

Town of Silverton
Regular Meeting
July 11, 2016

**TOWN OF SILVERTON
MINUTES OF THE BOARD OF TRUSTEES
REGULAR MEETING July 11, 2016**

CALL TO ORDER:

The regular meeting of the Board of Trustees, which was properly posted, was called to order by Mayor Pro Tem Tiffany deKay@ 7:30 PM at the Silverton Town Hall.

Mayor: Christine M. Tookey: absent
Trustees: Malcolm MacDougall, Tiffany deKay, Barbara Renowden, and Jess Wegert. Pete Maisel and Larry Gallegos.
Staff: Michelle Hamilton, Bob Nevins
Administrator: Bill Gardner
Others: Please see sign-in sheet

- I. Staff and/or Board Revisions to Agenda:** Town Attorney Robbins suggested that events occurring around July 4th be re-scheduled at a work session for public participation including all stakeholders with input for the 4th going into the future. He suggested that the Board analyze where the holiday should be and where they would like it to go.

Trustee Gallegos motioned and Trustee Maisel seconded to hold a special meeting next Thursday July 21st at 6pm for the Fourth of July recap and future plans. The motion passed unanimously with a roll call vote.

II. Public Comment:

Sue Bingel Sanders gave public comment regarding the Town Administrator.

Gilbert Archuleta gave public comment regarding the Town Administrator.

Ron Renowden gave public comment regarding the Town Administrator.

Mayor Pro Tem deKay accepted their comments and replied that they will be taken into consideration at a later date.

Tom Davis asked a question about OHVs. Trustee Gallegos answered that state law requires anyone under 18 to wear a helmet.

III. Appointments:

1. Kimmet Holland – Silverton EMS

Director Holland announced that he was there to give a biannual report on the ambulance and their status. He said that call volume is up 18% from last year. He mentioned that they ran short of resources a couple of times. He said that in any EMS system, resources can be

Town of Silverton
Regular Meeting
July 11, 2016

stretched. He reported that during the Fourth holiday, they had 4 paramedics on 3 vehicles and 7 La Plata Search and Rescue folks who volunteered. They have 7 new EMTs which brings their roster up. They have 15-16 people available at any given time. They have 3 full time paramedics. Stoney Molina has been a big help. There are 10 part time paramedics. The Silverton Ambulance Association received a \$72,000 grant from the state which will be used to upgrade equipment. Director Holland has been elected to the board of the SW Regional Advisory Council for EMS. Trustee MacDougall asked if it would be possible for Director Holland attend the meeting next Thursday. Director Holland replied that he will try to do a call in. Trustee MacDougall asked him to please put any thoughts on the Fourth Holiday into an email or memo for the Board.

2. Molas Lake Operating Contracts

Larry Gallegos of San Juan Backcountry provided a YTD financial review for the Board. He said that they had a good season, although it was a little slower due to personal reasons. He said they will be starting a package through Groupon. He has 6 more years on the contract, correlating with the BLM and USFS. Trustee MacDougall asked if they have an annual contract with the Town. Mr. Gallegos replied "No". He said a few years ago it was put in-line with the BLM and USFS contract.

Lizzie Loyer of Ice Pirates announced that they have held a contract at Molas for 9 years. 2016 was their best season yet. She said they had a lot of successful partnerships. Their biggest partner was the Silverton Snowmobile Club who does a great job clearing parking lots. Trustee MacDougall asked what the terms of Ice Pirates contract are. Mrs. Loyer replied that their contract is also for a larger period than a year.

Town Clerk Hamilton mentioned that Silverton Snowmobile Club President Jim Lokey asked that this meeting be deferred until after Labor Day. Administrator Gardner mentioned that winter operating contracts are supposed to be reviewed in June as a requirement. He said that staff would be making a habit of reviewing all winter contracts in June.

IV. Consent Agenda

A. Payroll, Accounts Payable

Administrator Gardner brought it to the attention of the Board that the Library charged the Town for supplies of the Rhubarb Fest, which is a Friends of the Library event.

B. Resolution 2016-02 A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF SILVERTON, COLORADO APPROVING AN EXTENSION OF THE VESTED RIGHTS GRANTED BY THE TOWN BOARD OF TRUSTEES FOR THE DEKAY MORRIS RE-SUBDIVISION FINAL PLAT, LOT CONSOLIDATION AND RE-SUBDIVISION, LOTS 1-11 AND 30-50, BLOCK 1 BLAGUE'S ADDITION.

Trustee MacDougall motioned and Trustee Gallegos seconded to approve the Consent Agenda. The motion passed unanimously with a roll call vote and two recusals.

V. Department Reports

Town of Silverton
Regular Meeting
July 11, 2016

Town Clerk Hamilton announced that she would be in Denver next week for her final year of the Colorado Municipal Clerks Institute.

