

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2016

COUNCIL BILL NO. CB16-XXXX
COMMITTEE OF REFERENCE:

A BILL

For an ordinance to be included in Article II of Chapter 33, Lodging, of the Revised Municipal Code of the City and County of Denver regarding short term rental properties.

WHEREAS, a local licensing system for short term rentals is appropriate to create a fair operating environment for all persons in the business of lodging and/or transient accommodation.

WHEREAS, a local licensing system will ensure minimum safety requirements and protect the public welfare.

WHEREAS, a local licensing system will allow for data collection to determine the impact of short term rentals on neighborhoods and affordable housing.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. That Article II of Chapter 33 of the Denver Revised Municipal Code shall be created by adding the title of Short Term Rental License

Section 2. That Article II, of Chapter 33 of the Denver Revised Municipal Code, shall be created by adding the language underlined as follows:

Sec. 33-32 Definitions.

- (1) "Department" means the department of excise and licenses as defined in Article II, Part 7 §2.7.1 of this Code.
- (2) "Director" means the director of the department of excise and licenses as defined in Article II, Part 7 § 2.7.2 of this Code or the director's duly authorized representative.
- (3) "Licensed premise" means the premises specified in an approved application for a license under this Chapter which is owned or in the possession of the licensee and within which such licensee is permitted to provide short term rental under the license granted for such premise.
- (4) "Primary residence" means a residence which is the usual place of return for housing as documented by at least two of the following: motor vehicle registration; driver's license; Colorado state identification card; voter registration; tax documents; a utility bill. A person can only have one primary residence.
- (5) "Short Term Rental" means a primary residence used for lodging accommodations to transients for a period of less than 30 consecutive days.

Sec. 33-33 Administration and Enforcement. This Chapter shall be administered and enforced

1 by the Department. The Department has the following powers and duties in addition to the
2 authority granted in Chapter 32 of this Code:

- 3 (a) Adopt rules and regulations, policies and procedures, or informal guidelines as
4 necessary for the administration of this Chapter.
5 (b) Establish, assess and collect all fees and fines.
6 (c) The Department shall keep a record of all suspensions and revocations and of its own
7 proceedings.

8 **Sec. 33-34 Licensing requirement.**

9 On and after December 31, 2016, it shall be unlawful to conduct any short term rental in the
10 City and County of Denver without first obtaining a license therefor from the Director.

11 **Sec. 33-35 Application.** (a) Before any license under this Chapter is given, an application shall be
12 submitted to the Director by the applicant pursuant to Chapter 32 of this Code. All applications
13 shall be made upon forms provided by the Director. (b) The applicant shall self-certify that the
14 information on the application is accurate and truthful under penalty of perjury of the laws of the
15 State of Colorado. (c)The Director may, at the Director's discretion, require additional
16 documentation associated with the application as may be necessary to enforce the requirements of
17 this Chapter or Chapter 32 of this Code. (d) Applicants must be a legal resident of the United
18 States of America (e) Applicants shall possess a valid City Lodger's Tax Account number pursuant
19 to Chapter 53 of this Code. (f) the property where the licensed premise is located must be the
20 Applicant's primary residence (g) Applicant must either own the property where the license premise
21 is located or if an Applicant does not own the property where the licensed premise is located, the
22 applicant must have permission to conduct short term rentals on the licensed premises from the
23 owner of the property where the licensed premise is located. (h) Any application submitted under
24 this Chapter must be completed within one (1) year of the date the application is filed and the
25 application fee is paid. Any application that remains pending after the expiration of one (1) year
26 time period, shall be denied, and the applicant must begin the process anew.

27
28 **Sec. 33-36 Safety Requirements.** Each short term rental shall have a smoke detector; carbon
29 monoxide detector, and fire extinguisher on the licensed premise during each short term rental
30 occupancy. It shall be unlawful to operate a short term rental without a smoke detector; carbon
31 monoxide detector; or fire extinguisher.
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1 **Sec. 33-37 Primary Residence.** It shall be unlawful to operate a short term rental in any location
2 that is not the Applicant's primary residence.

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4 **Sec. 33-38 Compliance with all applicable state and city laws.** It shall be unlawful to operate a
5 short term rental that does not comply with all applicable city and state laws.

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7 **Sec. 33-39 Advertisement.** It shall be unlawful to advertise any short term rental to the public
8 without placement of the license number clearly shown on the face of the advertisement. For the
9 purposes of this section, the terms "advertise," "advertising" or "advertisement" mean the act of
10 drawing the public's attention to a short term rental in order to promote the availability of the short
11 term rental.

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13 **Sec. 33-40 Insurance.** Each short term rental must maintain fire, hazard and liability insurance.
14 Liability coverage shall have limits as set by the Director. It shall be unlawful to operate a short
15 term rental without fire, hazard and liability insurance.

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17 **Sec. 33-41 Brochures.** Each short term rental shall include a brochure on the licensed premise
18 that includes the licensee's contact information, a local responsible party's contact information, and
19 any necessary emergency contact information. For the purposes of this section, "local responsible
20 party" is an individual located in the City and County of Denver during the entire length of the short
21 term rental period who has access to the licensed premise and is authorized to make decisions
22 regarding the licensed premise. The brochure shall also provide information pertinent to the
23 neighborhood where the short term rental is located including; but not limited to, parking
24 restrictions, restrictions on noise and amplified sound, trash collection schedule; relevant water
25 restrictions; fire evacuation route; and any other information applicable to the short term rental and
26 the neighborhood where the short term rental is located.

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28 **Sec. 33-42 License non transferrable.** This license is non transferrable. The Director shall deny
29 any application for transfer of ownership or change of location of any pending license application. It
30 shall be unlawful to transfer or assign the license to another person or location and shall render the
31 license subject to suspension or revocation pursuant to Chapter 32 of this Code.

32
33 **Sec. 33-43 Term of license, renewal.** (a) All licenses issued under this Chapter shall be valid for
34 a period of one (1) year from the date of their issuance unless revoked or suspended pursuant to

Chapter 32 of this Code. If the licensee has received notice of violation of any law or regulation, including disciplinary action against the license, the application for renewal shall include a copy of the notice or disciplinary action. (b) Upon receipt of an application for renewal of the license, the director may set a hearing in accordance with the requirements in Chapter 32 of this Code if there is reasonable cause to believe that: (1) the licensee has violated any ordinance of the city or any state or federal law on the licensed premise or has permitted such a violation on the premise by any other person; or (2) there are grounds for suspension, revocation or other licensing sanction as provided in Chapter 32 of this Code.

Sec. 33-44 Issuance or denial. No license authorized under this Chapter shall issue or renew unless the license is in compliance with Chapter 32 of this Code.

Sec. 33-45 Suspension, revocation and other sanctions. Procedures for investigation of license violations and for suspension, revocation or other licensing sanctions as a result of any such violation shall be as provided in Chapter 32 of this Code and any rules and regulations promulgated by the Director.

COMMITTEE APPROVAL DATE: _____

MAYOR-COUNCIL DATE: _____

PASSED BY THE COUNCIL: _____, 2016

_____- PRESIDENT

APPROVED: _____ - MAYOR _____, 2016

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2016; _____, 2016

PREPARED BY: Colleen E. Morey, Assistant City Attorney DATE: _____, 2016

Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

D. Scott Martinez, City Attorney for the City and County of Denver

BY: _____, Assistant City Attorney DATE: _____, 2016