



HIDEOUT, UTAH TOWN COUNCIL REGULAR MEETING

January 12, 2023

Agenda

PUBLIC NOTICE IS HEREBY GIVEN that the Town Council of Hideout, Utah will hold its regularly scheduled meeting electronically for the purposes and at the times as described below on Thursday, January 12, 2023.

This meeting will be an electronic meeting without an anchor location pursuant to Mayor Rubin's December 13, 2022 No Anchor Site Determination Letter.

All public meetings are available via ZOOM conference call and YouTube Live.

Interested parties may join by dialing in as follows:

Zoom Meeting URL: <https://zoom.us/j/4356594739>

To join by telephone dial: US: +1 408 638 0986 **Meeting ID:** 435 659 4739

YouTube Live Channel: <https://www.youtube.com/channel/UCKdWnJad-WwvcAK75QjRb1w/>

Regular Meeting

6:00 PM

I. Call to Order

1. No Anchor Site Determination Letter

II. Roll Call

III. Update on Golden Eagle Subdivision

IV. Public Input - Floor open for any attendee to speak on items not listed on the agenda

V. Agenda Items

1. Discussion regarding nightly rentals within Hideout

2. Consideration and possible approval of an Ordinance amending Hideout Municipal Code Title 3 to change reference from the Board of Adjustment to Administrative Law Judge

3. Consideration and possible approval of an Ordinance amending Hideout Municipal Code Title 7.18 and 8.09 to correct the timeframe to clear snow from fire hydrants, and to clarify snow plowing limitations

VI. Closed Executive Session - Discussion of pending or reasonably imminent litigation, personnel matters, and/or sale or acquisition of real property as needed

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the Mayor or Town Clerk at 435-659-4739 at least 24 hours prior to the meeting.

HIDEOUT TOWN COUNCIL

10860 N. Hideout Trail

Hideout, UT 84036

Phone: 435-659-4739

Posted 1/11/2023



December 13, 2022

DETERMINATION REGARDING CONDUCTING TOWN OF HIDEOUT PUBLIC MEETINGS
WITHOUT AN ANCHOR LOCATION

The Mayor of the Town of Hideout hereby determines that conducting a meeting with an anchor location presents a substantial risk to the health and safety of those who may be present at the anchor location pursuant to Utah Code section 52-4-207(5) and Hideout Town Resolution 2022-R-17. The facts upon which this determination is based include: The seven-day rolling percent and number of positive COVID-19 cases in Utah has been over 17.74% of those tested since December 12, 2022. The seven-day number of positive cases has been, on average, 481.4 per day since December 12, 2022.

This meeting will not have a physical anchor location. All participants will connect remotely. All public meetings are available via YouTube Live Stream on the Hideout, Utah YouTube channel at: <https://www.youtube.com/channel/UCKdWnJad-WwvcAK75QjRb1w/>

Interested parties may join by dialing in as follows:

Meeting URL: <https://zoom.us/j/4356594739>

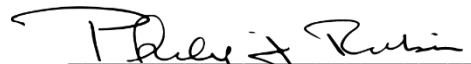
To join by telephone dial: US: +1 408-638-0986

Meeting ID: 4356594739

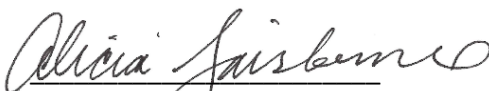
Additionally, comments may be emailed to hideoututah@hideoututah.gov. Emailed comments received prior to the scheduled meeting will be considered by Council and entered into public record.

This determination will expire in 30 days on January 12, 2023.

BY:


Phil Rubin, Mayor

ATTEST:


Alicia Fairbourne, Town Clerk





Staff Report for Consideration of Nightly Rentals in Limited Areas of Hideout

To: Mayor Phil Rubin
Town of Hideout Council

From: Thomas Eddington Jr., AICP, ASLA
Town Planner

Re: Nightly Rental Discussion (follow up to November 10, 2022 discussion)

Date: 10 January 2023

*Prior Submittals: Deer Springs Cottages Concept Plan (submitted to the Planning Commission)
Hideout Nightly Rental Cost Benefit Analysis (attached)*

Background

The Town Council had a brief discussion regarding nightly rentals (short-term rentals of less than 30 days) on November 10, 2022. This discussion was the result of a request by Nate Brockbank to revise a phase of the Deer Springs development and replace townhouses with cottages. The Concept Plan was presented to the Planning Commission at the October 15, 2022 meeting. The proposed Concept Plan included the following:

- An application for 35 cottage units (35 ERUs if each is proposed to have greater than 1,500 SF).
- A small neighborhood commercial site per the Planning Commission's recommendation (the Town would need to change the underlying zoning designation to allow this use).
- The proposal includes: a clubhouse with a pool, firepit, workout room, meeting area, and 49 additional parking spaces
- A request for nightly rentals for each of these units.

Nightly rentals are not currently allowed per the Hideout Town Code with the exception of two subdivisions which have been allowed to have short term, or nightly rentals, within Hideout:

- KLAIM, which negotiated for the allowance of nightly rentals in their Master Development Agreement which reads as follows:



9.13. **Use of Dwellings as Short-term Rentals.** Owners may rent their Dwellings as Short-term Rentals provided: (a) they do so in compliance with the Governing Documents; and (b) a short-term rental permit is issued by the County, if required. Owners opting to rent their Dwellings as Short-term rentals are required to use the services of a property management company that is (1) licensed in accordance with state law and local ordinances and (2) approved by the Association to manage Short-term Rentals within the Property. The Board of Directors shall establish the procedures, rules, and regulations for any Short-term Rentals, including check-in, access to Dwellings and common amenities and facilities. The Owner shall at all times ensure the Dwelling is rented in compliance with the Governing Documents and any rules and regulations for the Property.

