

CITY OF WHEAT RIDGE, COLORADO
INTRODUCED BY COUNCIL MEMBER HOPPE
COUNCIL BILL NO. 02
ORDINANCE NO. 1709
Series 2021

TITLE: AN ORDINANCE AMENDING THE WHEAT RIDGE CODE OF LAWS TO ADOPT A NEW ARTICLE XIV IN CHAPTER 11 ENTITLED SHORT-TERM RENTAL LICENSES AND IN CONNECTION THEREWITH MAKING CONFORMING AMENDMENTS IN CHAPTERS 22 AND 26

WHEREAS, the City of Wheat Ridge is a home rule municipality having all powers conferred by Article XX of the Colorado Constitution; and

WHEREAS, pursuant to its home rule authority and C.R.S. § 31-23-101, the City, acting through its City Council (the "Council"), is authorized to adopt ordinances for the protection of the public health, safety or welfare; and

WHEREAS, the Council finds that it is necessary to adopt regulations concerning the operation of short-term rental of residential dwelling units.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHEAT RIDGE, COLORADO:

Section 1. Chapter 11 of the Wheat Ridge Code of Laws is hereby amended to add a new Article XIV to read as follows:

Article XIV – Short-Term Rental Licenses

Sec. 11-500. - License required – license fees.

No person shall operate a short-term rental, as defined in Section 26-123, without first having obtained a short-term rental business license.

Sec. 11-501. - Taxes.

Each short term licensee shall collect and remit lodgers' tax on all short-term rentals according to the provisions of chapter 22 of this Code and any regulations issued pursuant thereto.

Sec. 11-502. - Application; fees.

An application for a short-term rental business license shall only be submitted for an eligible property meeting the requirements of Sec. 26-645, as confirmed by the Community Development Director, and shall include the following:

- a. The name, address, telephone number, and email address of one emergency contact capable of physically responding to the property within sixty (60) minutes.

- b. A certification that the dwelling unit is equipped with an operational smoke detector, carbon monoxide detector, and fire extinguisher.
- c. A certification that adequate egress is in place per the requirements of the International Residential or Building Code, as applicable, from the dwelling unit and all sleeping quarters.
- d. A certification that the dwelling unit is not deed-restricted affordable housing, income-restricted housing, age-restricted housing, and/or rent-stabilized or rent-controlled housing.
- e. A certification that the property meets the parking requirements for the underlying zone district as defined in Sec. 26-501 or Sec. 26-1109, whichever applies, and Sec. 26-645.D.6.
- f. A certification that if approved, the licensee acknowledges the obligation to comply with the operational requirements of Section 11-503.
- g. Proof of ownership of the property. Only the legal owner of the property may apply for the short-term rental business license. A renter/tenant of a property may not apply for a license nor operate a short-term rental.
- h. A current certificate of property and liability insurance from a company licensed to provide such insurance in the State of Colorado.
- i. A description of the space on the property intended to be used as a short-term rental, including number of bedrooms, baths, kitchens, living areas, and whether the property will be owner-occupied or non-owner occupied.
- j. The applicable license fee if the license is approved.

Sec. 11-503. - Operational requirements.

1. *Notice to adjacent property owners.* Within seven (7) days of issuance of a short-term rental business license, the short-term rental host, as defined in Sec. 26-123, shall notify adjacent property owners within one hundred (100) feet of the subject property with through a written notice by regular mail or personally delivered. The notice shall include the emergency contact information required by Section 11-502.1.a.
2. *Posting.* A copy of the issued short-term rental business license and the emergency contact information shall be conspicuously posted on the subject property within the area rented for use as a short-term rental.
3. *Non-Assignable.* A short-term rental business license may not be transferred or assigned to any other party or any other property. A short-term rental business license does not transfer to a new property owner if a property with an approved short-term rental is sold.
4. *Age Restriction.* A short-term rental shall not be rented to a person under twenty-one (21) years of age.
5. Any advertisement for a short-term rental shall be subject to the following requirements:
 - a. The license number as provided by the City shall be posted within the advertisement, including on any hosting platform. For the purposes of this subsection, a hosting platform shall mean a person or entity that facilitates

reservations or payments between a short-term rental host and a person seeking lodging accommodations, including a website with short-term rental listings.

- b. Advertisements may not promote the use of cannabis or other controlled substances on the property.

