



**DENVER**  
THE MILE HIGH CITY

# Denver Short Term Rentals Licensing and Text Amendment Proposal

April 13<sup>th</sup>, PLAN Committee

Excise and Licenses  
Community Planning and Development

## ❖ May 2014

- Councilwoman Susman convenes Sharing Economy Task Force. Meets periodically to discuss sharing economy issues (home-sharing, ridesharing, etc.)

## ❖ February 2015

- INC ZAP Presentation on STRs 2/14/15

## ❖ April 2015

- STR Presentation to 4/22/15 Neighborhoods & Planning Committee.
- Sharing Economy Task Force folds into PLAN Committee

## ❖ September 2015

- STR Presentation to 9/2/15 PLAN Committee

## ❖ October 2015

- STR Internal Steering Committee convenes monthly

## ❖ December 2015

- STR Presentation to 12/9/15 PLAN Committee

## ❖ January 2016

- Denver STR website, email, and distribution list goes live.
- PLAN STR Discussion 1/13/16
- Planning Board Update on 1/20/16
- INC ZAP Presentation 1/23/16

## ❖ February 2015

- Zoning Code Text Amendment Posted for Public Review
- STR Community Town Halls:
  - February 3<sup>rd</sup> - South High School
  - February 11<sup>th</sup> - East High School
  - February 17<sup>th</sup> - North High School
  - February 25<sup>th</sup> - Christ Church United Methodist

## ❖ March 2016

- Planning Board makes recommendation on STR Text Amendment at 3/16/16 public hearing.
- STR Update to 3/30/16 PLAN Committee

## ❖ April 2016

- ❖ STR Text Amendment and Licensing Ordinance introduced to 4/13/16 PLAN Committee

## Purpose of Text Amendment

- Recognize the growing popularity of home-sharing while providing protections for:
  - Neighborhoods
  - Residents
  - Short-term rental guests & hosts
  - Operators of traditional lodging accommodations
- Support a companion ordinance to create a business licensing system for short-term rentals



- Sponsored by Councilmember Mary Beth Susman, District 5



## Status of Short-term Rentals

- Short-term rentals are not allowed in most residential districts
  - Neighborhood Inspection Services enforces by complaint
- A short-term rental may be allowed in mixed-use commercial districts as “Lodging Accommodations” with a zoning permit and subject to parking and building code requirements





# DZC TEXT AMENDMENT Proposed Text Amendment

- Allows short-term rentals as accessory to a primary residential use where residential uses are currently allowed
  - Permitted with limitations in Articles 3-9 of DZC
  - Accessory use and limitations defined in Article 10 of DZC
  - No zoning permit required



Denver Zoning Code  
SHORT-TERM RENTALS  
[PUBLIC REVIEW REDLINE DRAFT 02/08/2016](#)

This document contains a redlined draft of the Short-term Rentals text amendment.

1. Text in **red underline** is proposed new language.
2. Text in **red strikethrough** is proposed deleted language.
3. Text that is **highlighted** is a note.
4. While every effort is made to ensure document quality, cross-referenced section numbers, figure numbers, page numbers, and amendment numbers may appear incorrect since both new and old text appears in a redlined draft. These will be corrected in the final, "clean" version of the text amendment that is filed for adoption by City Council.

Please visit our website at [www.DenverGov.org/CPD](http://www.DenverGov.org/CPD), then click on Text Amendments under Zoning, to:

- Learn more about Text Amendments
- Learn more about the process for this text amendment
- Sign up for email newsletters

Please send any questions or comments to [PlanningServices@denvergov.org](mailto:PlanningServices@denvergov.org).



- Permits short-term rentals conducted
  - By the person using the dwelling unit as their primary place of residence (owner or renter)
    - Resident may be off-site during the rental (on vacation, fulfilling National Guard service, etc.)
  - In a primary structure
  - In an attached or detached accessory structure
- Does not permit short-term rentals conducted
  - By persons who do not live in the unit



- The primary resident requirement is intended to address
  - Concern with commercial encroachment into residential areas
  - Concern with preservation of affordable housing stock for long-term residents
  - Consistency with existing regulations that apply to home-based businesses







# Public Comments - Letters & Emails

	Specific Support for Text Amendment as Drafted	Support for Primary Resident Req.	Opposition to Primary Resident Req.	Support for STRs in General	Opposition to STRs in General
Number of Letters & Emails	11	44*	82**	86	36
Percentage of Letters & Emails	6.5%	25.9%*	48.2%**	50.6%	21.2%

Based on 170 Total Letters and Emails received through 4/6/16 (some letters and emails fall into more than one category)

\*Approx. 10 emails expressing support for the primary resident requirement used a forwarded email template. (received from 3/12-3/16).

