

ORDINANCE NO. 12

SERIES 2016

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING CHAPTER 6 OF THE CRESTED BUTTE MUNICIPAL CODE TO INCLUDE NEW REGULATIONS IN ARTICLE 6 THEREOF FOR THE LICENSING OF VACATION RENTALS AND DEFINING VACATION RENTALS IN CHAPTER 16

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 neighborhood impacts, community impacts and processes regarding the regulation of vacation rentals;

WHEREAS, the Committee's recommendations also addressed the adoption and implementation a vacation rental licensing program directed toward ensuring the health, safety and welfare of the residents and visitors of Crested Butte through the licensing of vacation rentals;

WHEREAS, the Committee's recommendations contemplated that a collateral benefit of implementing a vacation rental licensing program would be the collection of vacation rental use data to determine the impact of vacation rentals on neighborhoods;

WHEREAS, the Town Council, after hearing the presentation by the Committee, and receiving informal public comment from the community at the September 26 Special Meeting, held public meetings on October 17, November 14, December 5 and 29, 2016 and January 2 and 17, 2017 to discuss the vacation rental licensing program, at which such meetings the Town Council heard and received public comment and discussed the same;

WHEREAS, following receipt of public comment, and the Town Council's discussion of the same, the Town Council finds by this ordinance that adopting a vacation rental licensing program, including placing a limitation on the number of nights vacation rentals are allowed in certain zone districts, will ensure the health, safety and welfare of the residents and visitors of

Crested Butte through the permitting of vacation rentals as contemplated in this ordinance is in the best interest of Crested Butte's neighborhoods; and

WHEREAS, for the foregoing reasons, the Town Council hereby finds that the amendments to the Town of Crested Butte Municipal Code ("Code") set forth herein below are in the best interest 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. **Adding a New Article 6 to Chapter 6 of the Code.** A new Article 6 is added to Chapter 6 of the Code and shall read as follows:

"Vacation Rental Licenses

Sec. 6-6-10. Purpose.

The purpose of this Article shall be to require the licensing of vacation rentals. Such licensing shall provide the Town with necessary information relating to the operation of vacation rentals in order to protect the health, safety and welfare of the residents and visitors of Crested Butte.

Sec. 6-6-20. Effective Date.

This Article shall be effective commencing on January 1, 2018, and shall govern all applications submitted to the licensing official for the licensing of vacation rentals. Prior to such date, the owner of an existing vacation rental must make application for a vacation rental license as described herein. Any property operated as a vacation rental after such date without a vacation rental license shall be in violation of this Article.

Sec. 6-6-30. Definitions.

Licensing official means the Town building official or such other officers as designated by the Town Manager.

Sec. 6-6-40. Vacation Rentals Allowed.

(a) Vacation rentals are allowed only as prescribed in Section 16-14-90. For vacation rentals of individual sleeping units, the owner of the property, or its duly authorized representative must be present on the subject premises during use as a vacation rental.

(b) The use of any property as a vacation rental shall not frustrate any limitation on the use of the property pursuant to a deed restriction, covenant or other Town restriction or requirement regarding occupancy.

Sec. 6-6-50. License Required; Compliance.

(a) It shall be unlawful and a violation of this Article for any person to use any property as a vacation rental without first having obtained a vacation rental license from the licensing official. All vacation rentals shall strictly comply with the requirements of the Code.

(b) The owner of any property found to be operating a vacation rental without a license after January 1, 2018 shall be ordered to cease such activity on the property. Any property that is being operated in violation of these regulations shall be ineligible for a vacation rental license for a period of two years from the discovery of the violation.

Sec. 6-6-60. Application.

(a) Application, whether initial or for any renewal, for a vacation rental license shall be made on a form provided by the Town. At the least, the application shall include the vested title property owner's name and address, address of the vacation rental, maximum occupancy of lease or rental guests, owner representative and contact information, parking plan for guests, acknowledgement of payment of all taxes and the required application fee..

(b) The vested title property owner shall be the licensee for the vacation rental. Application fees shall be set by annual resolutions of the Town Council.

(c) Vacation rental licenses shall have a term of two years. Subject to the requirements of this Article, a license may be renewed annually, extending the term for one additional year from the expiration of the current license.

Sec. 6-6-70. Issuance; Renewal.

(a) Except for a violation of Section 6-6-50, Applicant may appeal the licensing official's decision to issue, issue with conditions, renew, renew with conditions, suspend, revoke or deny a vacation rental license. Such appeal shall be filed with the Town Clerk in writing within 15 days of the licensing official's decision being appealed and shall be heard by the Town Manager within 30 days of receipt of applicant's appeal. The appeal shall be noticed at the Town's posting places. The Town Manager shall render a decision on the issues appealed within 15 days of the hearing of the appeal. The decision of the licensing official (if not appealed), or of the Town Manager (if appealed), shall be the final decision of the Town for purposes of judicial review.

(b) The licensing official shall deny any application, whether initial or for any renewal, where the application and supporting documentation do not establish the vacation rental's conformity with the requirements of Code. The licensing official may also deny any application that contains false, misleading or incomplete information, or for good cause shown.

(c) At least 14 days prior to issuing or renewing a vacation rental license, the Town shall, in a format provided by the Town, notify all owners of real property within 100 feet of the property that is the subject of the vacation rental license of their opportunity to make comment on the neighborhood impacts of the use of the property as a vacation rental.

Sec. 6-6-80. Suspension; Revocation.

