AGENDA

Housing Policy Commission (HPC)

Tuesday, June 28th, 2022 - 6:00 PM

Virtual Meeting

Join via Zoom at this link
https://lakewood.zoom.us/j/81657888949?pwd=WnhZNXVxc0wvVjdDTVZscWYzczdCUT09

Or by phone:
720-707-2699

Passcode: 037616
Webinar ID: 816 5788 8949

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Housing Policy Commission Members (Appointed 1/24/2022):

Adam Paul -Mayor
Sharon Vincent – Ward 2 (HPC Chair)
Barb Franks – Ward 4
Jeslin Shahrezaei – Ward 1
Anita Springsteen – Ward 3
Wendi Strom – Ward 5

ATTACHMENTS:

- ☐ Draft Minutes of the 4/4/2022 HPC Meeting
- ☐ DRAFT Chapter_5.55___STR LICENSE 102121(4) Governmental regulation (high intensity) 050222.pdf
- ☐ DRAFT Chapter_5.55___STR LICENSE 102121(5) Owner regulation (low intensity)050222.pdf

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1. Call to Order/Roll Call
2. Approval of minutes of the 4/4/2022 HPC Meeting
3. Discussion: Amended Ordinance Drafts regarding licensing Short Term Rentals (STRs)
    a. Review/discussion of draft Ordinance(s)
4. Public comment
5. Discussion: Path forward for HPC and Council consideration of a Draft Ordinance regarding Licensing Short Term Rentals
6. Next Meeting and/or Council Scheduling Information
7. Adjourn

MINUTES (DRAFT – Unapproved)

Housing Policy Commission (HPC)

Thursday, April 4, 2022 - 8:00 PM
Virtual Meeting

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ATTACHMENTS:

- ☐ Chapter 5.55 SHORT-TERM RENTAL LICENSE Policy Determinations Memo

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Call to Order/Roll Call

The meeting was called to Order at 8:23 pm by Chair Sharon Vincent and roll was taken.

Adam Paul -Mayor	Present	Jeslin Shahrezaei – Ward 1	Present
Sharon Vincent – Ward 2 (HPC Chair)	Present	Anita Springsteen – Ward 3	Absent
Barb Franks – Ward 4	Present	Wendi Strom – Ward 5	Present

Staff members Alison McKenney Brown, Greg Graham, Gus Schenk and Robert Smith were in attendance.

10 members of the public were also present.

Approval of the 2/17/2022 HPC Minutes

Chair Vincent opened a discussion and asked for the approval of the 2/17/2022 HPC minutes as drafted.

Motion to approve minutes of the 2/17/2022 HPC meeting.
First by Commissioner Adam Paul
Second by Commissioner Wendi Strom
VOTE:

Adam Paul -Mayor	AYE	Jeslin Shahrezaei – Ward 1	AYE
Sharon Vincent – Ward 2 (HPC Chair)	AYE	Anita Springsteen – Ward 3	ABSENT
Barb Franks – Ward 4	AYE	Wendi Strom – Ward 5	AYE

Motion to approve minutes of the 2/17/2022 HPC meeting was approved by a vote of 5 For, 0 Against & 1 member absent

Discussion: Amended Ordinance Draft Regarding Licensing Short Term Rentals

a. **Three Policy Questions** to be discussed by the HPC

- **QUESTION:** Shall the Short-Term Rental Licensing Code be written with the goal to regulate a "high impact" or a "low impact" business based on the level of impact experienced by the surrounding neighborhood?
  - Chair Sharon Vincent led a discussion on the question. The general consensus of the HPC is STRs should be regulated as a low impact business.
- **QUESTION:** Shall the Short-Term Rental Licensing Code be written to allow STRs to be located in all zoning districts or limited to residential zoning districts?
  - Chair Sharon Vincent led a discussion on the question. Commissioners held general consensus they did not want to allow investor-owned STRs. A variety of housing types could be STRs (SF, Condo, Townhomes, etc.) but in all cases the STR unit must be owner occupied. There was general consensus around the concept of allowing STRs only in owner-

UNAPPROVED

occupied units, that is, where the owner resides. Some examples: The second unit of a duplex is not occupied by the owner and therefore would not be eligible for STR. An owner of a 16-unit apartment building could not reside in one unit and STR the other 15 units.

- **QUESTION:** Traditional Bed and Breakfasts cannot be the only form of lodging that remains unlicensed. Should traditional B and Bs be incorporated into the STR Code or be licensed as a commercial license?
    - Chair Sharon Vincent led a discussion on the question. Commissioners held general consensus STRs and B and Bs should be licensed separately and both should be licensed separately from commercial hotels.

Discussion: Path forward for HPC and Council Consideration of a Draft Ordinance Regarding Licensing Short Term Rentals

The CAO indicated they would, within a few weeks, modify existing drafts of the STR Ordinance to reflect the consensus expressed by the HPC during this 4/4/2022 meeting. The CAO would share those modified drafts with the HPC Commissioners and a next meeting of the HPC could be scheduled.

Next Meeting and/or Council Scheduling Information

The next meeting of the HPC would be determined by receiving modified drafts of the STR Ordinance and the ability to schedule a meeting with the Commissioners.

Adjourn

Chair Vincent adjourned the 4/4/2022 HPC at 9:07 pm.

Respectfully submitted:

_____

Sharon Vincent
Housing Policy Commission Chairperson

_____

Robert Smith
Scribe

Minutes amended and approved by a vote of the HPC Commissioners on _____, 2022.

UNAPPROVED

Chapter 5.55 SHORT-TERM RENTAL LICENSE

5.55.005 Short Title; Intent and Purpose

This Chapter shall hereinafter be known, and may be cited, as the City of Lakewood Short-Term Rental Licensing Code. The intent and purpose of this Short-Term Rental Licensing Code is to ensure that residential properties in the City used for Short-Term rental purposes meet minimum standards of safety and habitability, are operated in a manner compatible and consistent with surrounding residential uses, and comply with applicable sales tax requirements.

