

# Avon establishes a cap on short-term rentals with new ordinance

The ordinance also creates different license types and caps based on use, location in town

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“Welcome to STRs: the final chapter, we hope,” said Jena Skinner, Avon’s senior planner, at the Tuesday, Aug. 23, Town Council meeting, kicking off the second reading of an ordinance that brought about additional long-debated changes to the town’s short-term rental code.

Skinner’s statement refers to the many hours spent by town officials and staff over the course of the last year dedicated to looking at and addressing short-term rentals in town.

Following the suit of many other mountain and resort communities in Colorado, the town of Avon sought to reduce the number of long-term – and specifically workforce – housing units transitioning into short-term rental inventory with new changes.

The town [passed its first round of changes](#) at the end of July, creating minimum management requirements for the properties and establishing a new fee structure for short-term rentals in town with an ordinance.

And on Tuesday, Aug. 23, Town Council passed – 6-1, with Scott Prince dissenting – the “final chapter” of short-term rental changes, as Skinner put it. The ordinance passed certain code text amendments to the Avon Municipal Code. This includes establishing a cap on short-term rentals within certain geographic boundaries, expanding the town core map and creating a variety of short-term rental license types based on use.

The [ordinance, as passed](#), reads that it was established to be “consistent with the Comprehensive Plan’s goal of providing a balance of land uses while inviting guest accommodations that strengthen Avon’s identity as both a year-round residential community and a tourism center while preserving the opportunity to preserve long-term residential opportunities for workforce in these units.”

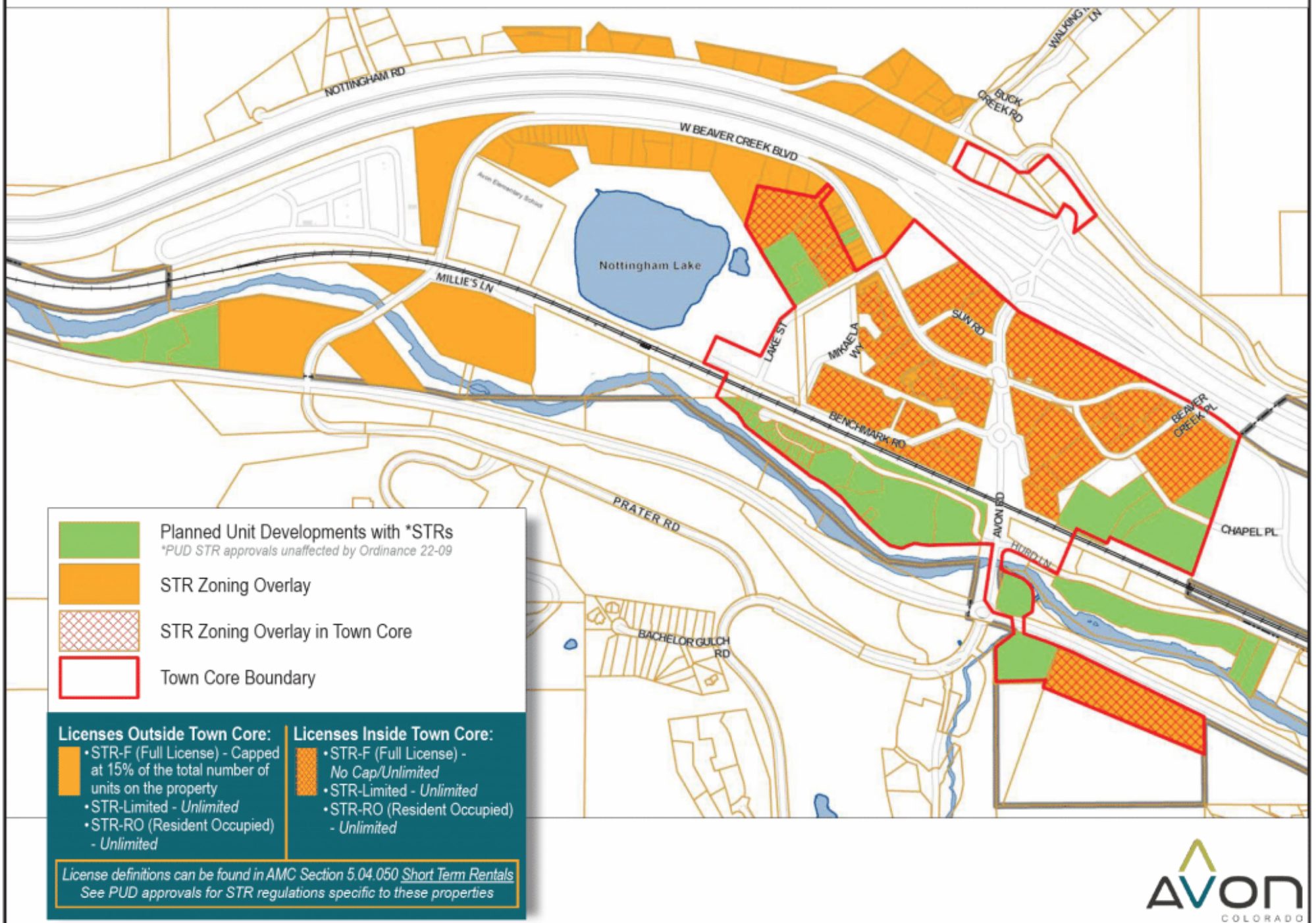
For current short-term rental license holders, the ordinance holds that these licenses will remain effective “until abandonment of the Short Term Rental use, change in ownership, or revocation of the Short Term Rental license.”