A vacation rental license may be suspended or revoked by the licensing official for failure to comply with this Article. The applicant of such vacation rental license may appeal the licensing official's decision to suspend or revoke the vacation rental license. Such appeal shall follow the process outline in Section 6-6-70 hereof. The suspension or revocation of the vacation rental license shall not be deemed a prerequisite to the institution of enforcement proceedings, the imposition of fines and the Town's pursuit of any remedies as described elsewhere in the Code. The proper and timely filing of an appeal with the Town Manager shall temporarily stay the suspension or revocation of the vacation rental license pending the outcome of the appeal before the Town Manager unless the licensing official verifies in writing to the Town Manager that a stay will pose an immediate threat to the safety of persons or property or defeat the purpose of the suspension or revocation in the first instance, in which event a stay shall not enter.

Sec. 6-6-90. No Transfer.

A vacation rental license attaches only to the property for which it is issued and is non-transferrable upon sale or other transfer of ownership of the property. Upon such transfer of ownership, the new owner of the property shall apply for a vacation rental license if it wishes to continue the use of the property as a vacation rental.

Sec. 6-6-100. Lodging and Sales Tax.

The owner of a vacation rental shall cause lodging tax and sales tax to be collected and remitted to the Town as required under the Code.

Sec. 6-6-110. Business Occupation License.

The owner of a vacation rental property must possess a current Town business license. The business license must be renewed annually where the owner desires to use the property as a vacation rental. A vacation rental license may be denied or revoked if the owner of the vacation rental property does not have a current business license.

Sec. 6-6-120. Bi-Annual Inspection.

All vacation rental properties are subject to inspection every other year, or for cause. Vacation rental licenses may be limited, suspended, revoked or not renewed by the licensing official if all conditions and requirements of the vacation rental license and the Code are not satisfied.

Sec. 6-6-130. Administration.

(a) The licensing official shall prescribe forms and make reasonable rules and requirements in accordance with the Code for, without limitation, application requirements, the

inspection of all vacation rental properties, the verification of the capacity and safety of such vacation rental properties and administration and enforcement of the requirements of this Article and the Code.

(b) Applicants must pay their license fee at the time of application, whether initial or for any renewal.

Sec. 6-6-140. Licensee Duties.

It shall be the duty of the fee title owner of the vacation rental to ensure the following:

- (1) Obtain a renewal of the vacation rental license annually, if the property remains a vacation rental.
- (2) Cause the vacation rental to comply with the Code continuously and without interruption.
- (3) Promptly notify the licensing official upon any change of local contact.

Sec. 6-6-150. Local Contact.

All vacation rental licenses shall include a local responsible contact person capable of physically responding to issues that may arise at the vacation rental property within one hour of the initial attempt to contact the vacation rental property owner. The local contact must have physical access to the vacation rental property and shall be authorized to make decisions regarding the vacation rental property on behalf of the owner.

Sec. 6-6-160. License Number Display.

Every vacation rental license shall be issued a unique number. The vacation rental license number shall be displayed in all advertisements for the vacation rental property. Advertisements for the vacation rental property shall include any act, regardless of medium, of drawing the public's attention to the vacation rental property in order to promote the availability of the vacation rental property.

Sec. 6-6-170. Parking Required.

All vacation rental properties must keep and maintain all off street parking approved in conjunction with any Town land use approval for the vacation rental property and made available for year-round use by vacation rental tenants.

Sec. 6-6-180. Maximum Occupancy.

The maximum occupancy of any vacation rental property is 10 people. Occupancy may be adjusted following physical inspection of the vacation rental property. The basis for the occupancy determination shall be an allowance of two occupants per legitimate bedroom plus

two additional occupants. Any increase above 10 people in a vacation rental property shall include an on-site parking space for each four additional occupants (or part thereof) in addition to any parking required by this Article. Such parking requirements shall be in addition to any other parking requirements that must be satisfied under the Code.

Sec. 6-6-190. Renter Requirements.

Each vacation rental property shall prominently display on site and available to all renters the rules and regulations of the Town that apply to the occupancy of the vacation rental property. Such information shall include information pertinent to the neighborhood where the vacation rental property is located including, but not limited to, parking restrictions, restrictions on noise and amplified sound, trash disposal, storage and collection schedule, relevant water restrictions and any other information as required by the licensing official.

Sec. 6-6-200. Violation.

(a) Violations of this Article shall be enforced pursuant to Chapter 1, Article 4 of the Code.

(b) A violation of Section 16-14-90 of the Code shall also be punishable by denial of a license for a vacation rental for the property that has offended such limitation for a period of two years from Town's discovery of the unlawful lease or rental.

(c) All amounts due and owing the Town in connection with any violation of this Article shall constitute a first priority lien on the vacation rental property and may be collected by any means including by way of those matters addressed in Section 4-8-10 of the Code."

Section 2. Amending Section 16-1-20. The following new defined terms are added to the Section and shall read as follows:

"Vacation rental means: (i) the rental or lease of a property for a period of less than 29 consecutive nights; or (ii) the rental or lease of a sleeping unit within a property, for a period of less than 29 consecutive nights, where the owner or agent is present during the occupancy. Vacation rental use is not a residential use."

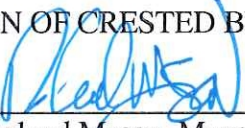
Section 3. Severability. If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such holding shall not affect the validity of the remaining sections, sentences, clauses, phrases, words or other provisions 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.

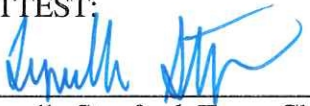
Section 4. Savings Clause. Except as amended hereby, the Crested Butte Municipal Code shall remain valid and in full force and effect. Any provision of the Code that is in conflict with this ordinance is hereby repealed as of the effective date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS 19th DAY OF December, 2016.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 6th DAY OF February, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: 
Roland Mason, Mayor Pro Tem

ATTEST:

Lynelle Stanford, Town Clerk

[SEAL]