5.55.010 Definitions.

As used in this chapter, the following terms shall have the meanings ascribed thereto. Any word or term not defined hereinafter shall be defined in accordance with Chapter 17 of the Lakewood Municipal Code.

A. *Applicant* means an Owner seeking a License pursuant to this Chapter.

B. *Authority* means the Lodging Facility Licensing Authority of the City of Lakewood.

C. *Calls for service (CFS)* means and includes, but is not limited to, any and all calls to law enforcement that result in a law enforcement representative being dispatched or directed to the STR.

1. Calls for service includes:

a. A call to emergency services that results in a response by a law enforcement representative to the STR.

b. Any police-initiated call for service to the STR that results in a criminal report.

c. Any call to emergency services or police-initiated call for service within the STR's surrounding neighborhood regarding activity that results in a criminal report, when such activity is associated with current STR guests and/or invited guests of the STR guests. Any individual attending a party or gathering hosted by an STR guest is a de facto invited guest.

2. Calls for service shall not include traffic citations in which the STR property address is used as the location of violation.

D. *City Clerk* means the City Clerk or designee.

E. *Enforcement Officer* means the City Clerk, or the Clerk's designee. The City Clerk may utilize any applicable inspector or enforcement officer of the City or of the City's fire code enforcement partners to carry out the requirements of this Chapter, including: zoning enforcement officer, building official, code enforcement officer, or law enforcement personnel, any of whom will have all legal powers necessary to enforce this Chapter.

F. *Entity* means any firm, partnership, joint venture, corporation, limited liability company, estate or trust, receiver, trustee, assignee, lessee or any of the foregoing acting in a fiduciary or representative capacity, whether appointed by court or otherwise, or any group or combination of the foregoing acting as a unit, and includes a STR Facilitator. "Entity" shall not include an "Owner" for the purposes of this Chapter.

G. *Hosting Platform* means an entity that facilitates reservations or payments between a Short-Term Rental Licensee and a person seeking lodging accommodations for a period of less than thirty (30) consecutive days.

H. *Individual* means a natural person.

I. *Inspector* means a professional home inspector.

J. *Investigator* means a member of the Police Department.

K. *License* means the license required pursuant to this chapter.

L. *Licensed Premises* means the property upon which a STR is authorized pursuant to a License.

M. *Licensee* means the Owner of a Primary Residence licensed for use as a Short-Term Rental pursuant to this Chapter and to whom such license is granted under this chapter.

N. *Lodging facility* means any place subject to licensing under Chapter 5.56 of the Lakewood Municipal Code.

O. *Lodging room* means and includes any room, guestroom or sleeping accommodation that accommodates one or more guests within a licensed STR.

P. *LPD* means the Lakewood Police Department.

Q. *Owner* means any person that is the record owner of real property as listed with the Jefferson County, Colorado Assessor upon which a STR is located. "Owner" shall also mean any part owner or joint owner of the whole or part of the land or buildings associated with a licensed STR. An owner is the only individual licensed to offer and/or accept payment for any STR, and who retains the right of access to, and control of, the STR. A long-term renter is not an "Owner."

R. *Police Chief* means the Chief of Police of the Lakewood Police Department.

S. *Primary Residence* means a residence which is the usual place of housing for the owner documented by one of the following: Colorado driver's license or Colorado identification card, voter registration, or current state or federal filed income tax returns. A person can only have one primary residence.

T. *Renter* or *Lessee* means the party contracting to rent the STR for a term less than thirty (30) days.

U. *Short-Term Rental* or *STR* means the rental of any real property, or any portion thereof, for not more than twenty-nine (29) consecutive days, excluding hotels, motels, bed and breakfasts, or any other rental of property for habitation purposes licensed in accordance with another Chapter of the Lakewood Municipal Code.

V. *Short-Term Rental Marketplace Facilitator* or *STR Facilitator* means any Individual or entity that:

1. Contracts with a Licensee to facilitate for consideration, whether or not the consideration is deducted as fees from the transaction, the use by a third-party renter of the Licensed Premises as a STR.

2. Engages directly or indirectly, through one or more affiliated Individuals or Entities, in transmitting or otherwise communicating the offer or acceptance between the third party renter and the Licensee for use of a STR; and

3. Either directly or indirectly, through agreements or arrangements with third parties, collects the payment from the third party renter on behalf of the Licensee for use of a STR.

STR Facilitator does <u>not</u> mean or include an Individual or Entity that exclusively provides internet advertising services or lists products for sale, and that does not otherwise meet this definition.

W. *Short-Term Rental Marketplace* or *STR Marketplace* means a physical or electronic forum, including, but not limited to, a store, a booth, an internet website, a catalog or a dedicated sales software application where a Licensed Premises is offered as a STR. This definition includes any Individual or

Entity operating as a hosting platform to facilitate reservations or payments between a Licensee and those seeking lodging accommodations for a period of less than thirty (30) consecutive days.

X. *Zoning Ordinance* means Title 17 of the Lakewood Municipal Code.

5.55.020 License required; Licensing Authority established; Rules and Regulations.

A. It is unlawful for any person to maintain or operate a STR without first obtaining an annual license from the City Clerk's Office.

Existing STRs. All STRs existing within the City of Lakewood upon the effective date of this Code shall apply for a license within 90 days of the effective date of this Code.

Existing Nuisances. All STRs existing within the City of Lakewood upon the effective date of this Code that have, based on data provided by the Police Department, two or more calls for service within the previous 12-month period shall meet with representatives from the LPD to discuss measures to mitigate criminal or nuisance activity occurring on the STR's premises. Such meeting shall occur before an STR license is granted.