Sec. 11-504. Accountability.

1. A short-term rental host may not simultaneously rent a short-term rental to more than one group under separate contracts, bookings, or appointments.
2. The short-term rental shall be the legal responsibility of the legal owner(s) of the subject property, and the short-term rental host shall agree to accept notice of violation either in person, upon posting upon the property, or by mailed notice.
3. The City shall maintain the right to conduct an inspection of the property at any time, upon proper notice, to determine compliance with this Article and Section 26-645.

Sec. 11-505. – Renewal; Suspension; Revocation.

1. A short-term rental business license may be suspended, conditionally suspended, or revoked by the city treasurer pursuant to Section 11-32 for the reasons described in Section 11-31. A short-term rental business license may be cancelled at any time pursuant to Section 11-30, for the reasons listed in that section. In addition, a short-term rental business license may be modified, suspended, conditionally suspended, or revoked by the city treasurer if found in violation of this article and/or Section 26-645.
2. *Renewal.* All short-term rental business licenses shall be available for renewal, upon application for the same, on an annual basis. All renewal applications shall include updated emergency contact information, if applicable, and current liability insurance. At the time of renewal, the city treasurer shall consider any violations of this article at the property over the previous year, and any violations of the Wheat Ridge Code of Laws. A review of violations may also take place at any time at the City's discretion.
3. *Suspension; revocation.* If the licensee is found to have been in violation of this article, Section 26-645 and/or any of the grounds listed in Section 11-31, the city treasurer may act to suspend or revoke the short-term rental business license.

Sec. 11-506. – Failure to register.

1. All persons wishing to operate a short-term rental within the city on and after May 1, 2021 must apply for a short-term rental business license under this Article XIV.
2. On and after August 1, 2021, short-term rental hosts operating short-term rentals prior to August 1, 2021 must have applied for a short-term rental business license pursuant to this Article XIV.
3. On and after August 1, 2021, short-term rental hosts must collect lodger's tax on such rentals pursuant to Code Section 22-100.

4. Persons operating a short-term rental within the city without the required short-term rental business license as of August 2, 2021 shall be subject to enforcement under this Chapter and as a municipal code violation under sections 1-5 and 1-6 of this Code. Such persons are not eligible to apply for a short-term rental business license for one (1) year following the date after August 2, 2021 upon which they are found to be operating a short-term rental without the required license.
5. The city treasurer is hereby authorized to adopt rules and regulations, if needed, to implement the requirements of this Section 11-506.

Section 2. Section 22-21 of the Wheat Ridge Code of Laws, defining certain terms applicable to taxation, is hereby amended, as follows:

Lodging services: The furnishing of rooms or accommodations by any person, partnership, association, corporation, estate, representative capacity or any other combination of individuals by whatever name known to a person who for a consideration uses, possesses or has the right to use or possess any room in a hotel, inn, bed and breakfast residence, apartment, hotel, lodginghouse, motor hotel, guesthouse, **short-term rental**, guest ranch, trailer coach, mobile home, auto camp, or trailer court and park or similar establishment for a period of less than thirty (30) days under any concession, permit, right of access, license to use, or other agreement or otherwise. "Lodging services" does not include the furnishing of rooms or facilities for purposes other than personal accommodations such as banquets and receptions.

Section 3. Section 22-100.a of the Wheat Ridge Code of Laws, pertaining to Lodgers' Tax, is hereby amended, as follows:

Tax imposed; conditions. There is hereby imposed an excise tax on the price paid or charged for the lease, rental or on the transaction of furnishing rooms or accommodations to any person who for a consideration uses, possesses or has the right to use or possess any room or rooms or other accommodations in any **lodging services, as defined in Section 22-21 of the Wheat Ridge Code of Laws**, ~~hotel, apartment hotel, guesthouse, guest ranch, mobile home, auto camp, trailer, court or park, or any other place furnishing rooms or other accommodations~~ under any concession, permit, right of access, license to use or other special agreement. Such tax on accommodations shall be subject to the following conditions: [...]

Section 4. Section 26-123 of the Wheat Ridge Code of Laws, defining certain terms applicable to Chapter 26 of the Code concerning zoning, is hereby amended, as follows:

Hotel/motel. A building containing ~~sixteen (16) or more transient~~ guest rooms **for transient occupancy** in which lodging for compensation is

provided, with or without meals, **for a period of less than thirty (30) consecutive days.**

...

