

1 **CITY OF LITTLETON, COLORADO**

2
3 **ORDINANCE NO. 25**

4
5 **Series, 2021**

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7
8 **AN ORDINANCE OF THE CITY OF LITTLETON,**
9 **COLORADO, REPEALING AND REENACTING CHAPTER**
10 **23, ENTITLED SHORT-TERM RENTALS, TO TITLE 3**
11 **BUSINESS REGULATIONS**

12
13 **WHEREAS,** the renting of dwelling units for periods of less than twenty-eight
14 days (“Short-Term Rental” or “Short-Term Rentals”) is an ongoing activity within the City; and

15
16 **WHEREAS,** the City has received some complaints from community members
17 regarding Short-Term Rentals and the actions of some of their renters; and

18
19 **WHEREAS,** Short-Term Rentals may at times have an adverse effect on the
20 residential character of certain neighborhoods; and

21
22 **WHEREAS,** the Littleton City Code did not adequately address the topic of
23 regulating Short-Term Rentals in the city's residential neighborhoods and city council directed
24 staff to draft regulations; and

25
26 **WHEREAS,** on November 17, 2020 City Council adopted business licensing
27 regulations for Short-Term Rentals; and

28
29 **WHEREAS,** it was anticipated at that time that future changes would occur to the
30 business licensing regulations for Short-Term Rentals as that topic was to be further explored
31 through the Unified Land Use Code adoption process; and

32
33 **WHEREAS,** City Council has had an opportunity to discuss Short-Term rentals in
34 greater detail through the Unified Land Use Code drafting process and directed staff to draft
35 specific amendments to the City’s business licensing regulations for Short-Term Rentals; and

36
37 **WHEREAS,** the city council finds that the proposed amendments to the City Code
38 are in the best interest of the city and will promote the public health, safety, and welfare of its
39 residents.

1
2 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF**
3 **THE CITY OF LITTLETON, COLORADO, THAT:**
4

5 **Section 1:** Chapter 23 of Title 3, Short-Term Rentals, is hereby repealed and
6 reenacted to the Littleton City Code to read as follows:
7

8 **CHAPTER 23. SHORT-TERM RENTALS**
9

10 **3-23-1: LEGISLATIVE PURPOSE:**
11

12 The local licensing system implemented pursuant to this Article ensures the health and safety of
13 renters of short-term rentals, mitigates the impacts of short-term rentals on the neighborhoods in
14 which they are located, and maintains and enhances neighborhood livability. The system of
15 licensing promotes a fair operating environment for all persons in the business of providing
16 lodging or transient accommodation. The system of licensing also allows for ongoing data
17 collection to further evaluate the impact of short-term rentals on the neighborhoods in which they
18 are located and on affordable housing.

19
20 **3-23-2: DEFINITIONS:**
21

22 The following definitions shall apply to this Chapter:
23

24 **APPLICANT:** The owner(s) of the real property for which a short-term rental license is sought.
25 If a property has multiple owners, including joint ownership by spouses, all persons with an
26 ownership interest must sign the application permit.
27

28 **DIRECTOR:** shall mean the Director of Community Development.

29 **DWELLING UNIT:** One (1) or more connected rooms that are structurally divided from other
30 dwelling units or from all other rooms in the same building and providing residence for including
31 permanent provisions for living, sleeping, eating, cooking, and sanitation. No such dwelling unit
32 shall be occupied by more than one (1) unrelated individual over the age of twelve (12) years
33 who is required to register as a sex offender under the provisions of Colorado Revised Statutes §
34 18-3-412.5, as amended. Provided however, that this section shall not require a resident to leave
35 the home upon becoming twelve (12) years of age.

36 **DWELLING, MULTIPLE-FAMILY:** Any building structurally divided into three (3) or more
37 separate dwelling units including rooming/boarding houses, apartments, townhomes, and

condominiums. No such dwelling unit shall be occupied by more than one (1) unrelated individual over the age of twelve (12) years who is required to register as a sex offender under the provisions of Colorado Revised Statutes § 16-22-103, as amended. Provided however, that this section shall not require a resident to leave the home upon becoming twelve (12) years of age, nor shall this section apply to any child required to register as a sex offender under said statute who is placed pursuant to Colorado Revised Statutes § 19-1-103(51.3), in a foster care home certified or licensed pursuant to article 6 of title 26, Colorado Revised Statutes.

FINANCE DIRECTOR: shall mean the Finance Director of the City of Littleton.