~~2. Limited Number of Licenses Issued. No more than three hundred (300) Short-Term licenses shall be valid at any time. If more than 300 requests for STR licenses are received by the City Clerk during any twelve month period the Clerk shall institute a lottery system to award such licenses and shall adopt rules and regulations to implement such lottery system.~~

B. Lodging Facility Licensing Authority (hereinafter, the "Authority") ~~is hereby~~ established in conformance with ~~those provisions of~~ §5.56.020 of the Lakewood Municipal Code, ~~and all such powers and authority granted to the Authority pursuant to Chapter 5.56 of the Lakewood Municipal Code are~~ is hereby appointed ~~granted to~~ the Authority in accordance with carrying out the goals and intent of this Chapter.

C. The City Clerk is hereby authorized to promulgate ~~such~~ rules, regulations and forms ~~as deemed~~ necessary to carry out the provisions of this Chapter.

5.55.030 Application for new license; renewal license.

A. License Form. All applicants for a license issued under this Chapter shall file an application for a license with the City Clerk on forms provided by the City Clerk.

B. New License. The City Clerk shall accept no application that is not complete in every detail. If any application is deposited with the City Clerk and found, upon examination, to contain any omission or error, it shall be returned to the applicant for completion and correction. No further action may be taken upon any incomplete application by the Clerk or Authority. No application shall be deemed complete unless accompanied by the following:

1. The full name and phone number of all Owners of the premises, and designation of the Owner/Applicant.
2. The address of the proposed Licensed Premises and a description or illustration of the area(s) of the premises that will be used for STR purposes.
3. A signed and verified affidavit attesting, under penalty of perjury, that the proposed Licensed Premises is both owned by, and the Primary Residence, of the Owner/Applicant.
4. Proof of insurance that covers the proposed Licensed Premises for use as a STR, which must include commercial liability.
5. A copy of an inspection report, in accordance with §5.55.050, signed and dated by the inspector within thirty days of the application for license.

6. A parking plan that provides a minimum of two (2) parking spaces on the Licensed Premises, either with improved parking surfaces in accordance with Chapter 9.80.020 of the Lakewood Municipal Code, or in a garage or carport. Any additional parking must be confined to the street frontage of the Licensed Premises by both the renters and guest of the renters.

7. A notarized affidavit attesting to all of the following:

   a. The Applicant has followed all requirements of this Chapter;

   b. There are no private rules or covenants prohibiting the use of the Licensed Premises as a STR;

   c. All renters will be informed of applicable City laws and rules concerning noise, vehicle parking, garbage and common area usage;

   d. The Applicant has provided notice to neighbors in accordance with the provisions of this Chapter, including § 5.55.110, and agrees to participate in mediation with any abutting property regarding concerns about STR renters ~~crossing onto~~ impacting such abutting property. Abutting properties include all properties touching the licensed premises, including abutting corners or directly across any street, alley or easement~~.~~;

   e. The Owner/Applicant agrees to accept service of any notice from the City Clerk, including notice of violation of the provisions of this Chapter, at the address of the Licensed Premises either: 1) personally; 2) registered mail, or ~~2~~3) ~~upon~~ by posting of notice upon the Licensed Premises;

   f. The application is complete in all material respects and contains no false, misleading or fraudulent statements; and

   g. The Owner/Applicant has read and understood the entire STR Code, including those provisions associated with enforcement and penalties for submitting fraudulent or misleading documents to the City.

8. A signed and verified affidavit submitted by each property owner attesting, under penalty of perjury, that the proposed Licensed Premises is both owned by and the Primary Residence of the Owner/Applicant.

9. A floor plan of the STR that specifies the number of rooms contained in the STR. The floor plan need not be professionally prepared.

10. A copy of a City sales and use tax license for the STR pursuant to §3.01 of the LMC.

11. A copy of a City hotel/motel accommodations tax license for the STR pursuant to §3.03 of the LMC.

12. Any additional information determined by the City Clerk to be reasonably necessary to evaluate compliance with the requirements of this Chapter.

13. Payment in full of city license and application fees.

C. License renewal. All license renewal applications shall be submitted to the City Clerk on the prescribed forms no later than 45 days prior to the date upon which the license expires, except that the City Clerk, for good cause, may waive the time requirement set forth herein. The forms shall be accompanied by all required fees and such additional materials as required for the initial application as the City Clerk deems necessary for the renewal license. The property safety inspection must be completed as part of the annual license renewal process. The City Clerk shall accept no renewal application that is not complete in every way. The City Clerk shall not grant any renewal unless the licensee has paid all applicable fees and taxes. A License not timely renewed shall expire at the end of its term. The Licensee is prohibited from using the premises as a STR after a License has expired and before a new License is issued.

5.55.040 Application fee; Applicable fees.

The City of Lakewood shall impose fees, adopted by City Council resolution, necessary to defray the costs of training, inspection, mediation, and processing of the documentation ~~of the activities of~~ associated with ~~the~~ STR~~s~~ licensure, all as allowed by law, with such fees to include, but not be limited to, fees for a new license and renewal of a license.

5.55.050 Property Safety Inspection; Investigation.

A. Duty to Comply with Law. Each STR shall comply with all applicable building, fire, housing and health codes.

B. Minimum Property Safety Inspection. Prior to any STR license being approved~~, denied, suspended~~ or renewed, the owner shall have the property inspected by an ASHI certified professional residential property inspector, or residential property inspection company with ASHI certification. The inspector shall inspect the premises for conformance with the provisions of this Chapter and shall provide a safety inspection report on a form provided by the City verifying conformance with the minimum health and safety standards mandated by this Chapter.

C. Minimum Health and Safety Requirements. All STRs shall contain the following: a minimum of one operable fire extinguisher per floor (or more if deemed necessary during the premises inspection), operable carbon monoxide detectors in all rooms used for sleeping purposes, and operable smoke detectors on each floor of the STR. An STR with living or sleeping areas within a basement area shall be equipped with egress windows or other exit systems. Please note: ~~While t~~This Code only mandates minimum health and safety requirements. Property owners who utilize their home as an STR are solely responsible for compliance with -all ~~property owners are civilly liable under any~~ applicable property maintenance laws ~~for any civil harms occurring on their property~~.

