



Short-Term Rental Regulations

March 18, 2023



Purpose and Intent

- Overview the current regulations and status of short-term rental units in Commerce City
- Review the available data
- Discuss what a STR program could look like for the City
- Look at next steps

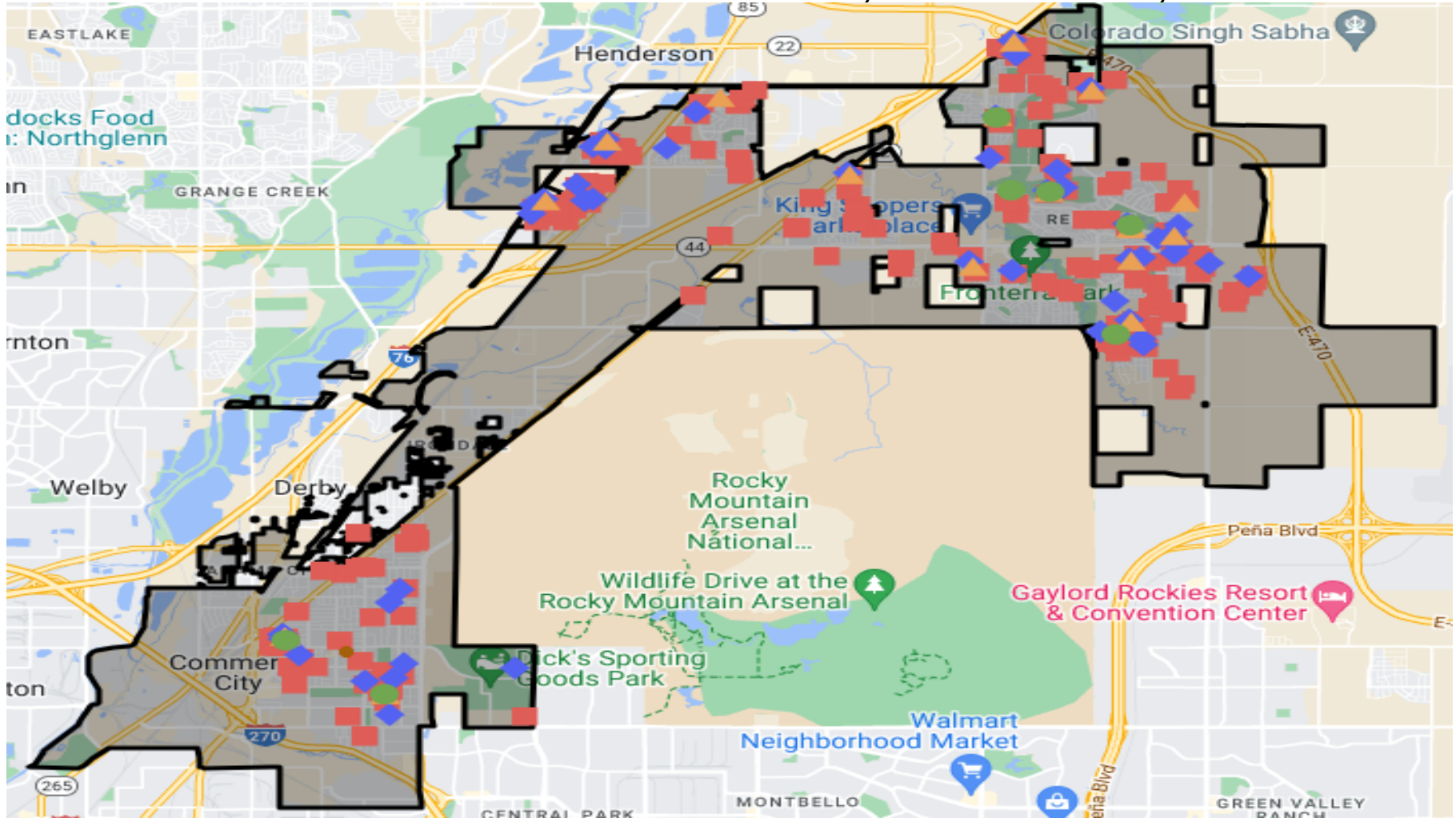


Short-Term Rental Regulations

- There are no City requirements for this type of business
- No lodging tax is collected
- Short-term rentals are not registered through the licensing office
- There are not owner occupancy requirements
- New STR complaints are surfacing for 2024

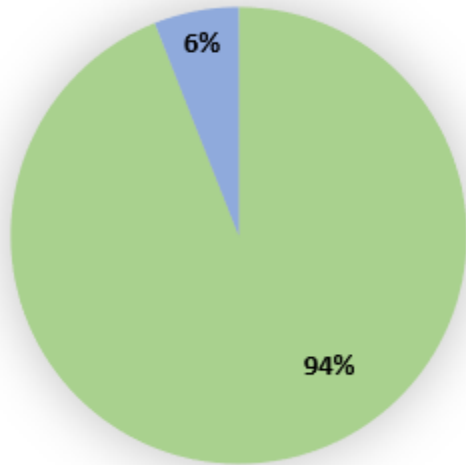
Short-term Rental in Commerce City

- 99 STR in Commerce City in March 2022
- 250 STR in Commerce City in January 2024



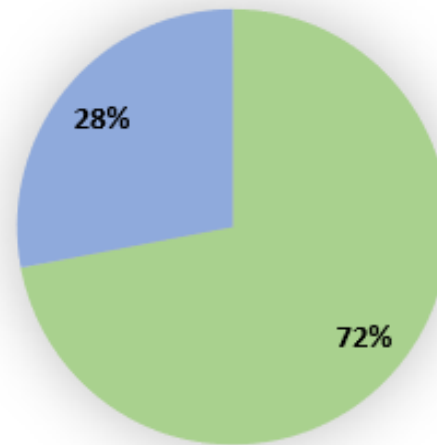
Commerce City STR Data

STR Housing Types



■ Single Family ■ Multi-Family

STR Unit Types



■ Entire Home ■ Partial Home

Short-Term Rental Regulations

- In the absence of regulations:
 - Regulation is challenging and places a burden on staff when attempting to enforce
 - Lost economic opportunities and no tax benefit
 - Neighbor conflicts and diminished neighborhood character
 - Impact on housing affordability
 - Absentee hosts may not provide proper oversight

Short-Term Rental Regulations

- Potential ordinance provisions:
 - All parking must be on an approved surface on the lot
 - No STR shall be allowed in subsidized housing
 - All hosts shall post the City's noise ordinance in a visible location
 - The property owner must hold a business license from the City, and the unit must be registered as a short-term rental unit
 - The business license number must be included in any advertisement of the short-term rental unit

Short-Term Rental Regulations

- Potential ordinance provisions:
 - Before issuance of a permit, each property shall be inspected for compliance with all building and fire codes
 - All platforms and managers of multiple rental properties must register and provide detailed records of rental activity and taxes



Nearby Municipalities with Regulations

- Aurora
- Arvada
- Boulder
- Brighten
- Broomfield
- Denver
- Parker
- Thornton
- Westminster



Next Steps

- Calculate appropriate fee for registering units and penalties for non-compliance
- Bring fees back to Council for adoption
- Bring ordinance back to Council for formal adoption
- Consider contracting with a third-party company to help track STR units in the City



Questions and Discussion

Study Session- March 14, 2022

