

ORDINANCE NO. 2541

INTRODUCED BY: ALLEN-THOMAS, CHACON, DOUGLAS, FORD, HURST,  
HUSEMAN, KIM, MADERA, NOBLE

AN ORDINANCE ESTABLISHING A LONG-TERM RENTAL REGISTRATION AND LICENSURE PROGRAM IN THE CITY OF COMMERCE CITY

WHEREAS, The City has experienced a growth in its rental units' market, leading to an increased number of long-term rental properties being offered to residents;

WHEREAS, the maintenance and upkeep of long-term rental properties have become a matter of concern for the City, resulting in potential health and safety hazards for tenants;

WHEREAS, the community's overall well-being and quality of life are directly influenced by the condition of rental properties;

WHEREAS, the absence of a comprehensive long-term rental registration and licensure program has made it challenging for the City and Housing Authority to monitor and regulate rental properties; and

WHEREAS, the implementation of a long-term rental registration and licensure program will enable the proactive enforcement of tenant rights and protections ensuring that renters are treated fairly and their rights are safeguarded.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO, AS FOLLOWS:

**SECTION 1. Findings.** The recitals to this ordinance are incorporated as findings of the City Council. This ordinance is found to be necessary for the preservation of the public health, safety, and welfare and in the public interest.

**SECTION 2. Repeal and Reenactment of Chapter 5, Article VI.** Chapter 5, Article VI of the Commerce City Revised Municipal Code is hereby repealed and reenacted as shown in Exhibit A to this ordinance.

**SECTION 3. Inconsistencies; Conflicts.** Except as specifically modified herein, the provisions of the Commerce City Revised Municipal Code shall remain unchanged and in full force and effect. All ordinances and provisions of the Commerce City Revised Municipal Code, or portions thereof, inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

**SECTION 4. Effective Date.** This ordinance shall be effective five (5) days after both final posting and publication have been accomplished as provided in section 5.6 of the City Charter.

INTRODUCED, PASSED ON FIRST READING AND PUBLIC NOTICE ORDERED  
THIS 14TH DAY OF AUGUST 2023.

PASSED ON SECOND AND FINAL READING AND PUBLIC NOTICE  
ORDERED THIS 9TH DAY OF OCTOBER 2023.

CITY OF COMMERCE CITY, COLORADO

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Benjamin A. Huseman, Mayor

ATTEST

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Dylan A. Gibson, City Clerk

## EXHIBIT A TO ORDINANCE 2541

### Chapter 5: Buildings and Building Regulations; Article VI: Licensing of Residential Rental Property

#### Sec. 5-6000 – Purpose

The purpose of this Article is to supplement the provisions of state law governing the rights and duties of landlords and tenants of residential property in the city and to license and regulate certain buildings, structures, dwelling units, or accessory dwelling units that are rented or offered for rent as long-term residential rental properties. This Article shall be construed to ensure public health, safety, and welfare insofar as they are affected by the continued occupancy and maintenance of these structures and premises.

#### Sec. 5-6001 – Definitions

Unless the context otherwise requires, words or phrases defined in this Section have the meanings stated below.

- (a) *Agent*. Any person, agent, firm, or corporation designated in writing by the owner of a residential rental property to act as the owner's representative on issues related to a residential rental property or for receipt of notices related to a rental property.
- (b) *Landlord*. The owner of any property within the City of Commerce City that is being or is intended to be leased as a residential rental property.
- (c) *Lease*. An act or agreement by which a Landlord gives up to a tenant, for valuable consideration, possession and use of their property at the end of which the Landowner has an absolute right to retake control of the property.
- (d) *Premises*. A lot, plot, or parcel of land, including any buildings thereon.
- (e) *Property*. One or more adjacent lots under common ownership.
- (f) *Rental Property*. Any building or buildings, or portion thereof, with three or more units, on one property under common ownership that provides shelter for human habitation or residential purpose, any portion of which is leased for occupation by a tenant. "Rental Property" shall not mean hotels, motels, hospitals, state-licensed residential care facilities, assisted living facilities, nursing homes, or facilities qualified as life care institutions pursuant to Article 49 of Title 11, of the Colorado Revised Statutes, as amended.
- (g) *Tenant*. Shall mean a natural person or persons possessing and using a property for residential purposes under the terms of a lease with the property's owner.
- (h) *Unit*. All or a portion of a rental property that is separately available to be leased for residential purposes and contains living facilities, including areas for sleeping, eating, cooking, and sanitation, as required by the building codes.

