

TOWN OF DOLORES, COLORADO

ORDINANCE NO. 552 SERIES 2020

AN ORDINANCE AMENDING TITLE 5 OF THE DOLORES MUNICIPAL CODE AND ARTICLES II AND III OF THE DOLORES LAND USE CODE ALLOWING FOR AND REGULATING SHORT-TERM RENTALS

WHEREAS, The Town Trustees desire to maintain effective zoning and development regulations that implement the vision and goals of the Comprehensive Plan while being flexible and responsive to the community's desires and market conditions and has directed that the Code be reviewed and amended as necessary.

WHEREAS After public notice and public hearing as required by the Dolores Land Use Code and applicable law and regulations, the Town of Dolores Planning and Zoning Commission recommended approval of proposed changes to the Dolores Land Use Code to allow and regulate Short-Term Rentals.

WHEREAS After public notice and public hearing, the Town of Dolores Board of Trustees finds that the proposed amendments to the Town of Dolores Land Use Code are necessary to maintain effective regulation of Short-Term Rentals.

WHEREAS, the Board of Trustees has further determined that it is in the best interests of the health, safety and welfare of the inhabitants of the Town to exercise its express statutory authority to establish reasonable regulations concerning Short-Term Rentals and to amend the Dolores Land Use Code and the Dolores Municipal Code as set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF DOLORES:

SECTION 1. A new Section 5.04.010 C. under Article V is added to the Dolores Municipal Code as follows:

C. *A business license is required to operate a Short-Term Rental in the Town of Dolores as further defined in and regulated by the applicable provisions for Short-Term Rental Regulations set forth in the Dolores Land Use Code as amended from time to time.*

SECTION 2. The following definitions are added to Section B of Article II of the Dolores Land Use Code:

Accessory Dwelling Unit: A residential unit that is located on the same lot as a primary residential dwelling unit, either internal to or attached to the primary residential dwelling unit or in a detached structure.

Bed and Breakfast: An owner-occupied, single-family detached dwelling unit that includes guest rooms offered as short-term lodging for compensation to the travelling and vacationing public. Guest rooms or suites may include a private bath but shall not include cooking facilities. Breakfast and other meals, services, facilities, or amenities may be offered exclusively to guests.

Boarding or Rooming House: An owner-occupied, single-family detached dwelling unit in which the owner rents individual rooms and the individual rooms do not have individual cooking/restroom facilities. The unit is designed to serve as the residence of individuals subject to the following:

1. Rooms may be rented on a monthly basis.
2. The rooms are generally furnished by the owner.
3. Communal cooking and restroom facilities are provided.
4. Owner provides some housekeeping and linen services.
5. The relationship between owner and resident is that of a landlord/tenant with references and deposits required of the resident.
6. Rooms rented for a period of less than 30 days shall be deemed a short-term rental.

Booking Service: Any person or entity that facilitates short-term rental reservations and collects payment for lodging in a short-term rental.

Closely-Held Corporation: Pursuant to Colorado Statutes, an entity with no more than three owners.

Eligible residential structure: an "eligible residential structure" for purposes of this code means a structure with an occupancy for single family use as permitted under the Town's adopted building codes.

Limited Liability Company: Pursuant to Colorado Statutes, a company in which the members and managers are not liable for a debt or obligation of the company.

Long-Term Tenant: A person who occupies land or property rented from a property owner for 30 days or longer.

Party House: A residential dwelling unit, including all accessory structures, that is rented or used for the purpose of hosting a social, business, or commercial event that is open to more people, either as private invitees or members of the public, than the maximum unit rental capacity calculated at 2 adults per bedroom.

Residential Structure or Space: to be eligible for use as a short-term rental, a structure or space within a structure shall have an established building code occupancy for residential use and shall be a permitted or legally nonconforming use within the applicable zone district.

Short-Term Rental (STR): the renting, or offer to make available, (by way of a rental agreement, lease, license, or any other means, whether oral or written) for compensation or consideration, of residential property, a dwelling unit, or a portion thereof, for a period of 30 consecutive days or less to a transient guest.

Short-Term Rental Categories:

Category 1: Full-Time Use: A dwelling unit that is not owner-occupied and is primarily used or made available for short-term rentals.