- Deer Springs Phase 1 which had a plat note which the developer relied upon which allowed nightly rentals and therefore it was permitted in Deer Springs Phase 1 and Phase 1 amended. The plat note was ultimately amended as follows:
 1. *The allowance of nightly rentals is only for Phase 1 and Phase 1 amended.*
 2. *Any nightly rentals must be managed by a professional management service with someone who can respond on site within 30 minutes.*
 3. *All nightly rentals require a business license.*

It is worth noting the Hideout Master Association does not allow nightly rentals within the association.

Town Action to Date

In addition, on September 8, 2022, the Town Council adopted the following ordinance for the areas where short term rentals are allowed:

4.02.010 (Definitions)

SHORT TERM RENTAL: "Short-term rental" means any dwelling or condominium or portion thereof that is available for use or is actually used for accommodations or lodging of guests for a period of less than thirty consecutive days, wherein guests pay a fee or other compensation for said use. Also known as a nightly rental.

4.07 REGULATION OF SHORT TERM (NIGHTLY) RENTALS

4.07.01 LICENSE REQUIRED

It is unlawful to conduct or operate a short-term rental without having obtained a business license therefor.

4.07.02 REGULATIONS FOR SHORT TERM RENTAL

Short term rentals are required to use the services property management company that is licensed in accordance with State and Local Ordinances and can respond on site within 30 minutes.

4.07.15 SEPARATE VIOLATIONS

For purposes of prosecution of violations of this chapter, each day that any violation occurs, or that applicable taxes and fees are unpaid, is deemed to constitute a separate violation.

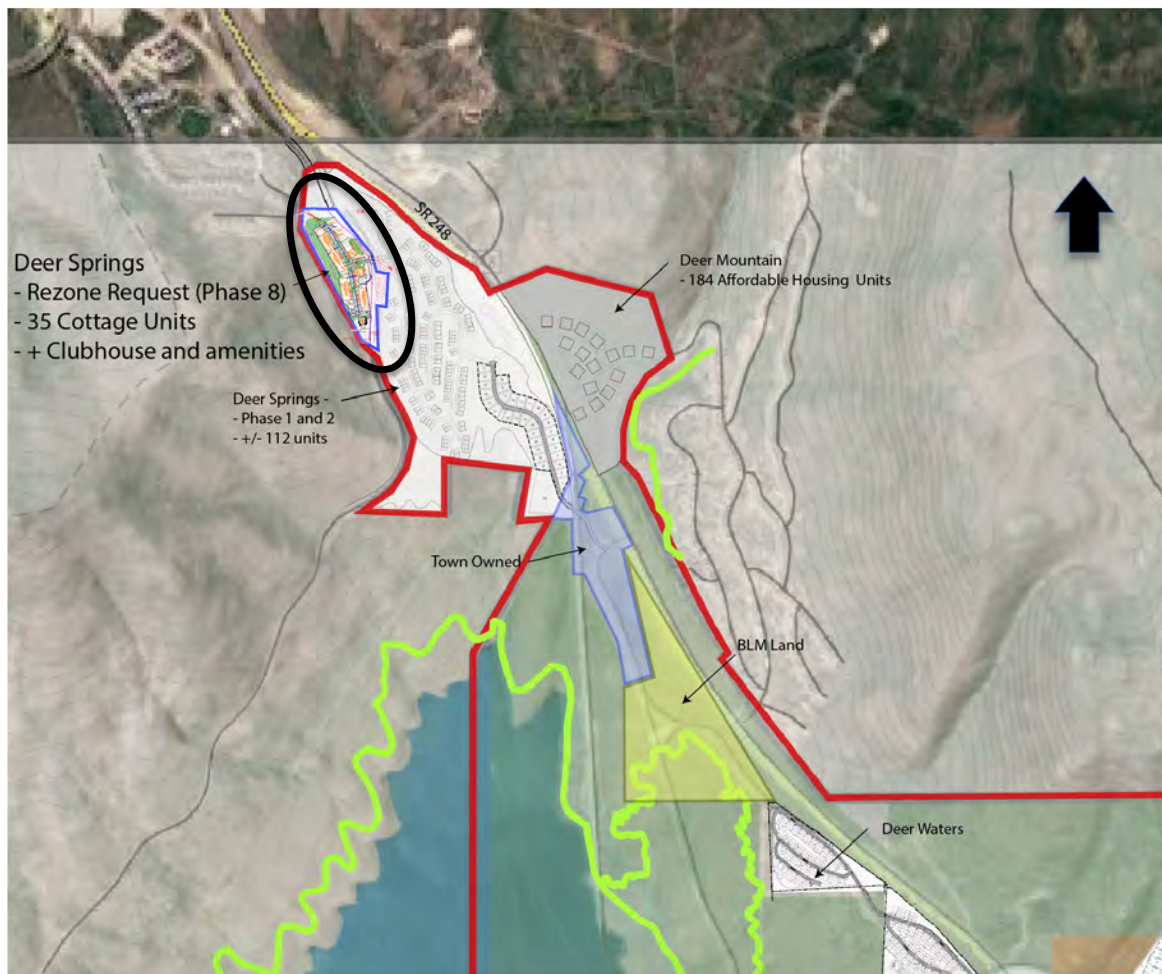


Council Input to Date

At the Council's November 10, 2022 meeting, councilmembers were generally favorable to the concept of a 'trial' nightly rental district within the Town as long as there were criteria in place to ensure any and all negative impacts were mitigated. The councilmembers also felt strongly that nightly rentals did not belong in existing residential neighborhoods.