LICENSED PREMISES: shall mean a dwelling unit, or portion thereof, that has a valid license issued pursuant to this Article allowing short-term primary ~~or non-primary~~ rental of such dwelling unit.

PARTY: shall mean one (1) or more persons who as a single group rent a short-term primary ~~or non-primary~~ rental pursuant to a single reservation and payment.

PRIMARY RESIDENCE: shall mean the dwelling unit in which a person resides for nine (9) or more months of the calendar year. Under this definition, a person has only one (1) primary residence at a time.

~~SHORT TERM NON PRIMARY RENTAL: shall mean a dwelling unit that is not a primary residence and that is leased, in part or in whole, to one (1) party at a time for periods of less than twenty-eight (28) consecutive days. The term short-term non-primary rental shall not include the rental of a dwelling unit to the former owner immediately following the transfer of ownership of such dwelling unit and prior to the former owner vacating the dwelling unit.~~

SHORT-TERM PRIMARY RENTAL: shall mean a dwelling unit that is a primary residence of which a portion is leased to one (1) party at a time for periods of less than twenty-eight (28) consecutive days. A dwelling unit of a duplex or two-family dwelling, as defined in the Littleton City Code, that is not a primary residence is eligible to be a short-term primary rental and may be licensed as a short-term primary rental if the connected dwelling unit is a primary residence and both dwelling units are located on the same lot. The term short-term primary rental shall not include the rental of a dwelling unit to the former owner immediately following the transfer of ownership of such dwelling unit and prior to the former owner vacating the dwelling unit.

3-23-3: LICENSE REQUIRED:

No person may rent or lease to any person, or use, any dwelling unit as a short-term primary rental ~~or short-term non-primary rental~~ within the City unless a license to rent such dwelling unit has

been first issued as provided in this Chapter and in compliance with any and all applicable laws and regulations adopted pursuant thereto.

3-23-4: LICENSE APPLICATION:

(a) Before any license under this Chapter is issued, an application shall be submitted. All applications shall be made upon forms provided by the Finance Director. The Finance Director may, at the Finance Director's discretion, require additional documentation associated with the application as may be necessary to enforce the requirements of this Chapter. In addition to any other requirements, applicants shall provide the following documentation showing the official Littleton address of the short-term rental:

- (1) A valid Colorado driver's license or a valid Colorado state identification card; and
- (2) For short-term primary-rental licenses: at least two (2) of the following documents indicating that the short-term rental is the applicant's primary residence:
 - (i) Proof of valid motor vehicle registration;
 - (ii) Proof of voter registration;
 - (iii) Federal or state tax returns or other Finance documentation;
 - (iv) A utility bill; or
 - (v) Any other legal documentation deemed sufficient by the Finance Director which is pertinent to establishing primary residency; and
- (3) Proof of ownership of the short-term rental; and
- (4) The applicant shall self-certify that the information on the application is accurate and truthful under penalty of perjury under the laws of the State of Colorado; and
- (5) At the time of an initial or renewal application for a license, each applicant shall pay a fee set by the City Council pursuant to its authority to establish administrative fees. The application fee may be refunded at the discretion of the Finance Director if the applicant demonstrates that the dwelling unit proposed to be licensed has certain modifications that make it more accessible and accommodating to persons with disabilities. Modifications required for a refund shall be set forth in writing and sent to the Finance Director who will grant or deny refund requests solely at their own discretion.

3-23-5: LICENSING REQUIREMENTS:

(a) Short-Term Primary-Rental License. The following are the minimum requirements that must be satisfied by the applicant for the issuance of a short-term primary-rental license.

(1) The applicant must provide documentation satisfactory to the Finance Director that the applicant is the owner of the dwelling unit and that the dwelling unit is his or her primary residence.

(2) The applicant must have valid sales and use issued pursuant to Section 3-9-1 of the Littleton City Code for the dwelling unit to be utilized as a short-term primary rental.

(3) The dwelling unit must comply with all applicable federal, state, and local laws including, but not limited to Section 10-4-9 of the Littleton City Code which sets forth applicable parking requirements.

(4) The property must conform to, and the applicant shall certify that the dwelling unit proposed to be licensed as a short-term rental complies with, applicable sanitation, mechanical, electrical, structural, and fire safety requirements in Section 4-1-1 *et seq* of the Littleton City Code. The Director may inspect the dwelling unit proposed to be licensed for purposes of verifying compliance with such requirements and refusal by the applicant to allow such inspection shall be grounds for denial of the issuance of a license.

