

ORDINANCE NO. 6

SERIES 2017

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING THE DEFINITION OF VACATION RENTAL IN SECTION 16-1-20 OF THE CRESTED BUTTE MUNICIPAL CODE; AMENDING SECTION 16-14-90 OF THE CODE TO INCLUDE REGULATIONS FOR VACATION RENTALS; AND MAKING SUCH OTHER CONFORMING CHANGES TO THE CODE IN CONNECTION THEREWITH

WHEREAS, the Town of Crested Butte, Colorado ("Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and public under and by virtue of the Colorado Constitution and laws of the State of Colorado;

WHEREAS, on September 26, 2016, the Chairperson of the Crested Butte Short-Term Rental Committee (the "Committee") presented to the Town Council during a Special Meeting a Town Staff Report regarding the Committee's findings and recommendations respecting the impacts of vacation rentals and the regulation of the same in Crested Butte;

WHEREAS, during such Special Meeting, after presenting the Committee's findings as detailed in the Town Staff Report, the Committee and Town Staff made 14 recommendations regarding the Town's regulation of vacation rentals;

WHEREAS, the Committee's recommendations addressed, among other things, neighborhood and community impacts respecting vacation rentals;

WHEREAS, the Committee's recommendations addressed the adoption of limits on vacation rentals in certain zone districts based on the impacts such lodging type uses are having in primarily residential neighborhoods;

WHEREAS, the Town Council, after hearing the presentation by the Committee, and receiving public comment from the community at the September 26 Special Meeting, held public meetings on October 17, November 14, December 5, and December 19, 2016 and January 3 and January 17, 2017, culminating in the adoption of Ordinance Number 12, Series 2016 during a public hearing on February 6, 2017 which adopted regulations for licensing vacation rentals;

WHEREAS, during a Special and Regular Meetings of the Town Council on February 15, March 6, March 20, May 15, and June 5, 2017 respectively, the Town Council considered options for the adoption of limits on vacation rentals in certain zone districts based on the impacts such lodging type uses are having in primarily residential neighborhoods;

WHEREAS, following receipt of public comment on the adoption of limits on vacation rentals in certain zone districts based on the impacts such lodging type uses are having in primarily residential neighborhoods, the Town Council instructed Town Staff to prepare an ordinance that, among other things, limits the number of vacation rentals in certain zone districts; and

WHEREAS, the Town Council hereby finds that limiting the number of vacation rentals in certain zone districts based on the impacts such lodging type uses are having in primarily residential neighborhoods as reflected in this ordinance is in the best interest of the general health, safety and welfare of Crested Butte, its residents and visitors alike.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT,

Section 1. Amending Section 16-1-20. The definition of vacation rental in Section 16-1-90 is hereby deleted in its entirety and replaced with the following new definition thereof and a new definition of primary residence is hereby added which read as follows:

“Primary residence means a residence which is the usual place of return for housing as documented by the vested title property owner of record signing an affidavit to that effect and providing at least two of the following: motor vehicle registration, driver’s license, Colorado state identification card, voter registration, or tax documents. A person can have only one primary residence.

Vacation rental means (i) the rental or lease of a property for a period of 29 or less consecutive nights or less; or (ii) the rental or lease of no more than two sleeping units within a property for a period of 29 or less consecutive nights where the owner or agent is present during occupancy. Vacation rental use is not a residential use.”

Section 2. Amending Section 16-14-90. Section 16-14-90 is hereby deleted in its entirety and replaced with the following new Section that shall read as follows:

“Sec. 16-14-90. Limitation on Vacation Rentals.

(a) *Intent.* The use of property as a vacation rental has impacts on the neighborhoods not unlike that of bed and breakfasts, hotel or lodges and motels. The impacts of vacation rentals on neighboring uses can be significant when the vacation rental property is occupied by multiple tenants in consecutive tenancies throughout the year. The commercial aspects of vacation rentals can have detrimental effects on the quiet, dignity and neighborliness of adjacent residential uses and therefore should be regulated to protect the health, safety and welfare of Crested Butte.

(b) *Limitations.* There shall be imposed limitations on vacation rentals as follows:

- (1) Vacation rentals are not allowed in bed and breakfasts, condo hotels, hotels or lodges, motels or short-term residential accommodations uses as defined in the Code, as amended.
- (2) Vacation rentals are not allowed in any property that is subject to a deed restriction, covenant or other Town restriction or requirement regarding occupancy where the use as a vacation rental is inconsistent with the intent of such deed restriction, covenant or other Town restriction or requirement.
- (3) Vacation rentals are permitted in the “R1,” “R1A,” “R1C,” “R1D,”

“R1E,” “R2,” “R2C,” “R3C,” “B3,” and “B4” Districts, provided that the number of vacation rentals shall at all times be limited to 30% of the total free market residential units in such Districts cumulatively. Vacation rentals beyond the 30% limit will be issued if the vacation rental also serves as a primary residence of the vested title property owner. Vacation rentals that are licensed in primary residences shall be limited to no more than 60 nights of use per year. Primary residences may apply for a non-primary residence license in which case they will be subject to the 30% of free market residential unit limitation.

- (4) Vacation rentals are not permitted in the “R1B,” “R4,” “R2A,” “B1,” “B2,” “M,” “T,” “C,” “AO,” and “P” Districts unless the vacation rental also serves as a primary residence of the vested title property owner in which case they will be limited to no more than 60 nights of use per year.
- (5) Any property for which a Business Occupation License for a Short Term Rental as of June 14, 2017 has been approved in 2017 in any zone may continue to operate as a vacation rental where such property owner has and maintains a vacation rental license as required by Chapter 6, Article 6, until such time as the property is no longer licensed and used as a vacation rental for a period of one year or the title to the property has been transferred to a new entity and the transfer is subject to the “Land Transfer Excise Tax.”

Section 3. **Amending Section 6-6-70.** Section 6-6-70 of the Code is hereby amended by adding a new subsection (a) thereto that shall read as follows, and renumbering all the subsections thereafter starting with existing subsection (a) which shall be renumbered subsection (b), and so forth:

“(a) Vacation rental licenses shall be issued on a first come first serve basis. If needed a waiting list of applications shall be maintained and reviewed as licenses become available.”

Section 4. **Severability.** If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such holding shall not affect the validity of the remaining sections, sentences, clauses, phrases, words or other provisions of this ordinance, or the validity of this ordinance as an entirety, it being the legislative intent that this ordinance shall stand notwithstanding the invalidity of any section, sentence, clause, phrase, word or other provision.

Section 5. **Savings Clause.** Except as amended hereby, the Crested Butte Municipal Code, as amended, shall remain valid and in full force and effect. Any provision of the Code that is in conflict with this ordinance is hereby repealed as of the effective date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS 15^m DAY OF May, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 5^m DAY OF June, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: *Roland Mason*
Roland Mason, Mayor Pro Tem

ATTEST:

Lynelle Stanford
Lynelle Stanford, Town Clerk

[SEAL]