Administrator Gardner mentioned a meeting on Thursday the 14th to discuss a potential OHV highway crossing, with the Town engineers, CDOT, and the Board. Administrator Gardner gave his approval of an \$8,000 design plan of the route. The meeting will be a work session and no public comment will be taken. The meeting time is set for 6:00 p.m. He announced that Mayor Tookey and the County Administrator will be appearing in front of DoLA's Department of Housing to represent the Anvil Mountain plan.

VI. Trustee Reports

Trustee Renowden would like the camping days Ordinance onto the agenda. Planning Director, Bob Nevins, clarified that he interprets camping days as per camper. 4x4=16 so the Pendletons had four days left, which he explained to them, and they accepted, in a meeting with Administrator. Trustee Renowden replied that she wants it clarified because she reads it differently. Mr. Nevins said that it is for the benefit for home owners to have guests. He assured her that the Town isn't trying to micromanage but camping has impact on neighbors and day to day operations. Mayor Pro Tem deKay asked the pleasure of the Board. Trustee MacDougall responded that he is not prepared to second guess the Ordinance. Mayor Pro Tem deKay suggested that it be deferred to a later meeting so the Board can analyze it. Mr. Nevins ended by saying that they are trying to create a balance of neighborhoods and camping in town. Administrator Gardner cautioned the Board to take into account the RV parks. This could impact the RV business. Trustee Renowden responded that it was not initially easily interpreted by the Board. Trustee Gallegos asked if it could be put on the next agenda. Trustee MacDougall asked that everyone do research and come with information. John Poole commented.

VII. Continued Business

VIII. New Business

A. Second Reading of Ordinance 2016-08 Public Hearing: An Ordinance Clarifying and Re-establishing Municipal Regulations Concerning the Use of Residential Property.

Planning Director Bob Nevins gave an overview of what the citizen input and subsequent changes were. He mentioned the changes and the results of the first reading. He changed the date on the last "whereas". Page 4: standards 5A restriction: total # in Residential and ED is 35 permits. Currently 12 in BP and 19 in Residential and ED. Tenancy: standard 5E permitted within 7 calendar days, no more than 5 per month, does not apply in BP. Page 6 signage: modified to standard in BP shall be allowed signage that complies with sign code. Amendment 2 B&B: SFR can have 3 but no more than 5 guest rooms, with an on-site manager.

Public Hearing Opened:

Kevin Baldwin – I would like to see the residential cap at 15.

Ken Webb- I am in favor of the new Ordinance and even the cap. I am concerned that 19 in residential area are about 2:1 residents owning them and then the rest are not residents. I think we should regulate out of county owners.

Town of Silverton
Regular Meeting
July 11, 2016

Austin Lashley – I think that having a cap is not bad. How much is being sensationalized? I haven't heard much commentary in the meetings about how VRBOs are affecting neighborhoods. I don't agree that we can regulate who can own them. Keep in mind that the season is short in Silverton to even rent these houses.

John Poole- It's my understanding that the majority of homes in town are not owned by residents. Have you considered any other mountain towns who are experiencing VRBO stresses? Administrator Gardner replied that we are still in the early stages of the industry development. The state standpoint of the evolution of the problem was that the chilling effect is that people from other states purchase a home sight unseen and turn it into a money making machine. The good example is Breckenridge which has absolutely NO locals. Estes Park is losing their entire county. That is information that the Board and community should take to heart.

Mr. Nevins confirmed that they have limited ownership to one owner one property.

Cassandra Roof- asked if that limit applies to the BP. She disagrees with that.

Mr. Nevins noted her comment.

Rob Roof – I agree with the need for sensitivity. We need a review process that we trust. I feel that VRBOs are in neighborhoods are welcome and shouldn't be capped.

Janie Coleman – I have an original VRBO and I have followed every regulation asked of me. It is an option for retirement here. At the end of the year I break even.

Calvin Davenport – Echoes Ken Webb. The cap is good but I would like to see incentives for Silvertonians. I also think new construction should be considered for VRBOs.

Edith Mary Egett – I don't think VRBOs should be limited in BP.

Andrea Field – property owner. This is not Breckenridge or Telluride. We are looking for a way to build some roots for generations.

Public Hearing closed.

Discussion ensued amongst the Board regarding news articles at CML showing that we are having the same problems as others with available housing. The towns in Summit County, etc have issues where they cannot house employees. Trustee Wegert mentioned that Silverton's problems are compounded because there isn't a service community that can be commuted from. Mayor Pro Tem deKay commented that the percentage of the existing VRBOs is about 5-7%. She doesn't think Silverton has reached a problem in the community. Many other communities in Colorado are experiencing extreme growth which they are reeling from. We don't have ANY growth. We indicated that we would not cap these. Trustee Gallegos commented that he is not pro-cap either. The free market will take care of it. Housing and vacation rentals are two separate issues. It has been a long process and we have taken public comment into consideration. Trustee Wegert supports a cap. It is modest. Mayor Pro Tem deKay replied that she thinks that they are restricting and there will be a rush at the front door. Trustee Maisel commented that he is comfortable with the 35 cap number. I want to apologize for changing the plan and making a cap. We can always go back and raise the cap. Trustee Gallegos suggested that they we use a raise to encourage growth.