D. Additional Investigation; Reports. Any application for a license or license issued pursuant to this Code may be subject to any other investigation deemed necessary by the City Clerk to determine the application's or STR's conformance with any requirement of this Chapter, including, but not limited to investigation of the proposed STR's conformance with the Lakewood Zoning Ordinance or other applicable laws. Any reports of the results of any investigation conducted by any City of Lakewood department shall be delivered to the City Clerk for review. Not less than ten business days prior to the date of any hearing before the Authority to Show Cause why a license should~~uch~~ be denied, suspended or revoked, the City Clerk shall mail the report of findings based on the investigation to the Applicant/Licensee and, upon request, to other interested parties.

5.55.060 Decision - Applications; Appeal.

A. A completed application, including all mandatory components as set forth within this Chapter, shall be administratively approved or denied by the City Clerk within 30 days of the date of the filing of the complete application. The City Clerk shall administratively deny a license application if:

1. The application demonstrates or establishes that the proposed STR fails to conform to any requirement of this chapter, including the type of dwelling unit, the minimum health and safety standards as set forth herein, residency status, or other applicable law or provision herein;

2. The applicant knowingly made a false statement or knowingly gave false information in connection with the application;

3. The Owner has had a STR license revoked or suspended within five years prior to the application, or the Owner/Applicant has failed to comply with all applicable provisions of this Code while previously licensed to provide STR rental within the City;

4. The premises of the STR ha~~s~~ve been cited by the City at any time within the previous twelve months for violation of the City's public nuisance code or the property has been the location of a substantiated noise complaint, or two or more ~~summons~~summonses have been issued alleging a violation of 9.52.040. A noise complaint is substantiated upon conviction of a noise violation in municipal court.

5. The STR is listed on a hosting platform or Short-Term Marketplace Facilitator site without including the Lakewood Short-Term license number of the STR.

B. Those provisions of §5.56.060 (C), (D) and (E) regarding administrative approval and denial of license applications are hereby made applicable to this Chapter.

5.55.070 License revocation, suspension or nonrenewal, penalty.

A. Show Cause to Suspend or Revoke. The City Clerk may request that the Authority suspend, revoke or not renew a license, and the Authority may issue an Order to Show Cause why a license should not be suspended or revoked, for any one or more of the following:

1. The STR is listed on a hosting platform or Short-Term Marketplace Facilitator site without including the Lakewood Short-Term license number of the STR;

2. The STR has received two citations for violation of any of the City's nuisance codes, or has been convicted of any ~~one~~ violation of the City's nuisance codes;

3. The STR has received two citations for violation of the City's excessive noise ordinance (such excessive noise verified by a member of the City's law enforcement team), or one conviction for a violation of the City's noise ordinance;

4. The STR has outstanding official orders from West Metro Fire;

5. The Licensed Premises' calls for service is at or above 2 or more calls for service for any 12-month period, or a significant criminal act, as defined by §5.56.010(Q) of the Lakewood Municipal Code, has occurred on the STR's premises;

6. The Owner does not occupy the licensed STR premises as such Owner's primary residence, or no longer occupies the licensed STR premises as such Owner's primary residence;

7. The operation of the STR is such that it is or has negatively impacted the health, safety and/or welfare of its guests or the residents or businesses of the neighboring community;

8. The STR is delinquent to the City of Lakewood for any taxes imposed pursuant to Lakewood Municipal Code chapter 3.01 or 3.03;

9. An investigation performed by the City of Lakewood demonstrates or establishes that the STR fails to conform to any requirement of this chapter, the Lakewood Zoning Ordinance, Lakewood Subdivision Regulations, or other applicable law, and/or the Owner has failed to abate or remediate any premises condition as directed by an official of the City;

10. The Applicant knowingly made a false statement or knowingly gave false information in connection with the application.

B. Summary Suspension. The Licensing Authority may order the summary suspension of a License if the City Clerk, or other enforcing officer, has probable cause to believe a Licensee has deliberately and willfully violated any applicable law, rule or regulation or has engaged in conduct which imposes an undue risk to the public health, safety or welfare. Summary suspension shall be in the form of a written order and shall be personally delivered to the Licensee or posted upon the Licensed Premises and shall

be mailed via certified mail to the address provided by the Licensee for receipt of notices pursuant to this Chapter.

5.55.080 Hearings.

A. *Hearing before the Authority.* A hearing before the Authority may be requested:

1. By the Owner/Applicant or Owner/Licensee to appeal a decision of the City Clerk to deny an application for an STR license, renewal of an STR license, or to appeal summary suspension of a license.

2. By the Authority when the Authority, upon evidence presented by the City Clerk, issues an order to show cause why a license should not be suspended or revoked.

B *Adoption of §5.56.070*. All provisions of §5.56.070 regarding the Hearing process, not otherwise superseded by any provisions of this Chapter, are hereby adopted and made applicable to this Chapter.

C. *Penalties.* The Authority shall be authorized to determine the appropriate penalty for any violation, including placing the license on a probationary period of no less than the remainder of the term of the license, imposing a civil fine in association with an adopted fine schedule, or revoking/rescinding the license. The Authority shall impose mandatory terms of compliance with any probation to help reduce nuisance activity at the STR and guide the licensee to comply with the terms of this code.

5.55.090 Conditions, Limitations and Restrictions of the Short Term-Rental License

A. Zoning. An STR may be operated within any Zoning District.

B. Type of Premises. Only single-family dwelling units as defined under the Zoning Ordinance may be granted a License to operate as an STR within the City.

C. Only one dwelling unit per lot may operate as a STR. The dwelling unit to be used as the STR must be identified in the license application.

D. Total number of days/year an STR may operate. A Licensee may not provide STR accommodations for more than 180 total calendar days per calendar year.

E. Visibility of Address. Address numbers at the Licensed Premises must be no less than four inches (4”) in height and well-lit but not exceed the exterior lighting standards in Article 6 of the Zoning Ordinance.

