#### **ORDINANCE NO. 712**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HAYDEN, COLORADO, PERMITTING, REGULATING AND LICENSING SHORT-TERM RENTALS, AND MAKING CONFORMING AMENDMENTS TO TITLE 5 OF THE HAYDEN MUNICIPAL CODE; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Hayden Town Council desires to create to permit, regulate and license Short-Term Rentals as such are defined in Title 7, Hayden Development Code, of the Hayden Municipal Code; and

**WHEREAS**, the Hayden Town Council desires to establish application procedures and licensing regulations concerning said Short-Term Rentals.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HAYDEN, COLORADO, THAT:

Section 1. Chapter 5.25 is hereby added to Title 5 of the Hayden Municipal Code to read as follows:

## CHAPTER 5.25 LICENSING OF SHORT-TERM RENTALS

### 5.25.010 Purpose and Intent.

- A. The purpose of this Chapter is to establish comprehensive regulations to safeguard public health, safety and welfare by requiring licensing of short-term rental properties in the Town of Hayden (Town).
- B. This chapter applies to accommodations for rent or lease in exchange for remuneration for a period of less than thirty (30) consecutive days, and in which such accommodations are a person's primary residence.
- C. This chapter is not intended to supersede any private conditions, covenants or restrictions applicable to a short-term rental unit nor to regulate other types of lodging accommodations that may be permitted to operate in the Town.

#### 5.25.020 Definitions.

The following words and phrases, when used in this Chapter, shall have the meanings ascribed to them in this Section:

- A. "Dwelling unit" means one (1) or more habitable rooms constituting a unit for permanent occupancy, having but one (1) kitchen together with facilities for sleeping, bathing, and which unit occupies a structure or a portion of a structure.
- B. "Licensed premises" means the premises specified in an approved application for a license under this Chapter which are owned or in the possession of the licensee and within which such licensee is permitted to provide short-term rental in accordance with the provisions of this Chapter and Title 7, Hayden Development Code.
- C. "Primary residence" means the place in which a person's habitation is fixed for the term of the license and is the person's usual place of return. A person can have only one (1) primary residence.

D. "Short-term rental" means any dwelling unit offered, provided, or operated as lodging accommodations to guests in exchange for remuneration for a period of less than thirty (30) consecutive days. This definition does not include offering use of one's property to another where no fee is charged and collected, and also specifically excludes use of recreational vehicles, travel trailers, or mobile homes located in a mobile home, trailer or RV park.

## 5.25.030 License Required; Term of License; Renewal Application

- A. It shall be unlawful to offer, provide or operate a short-term rental in the Town without first obtaining a license as provided in this Chapter and in compliance with any and all applicable laws and regulations adopted pursuant thereto.
- B. All licenses issued under this Chapter shall be valid for a period of one (1) year from the date of their issuance.
- C. An application for renewal of an existing license shall be made on forms provided by the Town. At the time of the renewal application, each applicant shall pay the requisite fee to the Town as set forth in the Town Fee Schedule and include a copy of any notice of violation of any law or regulation, including disciplinary action against the license.
- D. A short-term rental license may not be renewed if there are causes for denial, suspension, revocation or other licensing sanctions as provide in this Chapter, or rules and regulations promulgated thereto.
- E. Except where the Town 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.

### 5.25.040 Issuance or Denial

A license shall be denied under this Chapter if:

- A. The short-term rental is not the applicant's primary residence. In determining whether a location is the applicant's primary residence for short-term rental licensing purposes, the Town may consider any of the following factors:
  - a. Whether the applicant has or claims any other location for domestic, legal, billing, voting or driver's licensing purposes;
  - b. Whether and how often the applicant returns to the short-term rental or resides at any other location within the calendar year;
  - c. Whether the address listed on an applicant's legal documents or tax assessment records is different than the address of the short-term rental;
  - d. Whether an applicant's business pursuits, employment, income sources, residence for income or other tax purposes, leaseholds, situs of personal and real property, and motor vehicle registration indicate that the short-term rental is the applicant's primary residence;
  - e. Whether the amount of time that the short-term rental has been, or will be, rented within the calendar year indicates the short-term rental is or is not the applicant's primary residence;
  - f. Whether the applicant is actively deployed in the United States military; or
  - g. Whether any other relevant information discovered by the Town or submitted by the applicant indicates that the short-term rental is or is not the applicant's primary residence.

- B. There is good cause to deny the application. The term "good cause" means:
  - a. Evidence that an applicant or licensee has violated, does not meet, or has failed to comply with any of the terms or conditions placed on his license, any city or state law, or any rules and regulations promulgated thereunder, including, but not limited to, Section 7.28.160, Hayden Development Code, as may be amended.
  - b. Evidence that the short-term rental has previously been, or will be, operated in a manner that adversely affects the public health, safety or welfare of the immediate neighborhood in which the short-term rental is located.
- C. The applicant fails to provide a complete application and documentation required herein.
- D. The applicant fails to obtain or maintain insurance in the adequate amounts.
- E. The application fails to comply with any state or local laws, or any rules and regulations adopted pursuant thereto.

