TOWN OF GREEN MOUNTAIN FALLS

ORDINANCE NO. 2022-02

AN ORDINANCE REPEALING AND REENACTING CHAPTER 5, ARTICLE VII, OF THE GREEN MOUNTAIN FALLS MUNICIPAL CODE, ADOPTED BY ORDINANCE NO. 04-2017, REGARDING SHORT-TERM RENTAL PROPERTY LICENSES

WHEREAS, in 2017, by Ordinance No. 04-2017, the Town enacted a short-term rental license requirement, which was amended in 2018 by emergency ordinance No. 18-04;

WHEREAS, regulation and enforcement of the Town's short-term licensing scheme has proven difficult and ineffective; and

WHEREAS, the Board of Trustees desires to repeal and reenact the short-term rental requirements and regulations to provide for better administration and enforcement and to preserve the residential character of the Town's neighborhoods.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF GREEN MOUNTAIN FALLS, COLORADO:

<u>Section 1</u>. Section 5-132 of the Town of Green Mountain Falls Municipal Code is hereby amended to read as follows:

Sec. 5-131. Purpose and Scope.

The purpose of this Article is to establish comprehensive licensing provisions for whole residential dwelling units made available for rent for a period of time less than thirty (30) days in duration to ensure minimum standards to safeguard life or limb, health, property, and public welfare by regulating and controlling the use and occupancy, location, and maintenance of residential dwellings available for rent. This Article does not apply to the furnishing of lodging services in hotels, motels, or lodges.

Sec. 5-132. Applicability.

All owners of residences who rent or lease their entire property for a period of time less than thirty (30) days shall comply in full with all terms and conditions contained in this Article and in accordance with the Town's Land Use Code.

Sec. 5-133. Definitions.

"Short-term rental" means the renting or leasing of an entire residential structure for monetary consideration for a period of time less than thirty (30) consecutive days, not including a bed and breakfast, residency unit, boarding or rooming house, or hotel. The definition does not include offering use of one's property to another where no fee is charged or collected.

"Town Manager" means the appointed administrative official of the Town government, or his or her designee, whose duties and responsibilities shall conform to the requirements of Section 2-81 of the Green Mountain Falls Municipal Code.

Sec. 5-134. License required; Limitations.

- (a) No owner shall allow any person to rent or lease, sublease, or occupy any short-term rental as a tenant, renter, lessee, sublessee or otherwise, unless the owner has been issued a valid rental property license by the Town. Licenses are permitted in any zone district in the Town where residential occupancy is permitted, provided however, that no commercial space shall be used for a short-term rental. The short-term rental license must be renewed annually for every premises used as a short-term rental. A short-term rental license may be denied or revoked if the owner is not in compliance with the terms and conditions of license or any other applicable laws.
- (b) The Town shall issue no more than 60 short-term rental licenses. When the cap is reached, new license applications will be considered in order of the date received.

Sec. 5-135. Taxes.

All owners of short-term rentals are required to collect and remit sales and other applicable taxes. Evidence of issuance of a current state sales tax license number or proof that the platforms used to advertise and book the licensed premises remit taxes on behalf of the licensee is required as a condition of the Town Manager's consideration of a short-term rental license application. The licensee shall remit all sales taxes and fees owed to the Town in a timely manner.

Sec. 5-136. Business license required.

All owners of short-term rentals are required to possess a current Town business license for each short-term rental property. The business license must be renewed annually. Business license requirements under this Section shall conform to the requirements of Article II of this Chapter.

Sec. 5-137. License application; procedure; appeals.

- (a) All owners of short-term rentals must obtain a short-term rental license. Conducting a short-term rental without a valid license is a violation of this Chapter 5. A license application shall be provided by the Town, and an applicant shall provide the following information:
 - (1) Owner name, permanent address, and property address;
 - (2) Maximum occupancy of rental guests;