F. STR Facilitator License. Any STR Facilitator used by the Licensee must be licensed with the City in accordance with Chapters 3.01 and 3.03 of the Lakewood Municipal Code.

G. Owners Present on Property. The Owner/Licensee of the dwelling unit operating as an STR must be present on the licensed premises during any period of time in which a portion of such dwelling unit is leased for use as a Short-Term Rental.

H. Only one STR rental contract is permitted at any time in any STR. Irrespective of the number of lodging rooms available within an STR, multiple rental contracts to separate parties to use the STR facilities at the same time is prohibited.

I. Publication of License. The License number must be included in all advertising of the Licensed Premises. Additionally, the License shall be prominently displayed within the Licensed Premises in a manner that assures the License is clearly visible to renters and shall be made available for inspection by City Code Enforcement staff at all reasonable hours.

5.55.100 Transferability; change of ownership; change of information of license.

A. In the event the Owner sells the premises licensed as an STR or changes such Owner's primary residence from the premises licensed as an STR, the Owner/Licensee shall immediately report such change to the City Clerk.

B. The Owner/Licensee shall notify the City Clerk within fifteen (15) days after any change to the information submitted as part of the STR application.

C. No license under this chapter shall be transferable to another person or subsequent owner of such property. Each license issued under this Chapter is valid only to the Licensee it is issued to and for the Licensed Premises listed in the initial application.

5.55.110 Community Notice Requirements

A. Specific Notice. The Applicant shall provide to the occupant of each property located within two hundred fifty (250) feet of the property line of the parcel on which the proposed Licensed Premises is located a written notice, on a form approved by the City, of Applicant's application for a License, including opportunity for mediation of concerns. Such notices shall be mailed via certified mail to each such property within ten (10) days of submission of the License application.

B. General Notice. The Applicant shall provide notice of intent to apply for a License by placing an unobstructed sign in the front yard of the proposed Licensed Premises. The contents, dimensions, placement, and initial date and duration of posting shall be in accordance with the rules and regulations for this Chapter as promulgated by the City Clerk.

5.55.120 Additional remedies; violations.

Notice of Criminal Penalties associated with violation of this Chapter. Causing, permitting, aiding, abetting or concealing a violation of any provision of this Chapter is unlawful and shall cause the offender to be subject to the general penalty provisions of the Lakewood Municipal Code. Enforcement may be pursuant to this Chapter or pursuant to any applicable criminal code violations.

Notice of Criminal Penalties associated with making a false statement. It is unlawful for any Owner/Applicant to knowingly make a false statement or to knowingly give false information in connection with an application for a new or renewal license issued under this Chapter. Violations of this provision are subject to the penalties set forth in Lakewood Municipal Code 1.16.020. See also, C.R.S. § 18-5-114.

Additional Remedies. In addition to other remedies provided by this Chapter or by other law, any violation of this Chapter may be remedied by a civil action brought by the City Attorney, including, for example, administrative or judicial nuisance abatement proceedings, civil or criminal code enforcement proceedings, and suits for injunctive relief.

Separate Violations. Each day of violation of this Code shall be a separate violation.

Mediation. STR Licensees agree to participate in mediation in good faith with any abutting property owner alleging harms to such abutting property or its residents arising out of operation of an STR. Participation in mediation shall not be a waiver of any individual's right to seek other redress for harms arising out of the operation of an STR. See section 5.55.030(B)(7) for definition of abutting.

5.55.130 Severability.

Should any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter or application thereof to any person or circumstance be declared unconstitutional or invalid for any reason, such decision shall not

affect the validity of the remaining portions of this chapter, or its application to any other person or circumstance, and to this end, the provisions of this chapter are declared to be severable.

Chapter 5.55 SHORT-TERM RENTAL LICENSE

5.55.005 Short Title; Intent and Purpose

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a. A call to emergency services that results in a response by a law enforcement representative to the STR.

b. Any police-initiated call for service to the STR that results in a criminal report.

c. Any call to emergency services or police-initiated call for service within the STR's surrounding neighborhood regarding activity that results in a criminal report, when such activity is associated with current STR guests and/or invited guests of the STR guests. Any individual attending a party or gathering hosted by an STR guest is a de facto invited guest.

2. Calls for service shall not include traffic citations in which the STR property address is used as the location of violation.

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E. *Enforcement Officer* means the City Clerk, or the Clerk's designee. The City Clerk may utilize any applicable inspector or enforcement officer of the City or of the City's fire code enforcement partners to carry out the requirements of this Chapter, including: zoning enforcement officer, building official, code enforcement officer, or law enforcement personnel, any of whom will have all legal powers necessary to enforce this Chapter.

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O. *Lodging room* means and includes any room, guestroom or sleeping accommodation that accommodates one or more guests within a licensed STR.

P. *LPD* means the Lakewood Police Department.

Q. *Owner* means any person that is the record owner of real property as listed with the Jefferson County, Colorado Assessor upon which a STR is located. "Owner" shall also mean any part owner or joint owner of the whole or part of the land or buildings associated with a licensed STR. An owner is the only individual licensed to offer and/or accept payment for any STR, and who retains the right of access to, and control of, the STR. A long-term renter is not an "Owner."

R. *Police Chief* means the Chief of Police of the Lakewood Police Department.

S. *Primary Residence* means a residence which is the usual place of housing for the owner documented by one of the following: Colorado driver's license or Colorado identification card, voter registration, or current state or federal filed income tax returns. A person can only have one primary residence.

T. *Renter* or *Lessee* means the party contracting to rent the STR for a term less than thirty (30) days.

U. *Short-Term Rental* or *STR* means the rental of any real property, or any portion thereof, for not more than twenty-nine (29) consecutive days, excluding hotels, motels, bed and breakfasts, or any other rental of property for habitation purposes licensed in accordance with another Chapter of the Lakewood Municipal Code.