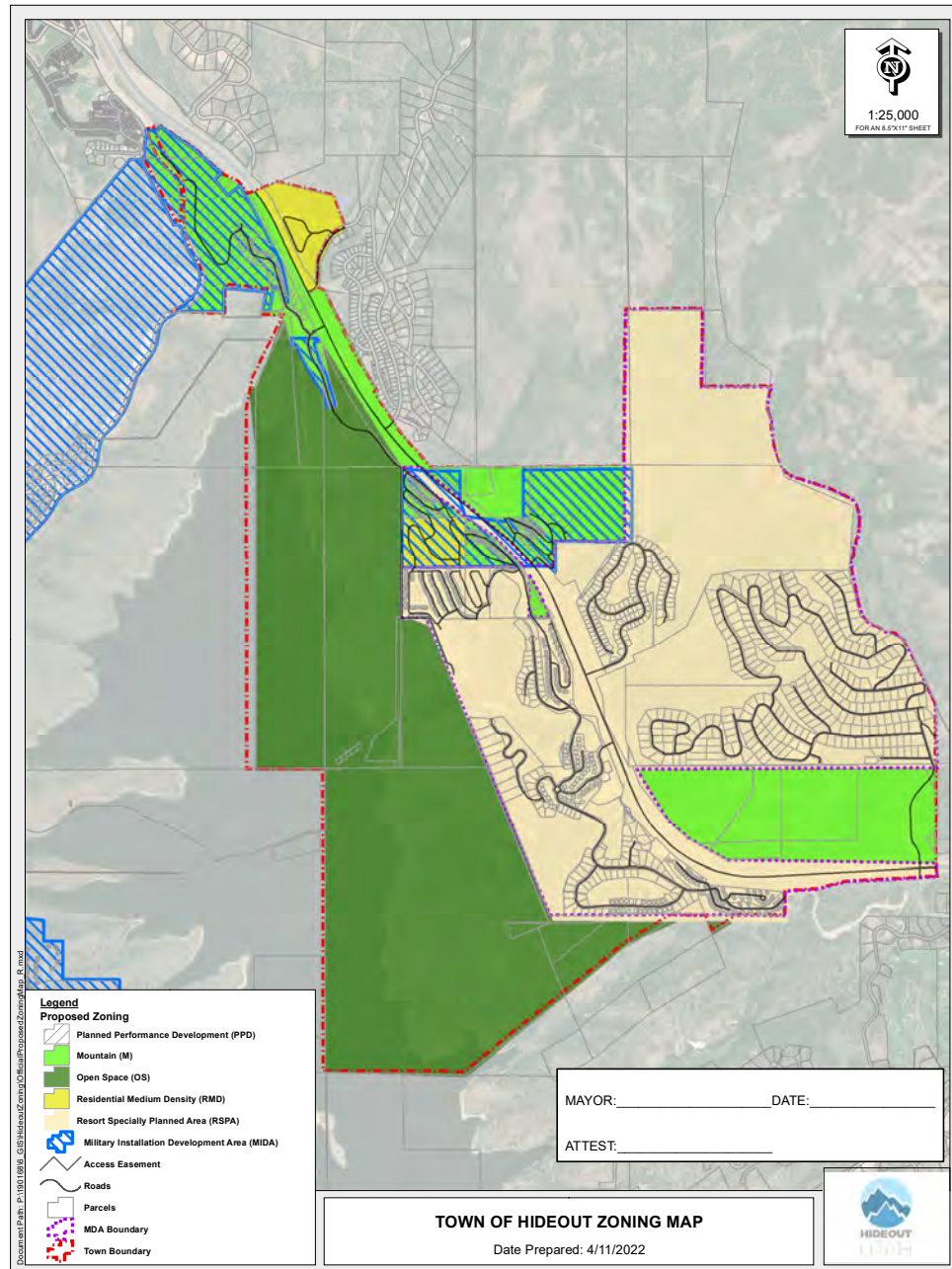
The proposed Deer Springs Cottage concept offers a location that is located on the west side of the Jordanelle Parkway and is geographically disconnected from any existing neighborhoods within the Town. This area was specifically discussed as a possible 'trial' nightly rental district subject to a set of established criteria that would ensure a quality development and not result in a strain on Town and local district services such as police and emergency calls, code enforcement, etc.

Map of Proposed Rezone and Surrounding Area
(Presented to the Planning Commission on October 15, 2022)





Hideout Zoning Map
 (the area within the beige/RSPA zoning has HOA restrictions against allowing nightly rentals)

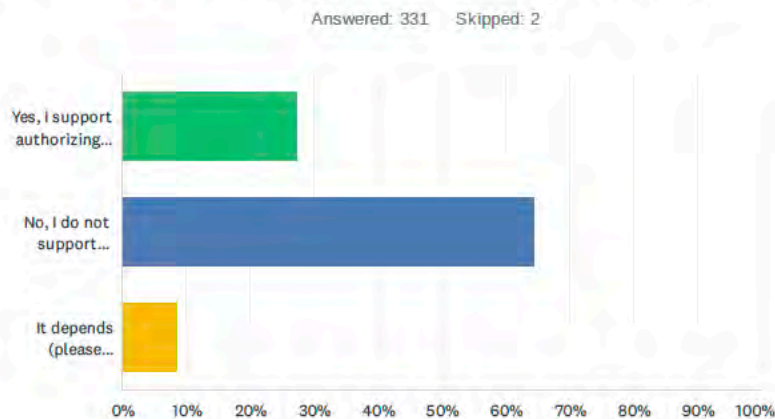




Public Input to Date

The following graph and table outline the results of the Community Survey that was conducted in June 2022.

Q6 Should the Town Authorize Additional Nightly Rentals of Private Homes? Should the Town authorize nightly rentals in private homes throughout the Town (except where prohibited by deed or HOA restrictions) which could reduce annual property taxes?