(5) The applicant must maintain liability insurance to cover use of the short-term rental in an amount determined appropriate by the Insurance Company insuring such Short-Term Rental, but no amount less than five hundred thousand dollars (\$500,000).

(6) No applicant shall be issued a license if marijuana is cultivated or processed, or marijuana products are processed or otherwise produced, in the dwelling unit proposed to be rented.

(7) The applicant must identify one or more persons who will be available to respond within two (2) hours at all times during which the dwelling unit is rented to any issues raised by the renter, neighbor, or the City. Any such person must have access to the dwelling unit and be authorized to make decisions regarding the dwelling unit.

(8) The applicant must specify which portions of the dwelling unit will constitute the licensed premises available for use by renters.

(9) Applicant must provide and post a copy of the Good Neighbor document near the door of the short-term rental space being occupied.

~~(b) Short Term Non-Primary Rental License. The following are the minimum requirements that must be satisfied by the applicant for the issuance of a short-term non-primary rental license.~~

- ~~(1) The applicant must provide documentation satisfactory to the Finance Director that the applicant is the owner of the dwelling unit.~~
- ~~(2) The applicant must have valid sales and use and lodging tax licenses issued pursuant to Section 3-9-1 of the Littleton City Code for the dwelling unit to be utilized as a short term non primary rental.~~
- ~~(3) The dwelling unit must comply with all applicable federal, state, and local laws.~~
- ~~(4) The property must conform to, and the applicant shall certify that the dwelling unit proposed to be licensed as a short term rental complies with, applicable sanitation, mechanical, electrical, structural, and fire safety requirements in Section 4-1-1 et seq of the Littleton City Code. The Director or his or her designee may inspect the dwelling unit proposed to be licensed for purposes of verifying compliance with such requirements and refusal by the applicant to allow such inspection shall be grounds for denial of the issuance of a license.~~
- ~~(5) The applicant must maintain liability insurance to cover use of the short term rental in an amount determined appropriate by the Insurance Company insuring such Short-Term Rental, but no amount less than five hundred thousand dollars (\$500,000).~~
- ~~(6) No applicant shall be issued a license if marijuana is cultivated or processed, or marijuana products are processed or otherwise produced, in the dwelling unit proposed to be rented.~~
- ~~(7) The applicant must identify one or more persons who will be available to respond within two (2) hours at all times during which the dwelling unit is rented to any issues raised by the renter or the City. Any such person must have access to the dwelling unit and be authorized to make decisions regarding the dwelling unit.~~
- ~~(8) Applicant must provide and post a copy of the Good Neighbor document near the door of the short term rental being occupied.~~

3-23-6: ISSUANCE OF LICENSES:

Upon compliance with the requirements of this Chapter, the Finance Director shall issue a license to the applicant authorizing the short-term rental of the licensed premises. The license issued shall allow only the short-term primary rental ~~or the short term non primary rental~~ of the licensed premises. Licenses issued for short-term primary rentals shall specify the areas of the dwelling unit that may be rented. Each license shall be applicable to a single dwelling unit and no license issued shall be transferable. A license shall terminate upon transfer of ownership of the licensed premises.

3-23-7: DENIAL OF LICENSE:

- 1 (a) A short-term primary license shall be denied if it is not the applicant's primary residence. In
2 determining whether a location is the applicant's primary residence for short-term rental
3 licensing purposes, the Finance Director may consider any of the following applicable
4 factors:
5
- 6 (1) Whether the applicant has or claims any other location for domestic, legal, billing,
7 voting, or licensing purposes;
8
- 9 (2) Whether and how often the applicant returns to the short-term rental or resides at any
10 other location within a calendar year;
11
- 12 (3) Whether the address listed on an applicant's legal documents or tax assessment records
13 is different than the address of the short-term rental;
14
- 15 (4) Whether an applicant's business pursuits, employment, income sources, residence for
16 income or other tax purposes, leaseholds, situs of personal and real property, and motor
17 vehicle registration indicate that the short-term rental is the applicant's primary
18 residence;
19
- 20 (5) Whether the amount of time that the short-term rental has been, or will be, rented within
21 the calendar year indicates the short-term rental is or is not the applicant's primary
22 residence;
23
- 24 (6) Whether the applicant is actively deployed in the United States military; or
25
- 26 (7) Whether any other relevant information discovered by the director or submitted by the
27 applicant indicates that the short-term rental is or is not the applicant's primary
28 residence.
29
- 30 (b) Both short-term primary licenses and short-term non-primary licenses may be denied when
31 there is good cause to deny the application. The term "good cause" means:
32
- 33 (1) Evidence that an applicant or licensee has violated, does not meet, or has failed to
34 comply with any of the terms or conditions placed on his license, any city or state law,
35 or any rules and regulations promulgated thereunder;
36
- 37 (2) Evidence that the short-term rental has previously been, or will be, operated in a manner
38 that adversely affects the public health, safety, or welfare of the immediate
39 neighborhood in which the short-term rental is located;

(3) The address indicated in the application is not a legal dwelling unit.

