

O-2019-3

AN ORDINANCE

AMENDING TITLE 5 OF THE LAKEWOOD MUNICIPAL CODE BY ADDING A NEW CHAPTER 5.55 REGARDING LICENSING OF SHORT-TERM RENTALS IN THE CITY OF LAKEWOOD, COLORADO

WHEREAS, persons who rent their primary residence for a short-term duration within the City of Lakewood should be regulated to protect the public health and welfare of Lakewood residents and the integrity of Lakewood's neighborhoods;

WHEREAS, City Council has determined that licensing persons operating short-term rental property within the City of Lakewood is necessary in order to protect the public health and welfare; and

WHEREAS, City Council recognizes that a period of transition would be appropriate to give Lakewood property owners and managers time to understand the provisions of this Ordinance; therefore, while this Ordinance will become legally binding thirty days after signature, it shall not become enforceable in the City of Lakewood until July 1, 2019.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Lakewood, Colorado, that:

SECTION 1. The Lakewood Municipal Code is hereby amended by the addition of a new Chapter 5.55 to read in full as follows:

**Chapter 5.55 Short-Term Rentals**

**5.55.010 Definitions**

As used in this Chapter, the following words and terms shall be defined as follows:

"Primary Residence" means that place in which a person's habitation is fixed and to which a person has the present intention of returning after a departure or absence therefrom, regardless of the duration of absence. Residence is evidenced by actual daily physical presence, use and occupancy of the primary residence, including whether the Responsible Party has occupied the dwelling for at least six months during the immediately preceding twelve-month period, and the use of the residential address for domestic purposes, including but not limited to slumber, preparation of meals, package delivery, vehicle and voter registration, or credit and utility billings. For purposes of this Chapter, a person shall have only one primary residence.

"Responsible Party" is the applicant for the Short-Term Rental License.

"Short-Term Rental" is a Primary Residence or any portion thereof being rented for thirty (30) days or less.

### **5.55.020 License Required**

- A. It shall be unlawful for any person to rent their Primary Residence for a Short-Term Rental within the City of Lakewood, Colorado, without first acquiring a Short-Term Rental License.
- B. The License is non-transferable.
- C. An applicant for a Short-Term Rental License shall notify the City Clerk of any changes to the information contained in the application within thirty (30) days of such change.

### **5.55.030 Application**

The Responsible Party for a Short-Term Rental License shall file an application for such license with the City Clerk on forms to be provided by the Clerk.

Each application shall include and/or be accompanied by the following:

- A. The name and address of the owner of rental property and proof of ownership.
- B. The name and address of the primary resident and proof of primary residency, as determined by the City Clerk.
- C. The name, address and phone number of the Responsible Party for the short-term rental property. The Responsible Party must reside within the local area and be able to respond in person to complaints or emergencies within one (1) hour and correct violations within a reasonable period of time. The phone number for the Responsible Party shall be answered twenty-four hours a day, seven (7) days a week by a party with authority to address or coordinate problems associated with the dwelling unit. The Responsible Party is always the first number the City will call regarding complaints.
- D. A notarized affidavit signed by the owner of the short-term rental property that appropriate rental insurance coverage for the property exists.
- E. If the Responsible Party is a sub-lessee, a notarized statement from the property owner allowing the sub-lessee to obtain a Short-term Rental license for the property.
- F. A Parking Plan that provides at least one off-street parking space for a renter's use.
- G. Documentation establishing that the Responsible Party has informed the renter of applicable City laws and rules concerning noise, vehicle parking, household garbage, and common area usage.
- H. A completed sales/use tax application form.
- I. A copy of the Rental Brochure for the property, which must include the following:

1. Name of Applicant/Responsible Party
2. Whether the Responsible Party is the Owner or Renter of the Property
3. Name, Address, Phone Numbers, and email address of Owner
4. Name, Address, Phone numbers to include an Emergency Phone Number, and email address of Responsible Party.
5. Acknowledgement of receipt of Lakewood Municipal Code Chapter 5.55, regarding Short-Term Rentals.

#### **5.55.040 Application and License Fee**

Application and License Fees shall be as set by Resolution.

#### **5.55.050 Display of License**

A License shall be prominently displayed in the short-term rental visible to the renter(s) and must be made available for inspection by City Code Enforcement staff.

#### **5.55.60 Recordkeeping**

A Responsible Party must keep records in such order that all Short-Term License rental agreements and payments for same can be audited for payment of taxes by the City.

#### **5.55.070 Denial of Application**

The City Clerk may deny a License application for any of the following reasons:

- A. Non-compliance with any portion of the application process or this Chapter of the Lakewood Municipal Code;
- B. Failure to pay City sales/use/accommodation taxes in a timely manner; or
- C. Nonconformance with any applicable provision of the City's zoning ordinance.

#### **5.55.080 Enforcement and Revocation of License**

- A. Enforcement. Enforcement of this Chapter shall consist of routine compliance monitoring (i.e., tracking unlicensed applications) combined with complaint-based investigation through the City.
- B. Summary Suspension. The City Clerk may enter a summary suspension order for the immediate suspension of any License pending further investigation through a show cause hearing, which could lead to revocation of the License.
- C. Show Cause Hearing. The City may file a Complaint for non-compliance and the Responsible Party shall appear before an Administrative Hearing Officer to show cause which may ultimately result in revocation of the license.
- D. Revocation. If a Short-Term Rental License is revoked, the property address may not be used for Short-Term Rentals unless the ownership of the property changes

and the new owner wishes to use the property as a Short-Term Rental and files the appropriate application.

**5.55.090 Appeal Process**

The Responsible Party may ask for a public hearing in front of a hearing officer to appeal the denial, suspension or revocation by the City Clerk of a Short-term Rental License. The decision of the hearing officer will be final and shall not be appealed further.

SECTION 2. This Ordinance shall become effective thirty (30) days after final publication. However, in order to provide a reasonable period of time for residents and property owners to become familiar with the new licensing system, the City shall not begin enforcing the provisions of this Ordinance until July 1, 2019.

I hereby attest and certify that the within and foregoing ordinance was introduced and read on first reading at a regular meeting of the Lakewood City Council on the 11<sup>th</sup> day of February, 2019; published by title in the Denver Post and in full on the City of Lakewood's website, [www.lakewood.org](http://www.lakewood.org), on the 14<sup>th</sup> day of February, 2019; set for public hearing to be held on the 25<sup>th</sup> day of February, 2019; read, finally passed and adopted by the City Council on the \_\_\_\_\_ day of February, 2019; and signed by the Mayor on the \_\_\_\_\_ day of February, 2019.

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Adam Paul, Mayor

ATTEST:

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Margy Greer, City Clerk

APPROVED AS TO FORM:

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Timothy P. Cox, City Attorney