

**CITY OF WHEAT RIDGE, COLORADO
INTRODUCED BY COUNCIL MEMBER LARSON
COUNCIL BILL NO. 17
ORDINANCE NO. 1802
Series 2024**

TITLE: AN ORDINANCE AMENDING CHAPTERS 2, 11 AND 26 OF THE WHEAT RIDGE CODE OF LAWS REGARDING SHORT-TERM RENTAL DISTRICT CAPS, REPORTING REQUIREMENTS FOR HOSTING PLATFORMS, AND ENFORCEMENT PROCEDURES FOR SAME

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. §§ 31-15-501 and 31-23-301, *et seq.*, 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, pursuant to this authority, the Council previously adopted short-term rental license requirements and regulations, codified within Chapter 11 and Chapter 26 of the Wheat Ridge Code of Laws ("Code"); and

WHEREAS, City Staff have recommended certain amendments to the short-term rental ("STR") licensing program to better clarify the responsibilities of third-party hosting websites, to strengthen enforcement tools against third-party hosting platforms which remain out of compliance with the Code, and to eliminate an unintended gap in regulation which permitted townhomes to circumvent the license cap in each respective zone district; and

WHEREAS, the Council finds that these amendments are necessary to ensure the continued effective regulation of short-term rentals within the City.

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

Section 1. Section 2-92 of the Code, concerning administrative enforcement penalties, is hereby amended as follows:

Sec. 2-92. - Penalties assessed.

(a) The manager shall develop guidelines for fines based upon the manager's assessment of the cost to the city for enforcing the provisions of this article. Such guidelines shall be approved by the city council. Thereafter, the manager shall publish a schedule of fines for administrative citations. The schedule of fines shall be graduated in amount, with the smallest fine being assessed for the first administrative citation and increasingly larger fines for second, third and subsequent administrative citations. No single fine assessed for an administrative citation shall exceed

one thousand dollars (\$1,000.00). The schedule of fines shall be amended no more than once per year.

(1) NOTWITHSTANDING THE PROVISIONS OF SECTION 2-92(A) HEREOF, FOR THOSE HOSTING PLATFORMS, AS THAT TERM IS DEFINED IN SECTION 11-503, WHICH ARE ISSUED ADMINISTRATIVE CITATIONS PURSUANT TO SECTION 11-506(C), SUCH FINE SHALL AUTOMATICALLY BE IN THE AMOUNT OF ONE THOUSAND DOLLARS (\$1,000) PER DAY FOR EACH DAY A VIOLATION OCCURS.

(b) If the responsible party fails to correct the violation, subsequent administrative citations may be issued for violations of the same applicable section. The fine assessed for each administrative citation issued for violations of the same applicable section(s) shall not exceed the amount set in the manager's schedule of fines regardless of the number of violations per citation.

(c) Payment of the fine shall not excuse the failure to correct the violations nor shall it bar further enforcement action by the city.

(d) All fines assessed shall be payable to the City of Wheat Ridge.

Section 2. Section 11-503 of the Code, concerning short-term rental operational requirements, is hereby amended as follows:

Sec. 11-503. - Operational requirements.

(a) *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 section 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 subsection 11-502(1).

(b) *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.

(c) *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.

(d) *Age restriction.* A short-term rental shall not be rented to a person under twenty-one (21) years of age.

(e) Any advertisement for a short-term rental shall be subject to the following requirements:

(1) The license number as provided by the city AND AN IDENTIFICATION OF THE SHORT-TERM RENTAL AS EITHER A WHOLE HOME OR PARTIAL HOME RENTAL shall be posted within the advertisement, including on any hosting platform. For the purposes of this ARTICLE 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.

(2) Advertisements may not promote the use of cannabis or other controlled substances on the property.

(F) HOSTING PLATFORMS. EACH HOSTING PLATFORM SHALL MAINTAIN THE FOLLOWING INFORMATION FOR SHORT-TERM RENTAL TRANSACTIONS FACILITATED IN THE CITY WITHIN THE PAST FIVE (5) YEARS:

(1) THE NAME OF THE PERSON WHO OFFERED THE SHORT-TERM RENTAL;

(2) THE ADDRESS OF THE SHORT-TERM RENTAL;

(3) THE DATES FOR WHICH THE SHORT-TERM RENTAL WAS BOOKED BY A GUEST;

(4) THE PRICE PAID BY THE GUEST FOR EACH SHORT-TERM RENTAL TRANSACTION;

(5) THE SHORT-TERM RENTAL LICENSE NUMBER FOR ANY PROPERTY OPERATING ON THE PLATFORM; AND

(6) ANY INFORMATION RELEVANT TO THE REMITTANCE OF LODGING TAX DUE UNDER ARTICLE II OF CHAPTER 22 OF THIS CODE.

Section 3. Section 11-506 of the Code, concerning short-term rental enforcement, is hereby amended as follows:

Sec. 11-506. - Failure to register; violations, enforcement.

(a) It is unlawful to operate, provide, advertise or solicit the renting of a short term rental, or to aid, facilitate, abet, permit or allow any of the same, within the city without the required short-term rental business license and type ("whole-home" or "partial-home") under this article XIV and section 26-645 of this Code.

