

## Chapter 9 – Business Licenses and Regulations

### ARTICLE III – SPECIALTY LICENSES

#### DIVISION 10 – SHORT TERM RENTAL UNITS

##### Sec. 9-3901. – Definitions.

As used in this division, the following terms shall have the following meanings:

- (a) *Agent*. Any person, agent, firm, or corporation designated in writing by the property owner of a short-term rental unit to act as the property owner's representative on issues related to the short-term rental unit or for receipt of notices related to the short-term rental unit.
- (b) *Booking service provider*. Any person or entity who facilitates transactions between a prospective guest and a person or entity offering a short-term rental.
- (c) *Principal dwelling unit*. The primary home or dwelling unit on a property.
- (d) *Property*. One or more adjacent lots under common ownership.
- (e) *Property owner*. The owner of record of the proposed short term rental unit. The property owner's agent may submit a license application on the behalf of the property owner, but the license must be issued in the property owner's name.
- (f) *Responsible agent*. The person, agent, firm, or corporation designated on the license application to act as the responsible agent in compliance with the requirements set forth in section 9-3904 of this division.
- (g) *Short-term rental unit*. The rental of any non-subsidized house, apartment, condominium, room, or lodging accommodation on any property within the City that is rented to the same guest(s) for (30) days or less.

##### Sec. 9-3902. – Short term rental unit license required; application.

- (a) It shall be unlawful for any person to offer, provide, or operate a short-term rental unit in the city without having first obtained a short-term rental unit license in accordance with this division.
- (b) It shall be unlawful for any booking service provider to receive payments, directly or indirectly, from an unlicensed short-term rental located in the city. The provisions of the subsection (b) are entirely strict liability in nature.
- (c) All applications for a short-term rental license shall be made to the city on forms provided by the city. All applications shall include, in addition to any other requirements detailed in this division:
  - (1) Documentation showing the short-term rental address; and
  - (2) Proof of possession of the short-term rental, either by valid warranty deed, valid lease, or other verification of the right to possess the premises. If the applicant does not own the short-term rental unit, the applicant must also provide written documentation from the property owner allowing the applicant to conduct a short-term rental on the proposed location premises.

- (d) Applicants shall self-certify that the information provided in an application to the city is accurate and truthful under penalty of perjury under the law of the State of Colorado.
- (e) All applicants applying for a new short-term rental license shall be forgiven any fees and sales, use, lodging, or other tax owed in relation to the operation of an unlicensed business for any operation of a short-term rental prior to this ordinance becoming effective. This amnesty shall expire twelve (12) months after the city begins accepting applications for new short-term rental licenses under this division.

**Sec. 9-3903 – License term; renewal**

- (a) All licenses issued under this division shall be valid for one (1) year.
- (b) If the licensee has received a notice of violation of any law or regulation, including disciplinary action against the license, the renewal application shall include a copy of the notice or disciplinary action.
- (c) The renewal application shall include a copy of all records required to be kept for the prior year under Section 9-3910 of this division.
- (d) It shall be unlawful for any person to operate a short-term rental after the expiration date on the face of the short-term rental license unless a complete renewal application and the requisite fee has been accepted and is under review by the city.

**Sec. 9-3904. – Property owner responsibilities.**

The property owner is ultimately liable for compliance with the provisions of this division and is responsible for the violation of any provision of this division.

**Sec. 9-3905. – Responsible agent required.**

On the license application, the property owner must designate a responsible agent who satisfies the following requirements:

- (a) The responsible agent must have the access and authority to assume management of the unit.
- (b) The responsible agent cannot be located more than thirty (30) miles from the short-term rental unit.
- (c) The responsible agent shall be available twenty-four (24) hours per day, seven (7) days per week to respond to complaints, issues of concern, and violations related to this division.
- (d) The property owner shall inform the city of any update or change to a responsible agent's information within seven (7) days of such update or change.
- (e) The property owner may serve as the responsible agent.

