

# COMSTOCK VILLAGE HOMEOWNER ASSOCIATION

## SHORT TERM RENTAL COMMITTEE REPORT

### August 2025

#### **Definition of Short-Term Rental<sup>1</sup>**

“A short-term lease is a rental agreement that has a relatively brief duration, typically 12 months or less.

While the exact definition can vary depending on the context (e.g., residential, commercial, or governmental accounting standards), the core idea is a temporary commitment to a property. Here are some key characteristics and common durations:

- General Residential: This usually lasts from three to six months or can be month-to-month.
- Vacation/Transient Rentals: These are often seen as short-term, typically less than 30 days, and are generally used for tourism or very temporary stays.
- Flexibility: This is the primary advantage for both tenants and landlords. Tenants get temporary housing without a long-term commitment, and landlords can adjust rent prices more frequently or use the property for other purposes.
- Higher Costs: Short-term leases typically have higher monthly rental rates.

Short-term leases are popular for various reasons, such as:

- Job Relocation, temporary assignments/internships, and home renovations.”

#### **Executive Summary**

*A concise overview of the policy issue and recommendations.*

Short-term rentals pose governance, financial, and community cohesion challenges for HOAs nationwide. Short-term rentals have been a long-standing point of discussion in the Comstock community for a considerable period. This document addresses the research and recommendations completed by the Comstock Village Homeowners Association (Comstock VHA) Short Term Rental Committee.

Recommendations that the Short Term Rental Committee is forwarding to the Comstock Board are:

1. Short-term rentals should be allowed but must be for 30 days or more.
2. As an owner of the rental property, the owner must register and get approval from the Comstock VHA before renting the property.

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<sup>1</sup> The Colorado Springs City Code relatedly defines “short term rental” as “[a] residential dwelling unit, or portion of such a unit, that is rented for less than thirty (30) days at a time, with the exception of dwelling units owned by the federal government, the state, or the City, or any of their agencies, or facilities licensed by the state as health care facilities.” Sec. 7.6.301.

3. Before the property is rented, the owner must submit information about each rental to Comstock VHA.
4. Should an owner of the property receive two reprimands for issues with their rental property, that homeowner will lose the privilege of renting that property in Comstock.

Next step recommendations that the Short Term Rental Committee is forwarding to the Comstock Board are:

1. Present the committee's findings to the Board at the August Board meeting.
2. Hold small information meetings for interested Comstock VHA members.
3. After the informational meetings, a summary will be presented to the Comstock VHA Board.
4. Comstock VHA members will be asked to vote on the issue as defined by the Board.

### **Introduction**

*Defines the problem or issue, provides background information, and outlines the purpose of the report.*

At the March 19, 2025, Comstock Village Homeowner Association monthly board meeting, Kathy Pivarsky and Bill Shell were tasked with forming a committee comprised of Comstock VHA members to research, draft, and make recommendations to the association regarding short-term rentals (STRs) within the Comstock VHA.

Four notices were sent to all members of the Comstock VHA requesting volunteers for the committee. Six members expressed interest in joining. Along with the co-chairs, the committee members are:

Barb Maloney  
Brett Tobin  
Dan Deon  
Lynne Casebeer  
Oliver Shaw  
Renee Malloy Ludlam  
Rob Fore

The committee held three meetings, each with a specific purpose. The dates and topics of these meetings were:

June 24: Introductions, Purpose, and Process  
July 8: Presentation of Research  
July 22: Finalize Report

## **Policy Context**

*Describes the broader context, including relevant laws, regulations, and historical precedents that shape the issue.*

### **Colorado State Law**

Any restrictions on the use, occupancy, and alienation of units must be contained in the HOA's recorded covenants declaration. See C.R.S. § 38-33.3-205(1)(l).

No amendment to an HOA's covenants declaration may change the uses to which any unit is restricted in the absence of a vote or agreement of at least 67 % of owners. See C.R.S. § 38-33.3-217(4.5).

Under the Colorado Common Interest Ownership Act, C.R.S. § 33.3-101, *et. seq* and in the absence of any recorded declaration in our covenants, short-term rentals are currently authorized in Comstock Village.

### **Colorado Springs City Requirements**

Owner occupied (> 185 days/yr); licensed (\$124.95/yr); maximum occupancy based on #bdrms; no hosting of large social/commercial events; proof of \$500,000 liability insurance; proof of listing on hosting platform; compliance with Good Neighbor Guidelines; be in compliance with HOA declarations which may be more restrictive...recommendation that they notify neighbors and provide them with Good Neighbor Guidelines and 24 Hr POC that has also been provided to the city. See the Colorado Springs City Code § 7.3.301(C).

### **Regional HOAs' Regulation of Short-Term Rentals**

#### **Peregrine HOA Covenants**

"Short-term rentals and occupancy of lots for less than 6 months, including but not limited to transient, hotel, bed-and-breakfast, or vacation rentals, shall be prohibited without prior written approval from the Association and will be considered a violation."

#### **Discovery HOA**

"Short-term rentals for less than 6 months are not permitted." Note: This regulation was not approved by a 67% vote of HOA residents as required by state law, so it cannot be enforced.

#### **Deer Run HOA**

"No Lot or Residence shall be used, occupied or rented for short-term, vacation, time-sharing, transient or hotel purposes."