Category 2: Part-Time Use: A dwelling unit that is owner-occupied for more than 180 days per calendar year and that is rented as an entire unit during the time when the owner is not in residence.

Category 3: Accessory Dwelling Unit Use: A dwelling unit with an ADU where either the primary home or the ADU are owner-occupied and the other unit is made available for short-term rentals on a periodic basis.

Category 4: Accessory Space Use: A bedroom or other habitable space offered for short-term rental within an owner-occupied dwelling unit.

Category 5: Residential Unit in Mixed-Use or Commercial District: A residential structure or space located in a mixed-use or commercial district where lodging is a permitted use.

Short-Term Rental Guest: A person who occupies a room in a hotel, motel, or tourist court as well as a bed and breakfast or short-term rental for a period less than 30 days.

Short-Term Rental Unit: A residential dwelling unit, or portion of such a unit, that is rented by a transient guest for compensation or consideration for less than 30 days at a time; does not include dwelling units owned by the federal government, the state, or the Town, or any of their agencies, or facilities licensed by the state as health care facilities.

SECTION 3. The Permitted Use Table under Article III of the Dolores Land Use Code is amended to include the following uses:

Current LUC	LLR	n/a	R1	n/a	MR F	n/a	MH	CB 1+ 2	CH	n/a	n/a	P	R10	R35
2021 LUC, when adopted	LL R1	LL R2	N R1	N R2	N R3	N M U	M HP	D M U	H M U	IN D	P1	P2	R 10	R 35
Key: /P/ Permitted Use /PL/ Permitted with Use Limitations /C/ Conditional Use /--/ Not Permitted														
Commercial														
Short-Term Rentals	PL	PL	PL	PL	PL	PL	--	PL	PL	PL	--	--	PL	PL

SECTION 4. A new Section 0 is added under Article III of the Dolores Land Use Code as follows:

O. REGULATION OF SHORT-TERM RENTALS

1. Purpose and Intent: This section of the Dolores Land Use Code shall be known as the "Short-Term Rental Regulations." The purpose of the Town of Dolores Short-Term Rental Regulations is to:

- i. Maintain the character of residential neighborhoods in Dolores.
- ii. Preserve long-term rental residential properties for the residents of Dolores and surrounding local communities.
- iii. Facilitate the permitting of short-term rental units subject to appropriate restrictions and standards.
- iv. Allow for varied accommodations and experiences for visitors.
- v. Establish a licensing and permitting system to ensure that all taxes including sales and lodging taxes, fees, and fines related to short-term rentals are both assessed and current.

vi. *Map the location of short-term rental properties within the community with the purpose of measuring their concentration and impact in order to reevaluate the effectiveness of these regulations on a regular basis.*

vii. *Protect the health, safety and welfare of guests and occupants of Short-Term Rentals and the residents of the Town of Dolores.*

viii. *The Dolores Board of Trustees intends for these Short-Term Rental Regulations to be supportive of both neighborhood conservation and local businesses in the Town. The Board may adjust the total number of permits issued annually as necessary to meet the purposes of these regulations.*

b. *Applicability*

i. *It shall be unlawful for any person to operate any short-term rental unit without a valid short-term rental permit, as approved pursuant to the provisions of this Short-Term Rental Regulations and other applicable provision of the Dolores Land Use Code.*

ii. *The short-term rental permit shall be issued to the specific owner of the property and does not run with the property. The permit shall not be transferred or assigned to another individual, person, entity, or address, but may be managed by a third party on behalf of the owner.*

iii. *A short-term rental permit shall only be issued to:*

(1) *A natural person whose name appears on the deed of the property.*

(2) *A trust, if the beneficiary of the trust is a natural person; or*

(3) *A not-for-profit corporation licensed pursuant to Section 501(c) of the Internal Revenue Code.*

