TOWN OF MT. CRESTED BUTTE ORDINANCE NO. 8 SERIES 2023

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF MT. CRESTED BUTTE, COLORADO, AMENDING SECTIONS 11-3, 11-6, AND 11-7 OF THE CODE OF THE TOWN OF MT. CRESTED BUTTE CONCERNING SHORT-TERM RENTAL REGULATIONS

WHEREAS, the Town of Mt. Crested Butte, Colorado is a home-rule municipality organized under Article XX of the Colorado Constitution and governed by its elected Town Council ("Council"); and

WHEREAS the Council is authorized to enact ordinances governing land use and licensing matters; and

WHEREAS, in the exercise of that authority the Council has previously adopted short-term rental regulations codified as Article II of Chapter 11.

WHEREAS, the Council has determined that the short-term rental of accommodation units has impacts upon adjacent properties, public services and the public health, safety, and welfare generally, and

WHEREAS, staff recommends further amendments to the short-term rental code to strengthen administrative enforcement, provide licensees an appeals process for adverse actions against short-term rental licensure, and clarify the legal responsibility for those short-term rentals operating without a license; and

WHEREAS, the Council wishes to amend its regulations relating to short-term rentals as necessary to clarify certain provisions and to further address enforcement of violations or related to properties being advertised or short-term rented without a license.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MT. CRESTED BUTTE, COLORADO, AS FOLLOWS:

<u>Section 1</u>. Chapter 11, Article II, Section 11-3(a) concerning short-term rental license requirements, is hereby amended to read as follows:

Sec. 11-3 Short-term rental license requirements.

(a) License required. All short-term rentals, with the exception of buildings mandated to be short term rented by covenant or law, shall be licensed under the terms and provisions of this article prior to renting a property or listing it as a short-term rental in any fashion, whether individually, or through a broker or other advertising site. A short-term rental license may be issued in all zoning districts. Short-term rental licenses are valid only for the property for which the license is issued and are not transferrable upon conveyance of the property.

A license application for which no license has been issued within sixty (60) days of the date the application is submitted to the town shall be deemed denied and no further action by the town shall be undertaken, unless an extension is granted by the Town upon the applicant showing good cause for an extension. Upon conveyance of a licensed property to a new owner, the new owner shall have sixty (60) days to APPLY FOR AND receive a new license from the Town without being in violation of this chapter. THE PREVIOUS OWNER'S LICENSE SHALL AUTOMATICALLY TERMINATE AT THE EXPIRATION OF THIS SIXTY (60) DAY PERIOD OR UPON ISSUANCE OF A LICENSE TO THE NEW OWNER, WHICHEVER OCCURS FIRST.

The Town shall maintain a document entitled "STR Guide" that is consistent with the terms of this article, and which is intended to assist owners in obtaining a short-term rental license, as well as written policies to address whether an extension may be warranted.

In order to obtain a license, an applicant must submit or obtain:

(1)...

(8) Local Representative. The applicant (licensee) must identify and provide contact information for a local representative qualified and capable of providing property maintenance repair who is located within a forty-five (45) minute drive of the property. The local representative shall be on call full time (24/7), shall have physical access to the STR, and shall be authorized to make maintenance and repair decisions regarding the STR on behalf of the licensee. The local representative is also responsible for responding to complaints within forty-five (45) minutes. The local representative may be a property management company. It is the owner's responsibility that the name and contact information for the local representative is provided to the Town throughout the term of the license any time the local representative changes. The STR licensee must submit a new local representative form within ten (10) days of a change in their local representative, or their license MAYwill be revoked PURSUANT TO SECTION 11-6...

Section 2. Chapter 11, Article II, Section 11-6 Enforcement, is hereby amended to read as follows:

Sec. 11-6 Enforcement.

A SHORT-TERM RENTAL SHALL BE THE LEGAL RESPONSIBILITY OF ALL INDIVIDUALS WHO HAVE OWNERSHIP, POSSESSION, OR CONTROL OF THE PREMISES OR ITS OPERATION AS A SHORT TERM RENTAL, WHETHER AS OWNER, CO-OWNER, OCCUPANT, TENANT, OR AGENT OF ANY OF THE SAME AND SUCH PARTIES The property owner of any property licensed as a STR shall be JOINTLY AND SEVERALLY liable for any violations of this article as well as applicable provisions of the Town of Mt. Crested Butte Town Code. IN ADDITION, ANY OTHER PERSON, REGARDLESS OF THEIR RELATIONSHIP TO THE SHORT-TERM RENTAL, SHALL BE LIABLE FOR A VIOLATION OF THIS CODE FOR ADVERTISEMENT OR RENTAL OF A SHORT-TERM RENTAL WITHOUT BEING A LICENSEE.