V. *Short-Term Rental Marketplace Facilitator* or *STR Facilitator* means any Individual or entity that:

1. Contracts with a Licensee to facilitate for consideration, whether or not the consideration is deducted as fees from the transaction, the use by a third-party renter of the Licensed Premises as a STR.

2. Engages directly or indirectly, through one or more affiliated Individuals or Entities, in transmitting or otherwise communicating the offer or acceptance between the third party renter and the Licensee for use of a STR; and

3. Either directly or indirectly, through agreements or arrangements with third parties, collects the payment from the third party renter on behalf of the Licensee for use of a STR.

STR Facilitator does <u>not</u> mean or include an Individual or Entity that exclusively provides internet advertising services or lists products for sale, and that does not otherwise meet this definition.

W. *Short-Term Rental Marketplace* or *STR Marketplace* means a physical or electronic forum, including, but not limited to, a store, a booth, an internet website, a catalog or a dedicated sales software application where a Licensed Premises is offered as a STR. This definition includes any Individual or

Entity operating as a hosting platform to facilitate reservations or payments between a Licensee and those seeking lodging accommodations for a period of less than thirty (30) consecutive days.

X. *Zoning Ordinance* means Title 17 of the Lakewood Municipal Code.

5.55.020 License required; Licensing Authority established; Rules and Regulations.

A. It is unlawful for any person to maintain or operate a STR without first obtaining an annual license from the City Clerk's Office.

Existing STRs. All STRs existing within the City of Lakewood upon the effective date of this Code shall apply for a license within 90 days of the effective date of this Code.

Existing Nuisances. All STRs existing within the City of Lakewood upon the effective date of this Code that have, based on data provided by the Police Department, two or more calls for service within the previous 12-month period, or two(2) or more calls for code enforcement matters, shall meet with representatives from the LPD or Code Enforcement to discuss measures to mitigate criminal or nuisance activity occurring on the STR's premises. Such meeting shall occur before an STR license is granted.

~~2. Limited Number of Licenses Issued. No more than three hundred (300) Short-Term licenses shall be valid at any time. If more than 300 requests for STR licenses are received by the City Clerk during any twelve month period the Clerk shall institute a lottery system to award such licenses and shall adopt rules and regulations to implement such lottery system.~~

B. Lodging Facility Licensing Authority (hereinafter, the "Authority") ~~is hereby~~ established in conformance with ~~those provisions of~~ §5.56.020 of the Lakewood Municipal Code, ~~and all such powers and authority granted to the Authority pursuant to Chapter 5.56 of the Lakewood Municipal Code are~~ is hereby appointed ~~granted to~~ the Authority in accordance with carrying out the goals and intent of this Chapter.

C. The City Clerk is hereby authorized to promulgate ~~such~~ rules, regulations and forms ~~as deemed~~ necessary to carry out the provisions of this Chapter.

5.55.030 Application for new license; renewal license.

A. License Form. All applicants for a license issued under this Chapter shall file an application for a license with the City Clerk on forms provided by the City Clerk.

B. New License. The City Clerk shall accept no application that is not complete in every detail. If any application is deposited with the City Clerk and found, upon examination, to contain any omission or error, it shall be returned to the applicant for completion and correction. No further action may be taken upon any incomplete application by the Clerk or Authority. No application shall be deemed complete unless accompanied by the following:

1. The full name and phone number of all Owners of the premises, and designation of the Owner/Applicant.

2. The address of the proposed Licensed Premises and a description or illustration of the area(s) of the premises that will be used for STR purposes.

3. ~~A signed and verified affidavit attesting, under penalty of perjury, that the proposed Licensed Premises is both owned by, and the Primary Residence, of the Owner/Applicant~~

4. Proof of insurance that covers the proposed Licensed Premises for use as a STR, which must include commercial liability.

5. A copy of an inspection report, in accordance with §5.55.050, signed and dated by the inspector within thirty days of the application for license.

6. A parking plan that provides a minimum of two (2) parking spaces on the Licensed Premises, either with improved parking surfaces in accordance with Chapter 9.80.020 of the Lakewood Municipal Code, or in a garage or carport. Any additional parking must be confined to the street frontage of the Licensed Premises by both the renters and guest of the renters.

7. A notarized affidavit attesting to all of the following:

   a. The Applicant has followed all requirements of this Chapter;

   b. There are no private rules or covenants prohibiting the use of the Licensed Premises as a STR;

   c. All renters will be informed of applicable City laws and rules concerning noise, vehicle parking, garbage and common area usage;

   d. The Applicant has provided notice to neighbors in accordance with the provisions of this Chapter, including § 5.55.110, and agrees to participate in mediation with any abutting property regarding concerns about STR renters ~~crossing onto~~ impacting such abutting property. Abutting properties include all properties touching the licensed premises, including abutting corners or directly across any street, alley or easement~~.~~;

   e. The Owner/Applicant agrees to accept service of any notice from the City Clerk, including notice of violation of the provisions of this Chapter, at the address of the Licensed Premises, or such other address as specifically provided within the application, either: 1) personally; 2) via registered mail, or ~~2~~3) ~~upon~~ by posting of notice upon the Licensed Premises;

   f. The application is complete in all material respects and contains no false, misleading or fraudulent statements; and

   g. The Owner/Applicant has read and understood the entire STR Code, including those provisions associated with enforcement and penalties for submitting fraudulent or misleading documents to the City.

8. A signed and verified affidavit submitted by each property owner attesting, under penalty of perjury, that the proposed Licensed Premises is ~~both~~ owned by ~~and the Primary Residence of~~ the Owner/Applicant.

9. A floor plan of the STR that specifies the number of rooms contained in the STR. The floor plan need not be professionally prepared.

10. A copy of a City sales and use tax license for the STR pursuant to §3.01 of the LMC.

11. A copy of a City hotel/motel accommodations tax license for the STR pursuant to §3.03 of the LMC.

12. Any additional information determined by the City Clerk to be reasonably necessary to evaluate compliance with the requirements of this Chapter.