ANSWER CHOICES	RESPONSES	
Yes, I support authorizing nightly rentals.	27.19%	90
No, I do not support authorizing nightly rentals.	64.35%	213
It depends (please explain):	8.46%	28
TOTAL		331



Possible Criteria for Consideration in a New Nightly Rental Section of the Hideout Town Code

The following criteria are for discussion and intended to serve as prompts for additional criteria that councilmembers believe are necessary to mitigate the negative impacts of nightly rentals:

1. Any nightly rentals must be managed by a professional management service with someone who can respond on site within 30 minutes.
2. All nightly rentals require a business license.
3. Nightly rentals shall be limited to houses/condos of less than 2,000 square feet.
4. To prevent 'party house' issues, the Town could adopt a formal permit requirement and put in place a specific limit on the number of people that are allowed to stay on the property at any given time. Require this to be included on all advertising materials.
5. Adopt a formal annual permitting requirement and a process for revoking permits from 'trouble properties.' For example, the Town can adopt a '3 strikes rule' whereby a permit is automatically revoked for a number of years in the event the local government or local service districts receive 3 (substantiated) complaints about a property within a certain time frame (i.e., a 24-month period).
6. Implement a formal permit requirement and put in place a specific limit on the number of motor vehicles that short-term renters are allowed to park on/near the property. Require this to be included on all advertising materials.
7. Require that all short-term rental contracts include a copy of the local sound/trash/ parking ordinances and/or a 'Good Neighbor Brochure' that summarizes the local sound/trash/parking ordinances and what is expected of the renter.
8. Consider a minimum rental period of a week to eliminate excessive move-in/move-out traffic.
9. Require a physical safety inspection requirement as part of the permit approval process. The inspection can be conducted by the Town's own staff or the local fire/police force and can cover various amounts of potential safety hazards.
10. The Town should consider the adoption of a fine structure that adequately incentivizes short-term landlords to comply with the adopted regulation.

The Council may also want to consider incorporating a five-year timeline to reassess the success/failure of a trial nightly rental district in the Town.

HIDEOUT TOWN, UTAH
COST-BENEFIT ANALYSIS RELATED TO:
Nightly Rentals in Deer Springs Development



MARCH 2022
LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.



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INTRODUCTION AND DEVELOPMENT SUMMARY

Lewis Young Robertson and Burningham, Inc. ("LYRB") was retained to complete a Cost Benefit Analysis related to the rezoning of the Deer Springs Development (the "Development") within Hideout Town (the "Town") that would allow for nightly rentals in the 78 townhomes in Phase II of the Development. The Development is in the MIDA Hideout Zone (the "Hideout Zone") and is governed by the interlocal cooperation agreement between MIDA and the Town (the "MIDA Agreement"). All 45 townhomes in Phase I of the Development are currently zoned to allow for nightly rentals. LYRB, working on behalf of the Developer has prepared an analysis of the fiscal benefits to be derived from additional nightly rentals, as well as their corresponding costs. The assumptions used in this analysis are based on data presented by the Developer, comparable community data, and current economic and market factors. This report is prepared in good faith as a best guess estimate of the costs and benefits of the Development. Prevailing economic and other conditions may influence the actual costs and benefits either favorably or unfavorably. But for these unknown and unpredictable events, the information contained in this report is considered accurate accounting of the reasonable expectations of the Development.

The primary purpose of this analysis is to verify the potential net benefit that the Town could receive by allowing additional nightly rentals in the Development. In summary this analysis will:

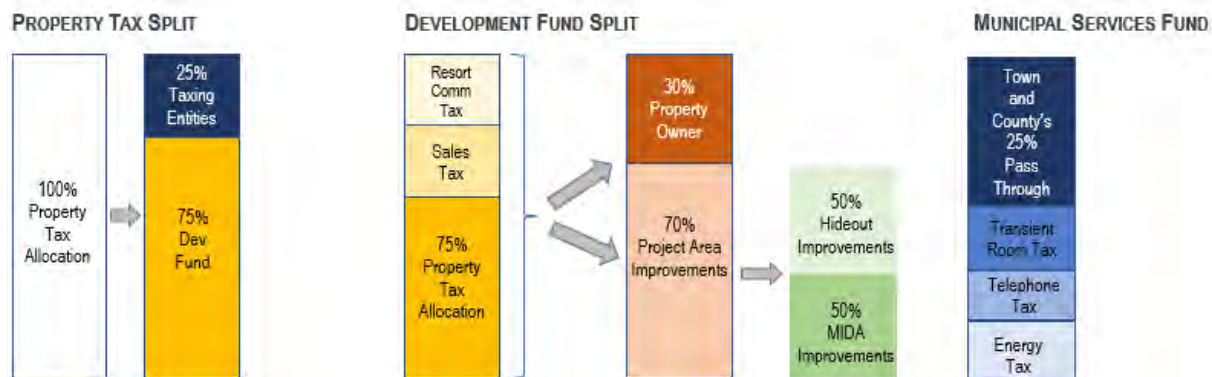
- Provide a brief overview of the MIDA agreement and proposed Development;
- Review the projected benefits to the Town's MIDA Development Fund and Municipal Services Fund;
- Analyze the potential costs of allowing additional nightly rentals; and
- Provide a written conclusion related to LYRB's finding of the requested additional nightly rental allowance.

MIDA AGREEMENT AND DEVELOPMENT SUMMARY

MIDA AGREEMENT

In 2019, the Town entered into an interlocal cooperation agreement (the "Agreement") with MIDA for a portion of the Town to become part of the Military Recreation Facility Project Area ("MRF Project Area"). The portion of the Town in the MRF Project Area is identified as the "Hideout Zone". **Appendix A** includes a map of the MRF Project Area. The Agreement specifies that for a period of 40 years, a significant portion of the Town's tax revenues will be allocated to two MRF Project Area funds, the Development Fund, and the Municipal Services Fund. The Developer Fund is a restricted fund that must be used solely on infrastructure that is in the Hideout Zone, or outside the Hideout Zone so long as it creates a benefit to the Hideout Zone. The Municipal Services Fund is unrestricted and is used to first fund municipal type services in the Hideout Zone. Once funded, the Town can use the remaining Municipal Service Fund revenue as allowed under applicable municipal budgetary law. Figure 1 outlines how the Hideout Zone revenues are currently distributed.