- (3) Owner representative and contact information; if the owner is a corporation, then all parties with a financial or ownership interest in the corporation shall also be listed;
- (4) Parking plan for guests indicating compliance with the Land Use Code and the manner in which the maximum permitted number of cars shall be parked so as to avoid any conflicts with neighboring properties or public right-of-way and so as to maintain a 20' unobstructed roadway, excluding the shoulder;
- (5) Evidence of property and liability insurance;
- (6) Proof of a valid business license;
- (7) Proof of a valid sales tax license number or proof that the platforms used to advertise and book the licensed premises remit taxes on behalf of the licensee;
- (8) Proof of possession of the licensed premises; or
- (9) If the applicant does not own the property where the licensed premises is located, the applicant must provide written documentation from the property owner allowing short-term rentals on the licensed premises;
- (10) The license application fee set by the Board of Trustees;
- (11) Copy of the information packet provided to guests as defined in Sec. 5-138 (b) (7); and
- (12) Other documents as required by the Town on its application form.
- (b) Licenses are valid until December 31 of each year. The application fee shall be prorated on a monthly basis for any application filed for a license period commencing after January 1. Subject to the requirements of this article, licenses may be revoked or renewed.
- (c) Before issuing a short-term rental license, the applicant shall notify the Town Marshal and all owners of real property within 150 feet of the proposed short-term rental property who shall be provided an opportunity to make comment on or object to the issuance of the license. The notice shall contain: the completed application form, the property location, notice that the full application that may be copied and reviewed at the Town Hall, and notice that comments must be received within fifteen (15) days from the date on which the notice is given. Notice shall be posted on the property and at the Town Hall and mailed at the applicant's expense.

- (d) The Town Manager, after reviewing the license application and any public comments or objection shall approve, approve with conditions, renew, renew with conditions, or deny the short-term rental license. The Town Manager shall issue the decision within thirty (30) days after receiving a complete application and shall report all decisions at the next regular meeting of the Board of Trustees. A standard condition of approval shall be that the license, as issued, is temporary and conditional until the appeal period, as described in (e) below, has passed, or until any such appeal has been decided, whichever is later.
- (e) Either the applicant or a property owner within 150 feet of the proposed short-term rental property may appeal the Town Manager's decision to issue, issue with conditions, renew, renew with conditions, or deny a short-term rental license. Such appeal shall be filed with the Town Clerk in writing within fifteen (15) days of the decision being reported to the Town Board and shall be heard by the Board of Trustees. The Board of Trustees shall promptly hear and decide all appeals. The decision of the Town Manager (if not timely appealed) or the Board of Trustees (if appealed), is the final decision of the Town for purposes of judicial review.
- (f) All permitted short-term rentals are subject to inspection under Section 5-10 of this Code. Licenses may be revoked or not renewed by the Town Manager if license conditions and requirements are not met or if violations of license conditions or the requirements of this Chapter are found within any one license year.
- (g) A short-term rental license is nontransferable and may be used only for the property for which it is issued. A short-term rental license is not transferrable upon the sale of the property.
- (h) An application will be deemed submitted only when accepted as complete by the Town. The Town Manager shall inform the applicant in writing of its determination of whether the application is complete or whether the application is missing information within thirty-five days of receipt of the application. If an application is not accepted as complete within six months of receipt, the applicant must restart the application process and resubmit the application fee.

Sec. 5-138. Licensing requirements; operating standards.

- (a) Before issuing a license, the Town Manager must determine that the applicant has met the following requirements:
 - (1) The applicant has complied with all Town Land Use Code requirements as applicable.

- (2) The licensee or licensee's local agent must be available full time to manage the property during any period in which the property is occupied as a short-term rental. The licensee or local agent shall be required to acknowledge a concern or complaint within thirty minutes by phone or in person.
- (b) All licensees must comply with the following:
 - (1) Maximum occupancy limit posted in online advertisement must not exceed what has been established in the licensee's approved license application.
 - (2) All applicable town land use, regional building code, and fire code standards and regulations.
 - (3) The licensed premises must use wildlife-proof or wildlife-resistant refuse containers as required by Section 6-33.
 - (4) The licensed premises must be equipped with an operational fire extinguisher, smoke detector, carbon monoxide detector, and other safety equipment as required by the Town Manager.
 - (5) The licensee or its occupants may not commit any nuisances as defined in Chapter 6.
 - (6) The licensee must comply with all applicable fire and burning restrictions.
 - (7) The licensee must provide upon booking and post a packet in the premises containing the following information for guests inside the rental property in a conspicuous location:
 - (i) Floor plan with fire exit routes.
 - (ii) Location of fire extinguishers.
 - (iii) Trash and recycling schedule and information.
 - (iv) Wildlife safety sheet provided by the Town Manager.
 - (v) Wildfire and Red Flag safety information sheet provided by the Town Manager.
 - (vi) A notice that excessive noise is prohibited between the hours of 10:00 p.m. and 7:00 a.m., as provided in Section 10-271.

- (vii) A map clearly delineating guest parking and the licensed premises boundaries.
- (viii) Licensee's contact information and contact information of Licensee's local agent.
- (ix) Town contact information for purposes of complaints concerning the licensed premises.
- (c) A licensee must submit any proposal to change an issued license under this Ordinance to the Town Manager.

Sec. 5-139. Renewal.