**Sec. 9-3906. – Notice of intent.**

Upon the approval of an application for a license, the city will notify all owners and residents within 500-feet of the short term rental unit of the property owner's intent. The city will

also provide such owners and residents with the contact information of the property owner and/or the responsible agent. The cost of this service will be included in the license application fee.

**Sec. 9-3907. – Inspections.**

- (a) *License Inspections.* No application for a new license shall be approved until the short-term rental unit has completed a successful inspection performed by an inspector employed by the city or an inspector approved by the City Manager.
- (b) *Inspection Frequency.* All licensed short term rental units shall be subject to inspection at the time of the submission of an application for a new license, the renewal of the license, or when a report of non-habitability is received by the city. Nothing in this division shall be deemed to prohibit the city from conducting an inspection of a short-term rental unit at any time for violations of state law, regulations, or this code.

**Sec. 9-3908. – Restrictions and operations.**

- (a) *License Displayed.* A copy of the licensee's short-term rental license shall be displayed prominently and conspicuously within each short-term rental unit.
- (b) *Advertisement.* The license number shall be included in any advertisement of the short-term rental unit.
- (c) *Occupancy.* The occupancy of a short-term rental unit shall not exceed four (4) unrelated persons who are eighteen (18) years of age or older.
- (d) *Parking.* Parking requirements for the short-term rental unit shall meet the number of off-street parking spaces as would otherwise be required to serve residential uses for the specific area of the city in which the short-term rental unit is located, as set forth in section 21-7233 (Off-Street Parking Requirements).
- (e) *Noise.* Each short-term rental unit shall have the city's noise ordinance, section 6-2011 (Unreasonable Noise), posted in a visible location inside the short-term rental unit.
- (f) *Signage.* A short-term rental unit may not have any exterior signage. All short-term rental units must have a sign that displays the current contact information of the owner and/or the responsible agent, the Commerce City Police Department's non-emergency number, and any information pertinent to the neighborhood where the short-term rental is located including, but not limited to, parking restrictions, restrictions on noise and amplified sound, trash collection schedules, relevant water restrictions, fire evacuation routes, and any other information required by the City Manager or applicable to the surrounding neighborhood. The sign shall also comply with the following requirements:
  - (1) The sign shall be posted on the interior of the front door of the short-term rental unit.
  - (2) The sign shall be no bigger than 8.5 x 11 inches.
  - (3) The contents of the sign must be translated in both English and Spanish.
  - (4) The sign must be legible at all times.
- (g) *Food.* No food shall be prepared for or served to guests of the short-term rental unit by the property owner or the owner's agents or contractors.

- (h) *Safety requirements.* A short-term rental unit shall be equipped with functioning smoke detectors, carbon monoxide detectors, and a fire extinguisher. All such equipment shall be accessible to guests of the short-term rental unit.
- (i) *HOA rules and covenants.* Nothing in this division shall be interpreted as preventing a functional homeowners association from promulgating additional HOA rules and covenants to govern the operation of short-term rental units.

**Sec. 9-3909. – Grounds for denial, suspension or revocation.**

In addition to those grounds set forth in article I of this chapter, the city may deny, suspend, or revoke any license granted pursuant to this division upon a finding of any of the following:

- (1) A violation of any provision of this division has occurred.
- (2) An advertisement promoting the availability of a property containing a short-term rental unit in violation of this division, which shall be prima facie evidence of a violation.

**Sec. 9-3910. *Records.***

- (a) Each short-term rental licensee shall maintain the following records for the prior license year:
  - (1) The total number of nights the short-term rental was rented to a guest; and
  - (2) The dates in which the short-term rental was rented by a guest.
- (b) Each booking service provider shall maintain the following information for short-term rental transactions facilitated in the city within the past five 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; and
  - (5) The short-term rental license number.
- (c) It shall be unlawful for any person or entity to fail to comply with this Section 9-3910.