FIGURE 1.1: HIDEOUT ZONE REVENUE DISTRIBUTION



If all parties agree, the Agreement can be amended to move the Resort Community Tax and Point-of-sale Sales Tax from the Development Fund to the Municipal Services Fund.

DEVELOPMENT SUMMARY

Phase II of the Deer Springs Development will consist of 78 townhomes. The Developer currently anticipates that 16 townhomes will be completed and on the tax rolls by December 2022, with the remaining 62 being on the tax rolls by December 2023. While the Developer is requesting that all 78 townhomes be zoned for nightly rentals, this analysis assumes that only 50% of the units will be utilized as nightly rental properties.

It is estimated that approximately 40% of the residential units in the Hideout Zone are currently secondary homes, and thus taxed at 100% of their value. If Phase II does not include nightly rentals, the assessed taxable value is estimated to be \$32,455,800.

TABLE I.1: TAXABLE ASSESSED VALUE (NO NIGHTLY RENTALS)

	ASSUMPTION
Townhomes	78
Project Assessed Value per Unit	\$570,000
Assessed Value	\$44,460,000
Secondary Homes	40%
Primary Residential Exemption	(\$12,004,200)
TOTAL TAXABLE ASSESSED VALUE	\$32,455,800

If the Town allows for nightly rentals, it is anticipated that the number of secondary homes would increase from 40% to 65%. This would increase the assessed value to \$34,956,675, a difference of \$2,500,875.

TABLE I.2: TAXABLE ASSESSED VALUE (39 NIGHTLY RENTALS)

	ASSUMPTION
Townhomes	78
Nightly Rental Townhomes	39
Project Assessed Value per Unit	\$570,000
Assessed Value	\$44,460,000
Secondary Homes	65%
Primary Residential Exemption	(\$9,503,325)
TOTAL TAXABLE ASSESSED VALUE	\$34,956,675
DIFFERENCE	\$2,500,875

SECTION 1: NIGHTLY RENTAL FISCAL BENEFITS

Allowing additional nightly rentals in the Development will produce a fiscal benefit to the Town. The nightly rentals will have a positive impact on 1) property tax, 2) sales tax, and 3) tourism sales tax. LYRB used the value assumptions outlined in the introduction to estimate future tax revenues. As discussed above, the nightly rentals are within the Hideout Zone, so LYRB conducted a benefit analysis for two potential scenarios:

- ☞ **Scenario I** – The MIDA Agreement remains as is and the funds are distributed as outlined in Figure I.1
- ☞ **Scenario II** – The MIDA Agreement is amended so that the point-of-sale sales tax and resort community tax revenues are moved into the Municipal Services Fund.

SCENARIO I – MIDA AGREEMENT AS IS

PROPERTY TAX

Property tax revenues are based both on taxable value and current tax rates for all taxing entities. Assessed values of the proposed real and personal property values were obtained through collecting recent comparable values of development in the Town. As discussed above, allowing nightly rentals will likely generate an additional \$2,500,875 in assessed property value. This increase in assessed value will generate \$359,433 of property tax revenues for the Town during the 40-year MRF Project Area period.

TABLE 1.1: PROPERTY TAX REVENUES

PROPERTY TAX	ASSUMPTION
Assessed Value Increase	\$2,500,875
2021 Certified Tax Rate	0.012322
Hideout Annual Property Tax	\$30,816
Total Property Tax (40 Years)	\$1,232,631
Annual Hideout Development Fund Revenue	\$7,280
Total Hideout Development Fund Revenue (40 Years)	\$291,209
Annual Hideout Municipal Services Fund Revenue	\$1,706
Total Hideout Municipal Services Fund Revenue (40 Years)	\$68,224
Annual Hideout Property Tax Revenue	\$8,986
TOTAL HIDEOUT PROPERTY TAX REVENUE	\$359,433

SALES TAX

The nightly rentals will generate sales tax from the overnight accommodation sales. The analysis assumes an annual 2.50% growth rate on the average daily rates, and that annual occupancy rates will initially be 25% and increase to 60% as the Mayflower Resort opens and visitors increase. The nightly rentals will produce \$1.38 million in sales tax revenue for the Town during the 40-year MRF Project Area period.

TABLE 1.2: SALES TAX REVENUES

SALES TAX	ASSUMPTION
Nightly Rental Units	39
Average Daily Rate (ADR)	\$496.50
Annual Average Occupancy Rate	25-60%
Annual ADR Growth	2.50%
Sales Tax Rate	0.50%
Resort Community Tax Rate	1.10%
Average Annual Nightly Rental Gross Taxable Sales	\$6,851,818
Average Annual Sales Tax Revenue to Hideout Development Fund	\$34,533
TOTAL SALES TAX REVENUE TO HIDEOUT DEVELOPMENT FUND (40 YEARS)	\$1,381,327

TOURISM TAX

The Town will receive tourism tax revenue from the transient room tax generated by the 39 nightly rental units. Once adopted, the Town will collect a 1.00% transient room tax on nightly accommodation stays within the Development. The nightly rentals will generate \$2.47 million in tourism tax revenue during the 40-year MRF Project Area period.

TABLE 1.3: TOURISM TAX REVENUES

TRANSIENT ROOM TAX	Assumption
Nightly Rental Units	39
ADR	\$496.50
Annual Average Occupancy Rate	25-60%
Annual ADR Growth	2.50%
Transient Room Tax Rate	1.00%
Average Annual Transient Room Tax Revenue to Hideout Municipal Services Fund	\$61,666
Total Transient Room Tax Revenue to Hideout Municipal Services Fund (40 Years)	\$2,466,654

TOTAL SCENARIO I FISCAL BENEFIT

Under Scenario I, the Town will receive \$4.21 million in fiscal benefits from the nightly rental units during the 40-year MRF Project Area period. The other revenue sources were not included in this analysis, as their impact remains relatively the same as a nightly rental or traditional housing unit.