\*\*Approx. 49 emails expressing opposition to the primary resident requirement used a forwarded email template (received from 3/23-3/29).



# Public Comments - RNOs & other Orgs:

	Support for Text Amendment as Drafted	Support for Primary Resident	Opposition to Primary Resident	Support for STRs in General	Opposition to STRs in General
INC Delegates					
INC ZAP					
West Wash Park					
Wash Park East					
Pinehurst HOA					
CARO					
University Park					*
AIA Denver					

\*In single-family neighborhoods



DZC TEXT AMENDMENT  
Denver Zoning Code (DZC)  
Review Criteria

DZC Text Amendment Review Criteria:

1. Consistency with Adopted Plans
  - Comprehensive Plan 2000
  - Blueprint Denver: A Land Use and Transportation Plan
2. Uniformity of District Regulations
3. Further Public Health, Safety and Welfare



DZC TEXT AMENDMENT REVIEW CRITERIA  
**Denver Zoning Code (DZC)**  
**Review Criteria**

1. Consistency with Adopted Plans: Comprehensive Plan 2000
  - Neighborhood Objective #1: A City of Neighborhoods
    - Modify land-use regulations for flexibility to accommodate changing demographics and lifestyles
    - Allow/encourage a diverse mix, including home-based businesses
  - Housing Objective #2: Preserve and Expand Existing Housing
    - Preserve and modernize Denver’s existing housing stock and established neighborhoods
  - Economic Objective #3: Expand Economic Activity
    - Promote quality accommodations for visitors
  - Economic Objective #5: Neighborhood Economic Development
    - Support the creation and growth of neighborhood businesses

*The proposed text amendment is consistent with the objectives of Comprehensive Plan 2000*



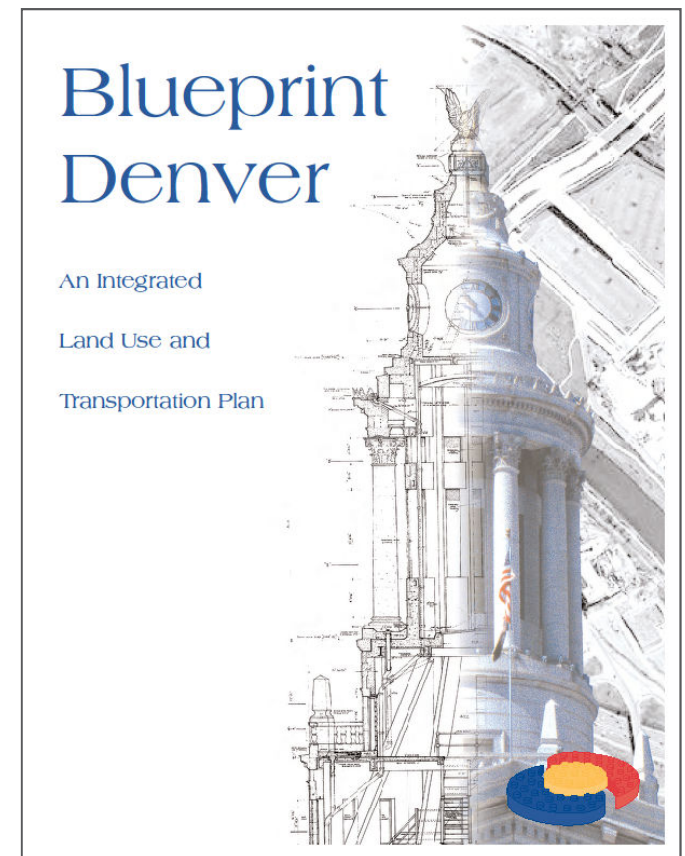
## DZC TEXT AMENDMENT REVIEW CRITERIA

# Denver Zoning Code (DZC)

## Review Criteria

1. Consistency with Adopted Plans:  
Comprehensive Plan 2000
  - Goals for
    - Maintaining the character of Areas of Stability while accommodating redevelopment
    - New and revitalized neighborhood centers
  - Recommendations that
    - Zoning concentrate more on building design than use
    - Unenforceable standards not be included in zoning