Rooming/boarding. An accessory use to a dwelling, where in addition to a family, as defined herein, not more than two (2) persons not related to the family are provided lodging ~~and meals~~ for compensation, **with or without meals,** either paid directly or indirectly, and on a contract basis for not less than ~~seven (7)~~ **thirty (30)** days.

...

Short-term rental. A dwelling unit or portion thereof used for lodging accommodations for transient occupancy, for compensation, for a period of less than thirty (30) consecutive days.

Short-term rental host. Any person, as defined in this section, as owner of a property, who offers or provides lodging in a short-term rental.

Section 5. The “Table of Uses – Residential” set forth in Section 26-204 of the Wheat Ridge Code of Laws, concerning uses in residential zone districts, is hereby amended as follows:

<i>Uses</i>	<i>Notes</i>	<i>R-1</i>	<i>R-1A</i>	<i>R-1B</i>	<i>R-1C</i>	<i>R-2</i>	<i>R-2A</i>	<i>R-3</i>	<i>R-3A</i>
<u>Short-term rental</u>	<u>See § 26-645</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

...

<i>Accessory Uses for Residential Zone Districts</i>	<i>Notes</i>
<u>Short-term rental</u>	<u>See § 26-645</u>

Section 6. The “Table of Uses – Agricultural and Public Facilities” set forth in Section 26-204 of the Wheat Ridge Code of Laws, concerning uses in agricultural and public facility zone districts, is hereby amended as follows:

<i>Uses</i>	<i>Notes</i>	<i>A-1</i>	<i>A-2</i>	<i>PF</i>
<u>Short-term rental</u>	<u>See § 26-645</u>	<u>P</u>	<u>P</u>	

...

<i>Agricultural and Public Facilities Districts Accessory Uses</i>	<i>Notes</i>
<u>Short-term rental</u>	<u>See § 26-645.</u>

Section 7. The “Table of Uses - Commercial and Industrial Districts” set forth in Section 26-204 of the Wheat Ridge Code of Laws, concerning uses in commercial and industrial zone districts, is hereby amended as follows:

<i>Uses</i>	<i>Notes</i>	<i>NC</i>	<i>RC</i>	<i>C-1</i>	<i>C-2</i>	<i>I-E</i>
<u>Short-term rental</u>	<u>See § 26-645</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	

...

<i>Commercial and Industrial District Accessory Uses</i>	<i>Notes</i>
<u>Short-term rental</u>	<u>See § 26-645.</u>

Section 8. Section 26-608.B.4 of the Wheat Ridge Code of Laws, concerning supplementary regulations pertaining to Bed and Breakfast Rooms, is hereby amended by amending the section set forth therein as follows:

Additional rooming and boarding is excluded as an accessory use where a bed and breakfast use **has been approved** is permitted.

Section 9. Section 26-645 (Short-term rentals) is hereby added to Article VI, Supplementary Regulations:

Sec. 26-645. – Short-term rentals

Short-term rentals, as defined in Section 26-123, are subject to the following requirements:

- A. Licensing and Permitting Required.* It shall be unlawful for any person, as defined in Section 26-123, to offer or provide lodging in the form of a short-term rental within the City without having first obtained a short-term rental business license pursuant to Chapter 11, Article XIV of the code. Only owners of the affected real property may obtain short-term rental licenses.
- B. Permitted locations:*
 1. Short-term rentals are permitted as primary or accessory uses in all residential, agricultural, commercial, and mixed-use zone districts, including planned development districts.
 2. Short-term rentals are prohibited in industrial zone districts including planned industrial developments.