#### Sec. 5-6002 – Licensing Required

- (a) *License Required*. After March 1, 2025 it shall be unlawful for any person to offer, provide, or operate a residential rental property within the city without first obtaining a

license for that residential rental property as provided in this Article and in compliance with any and all applicable laws.

- (b) *Implementation.* Notwithstanding any other provisions of this Article, a landlord may continue to operate a residential rental property on and after the date a residential rental property license would be required, if:
- (1) The landlord has submitted an application satisfying all provisions of this Article to the city prior to the date the license would be required;
  - (2) The landlord's license application is pending at the time of the date a license would be required;
  - (3) The landlord has completed an inspection subject to the provisions of this Article; and
  - (4) The landlord complies with all the provisions of this Article and any rules and regulations adopted pursuant thereto.

#### Sec. 5-6003 – Applications

- (a) *Application Requirements.* All applications for a residential rental property license shall be made on forms provided by the city. All applications shall include:
- (1) The full name, mailing address, and telephone numbers of each of the property owners;
  - (2) The full name, mailing address, and telephone number of at least one officer, manager, or director if the property is owned by a business entity and a telephone number for the business entity.
  - (3) An affirmation that the application is complete and, to the best of the property owner's knowledge, is free of any false, misleading, or fraudulent statements;
  - (4) The address of all rental properties owned by the landlord, including individual unit numbers;
  - (5) The name, mailing address, and telephone number of an owner or agent residing or operating within 50-miles of each rental property. If the owner does not reside or operate within 50-miles of a rental property, the owner shall designate an agent meeting those requirements;
  - (6) The number and types of units with each rental property;
  - (7) The age of each rental property, calculated from the date of issuance of the property's certificate of occupancy or temporary certificate of occupancy;
  - (8) Disclosure of how many rental units within each rental property, if any, constitute qualified income restricted property and proof, satisfactory to the city, of such status; and
  - (9) Any additional information deemed necessary by the city.
- (b) *Referrals.* Applications for a license may be referred to other appropriate city agencies. The landlord shall obtain any and all necessary permits, licenses, or other regulatory approvals as provided by state law and this code.
- (c) *Fees.*

- (1) All fees, including, without limitation, application, inspection, late filing fees, and any other fee required by the city, shall be paid to the city in the amount established by resolution of the city council.
- (2) All fees shall be payable at the time an application is submitted to the city, other than inspection fees. Inspection fees shall be paid to the city within 30 days of an inspection.
- (3) All fees shall be non-refundable, except, at the city's discretion, fees required at the time of application may be refunded only if the application is denied as being facially incomplete when the application is initially submitted. Neither the suspension, revocation, or expiration of a license, the withdrawal or denial of an application, the conditional approval of a license not acceptable to the landlord, the results of an inspection, nor any termination of an application or license shall justify the refund of any fees.

#### Sec. 5-6004 – Licensee Compliance

All residential property licensees shall comply with the following:

- (a) A licensee must maintain the rental property in compliance with state laws, this code, and all applicable rules and regulations;
- (b) A licensee shall ensure all appliances supplied by the landlord in a rental unit are in good working condition, free of leaks and other defects, and do not cause any unsafe or unsanitary conditions;
- (c) A licensee shall provide and ensure all rental units within a rental property contain a functioning smoke detector, carbon monoxide detector, and fire extinguisher; and
- (d) A licensee shall not allow any person to initiate a new occupancy of a rental property for a period in excess of thirty (30) days for valuable consideration unless the licensee has provided a copy of an executed written lease, in the timeframes and manner set forth in Section 38-12-801 of the Colorado Revised Statutes, as amended.

#### Sec. 5-6005 – Notices

Notices given to an agent designated by an owner pursuant to this Article shall be sufficient to satisfy any requirement of notice to the owner.

#### Sec. 5-6006 – Inspections

- (a) *License Inspections.* No application for a new license or the renewal of an existing license shall be approved until all rental properties owned by the landlord have completed a successful inspection performed by a rental property inspector employed by the city or a rental property inspector approved by the City Manager.
  - (1) Rental properties with multiple rental units on the premises shall have a minimum of ten percent (10%) of the rental units inspected at random.
    - (A) Rental properties with ten (10) rental units or fewer shall have at least one (1) unit inspected at random.