(4) *Limited Liability Company or a closely held corporation with three or fewer members or shareholders who are natural persons.*

iv. *Nothing in this section shall limit the ability of a property owner; property covenants, conditions, and restrictions (CC&Rs); homeowners' association or similar association from prohibiting or further limiting the short-term rental of property where the authority to do so exists.*

v. *Nothing in this section shall prohibit the operation of a hotel, motel, or bed and breakfast inn where such use is permitted.*

c. *Where Permitted*

i. *Short-Term Rentals are permitted in all zones except the MH – Mobile Home and P – Public zones where all Short-Term Rentals are expressly prohibited.*

ii. *Located in a Habitable Structure*

Short-term rentals shall be located in a habitable structure that complies with the Dolores LUC and applicable Town building and life safety codes adopted under Title 15 of The Dolores Municipal Code as may be amended from time to time and shall not be located in:

(1) *Non-residential areas within buildings or accessory structures (e.g., shed, garage),*

- (2) *Commercial (office/retail) or industrial (warehouse) spaces, or*
- (3) *Outdoors in a temporary structure (e.g., tent, yurt, treehouse, or other similar structure) or in a recreational vehicle, mobile home, travel trailer, commercial or passenger vehicle or trailer, or any portable storage unit.*

iii. *Maximum Number of Permits*

- (1) *Categories 1, 2, and 5: A maximum of number of short-term rental permits equal to 7% of the Town's eligible residential structures and spaces may be issued in Dolores for any one-year period. The number of eligible residential structures and spaces for any given year shall be determined by the Building Official within 30 days after adoption of this ordinance and by January 15 of each year thereafter. In any year where the maximum number of permits has been issued, whether new or renewal, no additional permits will be issued.*
- (2) *Categories 3 and 4: Short-term rental permits are required for ADUs and accessory spaces. There is no maximum limit on the number of permits the Town may issue in these categories.*
- (3) *No more than one permit shall be issued per structure.*
- (4) *A short-term rental permit may not be issued for a permanently affordable dwelling unit.*
- (5) *Short-Term Rentals in existence at the time of adoption of this Short-Term Rental Regulation shall be subject to all of the requirements of this Regulation, the Dolores Land Use Code, and the applicable provisions of Title 15 of the Dolores Municipal Code. The owners of existing Short-Term Rentals shall apply for and obtain a Short-Term Rental Permit not later than 60 days after the effective date of the ordinance adopting this Short-Term Rental Regulation or shall be deemed to be in violation hereof.*

d. *Generally Applicable Requirements*

i. *Use*

- (1) *Short-term rentals shall be used for lodging purposes only.*
- (2) *A short-term rental may not include simultaneous rental to more than one party under separate contracts.*
- (3) *Use of the short-term rental unit as a party house for any commercial or large social events or gatherings, such as weddings, is prohibited. These uses may be permitted through the Town's temporary use permit or special event process.*
- (4) *Overnight guest occupancy for Short-Term vacation rentals shall not exceed the maximum number of allowable overnight guests permitted by the applicable building codes adopted by the Town of Dolores under Title 15 of the Dolores Municipal Code as determined by the Building Official and stated in the permit.*
- (5) *During the daytime, maximum number of total guests and visitors allowed at any time in a short-term vacation rental shall not exceed the maximum overnight occupancy plus six (6) additional persons per property, or fourteen (14) persons, whichever is less.*

ii. *Noise*

(1) Quiet hours shall be from 10:00 p.m. to 7:00 a.m. and no outside assembly of more than the maximum overnight occupancy shall be permitted during this period.

(2) Outdoor amplified sound (microphone or speaker system) shall not be allowed at any time. This provision does not apply to casual music from personal music devices or similar situations that are typical of residential surroundings.

(3) Pets if allowed by owner shall be secured on the property at all times. Continual nuisance barking by unattended pets is prohibited.

iii. Outdoor Fire Areas

Outdoor fire areas, when not prohibited by state or local fire codes, may be allowed but shall be limited to three feet in diameter, shall be located on a non-combustible surface, shall be covered by a fire screen, and shall be extinguished as soon as it is unattended or by 10:00 p.m. whichever is earlier.

iv. Taxes and Insurance

(1) The owner shall obtain a business license from the Town of Dolores.