TABLE 1.4: SCENARIO I FISCAL REVENUES

SCENARIO I HIDEOUT FISCAL BENEFITS (40 YEARS)			
REVENUE STREAM	DEVELOPMENT FUND	MUNICIPAL SERVICES FUND	TOTAL
Property Tax	\$291,209	\$68,224	\$359,433
Sales Tax	\$1,381,327	-	\$1,381,327
Tourism Tax	-	\$2,466,654	\$2,466,654
TOTAL REVENUE	\$1,672,536	\$2,534,878	\$4,207,414

SCENARIO II – MIDA AGREEMENT AMENDED

PROPERTY TAX

The property tax revenue stream remains the same for both Scenario I and Scenario II, as it is not eligible to be moved from the Development Fund. It is projected that the Town will receive \$359,433 in property tax revenues during the 40-year MRF Project Area period.

TABLE 1.5: PROPERTY TAX REVENUES

PROPERTY TAX	ASSUMPTION
Assessed Value Increase	\$2,500,875
2021 Certified Tax Rate	0.012322
Hideout Annual Property Tax	\$30,816
Total Property Tax (40 Years)	\$1,232,631
Annual Hideout Development Fund Revenue	\$7,280
Total Hideout Development Fund Revenue (40 Years)	\$291,209
Annual Hideout Municipal Services Fund Revenue	\$1,706
Total Hideout Municipal Services Fund Revenue (40 Years)	\$68,224
Annual Hideout Property Tax Revenue	\$8,986
TOTAL HIDEOUT PROPERTY TAX REVENUE	\$359,433

SALES TAX

The nightly rentals will generate sales tax from the overnight accommodation sales. The analysis assumes an annual 2.50% growth rate on the average daily rates, and that annual occupancy rates will initially be 25% and increase to 60% as the Mayflower Resort opens and visitors increase. The nightly rentals will produce \$3.95 million in sales tax revenue for the Town during the 40-year MRF Project Area period.

TABLE 1.6: SALES TAX REVENUES

SALES TAX	ASSUMPTION
Nightly Rental Units	39
Average Daily Rate (ADR)	\$496.50
Annual Average Occupancy Rate	25-60%
Annual ADR Growth	2.50%
Sales Tax Rate	0.50%
Resort Community Tax Rate	1.10%
Average Annual Nightly Rental Gross Taxable Sales	\$6,851,818
Average Annual Sales Tax Revenue to Hideout Municipal Services Fund	\$98,666
TOTAL SALES TAX REVENUE TO HIDEOUT MUNICIPAL SERVICES FUND (40 YEARS)	\$3,946,647

TOURISM TAX

The Town will receive tourism tax revenue from the transient room tax generated by the 39 nightly rental units. Once adopted, the Town will collect a 1.00% transient room tax on nightly accommodation stays within the Development. The nightly rentals will generate \$2.47 million in tourism tax revenue during the 40-year MRF Project Area period.

TABLE 1.7: TOURISM TAX REVENUES

TRANSIENT ROOM TAX	Assumption
Nightly Rental Units	39
ADR	\$496.50
Annual Average Occupancy Rate	25-60%
Annual ADR Growth	2.50%
Transient Room Tax Rate	1.00%
Average Annual Transient Room Tax Revenue to Hideout Municipal Services Fund	\$61,666
Total Transient Room Tax Revenue to Hideout Municipal Services Fund (40 Years)	\$2,466,654

TOTAL SCENARIO II FISCAL BENEFIT

Under Scenario II, the Town will receive \$6.77 million in fiscal benefits from the nightly rental units during the 40-year MRF Project Area period. The other revenue sources were not included in this analysis, as their impact remains relatively the same as a nightly rental or traditional housing unit.

TABLE 1.8: SCENARIO II FISCAL REVENUES

SCENARIO II HIDEOUT FISCAL BENEFITS (40 YEARS)			
REVENUE STREAM	DEVELOPMENT FUND	MUNICIPAL SERVICES FUND	TOTAL
Property Tax	\$291,209	\$68,224	\$359,433
Sales Tax	-	\$3,946,647	\$3,946,647
Tourism Tax	-	\$2,466,654	\$2,466,654
TOTAL REVENUE	\$291,209	\$6,481,526	\$6,772,735

SECTION 2: NIGHTLY RENTAL COSTS

Typically, in cost benefit analyses, municipalities' general government, public safety, and public works costs (the "Municipal Services Costs") are analyzed. This analysis is unique in that the impacts to the Town's Municipal Services Costs will likely not be substantially impacted by allowing additional nightly rentals. While there could be an impact to account for increases in public safety calls and waste, as is noted in other high nightly rental municipalities, no substantial evidence was discovered for this analysis. LYRB worked with the Wasatch County Sheriff's Department and conducted a sample analysis of nightly rental units and traditional residential units in the County and found that there was no substantial variance in service calls for nightly rental units. However, there are non-quantitative costs that the Town should consider, including:

- Impact on long-term rental market;
- Neighborhood changes; and
- Short-term rental regulation expenses

LONG-TERM RENTAL MARKET

The short-term rental market is ever growing and according to recent studies, can be found in more than 1,500 cities and counties in the United States. Since short-term rentals are mainly located in residential areas, tourists are occupying homes that otherwise might be used for living. Short-term rentals are often much more lucrative for property owners than renting out their units to long-term leases. In some places, this is resulting in a decrease of long-term housing availability. This could contribute to increasing housing and rental prices, which Utah is currently seeing at record levels. A few studies have been conducted in larger cities that have demonstrated the issue of rising housing and rental prices, some of the findings included:

- A study conducted in Boston estimated that asking rents for long-term rentals between 2015-2019 would increase as much as \$178 per month if short-term rental growth continued at its forecasted pace.
- A study conducted in New York City correlated a doubling of short-term rental activity in a small geographical area to a 6-11% increase in home sale prices.