- (B) Rental units to be inspected shall be chosen by the rental property inspector.
- (b) *Inspection Exemptions.* A newly constructed rental property shall be exempt from an initial inspection if a complete application is accepted by the city within four (4) years after the date of issuance of the certificate of occupancy or temporary certificate of occupancy. This exemption shall not apply to existing structures that receive a new certificate of occupancy or temporary certificate of occupancy or any existing structure that has been converted to be used as a rental property.
- (c) *Inspection Frequency.* All licensed rental properties shall be subject to inspection at the time of the submission of an application for a new license, except as otherwise exempted in this Article, or the renewal of the license. Nothing in this Article shall be deemed to prohibit the city from conducting an inspection in accordance with any provision of this code of a rental property at any time for violations of state law, regulations, or this code.
- (d) *Inspection Requirements.*
  - (1) All rental properties must be compliant with the list of rental property requirements developed by the city. The list of rental property requirements shall be posted on the city's website and shall be made available at the city's Community Development Office.
  - (2) The rental property inspector shall provide the landlord with a copy of the list of rental property requirements at the time of the inspection.
  - (3) Within ten (10) business days of the inspection, the city shall provide a report detailing the inspection results to the landlord, including any violations found by the rental property inspector at the time of the inspection.
- (e) *Warranty of habitability.*
  - (1) The City Manager shall have the authority to create and amend any rules and regulations they deem appropriate for the administration of this Article and any other ordinances or other laws relating to and affecting the licensing and operating of residential rental properties. It shall be unlawful for any person to violate a rule or regulation adopted by the City Manager pursuant to this section.
  - (2) If a rental dwelling unit becomes uninhabitable according to part 5 of Article 12 of title 38 of the Colorado Revised Statutes, as amended, or the rules and regulations adopted by the city then the renter, the city, or associated agency has the right to provide written notice to the landlord of the problem that needs to be remedied. Written notice issued under this subsection shall satisfy all notice requirements found in Section 38-12-503 of the Colorado Revised Statutes, as amended.
  - (3) If a unit is deemed uninhabitable, as described in Section 38-12-503(2)(a)(II) and (III) of the Colorado revised statutes, as amended, or as defined by the rules and regulations promulgated by the City Manager, by the City, or an associated agent, the landlord must provide the tenant:
    - (A) A hotel room, as selected by the landlord and of comparable quality to the tenant's dwelling unit, at no expense or cost to the tenant; or

- (i) The chosen hotel room need not have the same square footage, same number of rooms, or the same amenities as the tenant's dwelling unit to be of comparable quality.
  - (ii) A tenant temporarily housed in a hotel room may return to the original dwelling unit, once it is deemed habitable, or a comparable dwelling unit once one becomes available.
  - (iii) A tenant temporarily housed in a hotel room shall have right of first refusal for the first comparable dwelling unit owned by the landlord that becomes available during the relocation period. Denial of the first available comparable dwelling unit owned by the landlord by the tenant shall waive the tenant's right to right of first refusal of any additional comparable dwelling unit that becomes available during the relocation period.
- (B) A comparable dwelling unit, as selected by the landlord, at no expense or cost to the tenant.
- (i) The comparable dwelling unit must be substantially similar to the tenant's dwelling unit, including, but not limited to, similar square footage, number of rooms, and amenities.
  - (ii) The terms of the tenant's lease for the original dwelling unit shall remain unchanged for the remainder of the lease's term if the tenant is moved to a comparable dwelling unit.
- (C) The landlord shall either provide the tenant moving services or reimburse the tenant for reasonable moving expenses up to the value of one-month's rent within 30 days of the tenant's relocation to a hotel room, or a comparable dwelling unit, and, if applicable, the tenant's return to the original dwelling unit.

Nothing in the Section shall be deemed to obligate a landlord to provide moving services or reimburse a tenant for moving expenses after the term of the lease has expired or if a tenant is released from their obligations under the lease and chooses to relocate to a dwelling unit not owned by the landlord.

- (D) A tenant continues to be responsible for payment of rent under the lease during the relocation period and for the remainder of the term of the lease following remediation or until the tenant is released from the tenant's obligations under the lease.

(f) *Retaliation prohibited.* Under no circumstance shall a landlord or landlord's agent retaliate against a renter for reporting a suspected violation under this section of the code or any other local, state, or federal law.

#### Sec. 5-6007 – License Transferability

No rental property license shall be transferable from one person or location to another.