(2) The owner shall be responsible for payment of all applicable sales and lodging taxes.

v. Advertising

All short-term rental advertising shall include the Dolores Short-Term Rental Permit number and the maximum unrelated occupancy permitted in the unit pursuant to the currently adopted International Building Code or International Residential Code, as applicable.

vi. Health, Safety, and Code Compliance

(1) Short-Term rental units must remain compliant with all zoning, parking, building, fire, noise, and other applicable Town codes.

(2) The short-term rental unit shall be equipped with operational smoke detectors, carbon monoxide detectors, 2A:10B:C fire extinguisher, and other life safety equipment as may be required by the Town.

(3) Parking in private driveways shall be utilized first with overflow parking on the street where permitted. Parking on-site in non-driveway areas (e.g., setbacks or yards) shall be prohibited. Where on-site parking is not available, the property owner shall instruct the renter where to find the closest legal parking, which may include on-street parking.

(4) Short-Term Rental permit holders will encourage guest parking limited to the frontage of the permitted STR and shall otherwise comply with the parking requirements of the zone in which the Short-Term Rental is located.

(5) The owner shall maintain weekly trash collection services. Garbage/refuse containers shall not be left out at the collection point 24 hours after collection and property shall be free of trash and debris.

vii. Contact Information and Renter Notifications

(1) Local contact and guest information: Each vacation rental shall have a designated local contact person(s). The local contact may be a property management/real estate company, rental agent or other

person engaged or employed by the owner to rent, manage or supervise the vacation rental. A property owner may designate themselves as the local contact person if the owner meets the criteria of this section. The local contact must reside within a thirty-minute (30) drive of the rental property and be available twenty-four (24) hours a day 365 days a year during tenancies for timely response to guest and neighborhood questions and concerns. An alternate local contact shall be designated, available and meet the criteria of this section when the primary is not available. All local contacts shall list their name and telephone/cell number and it shall be provided to the Town of Dolores on the application for a short-term rental which shall be made available to the Town Marshal. Any change to the contact(s) name or telephone/cell number shall be submitted to the Town within twenty-four (24) hours of the change.

(2) Each rental unit shall also display the following information in a prominent interior and easy to access location:

- (a) The short-term rental permit number.
- (b) A copy of the Dolores Short-Term Rental Regulations.
- (c) Site-specific instructions about parking locations and trash pick-up.
- e. Short-Term Rental Permit
 - i. Application Contents

In addition to any other information prescribed by the Zoning Administrator, an application for a short-term rental permit shall include the following information:

- (1) Contact information for the owner of the property.
- (2) Local contact and guest information: Each vacation rental shall have a designated local contact person(s). The local contact may be a property management/real estate company, rental agent or other person engaged or employed by the owner to rent, manage or supervise the vacation rental. A property owner may designate themselves as the local contact person if the owner meets the criteria of this section. The local contact must reside within a thirty-minute (30) drive of the rental property and be available twenty-four (24) hours a day 365 days a year during tenancies for timely response to guest and neighborhood questions and concerns. An alternate local contact shall be designated, available and meet the criteria of this section when the primary is not available. All local contacts shall list their name and telephone/cell number and it shall be posted in a prominent location within the vacation rental and the contact information shall also be provided to the Town of Dolores on the application for a short-term rental. Any change to the contact(s) name or telephone/cell number shall be submitted to the Town within twenty-four (24) hours of the change.
- (3) Attestation and agreement to comply with the requirements of this section.
- (4) Identification of all dwelling units that will be rented on a short-term basis.
- (5) A zoning development permit with confirmation of a passed building, fire, and life safety inspection.
- (6) The URL (i.e., the website address) and names of any booking services for any and all advertisements of the short-term rental of the property.

(7) *Attestation that short-term rental of the property is not prohibited by Covenants, Conditions and Restrictions (CC&Rs), or rules or restrictions of a homeowners' association or similar association, and that applicant has notified such association that the property owner is applying for a short-term rental permit. Proof of notification must be retained for the duration that the applicant maintains a short-term rental permit for the property.*

(8) *If seeking a short-term rental permit in a multifamily structure, contact information, including a phone number, for all tenants. Copies of the leases for all tenants, and proof of ownership of entire building must be provided within 10 days of a request for such information.*