NEIGHBORHOOD CHANGES

Living next door to a short-term vacation rental can be concerning for some year-round residents, as it changes the fabric and complexion of a neighborhood. Many year-round residents are impacted by the constant flux of new people coming and going every few days. Larger cities with numerous short-term rentals have seen substantial increases in residents' protests about their worry that short-term rentals will change the character and transform the quality of life of the area. Cities experiencing an influx of short-term rentals have experienced increased related complaints about trash, parking issues, and noise disturbances.

Additionally, infrastructure and amenities initially do not significantly change with an increase of short-term rentals. This results in decreased quality of experience for tourists and decreased quality of life for permanent residents due to overcrowding, traffic congestion, and inability to access nearby recreational resources. Studies have shown that an overabundance of short-term rentals in residential communities can lead to declining social capital.

SHORT-TERM RENTAL REGULATION EXPENSES

While short-term rentals bring positive economic impacts to a municipality through increases in tax revenue and increased spending on other tourism related amenities. They can be difficult to provide oversight and regulation. Creating sensible and enforceable short-term rental regulation is a topic being discussed by municipalities nationwide. The oversight and regulation can create additional general government expenses as programs are initiated and maintained. The final section of this report includes a sample of common short-term rental regulation best practices being implemented by municipalities throughout the nation.

SECTION 3: FINDINGS AND CONCLUSIONS

Based on the development assumptions utilized in this analysis, additionally nightly rentals produce a benefit to Hideout **between \$4.2 million and \$6.7 million** of cumulative net revenue projected over 40 years, or an **average annual net benefit between \$105,000 and \$169,000**. The number of nightly rentals, occupancy rates, and average daily rates will impact the actual revenues during the 40-year period. The actual economic benefit of nightly rentals may be higher, due to additional indirect and induced benefits. Positive economic impacts will be felt through business, construction, and leisure supplies purchased by guests at the nightly rentals. While these amenities are not currently located in Hideout, they will likely materialize with the added development in the area. This is commonly referred to as the “multiplier effect”, which was not an element of this study. The following tables summarize the projected revenues for Hideout for both scenarios discussed above.

TABLE 3.1: SCENARIO I FISCAL REVENUES

SCENARIO I HIDEOUT FISCAL BENEFITS (40 YEARS)			
REVENUE STREAM	DEVELOPMENT FUND	MUNICIPAL SERVICES FUND	TOTAL
Property Tax	\$291,209	\$68,224	\$359,433
Sales Tax	\$1,381,327	-	\$1,381,327
Tourism Tax	-	\$2,466,654	\$2,466,654
TOTAL REVENUE	\$1,672,536	\$2,534,878	\$4,207,414