However, according to Max Morgan, Avon’s town planner, all existing short-term rental license holders will have to re-register their licenses, fill out a new application and pay a new fee. Morgan added that the previously paid \$75 license fee will be applied to the new fee and once done, the new licensee will be valid for a year.

He added that all current license holders should expect communication soon on this process from the town’s community development department.

## Changes made

## Short Term Rental Overlay and Town Core Map



As part of its new short-term rental rules and regulations, Avon updated its town core map as pictured.

Town of Avon/Courtesy

One of the first things that this ordinance did was update the area and map of the “town core.”

According to the ordinance, the new map “has been updated to include certain residential properties that contain a significant number of front desk managed rental properties including STRs and time-share properties.”

Morgan further added in a phone call with the Vail Daily that all changes to the town core boundaries were only expansions.

“Nothing was eliminated,” he said.

The updates added the Beaver Creek West Condos, Avon Lake Villas, Falcon Point, Frontgate (which is the property being built on Highway 6 in Avon), The Ascent, Basecamp and Lakeside Terrace, Morgan said.

As part of both ordinances, the town created new types of short-term rental licenses, primarily to differentiate between the use of a license by local residents as a way to maintain affordability versus properties used purely as vacation rentals, with some extra differentiation along the way.

Now, the town has three types of short-term rental licenses:

- STR-F: Short-term rental full license, an “unlimited” short-term rental license
- STR-RO: Short-term rental resident occupied license, a property occupied and short-term rented by a full-time resident living on-site
- STR-L: Short-term rental limited licensee, a property that is used as a short-term rental for fewer than 42-days per year

With the new town core map and new license types, the next thing the ordinance does is establish a 15% cap on short-term rentals that fall outside of the town core, but are still within the town’s short-term rental zoning overlay (which was previously established to create a boundary of where the rentals are allowed).

What this means is that short-term rental licenses will be capped at 15% of the total number of residential units for each property that fall within this geographic boundary.



“I personally would prefer to exclude duplexes from the calculations. Mostly because I think it just makes it so awkward,” said Council member Amy Phillips. “I would prefer to exclude the duplexes because I think the duplexes can deal with it as a private matter if we exclude them.”

Properties within the town core can have an unlimited number of short-term rental licenses if allowed by the building. Additionally, the cap only applies to full short-term rental licenses, meaning that there are no caps on limited and resident-occupied licenses.

While the ordinance’s passage on Tuesday, Aug. 23, finalized the biggest moving pieces of the town’s short-term rental changes, certain administrative changes and decisions — including education — still need to be made.

Skinner presented at the meeting the town’s plan for rolling out numerous educational and communications materials to help residents, property owners and anyone interested in the town’s recent short-term rental changes.

According to Morgan, this includes outreach to both current license holders as well as all property owners in the short-term rental overlay district. Current license holders, as previously mentioned, will have to re-apply for their license and will be receiving the proper documents to do so along with a guidebook, which Morgan said on Wednesday, Aug. 24, will be ready in the next few days.

This guidebook will contain information on how to renew, the updated maps, fees and license types as well as information on the new minimum safety requirements and what is called “good neighbor guidelines.”

These guidelines, Morgan said, are well established in the industry and are “what we’re asking short-term rentals to post in property for renters to see” and “encapsulate the information the town wants to relay to guests” including parking information, emergency phone numbers and more.

The town will also be updating its website with the new changes, sending out mailers and hosting targeted information sessions to make sure the changes are well understood by those they impact or could impact in the future.

And like the many other towns heading down the path with short-term rental regulations, only time will tell whether the changes made will have the intended impact on local workforce housing availability — something that, even as they passed the ordinance, Avon Town Council members had some disagreement on.

“Certainly, there’s solutions out there that would have a direct and meaningful impact,” Prince said, referring specifically to a new Eagle County program designed to incentivize individuals to convert short-term rentals to long-term ones. “The core of my disagreement with this change that the town is going to be doing is, I don’t think it’s really going to solve the goal as opposed to a program like Eagle County, you’ll see a direct impact.”

Council member Underwood disagreed with this interpretation, standing behind Avon’s recent changes.

“I think this is going to have an impact,” Underwood said. “I’m proud of us for working so hard on it, and I appreciate staff working so hard on it.”

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