C. *Maximum number per short-term rental host:* A short-term rental host, as defined in Section 26-123 ("short-term rental host"), may operate a short-term rental in up to one (1) dwelling unit not occupied by the host, and in up to one (1) dwelling unit occupied by the host where a portion of the dwelling unit, such as a room or rooms, functions as a short-term rental, so long as the host continuously resides in the dwelling unit through the duration of the rental. This maximum shall apply to all types of dwelling units in all zone districts, except for the following:

1. *Apartments and mixed use developments:* A short-term rental host, as the owner of an apartment or mixed-use development in the Mixed Use – Neighborhood (MU-N), Mixed Use – Commercial (MU-C) series, and Commercial-One (C-1) zone districts, may operate a maximum of four (4) dwelling units as short-term rentals within that development. For apartment and mixed-use developments with greater than forty (40) dwelling units in these zone districts, additional short-term rentals are permitted at a rate of five (5) percent of the total number of dwelling units, in addition to the four already permitted by this section. For the purposes of this subsection, an apartment or mixed-use development shall mean one or multiple contiguous properties under one ownership with one or more multifamily or mixed-use buildings.
2. *Condominium developments:* For condominium developments (those which have a recorded condominium plat allowing for individually-owned dwelling units) in any zone district, each individual dwelling unit owner is eligible, as a short-term rental host, to operate a short-term rental as provided by subsection C of this section, provided that the maximum number of such rentals allowed by subsection C.1 is not exceeded in the development.

D. *Requirements:*

1. A short-term rental owner must obtain a short-term rental license pursuant to Chapter 11, Article XIV.
2. A short-term rental must be located within a legal dwelling unit as defined in Section 26-123.
3. The building or portion of building used as a short-term rental shall continuously meet the standards of all applicable International Residential and Building codes adopted or amended by the City of Wheat Ridge as set forth in Chapter 5 of the Code of Laws.
4. Short-term rentals are prohibited in temporary structures and buildings or structures without a residential certificate of occupancy, including but not limited to: recreational vehicles, sheds, tents, and campers.
5. Short-term rentals are prohibited in deed-restricted affordable housing, income-restricted housing, age-restricted housing, and rent-stabilized or rent-controlled housing. A short-term rental host shall be required to attest to compliance with this provision as part of the registration process.
6. If the property does not meet the minimum parking requirements in Section 26-501 for the zone district in which it is located, one (1) additional parking space per short-term rental is required to be installed prior to approval of a

short-term rental license. A short-term rental host shall be required to attest to compliance with the parking requirements as part of the registration process.

7. Short-term rentals located in any residential zone district shall be restricted to a minimum two-night stay, per individual reservation.

E. Maximum number of short-term rentals per City Council district:

1. There shall be a limit on total number of non-owner-occupied short-term rentals that are licensed in each city council district. The limit per council district shall be established by the community development director on an annual basis and shall be calculated as two (2) percent of the total number of units within single- and two-family dwellings in each district (single-family attached townhomes units shall be included in the total number of units). This restriction shall not apply to owner-occupied short-term rentals and shall not apply to short-term rentals in non-residential and non-agricultural zone districts, including Mixed Use districts and Commercial zone districts.
2. If the maximum number for any district is reached, any subsequent application shall be placed on a waiting list until such time that the total number of short-term rentals in that district falls under the maximum number allowed.

Section 10. The “Permitted Uses” Chart set forth in Section 26-1111 of the Wheat Ridge Code of Laws, concerning permitted uses in mixed use zone districts, is hereby amended by inserting new rows concerning short-term rentals as follows:

<i>Permitted Uses</i>				
Use Group	<i>MU-C</i>	<i>MU-C Int</i>	<i>MU-C TOD</i>	<i>MU-N</i>
Residential				
<u>Short-term rental (see § 26-645)</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
Ancillary Uses				
<u>Short-term rental (see § 26-645)</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

Section 11. Severability, Conflicting Ordinances Repealed. If any section, subsection or clause of this Ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected thereby. All other ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 12. Effective Dates; Compliance Required. This Ordinance shall take effect on May 1, 2021, as provided by Section 5.11 of the Charter, with the exception of Section 26-645.E which shall take effect on November 1, 2021.

INTRODUCED, READ, AND ADOPTED on first reading by a vote of 8 to 0 on this 8th day of February, 2021, ordered published in full in a newspaper of general

circulation in the City of Wheat Ridge, and Public Hearing and consideration on final passage set for February 22, 2021 at 7:00 p.m., as a virtual meeting.

READ, ADOPTED AND ORDERED PUBLISHED on second and final reading by a vote of 8 to 0, this 22nd day of February, 2021.

SIGNED by the Mayor on this 22nd day of February, 2021.



Bud Starker, Mayor

ATTEST:



Steve Kirkpatrick, City Clerk



Approved as to Form



Gerald E. Dahl, City Attorney

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