(4) The applicant fails to provide a complete application and documentation required pursuant to section 3-23-4 of the Littleton City Code;

(5) The applicant fails to obtain or maintain appropriate insurance; or

(6) The application fails to comply with any state or local laws, or any rules and regulations adopted pursuant thereto.

3-23-8: LICENSE TERM, RENEWAL, SUSPENSION:

(a) All licenses issued under this Chapter shall be valid for a period of one (1) year from the date of their issuance.

(b) If the licensee has received notice of violation of any law or regulation, including disciplinary action against the license, the application for renewal shall include a copy of the notice or disciplinary action.

(c) In addition to the grounds set forth in 3-1-3 and 3-9-1 *et seq* of the Littleton City Code, a short-term rental license may not be renewed if there are causes for denial, suspension, revocation or other licensing sanctions as provided in this Chapter, or rules and regulations promulgated thereto.

(d) Except where the Finance Director has received a complete renewal application along with the requisite fees, it shall be unlawful for any person to operate a short-term rental after the expiration date recorded upon the face of the short-term rental license.

(e) A license may be suspended or revoked after a hearing by an issuance of a Notice to Show Cause for violations of the City's Code or verified complaints pertaining to the operation of the short-term rental at the discretion of the Finance Director.

3-23-9: UNLAWFUL ACTS:

(a) Safety requirements. It shall be unlawful to operate a short-term rental without a functioning smoke detector, carbon monoxide detector, and fire extinguisher on the licensed premises.

(b) Primary residence. It shall be unlawful to operate a short-term rental under a primary

residence license in any location that is not the applicant's primary residence.

(c) Compliance with city and state laws. It shall be unlawful to operate a short-term rental that does not comply with all applicable city and state laws.

(d) Advertising. It shall be unlawful to advertise a short-term rental without the license number clearly displayed on the face of the advertisement. For the purpose of this section, the terms "advertise," "advertising" or "advertisement" mean the act of drawing the public's attention to a short-term rental.

(e) Insurance. It shall be unlawful to operate a short-term rental without, fire, hazard and liability insurance within the liability coverage limits set by the Finance Director.

3-23-10: LICENSE REQUIREMENTS AND RESTRICTIONS:

(a) SHORT-TERM RENTAL LICENSES

1. Accountability. The short-term rental shall be the legal responsibility of the legal owner(s) as set forth on the Application and license, and the owner shall agree to accept notice of violation either in person or upon posting upon the property.

2. Primary Residence. A residence used as a short-term primary-rental license will be the primary residence of the legal owner(s).

3. Accessory Dwelling Units. For parcels containing Accessory Dwelling Units (ADUs) the owner, if such owner is also the primary resident of the main residence, may obtain a short-term primary-rental license for the main residence only. Short term rentals are not permitted in ADUs THAT ARE DETACHED EITHER AS THE PRIMARY OR NON-PRIMARY UNIT. ONLY ATTACHED ADUS ARE ALLOWED AS APPLICABLE.

4. Maximum Occupancy per Bedroom. A short-term rental shall not exceed two (2) adults per bedroom.

5. Maximum Occupancy of Premises. The maximum occupancy of a short-term rental shall be eight (8) persons.

6. Prohibited Structures. No short-term rental shall be located in any recreational vehicle, travel trailer or temporary structure.

7. Limitation of Rental Contracts. No short-term rental shall be under more than two simultaneous rental contracts.

8. Limitation on Multiple Uses. During any rental period, the short-term rental shall not be used for any purpose (e.g. home-based business, temporary event, etc.) by the renter or owner other than for lodging purposes.

9. Parking. All short-term rentals shall provide a minimum of two (2) off-street parking spaces. Any advertisements or listing of the short-term rental shall provide the number of parking spaces available for use by the renter, and the location of such parking spaces (driveway or garage).

10. Premises Inspection. Each property shall complete an initial premises compliance and safety check in conformance with a checklist promulgated by the Director. Upon determination of compliance with this Chapter, the property shall be issued a certificate of inspection.

11. The license number shall be prominently displayed in all listing or advertising of the licensed premises for short term rental.