*The proposed text amendment is consistent with Blueprint Denver goals and recommendations.*







DZC TEXT AMENDMENT REVIEW CRITERIA  
Denver Zoning Code (DZC)  
Review Criteria

2. Further Public Health, Safety and Welfare

*The proposed text amendment includes reasonable neighborhood protections and will assist with tracking of short-term rentals*

3. Uniformity of District Regulations

*The proposed text amendment applies uniformly to all zone districts where residential uses are permitted*



DZC TEXT AMENDMENT REVIEW CRITERIA

## Planning Board Hearing

On March 16, Planning Board voted 7 to 2 to recommend approval, finding that all applicable review criteria had been met



DZC TEXT AMENDMENT REVIEW CRITERIA

## Staff Recommendation

Staff recommends that the Committee move Denver Zoning Code Text Amendment #8 forward for consideration by the full City Council, finding that the applicable review criteria have been met.



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Denver Short Term Rentals  
**Business Licensing**



## I. General STR License Requirements

- a) Licensee must be a legal resident of the United States
- b) Licensee must have permission from the landlord or property owner to operate STR (if applicable)
- c) STR unit must be licensee's primary residence demonstrated via proof of voter's registration, driver's license, tax documents, utility bills, etc.
- d) STR unit must be located in a zone district that allows residential use
- e) Licensee must possess a valid Denver Lodger's Tax, and any other applicable tax account numbers, including Occupational Privilege Tax (OPT).





## II. Additional STR License Rules & Regulations

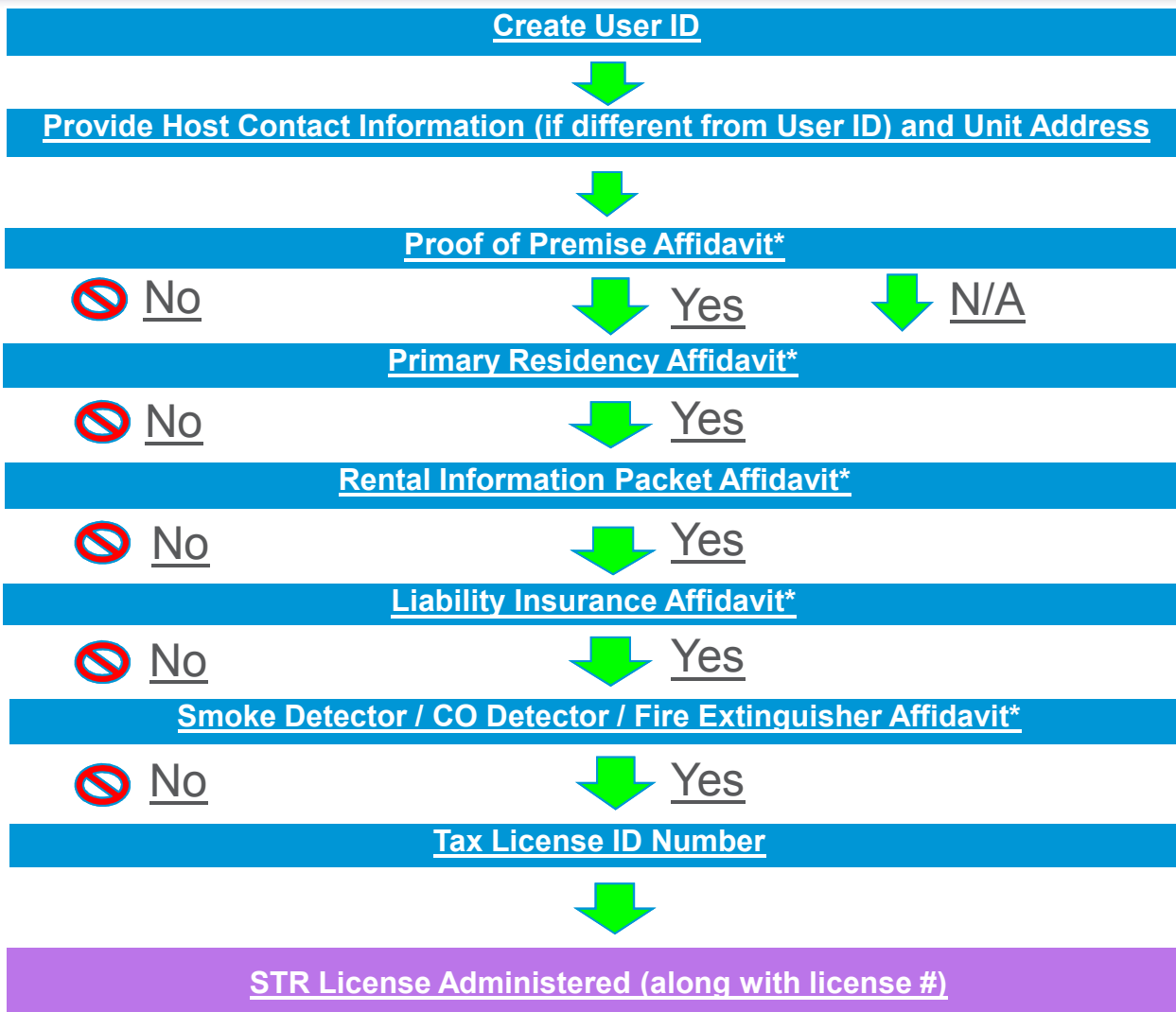
- a) The licensee must provide the STR unit address and personal contact information to Excise and Licenses at the time of application.
- b) The licensee must provide a rental packet with applicable city rules and restrictions, as well as pertinent unit safety information, to guests upon each booking:
  - i. Applicable city rules and restrictions may include but are not limited to, on-street parking restrictions, noise regulations, refuse collection schedule, etc.
  - ii. Unit safety information may include, but is not limited to, pertinent egress/ingress, fire evacuation route, safety features, etc.
  - iii. Local emergency contact information in case of emergencies
- c) The licensee must maintain general liability insurance to protect against property damage / bodily injury.
- d) The licensee must maintain an operable smoke detector, carbon monoxide detector, and fire extinguisher in the unit at all times.
- e) The licensee must list the unit's STR license number on any online, print or other advertisements.