# 5.25.050 Application.

- A. Before any license under this Chapter is issued, an application shall be made upon forms provided by the Town. The Town may 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 Town address of the short-term rental:
  - a. A valid Colorado driver's license or a valid Colorado state identification card; and
  - b. At least two (2) of the following documents indicating that the short-term rental is the applicant's primary residence:
    - i. Proof of a valid motor vehicle registration;
    - ii. Proof of voter registration;
    - iii. Federal or state tax returns or other financial documentation;
    - iv. A utility bill; or
    - v. Any other legal documentation deemed sufficient by the Town which is pertinent to establishing primary residency; and
  - c. Proof of possession of the short-term rental, either by valid warranty deed, valid lease, or other verification of the tenant's right to possession of the premises. If the applicant does not own the dwelling unit, the applicant must also provide written documentation from the property owner allowing the applicant to conduct a short-term rental on the proposed licensed premises; and
  - d. Valid State and Town sales tax licenses.
- B. 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.

#### **5.25.060** 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 in any location that is not the applicant's primary residence.
- C. Compliance with Town and State laws. It shall be unlawful to operate a short-term rental that does not comply with all applicable Town 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 purposes 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 at least \$1,000,000 in liability insurance that covers the use of the property as a short-term rental at all times.
- F. Unlawful transactions. It shall be unlawful for any booking service provider to receive payment, directly or indirectly, for an unlicensed short-term rental located in the Town. The provisions of this subsection (F) are entirely strict liability in nature.
- G. Records. It shall be unlawful for any person or entity to fail to comply with Section 5.25.100.
- H. Penalty. In addition to the general penalty provided for in Chapter 1.8, Hayden Municipal Code, a booking service provider who violates subsection (F) or (G) of this section shall be subject to a civil penalty of one thousand dollars (\$1,000.00) per violation per day.

### **5.25.070** Brochures.

Each short-term rental shall provide a brochure on the licensed premises that includes the licensee's contact information, a local responsible party's contact information, and any necessary emergency contract information. For the purposes of this section, "local responsible party" means an individual located in the Town during the entire length of the short-term rental period who has access to the licensed premises and is authorized to make decisions regarding the licensed premises. The brochure shall also provide information pertinent to the neighborhood where the short-term rental is located including, but not limited to, parking restrictions, restrictions on noise and amplified sound, trash collection schedule, relevant watering restrictions, fire evacuation routes, and any other information, as required by the Town, applicable to the short-term rental and the surrounding neighborhood.

## 5.25.870 Licenses Non-Transferable.

No license granted pursuant to this Chapter shall be transferable from one (1) person to another or from one (1) location to another.

## 5.25.090 Disciplinary Actions, Sanctions.

- A. A short-term rental license may be suspended or revoked for any of the grounds for denial set forth in Section 5.25.040 of this Chapter.
- B. Procedures for investigation of license violations and for suspension, revocation or other licensing sanctions as a result of any such violation shall be as proved by rules and regulations promulgated by the Town.

### 5.25.100 Records.

- A. Each short-term rental licensee shall maintain the following records for the past year:
  - a. Total number of nights the short-term rental was rented to a guest; and
  - b. The dates in which the short-term rental was rented by a guest.
- B. Each booking service provider shall maintain the following information for short-term rental transactions facilitated in the Town within the past five years:
  - a. The name of the person who offered the short-term rental;
  - b. The address of the short-term rental;
  - c. The dates for which the short-term rental was booked by a guest;

- d. The price paid by the guest for each short-term rental transaction; and
- e. The short-term rental license number.

The Town shall maintain and make publicly available a list of all licensed short-term rentals within the Town.

### Section 2. Effective Date.

This Ordinance, immediately on final passing and adoption, shall be published by the Town Clerk in accordance with Section 3-3h of the Home Rule Charter and recorded in the Town Book of Ordinances kept for that purpose, authenticated by the signatures of the Mayor and Town Clerk. This Ordinance shall be in force and take effect fifteen (15) days after second publication in accordance with Section 3-3h of the Hayden Home Rule Charter.

## Section 3. Public Hearing

A public hearing on this Ordinance will be held on the <u>3rd</u> day of <u>March</u>, 2022 at or about 7:30 p.m. at the Hayden Town Hall, 178 West Jefferson Ave, Hayden, Colorado.

INTRODUCED, READ, AND ORDERED PUBLISHED PURSUANT TO SECTION 3-3 (d) OF THE HAYDEN HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF HAYDEN, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF HAYDEN, ON THE 17th DAY OF FEBRUARY, 2022.

ATTEST
Sharon Johnson, Town Clerk

FINALLY ADOPTED, PASSED, APPROVED, AND ORDERED PUBLISHED PURSUANT TO SECTION 3-3 (h) OF THE HAYDEN HOME RULE CHARTER, BY THE TOWN COUNCIL OF THE TOWN OF HAYDEN, COLORADO, UPON A MOTION DULY MADE, SECONDED AND PASSED AT ITS REGULAR MEETING HELD AT THE TOWN OF HAYDEN, ON THE

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