(b) Persons violating this section or any other provision of this article or section 26-645 of this Code shall be subject to the enforcement procedures and penalties provided under sections 1-5 and 1-6 of this Code. Additionally, any person legally responsible for a short term rental, as provided in section 11-504(b) hereof, operated in violation of this article is

not eligible to apply for a short-term rental business license for one (1) year following the date upon which the violation is entered by court or AHO order, payment of administrative fine, effectiveness of plea agreement or other settlement, or any other legal form of admission or adjudication.

(c) Persons OR HOSTING PLATFORMS violating this section or any other provision of this article or section 26-645 of this Code shall be subject to the administrative enforcement procedures and penalties provided under article V of chapter 2 of this Code.

(d) The enforcement processes and penalties set forth herein are cumulative and concurrent in nature. The city's initiation of one process does not preclude or bar the city's pursuit of any other right, remedy or process.

(e) The city treasurer is hereby authorized to adopt rules and regulations, if needed, to implement the requirements of this section 11-506.

Section 4. Section 26-123 of the Code, concerning defined terms, is hereby amended by adding the following new definition for “dwelling, single attached” and by amending the “short term rental host” definition, in their respective alphabetical locations, as follows:

Sec. 26-123. - Definitions.

DWELLING, SINGLE ATTACHED. A TYPE OF MULTI-UNIT DWELLING THAT INCLUDES THREE (3) OR MORE DWELLING UNITS WHERE EACH UNIT IS ATTACHED TO OTHER UNITS BY PARTY WALLS, AND WHERE HABITABLE SPACES OF DIFFERENT UNITS ARE ARRANGED SIDE-BY-SIDE, RATHER THAN A STACKED CONFIGURATION. THIS CAN INCLUDE, BUT IS NOT LIMITED TO, TOWNHOMES WITH EXTERIOR ENTRANCES.

Short-term rental host. Any person OR PERSONS, as defined in this section, WHO HAVE OWNERSHIP, POSSESSION OR CONTROL OF THE PREMISES OR ITS OPERATION AS A SHORT-TERM RENTAL, WHETHER AS OWNER, CO-OWNER, OCCUPANT, TENANT OR AGENT OF ANY OF THE SAME ~~as owner of a property, who offers or provides lodging in a short-term rental.~~

Section 5. Section 26-645 of the Code, concerning short-term rentals, is hereby amended as follows:

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 business 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 (a "whole-home" rental), and in up to one (1) dwelling unit occupied by the host (a "partial-home" rental) 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 or on the same property in either the primary or accessory 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 those 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 (4) already permitted by this section. For the purposes of this subsection, an apartment or mixed-use development shall mean one (1) or more multiple contiguous properties under one (1) ownership with one (1) or more multi-unit dwellings or mixed use buildings, EXCLUDING SINGLE ATTACHED DWELLING USES.

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.

3. *Accessory dwelling units:* A short-term rental shall be permitted to operate within an accessory dwelling unit and shall be considered an owner-occupied or partial-home short-term rental.

D. Requirements.

1. THE PROPERTY OWNER OF A short-term rental ~~owner~~ must obtain a short-term rental business 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 THE 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 ON JANUARY 1, WITH A REPORTING

DEADLINE OF JANUARY 31. THE LIMIT and shall be calculated as two (2) percent of the total number of units within single- ~~and two-unit~~, AND SINGLE ATTACHED dwellings in each district (~~single 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.

a. THIS RESTRICTION SHALL APPLY TO ANY SINGLE-, TWO-UNIT, AND SINGLE ATTACHED DWELLING IN ANY ZONE DISTRICT.

b. THIS RESTRICTION SHALL NOT APPLY TO OWNER-OCCUPIED SHORT-TERM RENTALS.

c. THIS RESTRICTION SHALL NOT APPLY TO SHORT-TERM RENTALS WITHIN APARTMENT AND MIXED-USE DEVELOPMENTS IN MIXED USE AND COMMERCIAL ZONE DISTRICTS WHICH ARE SUBJECT TO THE RESTRICTIONS OF SUBSECTION (C)(1) HEREOF.

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 6. 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 7. Effective Date. This Ordinance shall take effect fifteen (15) days after final publication, as provided by Section 5.11 of the Charter.

INTRODUCED, READ, AND ADOPTED on first reading by a vote of 8 to 0 on this 12th day of August 2024, ordered published by title and in full on the City's website as provided by the Home Rule Charter, and Public Hearing and consideration on final passage set for August 26, 2024 at 6:30 p.m., as a virtual meeting and in the Council Chambers, 7500 West 29th Avenue, Wheat Ridge, Colorado.

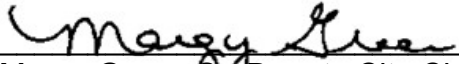
READ, ADOPTED AND ORDERED PUBLISHED on second and final reading by a vote of 8 to 0, this 26th day of August, 2024.

SIGNED by the Mayor on this 27th day of August, 2024.



Bud Starker, Mayor

ATTEST:



Margy Greer, Sr. Deputy City Clerk



Approved as to Form



Gerald E. Dahl, City Attorney

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