# STR License Online Application Steps

\* Denotes Affidavit of Certification

*(HOA Covenant and Property Owner Permission Disclosures can also be added)*



## III. STR License Enforcement

Enforcement of STR licenses will combine complaint-based enforcement operations with routine compliance monitoring. Complaints of non-licensed STRs received will be investigated through Excise and Licenses' Short Term Rental Division (STRD):

### Advertising without a license number:

- a) Upon receipt of a complaint of a non-licensed STR, an STRD inspector will determine if a particular unit is being advertised without listing the license number in the advertisement.
- b) If the unit is found advertising without a license number, the STRD inspector will attempt to contact the responsible party/owner and issue a warning or a General Violation for advertising without a required license number.
- c) STRD inspectors will routinely monitor online platforms to identify STR units advertising without license numbers. If an advertisement is found without a license number, the inspector will attempt to reach the property owner or responsible party and issue either a warning or a General Violation.

## V. Fines & Fees / Promulgation of Rules & Regs

### ❖ Fees and Fines:

- Application and renewal fee for a STR license will be \$25.00 annually.
- Fines for advertising without a STR license number will be subject to the existing General Violation process (up to \$999.00 per incident).
- Fines for operating without a STR license will be subject to the existing General Violation process (up to \$999.00 per incident).

### ❖ Promulgation of Rules and Regulations:

- The Director of Excise and Licenses can promulgate reasonable rules and regulations for the purpose of administering STR licenses.
- Scenarios where flexibility is needed in rules and regulations are fees, fines, insurance requirements, rental information packet requirements, and any other regulations or restrictions that may need to be updated over time.



# Denver STR Framework Next Steps

## **April 13<sup>th</sup>**

Introduce Text Amendment and Licensing Ordinance (STR Package) for consideration by PLAN Committee

## **May 16<sup>th</sup>**

Introduce STR Package to City Council for First Reading

## **June 13<sup>th</sup>**

Second reading and public hearing on STR Package

## **July**

STR licenses become available online, STR text amendment becomes effective.

## **August**

Solicitation for STR Advisory Committee Members

## **September / October**

STR Advisory Committee Convenes

## **July - December 31<sup>st</sup>**

STR Host Education and Awareness Campaign (*last day to get licensed is 12/31/16 before STRD enforcement begins*)





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Questions?  
Comments?  
Suggestions?

Website: [www.Denvergov.org/STR](http://www.Denvergov.org/STR)  
Email: [STR@Denvergov.org](mailto:STR@Denvergov.org)