## Hunters Point HOA

“Short-term occupancies and rentals of less than six months of Lots shall be prohibited.”

## Mountain Oaks HOA

"Leases between property owners and tenants shall be for a period of six months or longer and must be in writing. No leases or rentals shall be for a period less than six months. This policy, therefore, prohibits Airbnb rentals of any property on a daily, weekly, or month-to-month basis."

### Analysis and Findings

*Presents research, data, and evidence supporting the evaluation of the policy issue, including any stakeholder perspectives.*

As of 2024, there are an estimated 369,000 community associations, a number that is expected to rise to between 370,000 and 374,000 by 2025. Homeowners Associations (HOAs) constitute the largest share of this category, representing approximately 58% to 63% of the total.

A critical development within these managed communities is the widespread **adoption of restrictions** on short-term rentals (STRs), typically defined as stays of 30 days or less.

A recent survey conducted by the Foundation for Community Association Research indicates that a substantial majority, 64% of community associations, **prohibit** short-term rentals.<sup>4</sup> This prohibition typically applies to rentals defined as less than 30 days. In contrast, approximately 20% of community associations **do not have** specific rules that restrict rental or leasing activities.<sup>4</sup>

The prevailing sentiment and regulatory trend within community associations leans heavily towards **restricting or banning short-term rentals**. The fact that 64% of associations prohibit STRs, with only about 20% having no restrictions, indicates that for a significant portion of the U.S. housing market governed by HOAs, the default expectation is that properties are for long-term residential use, not transient commercial activity.

The widespread implementation of short-term rental restrictions by community associations is driven by a comprehensive set of concerns that impact the fundamental character and operational integrity of these communities. These concerns can be broadly **categorized into community impact, economic effects, and operational challenges**.<sup>12</sup>

This can increase the risk of premises liability claims for the association and create a general **sense of insecurity among long-term residents due to the constant presence of unfamiliar individuals**.

Operational challenges also play a significant role. **Increased wear and tear on common areas and facilities is a primary concern**.<sup>7</sup>

Financial risks extend to insurance implications. The **insurance industry recognizes the problems associated with high rental percentages**. Many preferred carriers set a threshold, often around 30-35% rental occupancy, beyond which they may charge higher premiums to associations due to increased claims histories.<sup>12</sup>

Moreover, **62% of respondents were concerned that the investor or short-term rental owner would not maintain the home or unit to community standards.**<sup>4</sup>

This can lead to a **breakdown of neighborly trust and a diminished sense of belonging**, impacting the **community's long-term desirability and value proposition beyond just financial metrics**. This fundamental clash creates significant governance **challenges for HOAs, whose existing structures, designed for stable residential populations**, are often ill-equipped to manage the demands of a constantly rotating commercial enterprise. **This leads to increased enforcement burdens, complaints, and potential legal disputes, compelling HOAs to adapt their governing documents and enforcement mechanisms, often through divisive and challenging amendment processes.**<sup>4</sup>

In tourist-heavy areas or tight housing markets, researchers observe **declines of 3%–5% (or more) for every 20% uptick in short-term rental supply.**<sup>4</sup>

Recent studies have linked short-term rentals (STRs) to **slight increases in neighborhood crime**, with a 1–10% rise in listings correlating to a 0.1–3.1% increase in property crimes and robberies. Factors like vacant properties, transient guests, and lax screening by platforms like Airbnb and VRBO contribute to heightened risks.<sup>RF1</sup>

Recent research has highlighted a correlation between short-term rentals (STRs) and an increase in crime in neighborhoods. Studies in Los Angeles (Valentin, 2021) and Virginia Beach (Xu et al., 2019) **found that a 1–10% increase in STR listings is associated with a 0.1–0.25% rise in property crimes like theft, vandalism, and burglary, with findings potentially applicable to similar-sized cities like Colorado Springs**. A 2024 study by Lanfear and Kirk further noted that a 3.2–10% increase in Airbnb listings could lead to a 1–3.1% rise in robberies, adding hundreds of incidents annually. The increase in crime is attributed to vacant STR properties being easy targets, transient guests who are vulnerable or cause damage, criminals targeting STR-heavy areas, and fewer long-term residents to monitor neighborhoods. Additionally, **inadequate screening by platforms like Airbnb**, which conducts optional background checks only on booking guests, and VRBO, which requires no ID or background checks, heightens risks due to potential issues with fake IDs, unscreened additional guests, or undetected recent crimes.<sup>RF2</sup>

**Interviews** were conducted with 10 current Comstock HOA members. The results were:

- 5 interviewees have lived in their present home for 30+ years
- When asked about allowing short-term rentals in Comstock, everyone expressed concern about having short-term rentals in our HOA.

### **Interviewees: 3 current real estate agents in Spokane**

- All three agents stated that most homes in Spokane are part of an HOA, and different companies manage the HOAs.
- None of the three agents could tell me if short-term rentals are an issue in any part of Spokane, partly because different companies manage the various HOAs.

### **Recommendations**

*Propose specific actions backed by evidence and reasoning.*

Members of the Comstock VHA should vote on the short-term rental issue, as defined by the Comstock VHA Board of Directors.