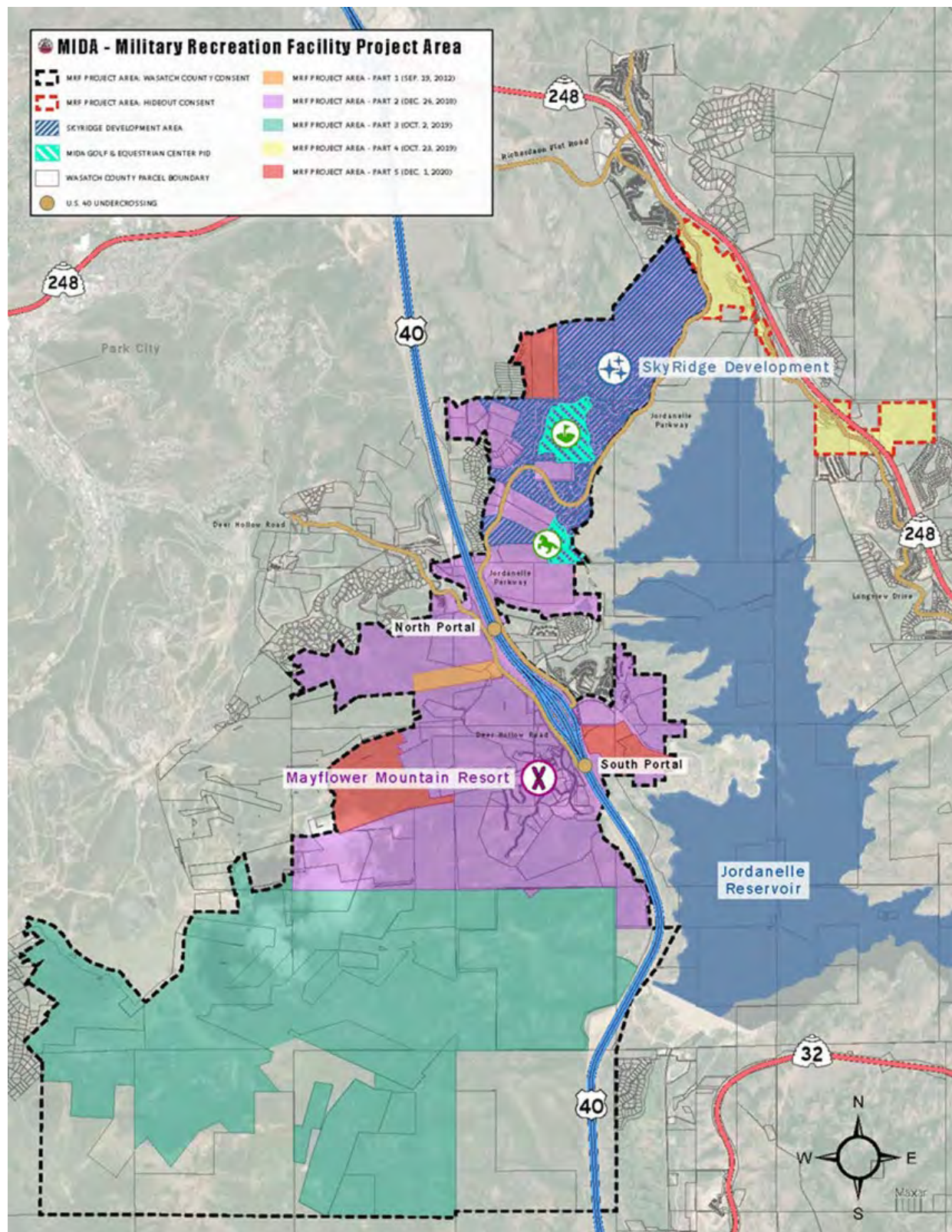
TABLE 3.2: SCENARIO II FISCAL REVENUES

SCENARIO II HIDEOUT FISCAL BENEFITS (40 YEARS)			
REVENUE STREAM	DEVELOPMENT FUND	MUNICIPAL SERVICES FUND	TOTAL
Property Tax	\$291,209	\$68,224	\$359,433
Sales Tax	-	\$3,946,647	\$3,946,647
Tourism Tax	-	\$2,466,654	\$2,466,654
TOTAL REVENUE	\$291,209	\$6,481,526	\$6,772,735

LYRB Recommends the following:

- Hideout should seek to amend the MIDA Agreement to allow point-of-sale sales tax and resort communities tax to flow into the Municipal Services Fund. This would create an additional **\$2,565,321** in revenue for the Town during the 40-year MRF Project Area period.
- Hideout should require that all short-term rental properties register for business license or permits. This will assist with regulation and oversight and could create an additional revenue stream for the Town.
- Hideout should consider adopting short-term rental regulations to help offset the costs associated with short-term rentals. Below is a sample of some of the best practices being implemented nationwide
 - Start with creating short-term rental policy goals/objectives that the new regulation should accomplish. This can be goals such as: 1) ensure that homes are not turned into party houses, 2) minimize public safety risks and the noise, trash, and parking problems associated with short-term rentals without creation additional work for the Town and Sherriff's Department, and 3) ensure any regulation does not negatively affect property values.
 - Only adopt policy requirements that can and will be enforced.
 - Keep regulatory policy simple.

APPENDIX A: MRF PROJECT AREA MAP



TOWN OF HIDEOUT
ORDINANCE #2023-O-01

AN ORDINANCE AMENDING TITLE 3 TO CHANGE REFERENCE FROM THE BOARD OF
ADJUSTMENT TO ADMINISTRATIVE LAW JUDGE

WHEREAS, on August 12, 2001, the Town Council amended Chapter 3.04 to replace the Board of Adjustment to an Administrative Law Judge;

WHEREAS, when Chapter 3.04 was updated, due to an oversight, the name of the Title and the name of the Chapter were not updated to reflect the amendment;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF HIDEOUT, UTAH, THAT:

SECTION I: Amended. The following is hereby amended as redlined:

TITLE 3 PLANNING COMMISSION AND ~~BOARD OF ADJUSTMENT~~ ADMINISTRATIVE LAW JUDGE

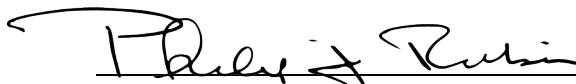
3.02 PLANNING COMMISSION

3.04 ~~BOARD OF ADJUSTMENT~~ ADMINISTRATIVE LAW JUDGE

SECTION II: Effective Date. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED by the Town Council of Hideout, Utah, this 12th day of January in the year 2023.

TOWN OF HIDEOUT


Phil Rubin, Mayor

ATTEST:


Alicia Fairbourne, Recorder for Hideout



TOWN OF HIDEOUT
ORDINANCE #2023-O-02

AN ORDINANCE AMENDING TITLE 8.09 TO CORRECT THE TIMEFRAME
TO CLEAR SNOW FROM FIRE HYDRANTS,
AND TO CLARIFY SNOW PLOWING LIMITATIONS

WHEREAS, the Hideout Town Council (“Council”) previously enacted ordinances regulating winter parking and snow removal from public and private streets; and

WHEREAS, Hideout code states different timeframes for property owners to clear snow from fire hydrants and sidewalks; and

WHEREAS, snow plowing equipment used by Hideout requires the equipment to travel at speed to effectively remove snow from the streets; and

WHEREAS, snow removal from streets creates a windrow and or “splash” effect of the snow to the side of the road and across driveways or private property access; and

WHEREAS, Hideout does not have sufficient budget, staffing, or time to clear the plowed windrow from private property.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF HIDEOUT, UTAH, THAT:

SECTION I: Amended and enacted. The following are hereby amended or enacted as follows:

8.09.110 FIRE HYDRANTS TO BE UNCOVERED

It shall be the duty of every property owner and homeowners association (where snow removal is responsibility of the homeowners association) to mark, uncover, and remove accumulated snow and from, over and around fire hydrants located on such property. The hydrants shall be uncovered for a distance of not less than three feet (3') on all sides so the hydrants are accessible for emergency use. Hydrants shall be uncovered within seventy-two (72)~~sixteen (16)~~ hours after the end of the storm.

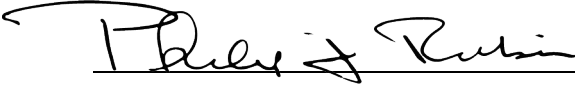
8.09.065 Town Not Responsible for Removal of Plowed Snow from Private Property

The Town is not responsible for removal of accumulated snow caused by its snow plowing activities from private drives or other private property.

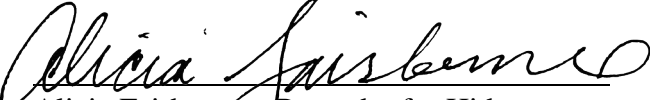
SECTION II: Effective Date. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED by the Town Council of Hideout, Utah, this 12th day of January in the year 2023.

TOWN OF HIDEOUT


Phil Rubin, Mayor

ATTEST:


Alicia Fairbourne, Recorder for Hideout