- (a) An owner shall have the right to renew their license each calendar year, provided the license hasn't been revoked according to processes defined in this Chapter.
- (b) All licenses expire on December 31 of each year. At least forty-five (45) calendar days prior to December 31 of each year, the Town shall send a renewal reminder via email, and the deadline to renew without a fee penalty is January 15 of the preceding year.
- (c) The Town shall not accept late renewal applications received after March 15. A licensee who files a late renewal application prior to or on March 15 and pays the requisite fee may continue to operate until final action has been taken to approve or deny the late renewal application. A licensee whose license has expired and has not submitted a renewal application prior to or on March 15 shall not, under any circumstances rent the property until a new license has been obtained.
- (d) In considering issuance or renewal of a short-term rental license, the Town Manager or the Town Board, as appropriate, shall consider any conviction for a municipal code violation within the past year related to the property to be licensed. Renewal of any license is subject to the laws and regulations effective at the time of renewal, which may be different than the regulations in place when the license was originally issued.
- (e) If a licensee, applicant, or duly authorized agent of the licensee or applicant acting on behalf of the same makes a false, misleading, or fraudulent statement in any short-term rental unit business license application or has misrepresented a material fact in any short-term rental unit business license application or quarterly local tax remittance form, the Town Manager may impose a mandatory

suspension and the same is grounds for nonrenewal or for not granting a license.

Sec. 5-140. Local agent required.

When the owner of a short-term rental property is not a natural person domiciled within El Paso or Teller County, Colorado, the owner shall appoint a natural person who is domiciled within either El Paso or Teller County, Colorado, to serve as the local agent of the owner for service of any notices related to the property or its license. An owner shall notify the Town in writing of any change in the appointment of a local agent within seven (7) days of such change.

Sec. 5-141. Fees.

- (a) Applicants for short-term rental licenses, or the renewal thereof, shall pay the fee as set by resolution of the Board of Trustees at the time of application submittal.
- (b) A person wishing to appeal a decision of the Town Manager under this Article shall do so in writing to the Town Clerk and shall pay the fee as set by resolution of the Town Board.

Sec. 5-142. Posting requirements

- (a) An owner shall post the license, or a true copy thereof, conspicuously within the rental property for which such license has been issued.
- (b) An owner shall display its license number on the face of any advertisement. For purposes of this Section, the term "advertisement" means the act of drawing the public's attention online, in print, or via any other posting to a short-term rental to promote the availability of the short-term rental.

Sec. 5-143. Enforcement

- (a) It is unlawful to violate any provision this Article.
- (b) The Town may enforce the requirements of this Article by any or all of the following:
 - (1) The Board of Trustees, after reasonable notice and a hearing, may revoke any license, based upon a violation of this Article.
 - (2) The Town Manager may refuse to renew a short-term rental license for any reason provided in this Article and may prohibit an owner from re-applying for a short-term rental license for one (1) year following revocation or non-renewal.

- (3) Persons found of violating any provision of this Article shall be punished in Municipal Court as hereinafter provided. Each separate act in violation of this Article, and each and every day or portion thereof during which any separate act in violation of this Article is committed, continued, or permitted, shall be deemed a separate offense.
 - a. First offense: \$250 fine
 - b. Second offense: \$500 fine
 - c. Third offense: \$1,000 fine and one-year suspension of the license.
- (4) The above penalties may be in addition to other penalties the Municipal Court sees fit, including a suspension of a portion of the fine.
- (5) If the violation involves an immediate threat of health and safety, the Town Manager may, in writing sent or posted in a conspicuous place on the licensed premises, order that all rental activity on the licensed premises cease until further notice from the Town Manager. It shall be unlawful for any person to fail to comply with a Stop Renting Order.
- (6) Properties found to be renting without a valid short-term rental license are subject to a \$250 fine for each day the property is rented without holding a valid license and shall be issued a Stop Renting Order until compliance is met. If no licenses are available, the operator must stop renting and apply to be on the waiting list.
- (7) Any remedies provided for in this Article shall be cumulative and not exclusive and shall be in addition to any other remedies provided by law.
- Section 2. Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or enforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.
- <u>Section 3</u>. <u>Safety</u>. The Board of Trustees finds that the adoption of this Ordinance is necessary for the protection of the public health, safety, and welfare.
- <u>Section 4.</u> <u>Effective Date.</u> This Ordinance shall become effective 30 days after publication.

ADOPTED AND ORDERED PUBLISHED the 1st day of November 2022, at the Green Mountain Falls Town Hall, 10615 Green Mountain Falls Road, Green Mountain Falls, Colorado 80819.

Todd Dixon, Mayor

ATTEST:

Nate Scott, Town Clerk/Treasurer

Published in the Pikes Peak Courier, November 9, 2022.