13. Payment in full of city license and application fees.

C. License renewal. All license renewal applications shall be submitted to the City Clerk on the prescribed forms no later than 45 days prior to the date upon which the license expires, except that the City Clerk, for good cause, may waive the time requirement set forth herein. The forms shall be accompanied by all required fees and such additional materials as required for the initial application as the City Clerk deems necessary for the renewal license. The property safety inspection must be completed as part of the annual license renewal process. The City Clerk shall accept no renewal application that is not complete in every way. The City Clerk shall not grant any renewal unless the licensee has paid all applicable fees and taxes. A License not timely renewed shall expire at the end of its term. The Licensee

is prohibited from using the premises as a STR after a License has expired and before a new License is issued.

5.55.040 Application fee; Applicable fees.

The City of Lakewood shall impose fees, adopted by City Council resolution, necessary to defray the costs of training, inspection, mediation, and processing of the documentation ~~of the activities of~~ associated with ~~the~~ STR~~s~~ licensure, all as allowed by law, such fees to include, but not be limited to, fees for a new license and renewal of a license.

5.55.050 Property Safety Inspection; Investigation.

A. Duty to Comply with Law. Each STR shall comply with all applicable building, fire, housing and health codes.

B. Minimum Property Safety Inspection. Prior to any STR license being approved~~, denied, suspended~~ or renewed, the owner shall have the property inspected by an ASHI certified professional residential property inspector, or residential property inspection company with ASHI certification. The inspector shall inspect the premises for conformance with the provisions of this Chapter and shall provide a safety inspection report on a form provided by the City verifying conformance with the minimum health and safety standards mandated by this Chapter.

C. Minimum Health and Safety Requirements. All STRs shall contain the following: a minimum of one operable fire extinguisher per floor (or more if deemed necessary during the premises inspection), operable carbon monoxide detectors in all rooms used for sleeping purposes, and operable smoke detectors on each floor of the STR. An STR with living or sleeping areas within a basement area shall be equipped with egress windows or other exit systems. The ASHI inspector shall note the presence of a first aid kit, door and window locks, exterior safety lighting, access to working flashlights, and any security cameras present on the property. Please note: ~~While t~~This Code only mandates minimum health and safety requirements. Property owners who utilize their home as an STR are solely responsible for compliance with all ~~property owners are civilly liable under any~~ applicable property maintenance laws ~~for any civil harms occurring on their property~~.

D. Additional Investigation; Reports. Any application for a license or license issued pursuant to this Code may be subject to any other investigation deemed necessary by the City Clerk to determine the application's or STR's conformance with any requirement of this Chapter, including, but not limited to investigation of the proposed STR's conformance with the Lakewood Zoning Ordinance or other applicable laws. Any reports of the results of any investigation conducted by any City of Lakewood department shall be delivered to the City Clerk for review. Not less than ten business days prior to the date of any hearing before the Authority to Show Cause why a license should~~uch~~ be denied, suspended or revoked, the City Clerk shall mail the report of findings based on the investigation to the Applicant/Licensee and, upon request, to other interested parties.

5.55.060 Decision - Applications; Appeal.

A. A completed application, including all mandatory components as set forth within this Chapter, shall be administratively approved or denied by the City Clerk within 30 days of the date of the filing of the complete application. The City Clerk shall administratively deny a license application if:

1. The application demonstrates or establishes that the proposed STR fails to conform to any requirement of this chapter, including the type of dwelling unit, the minimum health and safety standards as set forth herein, residency status, or other applicable law or provision herein;

2. The applicant knowingly made a false statement or knowingly gave false information in connection with the application;

3. The Owner has had a STR license revoked or suspended within five years prior to the application, or the Owner/Applicant has failed to comply with all applicable provisions of this Code while previously licensed to provide STR rental within the City;

4. The premises of the STR ha~~s~~ve been cited by the City at any time within the previous twelve months for violation of the City's public nuisance code or the property has been the location of a substantiated noise complaint, or two or more summons have been issued alleging a violation of 9.52.040. A noise complaint is substantiated upon conviction of a noise violation in municipal court.

5. The STR is listed on a hosting platform or Short-Term Marketplace Facilitator site without including the Lakewood Short-Term license number of the STR.

B. Those provisions of §5.56.060 (C), (D) and (E) regarding administrative approval and denial of license applications are hereby made applicable to this Chapter.

5.55.070 License revocation, suspension or nonrenewal, penalty.

A. Show Cause to Suspend or Revoke. The City Clerk may request that the Authority suspend, revoke or not renew a license, and the Authority may issue an Order to Show Cause why a license should not be suspended or revoked, for any one or more of the following:

1. The STR is listed on a hosting platform or Short-Term Marketplace Facilitator site without including the Lakewood Short-Term license number of the STR;

2. The STR has received two citations for violation of any of the City's nuisance codes, or been convicted of any one violation of the City's nuisance codes;

3. The STR has received two citations for violation of the City's excessive noise (such excessive noise verified by a member of the City's law enforcement team), or one conviction for a violation of the City's noise ordinance;

4. The STR has outstanding official orders from West Metro Fire;

5. The Licensed Premises' calls for service is at or above 2 or more calls for service for any 12-month period, or a significant criminal act, as defined by §5.56.010(Q) of the Lakewood Municipal Code, has occurred on the STR's premises;

6. ~~The Owner does not occupy the licensed STR premises as such Owner's primary residence, or no longer occupies the licensed STR premises as such Owner's primary residence;~~

~~7~~6. The operation of the STR is such that it is or has negatively impacted the health, safety and/or welfare of its guests or the residents or businesses of the neighboring community;

~~8~~7. The STR is delinquent to the City of Lakewood for any taxes imposed pursuant to Lakewood Municipal Code chapter 3.01 or 3.03;

~~9~~8. An investigation performed by the City of Lakewood demonstrates or establishes that the STR fails to conform to any requirement of this chapter, the Lakewood Zoning Ordinance, Lakewood Subdivision Regulations, or other applicable law, and/or the Owner has failed to abate or remediate any premises condition as directed by an official of the City;

~~10~~9. The Applicant knowingly made a false statement or knowingly gave false information in connection with the application.