12. A copy of the license shall be prominently displayed in the licensed premises.

13. The licensee shall comply with all applicable Littleton City Codes including, but not limited to: Littleton City Code Title 3 Business Regulations; Littleton City Code Title 4, Building Regulations, including the International Property Maintenance Code as amended; and Littleton City Code Title 10, Chapter 4 Supplementary Standards.

14. The licensee shall maintain compliance with all sanitation, mechanical, electrical, structural, and fire safety requirements as set forth in Title 4 Building Regulations.

15. The licensee shall ensure that renters of a short-term primary rental shall only be allowed access to the portions of the dwelling unit identified in the license.

16. The person(s) identified in section 3-23-5 of the Littleton City Code shall be available at all times during which the licensed premises is rented to respond within two (2) hours, in person if necessary, to any issues raised by the renter or the City. The licensee shall provide each renter and the City with a current telephone number of the person(s) available to respond and each such person must have access to the licensed premises and be authorized to make decisions regarding the licensed premises.

17. The licensee shall maintain insurance as specified in section 3-23-5 of the Littleton City Code at all times during which the license is valid.

18. Good Neighbor Handout. Each short-term rental shall post a Good Neighbor Handout inside the licensed premises in close proximity to an entry point that includes the licensee's contact information, a local responsible party's contact information, and any necessary

1 emergency contact information. For the purposes of this section, "local responsible party"
2 means an individual located in the area during the entire length of the short-term rental period
3 who has access to the licensed premises and is authorized to make decisions regarding the
4 licensed premises. The Good Neighbor Handout shall also provide information pertinent to
5 the neighborhood where the short-term rental is located including, but not limited to, parking
6 restrictions, restrictions on noise and amplified sound, trash collection schedule, relevant
7 water restrictions, fire evacuation routes, and any other information, as required by the
8 Director of Community Development, applicable to the short-term rental and the surrounding
9 neighborhood.

10
11 19. Good Neighbor Letter. Upon approval of the application and renewal of each
12 license, the applicant or owner shall provide a Good Neighbor Letter, in a form authorized
13 by the Director of Community Development, to each property owner and resident of an
14 address with an adjoining property line or directly across a street or alley within two weeks
15 after receiving approval of an STR license.

16
17 **3-23-11: VIOLATIONS AND PENALTIES:**

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19 In addition to the suspension, revocation or refusal to renew any license issued hereunder, any
20 licensee who violates any provision of this Chapter may be punished by a fine or imprisonment
21 or both, in accordance with 1-4-1 of the Littleton City Code. Additionally, the City may take any
22 other legal action available to address violations of the provisions of this Chapter.

23 **3-23-12: ADMINISTRATION:**

24
25 The Finance Director and Director shall administer the provisions of this Chapter and are
26 authorized to jointly promulgate rules and regulations for its administration and implementation.

27 **Section 2:** Severability. If any part, section, subsection, sentence, clause or
28 phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the
29 validity of the remaining sections of this ordinance. The City Council hereby declares that it would
30 have passed this ordinance, including each part, section, subsection, sentence, clause or phrase
31 hereof, irrespective of the fact that one or more parts, sections, subsections, sentences, clauses or
32 phrases may be declared invalid.

33
34 **Section 3:** Repealer. All ordinances or resolutions, or parts thereof, in conflict
35 with this ordinance are hereby repealed, provided that this repealer shall not repeal the repealer
36 clauses of such ordinance nor revive any ordinance thereby.

1 INTRODUCED AS A BILL at a regularly scheduled meeting of the City Council
2 of the City of Littleton on the 21st day of September, 2021, passed on first reading by a vote of 5
3 FOR and 0 AGAINST; and ordered published by posting at Littleton Center, Bemis Library, the
4 Municipal Courthouse and on the City of Littleton Website.

5 PUBLIC HEARING on the Ordinance to take place on the 12th day of October,
6 2021, in the Council Chamber, Littleton Center, 2255 West Berry Avenue, Littleton, Colorado, at
7 the hour of 6:30 p.m., or as soon thereafter as it may be heard.

8 PASSED on second and final reading, following public hearing, by a vote of ____
9 FOR and ____ AGAINST on the 12th day of October, 2021 and ordered published by posting at
10 Littleton Center, Bemis Library, the Municipal Courthouse and on the City of Littleton Website.

11 ATTEST:

12 _____
13 Colleen L. Norton
14 CITY CLERK

Jerry Valdes
MAYOR

15 _____
16 Reid Betzing
17 CITY ATTORNEY
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