Trustee MacDougall motioned and Trustee Gallegos seconded to adopt Ordinance 2016-08. The motion passed with 5 yays and 1 nay by Mayor Pro Tem deKay.

Town of Silverton
Regular Meeting
July 11, 2016

B. Public Hearing – Resolution 2016-01 Resolution 2016-01 A RESOLUTION OF THE TOWN OF SILVERTON, COLORADO, TO REVISE AND ESTABLISH FEES FOR VACATION RENTAL PROPERTIES

Mr. Nevins gave a synopsis of the Resolution, showing how it has been written to be fair to both commercial businesses and residents.

Trustee MacDougall asked for confirmation that all three components go into effect Jan. 1st. Mr. Nevins replied that renewals would be effective Jan 1st. 30 days after adoption all fees would go into effect.

Mr. Nevins likened the permit to alcohol and marijuana in commercial districts. He compared the County's use permit which is \$350.

Public Hearing opened:

Janie Coleman – when would these fees take place? Mr. Nevins said Jan 1st 2017 and the Town Attorney concurred.

Calvin Davenport – I have been paying \$2 per room per night. I question how many man hours go into VRBOs. I would like to introduce the idea of an audit system where if people are not complying, there is a \$1,000 fee.

Cassandra Roof- I'd like to point out that I have made 15 phone calls to other towns and I question how many of you have done your research. Durango has a \$750 initial fee, then just a business license renewal. Crested Butte is less and Telluride too. Ouray is based on zoning. I don't want town officials entering my property annually. I don't feel that these fees are appropriate. Also in the BP, we do not have publications. The BP zone needs incentives for commerce. The fees should be the same for all lodging in the BP zone. It is also discrimination of one type of business. The lodging fee increase is also discriminatory. The fee is disheartening.

Austin Lashley – The confusion over workforce housing and VRBOs is not valid. We are not a community of 6,000 sq foot houses being bought out. We have no bedroom communities. The fees should match the cost of regulation. The town is going to make a lot of money on VRBOs. Are we just trying to make revenue to pay town staff?

Judy Graham – I would like us to be supportive of our small businesses. The fee is discouraging when the revenue comes from not even six months out of the year.

Kevin Baldwin – I applaud the Town for the Resolution. A lot of people are overlooking the liability. I agree that the fire inspector is lacking. Great job, please increase the inspection capability.

Mr. Nevins acknowledged that there have been difficulties getting a hold of the fire inspector.

Ken Webb- I know it sounds unfair but I want to see the town encourage San Juan residents to stay here and run businesses here. \$500 is only \$38 per month. The reality is that these places cannot be rented year round. Caps don't seem fair either.

Tom Coleman – what happened to Capitalism? Vermont double taxed out of staters and then those people left the state. There is cheap real estate in Vermont.

Rob Roof – I question the language in the code: Land use application permit is \$1,000. I am a use by right though. The fees in the BP are not fair. The charge for use by right is discrimination. I agree that steps need to be taken to rectify VRBOs in SFR but the fees are too much. Maybe seasonal business owners should be encouraged to be year round.

Casey Hanson – Austin and I are strong proponents for VRBOs. The more people we have in our restaurants the more sales tax dollars we get.

Town of Silverton
Regular Meeting
July 11, 2016

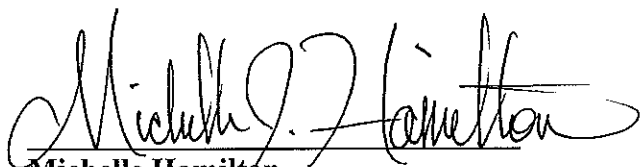
Cassandra Roof – with the fee, do we also have to get a business license?
Public Hearing closed.


Discussion ensued amongst the board. Trustee MacDougall calculated 31 VRBOs = \$15,000 annually in renewals. He said that is a small portion of the town planning budget. Trustee Gallegos agreed that the fees are a huge increase but they need to look at the fact that the town is liable by running businesses in a SFR district. I like the idea of increasing out of state owner fees. We have to consider the burden that the town is taking on. Wegert agreed with Trustee Gallegos. The town of Silverton should not be subsidizing private industry. Mayor Pro Tem deKay felt that the BP shouldn't be penalized. Trustee MacDougall pointed out that VRBOs are not being taxed fairly, and others in the BP are commercially taxed.

Trustee MacDougall motioned and Trustee Wegert seconded to adopt Resolution 2016-01 coming into effect Jan 1 2017. The motion failed for lack of a majority 3:3.

Trustee Gallegos asked if they could be provided with more information. Mr. Nevins replied that it won't even take effect until Jan 1st so they have time to review the fees.

IX. Adjourn: 9:51


Michelle Hamilton
Town Clerk/Treasurer



Christine M. Tookey
Mayor