B. Summary Suspension. The Licensing Authority may order the summary suspension of a License if the City Clerk, or other enforcing officer, has probable cause to believe a Licensee has deliberately and willfully violated any applicable law, rule or regulation or has engaged in conduct which imposes an undue risk to the public health, safety or welfare. Summary suspension shall be in the form of a written order and shall be personally delivered to the Licensee or posted upon the Licensed Premises and shall be mailed via certified mail to the address provided by the Licensee for receipt of notices pursuant to this Chapter.

5.55.080 Hearings.

A. *Hearing before the Authority.* A hearing before the Authority may be requested:

1. By the Owner/Applicant or Owner/Licensee to appeal a decision of the City Clerk to deny an application for an STR license, renewal of an STR license, or to appeal summary suspension of a license.

2. By the Authority when the Authority, upon evidence presented by the City Clerk, issues an order to show cause why a license should not be suspended or revoked.

B *Adoption of §5.56.070*. All provisions of §5.56.070 regarding the Hearing process, not otherwise superseded by any provisions of this Chapter, are hereby adopted and made applicable to this Chapter.

C. *Penalties.* The Authority shall be authorized to determine the appropriate penalty for any violation, including placing the license on a probationary period of no less than the remainder of the term of the license, imposing a civil fine in association with an adopted fine schedule, or revoking/rescinding the license. The Authority shall impose mandatory terms of compliance with any probation to help reduce nuisance activity at the STR and guide the licensee to comply with the terms of this code.

5.55.090 Conditions, Limitations and Restrictions of the Short Term-Rental License

A. Zoning. An STR may be operated within any Zoning District.

B. Type of Premises. Only single-family dwelling units as defined under the Zoning Ordinance may be granted a License to operate as an STR within the City.

C. Only one dwelling unit per lot may operate as a STR. The dwelling unit to be used as the STR must be identified in the license application.

D. Total number of days/year an STR may operate. A Licensee may not provide STR accommodations for more than 180 total calendar days per calendar year.

E. Visibility of Address. Address numbers at the Licensed Premises must be no less than four inches (4”) in height and well-lit but not exceed the exterior lighting standards in Article 6 of the Zoning Ordinance.

F. STR Facilitator License. Any STR Facilitator used by the Licensee must be licensed with the City in accordance with Chapters 3.01 and 3.03 of the Lakewood Municipal Code.

~~G. Owners Present on Property. The Owner/Licensee of the dwelling unit operating as an STR must be present on the licensed premises during any period of time in which a portion of such dwelling unit is leased for use as a Short-Term Rental.~~

~~H.~~G. Only one STR rental contract is permitted at any time in any STR. Irrespective of the number of lodging rooms available within an STR multiple rental contracts to separate parties to use the STR facilities at the same time is prohibited.

~~I.~~H. Publication of License. The License number must be included in all advertising of the Licensed Premise. Additionally, the License shall be prominently displayed within the Licensed Premises in a manner that assures the License is clearly visible to renters and shall be made available for inspection by City Code Enforcement staff at all reasonable hours.

5.55.100 Transferability; change of ownership; change of information of license.

A. In the event the Owner sells the premises licensed as an STR~~ or changes such Owner's primary residence from the premises licensed as an STR~~, the Owner/Licensee shall immediately report such change to the City Clerk.

B. The Owner/Licensee shall notify the City Clerk within fifteen (15) days after any change to the information submitted as part of the STR application.

C. No license under this chapter shall be transferable to another person or subsequent owner of such property.

5.55.110 Community Notice Requirements

A. Specific Notice. The Applicant shall provide to the occupant of each property located within two hundred fifty (250) feet of the property line of the parcel on which the proposed Licensed Premises is located a written notice, on a form approved by the City, of Applicant's application for a License, including opportunity for mediation of concerns. Such notices shall be mailed via certified mail to each such property within ten (10) days of submission of the License application.

B. General Notice. The Applicant shall provide notice of intent to apply for a License by placing an unobstructed sign in the front yard of the proposed Licensed Premises. The contents, dimensions, placement, and initial date and duration of posting shall be in accordance with the rules and regulations for this Chapter as promulgated by the City Clerk.

5.55.120 Additional remedies; violations.

Notice of Criminal Penalties associated with violation of this Chapter. Causing, permitting, aiding, abetting or concealing a violation of any provision of this Chapter is unlawful and shall cause the offender to be subject to the general penalty provisions of the Lakewood Municipal Code. Enforcement may be pursuant to this Chapter or pursuant to any applicable criminal code violations.

Notice of Criminal Penalties associated with making a false statement. It is unlawful for any Owner/Applicant to knowingly make a false statement or to knowingly give false information in connection with an application for a new or renewal license issued under this Chapter. Violations of this provision are subject to the penalties set forth in Lakewood Municipal Code 1.16.020. See also, C.R.S. § 18-5-114.

Additional Remedies. In addition to other remedies provided by this Chapter or by other law, any violation of this Chapter may be remedied by a civil action brought by the City Attorney, including, for example, administrative or judicial nuisance abatement proceedings, civil or criminal code enforcement proceedings, and suits for injunctive relief.

Separate Violations. Each day of violation of this Code shall be a separate violation.

Mediation. STR Licensees agree to participate in mediation in good faith with any abutting property owner alleging harms to such abutting property or its residents arising out of operation of an STR. Participation in mediation shall not be a waiver of any individual's right to seek other redress for harms arising out of the operation of an STR. See section 5.55.030(B)(7) for definition of abutting.

5.55.130 Severability.

Should any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter or application thereof to any person or circumstance be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this chapter, or its application to any other person or circumstance, and to this end, the provisions of this chapter are declared to be severable.