

Short-Term Rentals

June 2, 2015

Problem Statement

City of Boulder



Short-term residential rentals have seen a dramatic growth over the last five years. The city has no established regulatory framework for these rentals. Existing laws were not drafted with short-term rentals in mind.

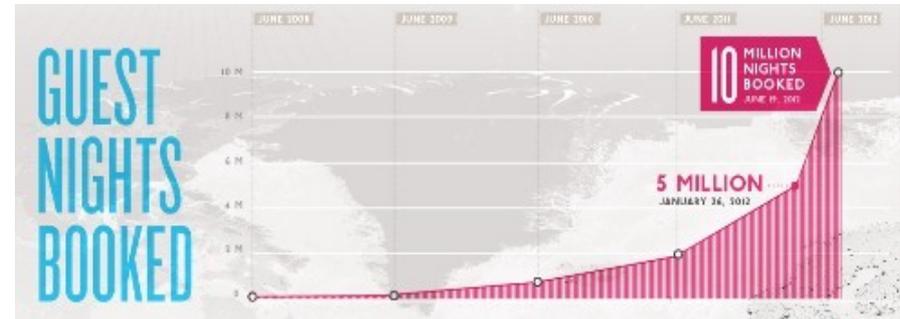
Growth



Boulder Growth:

- 21 identified in 2009
- 514 in 2014

Airbnb Growth:



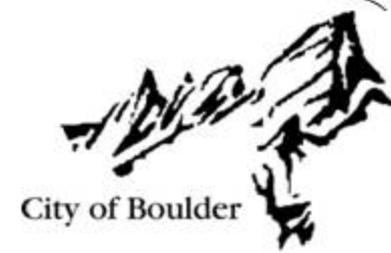
Usage

City of Boulder



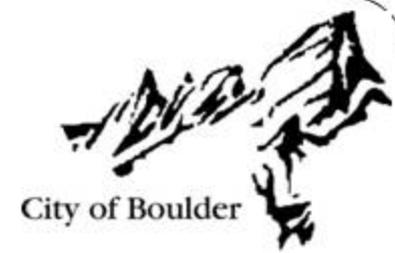
Reviews	Number	%
Greater than 50	28	6%
11 to 50	109	21%
10 or less	377	73%

Rental Licensing



- Exceptions
 - Owner occupied may have up to two “roomers”
 - Principal Residence
 - Up to 12 months
 - Owner resides in the residence before and after
 - Owner is out of the county during the rental
 - Is a Hotel or Motel

Current Code



“No operator shall allow any person to occupy any rental property as a tenant or lessee or otherwise for a valuable consideration unless each room or group of rooms constituting the rental property has been issued a valid rental license by the city manager.”

“Buildings, or building areas, described in one or more of the following paragraphs are exempted from the requirement to obtain a rental license from the city manager. . . . Commercial hotel and motel occupancies which offer lodging accommodations primarily for periods of time less than thirty days, but bed and breakfast facilities are not excluded from rental license requirements.”

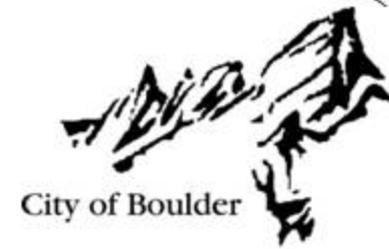
Definition of Hotel/motel

City of Boulder



"Hotel/motel" means an establishment that offers temporary lodging in rooms, for less than one month, and may include a restaurant, meeting rooms, and accessory uses and services, including, without limitation, newsstands, gift shops, and similar incidental uses conducted entirely within the principal building but excludes a bed and breakfast, as defined in this section.

Some Pros and Cons



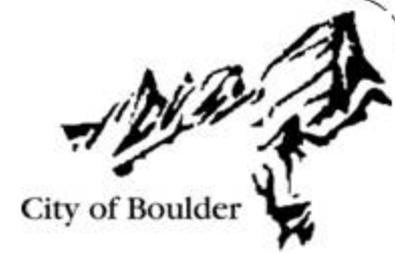
Cons

- Impact on Residential Neighborhoods
- Unfair Competition to the Hotel/Motel Industry
- Public Safety
- Impact on the Availability of Housing

Pros

- Generate Income for Residents
- Increased Economic Activity
- Supports Marijuana Tourism

Regulations Imposed by Other Cities



- Licensing
- Taxation
- Inspection
- Notification requirements
- Sign limitations or requirements
- Principal place of residence
- Insurance
- Minimum number of days for owner occupation
- Parking requirements
- Minimum stay
- Maximum number of occupants
- Local representation

Schedule



On July 21, 2015 Council will consider

- Second Reading of this proposed ordinance
- First Reading of a proposed tax measure for the November 2015 ballot.

August 4, 2015

- Third reading of this proposed ordinance
- Second reading of tax measure

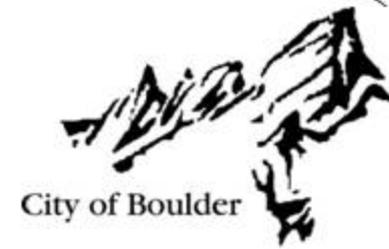
The Proposed Ordinance

City of Boulder



- Short-term rentals would need to meet all of the requirements of a rental license.
- Short-term rentals would be an accessory use and therefore would be permitted in any zone that permits dwellings, dwelling units, rooming units, or rooms. This would include all residential zones.
- Short-term rentals would be limited to the lessor's principal residence.
- Renters would be permitted to engage in short-term rentals.
- The resident would be required to reside in the unit at least 275 days each year.
- The short-term rental occupancy would be limited to the occupancy otherwise permitted by the code.
- Short-term rentals would be prohibited in permanently affordable units.

Ordinance Language



10-3-19. – Short Term Rentals.

Short-term rentals are prohibited except:

- (a) The rental is of the operator's principal residence;
- (b) The occupancy during any rental period does not exceed the occupancy permitted pursuant to section 9-8-5, B.R.C 1981 ("Occupancy of Dwelling Units");
- (c) The operator resides in the premises rented for a period of at least 275 days in each calendar year; and
- (d) The rental property is not a permanently affordable unit.

Ordinance Proposed by Community Members

City of Boulder



- Short-term rentals would be limited to no more than 5% of the number of long-term rental licenses issued.
- No more than 5% of the properties on a block could be issued short-term rental licenses.
- Requires a responsible party residing at, or located within ten miles of, the property.
- Require that the owner or manager respond to any complaint within 90 minutes.
- Only 3% of the units in a census block could be non-owner occupied short-term rentals.
- Owners would have a fifteen day cure period for any violations.