The failure to license a STR constitutes a violation of this article in addition to any other violations.

The Town may enforce the requirements of this article by any or all of the following means:

- (a) The Town may issue a warning letter complying with section 11-7 to any person or entity renting a property as a STR without a license, or for any other violations of the Town Code, providing a date for cessation or compliance and providing an invoice detailing sums due to the Town for such violation, including attorney fees and costs incurred by the town in attempting to obtain compliance.
 - (b) The Town may suspend, revoke or refuse to renew an STR license.
 - (1) WHENEVER THE TOWN SUSPENDS, REVOKES, OR REFUSES TO RENEW AN STR LICENSE, THE TOWN SHALL STATE THE GROUNDS FOR SUCH ACTION IN A NOTICE ISSUED PURSUANT TO SECTION 11-7. WITHIN THIRTY (30) DAYS FOLLOWING THE MAILING DATE OF THE NOTICE, THE LICENSEE MAY REQUEST AN ADMINISTRATIVE HEARING APPEALING THE TOWN'S DECISION. SUCH HEARING SHALL BE GOVERNED BY THIS SECTION AND NOT CODE SECTION 21-24. THE HEARING SHALL BE CONDUCTED BY A HEARING OFFICER DESIGNATED BY THE TOWN MANAGER. NOTICE OF THE HEARING SHALL BE MAILED TO THE LICENSEE AT LEAST FOURTEEN (14) DAYS BEFORE THE HEARING DATE PURSUANT TO SECTION 11-7. THE HEARING OFFICER SHALL DETERMINE WHETHER THE REASONS FOR THE TOWN'S DECISION IN FACT EXIST. THE HEARING OFFICER'S DECISION SHALL BE FINAL, SUBJECT TO JUDICIAL REVIEW.
- (c) The town may prosecute a civil action pursuant to Town Code provisions applicable to the violation.
 - (d) Fines for violation of this article are:
 - (1) Up to one thousand dollars (\$1,000.00) per day the unit is advertised or rented without a license.
 - (2) Up to two hundred dollars (\$200.00), for an online listing missing STR number or failure to post required items in listing.
 - (3) A fine of not more than two thousand six hundred fifty dollars (\$2,650.00) per day for violation of any other provision of the article or Code, such fine amount to be determined by the municipal court judge, plus attorney fees and costs.

Each day any violation of any provision of the Code shall continue shall constitute a separate violation for which fines may be assessed.

If a license is revoked, the Town shall not accept an application for a new license for the same property for a period of twenty-four (24) months from the date a license is revoked, unless ownership of the property has transferred to a new owner with no legal or other affiliation to the ownership on the date of revocation.

<u>Section 3</u>. Chapter 11, Article II, Section 11-7 notice for short-term rental notices, is hereby amended to read as follows:

Sec. 11-7 Notices.

Any notice required by this article is sufficient if mailed by first-class mail to the address provided by the owner of the property on the most recent license application. IN THE CASE OF NOTICE TO A NON-OWNER, NOTICE IS SUFFICIENT IF POSTED IN A CONSIPICOUS LOCATION AT THE SHORT-TERM RENTAL PROPERTY OR IF PERSONALLY SERVED.

<u>Section 4</u>. Severability. Should any section, clause, phrase, or provision of this ordinance be ruled invalid or unenforceable by any court of competent jurisdiction, it is hereby declared the intent of the Town Council of the Town of Mt. Crested Butte, Colorado, that the remaining provisions of this ordinance be given full force and effect if it is possible to do so.

INTRODUCED, READ, APPROVED, AND ORDERED PUBLISHED on first reading at a regular meeting of the Town Council of the Town of Mt. Crested Butte, Colorado, this 19th day of September 2023.

PASSED, ADOPTED, AND APPROVED ON SECOND READING at a regular meeting of the Town Council of the Town of Mt. Crested Butte, Colorado, held the 17th day of October, 2023.

TOWN OF MT. CRESTED BUTTE, COLORADO

By: Janet Farmer, Mayor Pro Tem

Tiffany O'Connell, Town Clerk