentals)	500 Village Rd	71,425	5,592		5,592	no	yes	Garage parking, business center, on-site bar, theater, arcade, fitness center, spa, pool, hot tubs, retail shop
Village at Breckenridge Includes: The Chateaux, Liftside Condos (Peak 9 Inn), Plaza One (Antero), Plaza Two (Shavano), and Plaza Three (Wetterhorn)	555 S Park Ave	187,373	65,732	30,423	96,155	no	no	Garage parking, conference space, 13 conference rooms, fitness center, pool and hot tubs, sauna, steam room, on-site restaurants and retail shops

*Please note - above data are approximations provided by each property. Areas provided are in square feet.

Current Exempt Property STR Licenses

Exempt Properties (all Zone 1)	Total Units	Total STRs	Percentage STR
Beaver Run	431	415	96%
BlueSky Breckenridge	52	44	85%
The Chateaux*	24	21	88%
Crystal Peak Lodge	45	38	84%
Grand Colorado Lodge	84**	84	100%
Grand Lodge on Peak 7	78**	78	100%
Grand Timber Lodge	161	160	99%
Hotel Breckenridge (aka Marriott, dba Mountain Valley Lodge)	111	111	100%
Liftside Condos*	115	105	91%
Main Street Station Condos	82	73	89%
Main Street Station - Vacation Club	51	51	100%
Mountain Thunder Lodge	114	100	88%
One Ski Hill Place	87	71	82%
Plaza Three*	36	33	92%
River Mountain Lodge	123	110	89%
Valdoro Mountain Lodge	71	70	99%
Village at Breckenridge*	60	55	92%
Water House on Main	55	40	73%
Total	1780	1659	93%

*Part of the Village complex

**Unit counts reflect total STR licenses. Units that include lock-offs operate without separate license requirements and therefore the total unit count including lock-offs is greater than shown in the table.

Council Input

At Tuesday's meeting, staff requests Council thoughts on the Overlay Zone Criteria and revised draft Resort Properties definition. Comments regarding short-term rentals and the Tourism Overlay received since the last Work Session are attached below.