(9) *Payment of a permit fee the amount of which shall be established from time to time by the Board of Trustees of the Town of Dolores by resolution.*

ii. *Review*

The Zoning Administrator shall review an application for a short-term rental permit for compliance with these regulations. The Zoning Administrator shall not approve an application for a short-term rental permit (or renewal of such permit), or may revoke such permit, if any of the following findings are made:

(1) *The applicant has not paid all applicable sales and lodging taxes due for the short-term rental or property on which it is located.*

(2) *The property has any outstanding code enforcement violations.*

(3) *The property does not comply with all applicable codes regarding fire, building and safety, and other relevant laws and ordinances.*

(4) *The applicant has knowingly made any false, misleading, or fraudulent statement of material fact in the application, or in any report or statement required to be filed that is related to the application.*

(5) *The property that is the subject of the application is not in a condition where it may be immediately rented on a short-term basis consistent with the requirements of these regulations.*

(6) *The property has received more than two citations for violation of the Land Use Code, parking, noise ordinance, or outdoor lighting regulations within a period of 12 consecutive months.*

iii. *Notice of Approval*

When a short-term rental permit is approved, the Zoning Administrator shall provide, at the owner's expense, the contact information for the owner's agent to all dwelling units adjacent to or across the street from the parcel boundary.

iv. *Duration and Renewal*

(1) *Short-term rental permits shall be issued for one year and must be renewed annually.*

(2) *An application to renew a short-term rental permit must be received by the Zoning Administrator not less than sixty days prior to the expiration of the short-term rental permit.*

(3) *Applications for renewal shall be in a form required by the Town and shall include updates of all information required or submitted for the permit.*

(4) No permit shall be renewed unless all Town fees and taxes owed by the applicant are paid in full, including the renewal fee.

(5) Applications for renewal shall include a passing annual fire/life safety inspection conducted by the town Building Official. *Effect of Denial or Revocation*

(a) If an application for a short-term rental permit (or an application for renewal of such permit) is denied, the Zoning Administrator shall not approve a new application for that applicant and location for a 12-month period after the denial unless the Zoning Administrator determines that the reason for the denial has been cured and no longer exists. An applicant who has requested review based on cured circumstances but who is then again denied must wait the full 12-month period following the cured circumstances request before submitting a new application.

(b) If a short-term rental permit is revoked, the short-term rental of the property must cease immediately and shall not be permitted for a period of 12 months from the date of revocation.

(c) The short-term rental of property (or advertisement or offer of such rental) after denial or revocation of a short-term rental permit shall result in the property and applicant being ineligible to conduct the short-term rental of property (or apply for a short-term rental permit) for an additional six-month period for each such rental; such period is in addition to the prohibitions listed in sections (a) and (b) above.

(d) No fee refunds shall be issued to any permittee whose short-term rental permit is revoked.

f. Enforcement, Violation, and Penalties

i. In addition to the other penalties and remedies available to the Town, violations of this section shall be subject to a fine of \$ 500 per day or violation.

ii. The short-term rental permit holder shall be held responsible for citations for violations of the municipal code committed by persons at the property during a period when the property is rented on Short-Term rental basis.

g. Review by Board of Trustees

The Board of Trustees will calendar this Short-Term Rental Regulation for review not later than two years from the date of its adoption to evaluate its effectiveness and whether the maximum number of permits issued should be adjusted.

SECTION 5. The initial permit fee for a Short-Term Rental is established at \$100.00 per year and may be amended by the Trustees by resolution from time to time without amendment of this ordinance.

SECTION 6. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 7. This Ordinance shall take effect June ____, 2021 or thirty (30) days after final publication whichever is later.

PUBLIC HEARING. This ordinance shall be considered for second or final reading on the 14th day of June _____, 2021, in the Town Board Chambers in Town Hall, Dolores, Colorado, at which time and place all persons may appear and be heard concerning the same.

Passed adopted and approved on the first reading this 24th day of MAY, 2021.

DOLORES BOARD OF TRUSTEES:

By: *Chad Walker*



Attest:

By: *Keely*

Passed adopted and approved on the second and final reading this 14th day of JUNE, 2021.

DOLORES BOARD OF TRUSTEES:

By: *Chad Walker*



Attest:

By: *Keely*