Sec. 5-6008 – License Term and Renewal

- (a) *Term.* Licenses shall expire three years from the date of issuance or when ownership of the property licensed pursuant to this Article changes from the person recorded on the face of the license.
- (b) *Renewal Application Requirements.*
  - (1) All license renewal applications shall be submitted on forms provided by the city and shall contain the information required by section 5-6003 of this Article.
  - (2) All license renewal applications shall be submitted to the city no more than ninety (90) days prior to and no less than thirty (30) days prior to the expiration of the license. Any license renewal application submitted to the city less than thirty (30) days prior to the expiration of the license shall be late and shall be subject to a late fee of fifty dollars (\$50). Any license renewal application submitted less than ten (10) days prior to the expiration of the license shall be considered not timely filed.
  - (3) A landlord whose license renewal application has been timely filed may continue to offer, provide, or operate the residential rental property(ies) covered by the existing license beyond the expiration date of the license while approval by the city of the timely filed license renewal application is pending.
  - (4) A landlord whose license renewal application is deemed not timely filed by the city may not continue to offer, provide, or operate the residential rental property covered by the existing license beyond the expiration date of the license until the city issues the landlord a new license.
  - (5) The expiration of a license, unless the landlord has a pending license renewal application timely filed with the city, or the denial of a license renewal application shall have no effect on any lease or other arrangement of possession between the landlord and a tenant. However, the landlord shall be prohibited from entering into or renewing any lease or other arrangement of possession.

Sec. 5-6009 – Denials, Suspensions, and Revocations; Appeals

- (a) *Grounds.* Grounds for denials, suspensions, fines in lieu of suspension, and revocations of a license shall be the same as the grounds set forth in Section 9-1009(a). In addition to the grounds found in Section 9-1009, a license may be denied, suspended, revoked, or assessed a fine in lieu of suspension when it is determined the landlord failed to correct or abate any violation cited after an inspection by a rental property inspector, city code inspector, police officer, or any other city official within the time period determined by the city at the time the notice of violation was issued or within the time period established by a formal extension issued by the city.
- (b) *Process.*
  - (1) The city may deny the approval of any application, including an application for renewal of a license, without a hearing based upon the grounds set forth in paragraph (a) of this section by issuing a written notice of such denial to the applicant. The written notice of denial shall set forth the grounds for the denial



and shall be mailed via certified mail, return receipt requested, to the post office address given in the application.

- (2) An applicant may appeal the city's denial of an application, or approval of an application with conditions, pursuant to Article II of chapter 3 of this code. Such appeal must be submitted to the administrative hearing officer in writing and shall be governed by the processes set forth in Article II of chapter 3 of this code.
  - (3) The process for the suspension or revocation of a license shall be the same as the process set forth in Section 9-1009(b)(3).
  - (4) The failure of any person to receive any notice required under this Article shall not affect the validity of any proceedings taken under this Article.
- (c) *Hearing Costs; collections.* The provisions of Section 3-2104 shall apply to all hearings held under this Article before the hearing officer.

#### Sec. 5-6010 – Violations

- (a) *Civil Infractions.* Unless indicated otherwise, a violation of any provision of this Article shall be deemed a civil infraction and, as such, may be prosecuted in the municipal court or through the city's administrative hearing process. In either event, the city shall be required to prove the violation only by a preponderance of the evidence except when the defendant is charged with committing multiple civil infractions, as the term is used in Chapter 1 of this code, and incarceration is a possible penalty. In such event the city shall be required to prove beyond a reasonable doubt that the violation occurred. All violations or failures to meet the requirements of this Article shall be enforceable under the provisions of Chapter 3, Article II of this code.
- (b) *Opportunity to Correct.* The city shall allow a landlord to correct any violations found during an initial or renewal inspection. The time period for correction shall be determined by the rental property inspector and shall be no less than seven (7) days, but no more than sixty (60) days, from the date the landlord received notice of the violation.
- (c) *Penalties.*
  - (1). Penalties, fines, fees, and costs for violations of this Article and for the collection of any unpaid penalty, fine, fee, and costs shall be the same as those established for civil infractions in Chapter 3, Article II of this code.
  - (2). Any landlord found to have violated any of the terms or requirements of this Article shall be subject to suspension, revocation, or denial of their license, or the imposition of a fine in lieu of suspension.
- (d) *Jurisdiction.* Nothing in this Article shall be construed to limit the original jurisdiction of the municipal court to hear and determine any case under the Charter, ordinances, codes, and regulations of the city.