

ORDINANCE NO. 4 2019

AN ORDINANCE OF THE CITY OF OURAY, COLORADO, AMENDING THE DEFINITION OF "LODGING BUSINESS" IN SECTION 7-2 OF THE OURAY MUNICIPAL CODE AND ADDING THE DEFINITION OF "SHORT-TERM RENTAL," AND ADDING NEW SECTION 7-5-J-10 CONCERNING SHORT-TERM RENTALS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO, as follows:

SECTION 1.

Section 7-2 of the City of Ouray Municipal Code (Definitions), is amended as follows:

Lodging Business means a lodging unit, hotel, motel, lodge, inn, bed breakfast, or hostel used for temporary occupancy for sleeping purposes, rented on a short-term basis of less than thirty (30) days, and excludes short-term rental as defined herein.

Short-term Rental means any rental or lease of a single-family, duplex, or multi-family dwelling unit, or part thereof, for less than thirty (30) days.

SECTION 2.

Section 7-5-J of the City of Ouray Municipal Code (Supplemental Regulations), is amended by the addition of the following:

10. Short-Term Rental Regulations

a. Purpose

These Short-term Rental Regulations are intended to protect the public health, safety, and welfare; preserve the character

and ambience of neighborhoods within the City; prevent adverse impacts attributable to short-term rentals; collect data on short-term rentals; and ensure compatibility with surrounding land uses.

b. Applicability.

These Short-term Rental Regulations are applicable to the short-term rental of any single-family, duplex, or multi-family dwelling located in the R-2, C-1, and C-2 Zone Districts.

i. Short-term rental of dwelling units in the R-1 Zone District are prohibited. However, the existing legal non-conforming short-term rentals in the R-1 Zone District shall be required to comply with these regulations until the use ceases and is no longer allowed.

ii. Short-term rental of accessory dwelling units is prohibited.

iii. Lodging businesses are not subject to these Short-term Rental Regulations.

iv. The short-term rental or property shall be subject to the City of Ouray Lodging and Occupation Tax and sales tax.

c. Registration and Licensing

i. Applicants for a short-term rental license, or renewal of a license, shall submit a short-term rental application and other City required application materials.

- a. The initial short-term rental application fee shall be in accordance with a fee schedule which is adopted by City Council from time to time.
- ii. The applicant/licensee shall reimburse the City for all out-of-pocket costs incurred during review of the application or license by outside consultants, including but not limited to legal fees and engineering fees. The City shall bill the applicant/licensee upon completion of the application or review process and completion of any conditions thereof. No application or license shall be finally approved until the bill is paid.
- iii. The Land Use Official will review and act on short-term rental licenses.
- iv. As a condition of the issuance of an initial license, the City shall conduct a site inspection to ensure the standards set forth in this Section will be met, including but not limited to parking, carbon monoxide detectors, smoke detectors, street addressing, and lighting.
- v. License renewals shall not require an additional inspection unless Land Use Official determines a new inspection is required due to changes since the last application, past complaints, or other issues that arise from the license review.
- vi. A short-term rental license shall be granted solely to the owner of record of the property for which the license is issued and shall not be transferable to any other person.

- vii. The short-term rental license may list a responsible party to ensure the requirements of this Section are met; however, the property owner shall remain responsible for compliance.
 - viii. Short-term rental licenses shall be issued for a period of two (2) years.
 - ix. All existing short-term rentals shall apply for a short-term rental license within three (3) months of the effective date of this ordinance. Thereafter, short-term rentals without a license shall be considered illegal and the City may pursue enforcement action.
- d. Standards
- i. A short-term rental shall not change the residential character of the property by improvements that change the residential character.
 - ii. A short-term rental shall not cause a public nuisance through adverse impacts such as lighting, parking, signage, trash, noise, glare, vibrations, or odors.
 - iii. Signs are prohibited for short-term rentals in the R-1 and R-2 zone districts.
 - a. Short-term rentals that currently have a sign in the R-1 and R-2 zone districts shall remove all signage as a part of obtaining a license.
 - b. Signs in the C-1 and C-2 zone districts shall comply with the City Sign Code.
 - iv. All short-term rentals shall clearly post the correct address on the exterior of the building in accordance

with City addressing and street numbering requirements.

- v. The maximum number of persons per short-term rental shall be two (2) per bedroom, plus two (2) additional persons.
- vi. In addition to City of Ouray Municipal Code Section 10-2-Y, short-term rentals shall be subject to quiet hours between 11:00 PM and 7:00 AM.
- vii. One (1) parking space per bedroom shall be provided.
 - a. All parking for the short-term rental shall be provided on site, or on-street fronting the short-term rental where on-street parking is allowed by the City.
 - b. The on-street parking shall not be reserved for the short-term rental and will be available to the general public on a first come, first served basis.
 - c. No parking shall occur on sidewalks, lawns, or other landscaped improvements.
 - d. Trailer parking on City streets shall comply with the City of Ouray Municipal Code.
 - e. Parking shall be constructed and provided on-site if physically possible based on standard engineering practices.
 - f. On-street parking shall meet the applicable provisions of the City of Ouray Municipal Code and the parking requirements of the underlying zone district.

- viii. Short-term rentals shall meet the applicable snow removal and storage policies of the City of Ouray Municipal Code.
- ix. The short-term rental license shall designate a responsible party who is located within a forty-five (45) minute drive of the City and available for immediate response to issues or emergencies that arise from the short-term rental.
- x. A short-term rental shall only be leased or rented out to one party that occupies the entire dwelling. Individual rooms within a single-family dwelling short-term rental shall not be rented out separately unless either: (a) the dwelling unit has a separate, attached, or detached dwelling unit that complies with the applicable City of Ouray Municipal Code requirements (Building Regulations, OLUC, etc.); or (b) the short-term rental has a separate entrance from the primary dwelling, the short-term rental bedroom or area has been constructed in accordance with the City Building Regulations, no more than one short-term rental bedroom is provided on the property, and the building use and design complies with the underlying zone district requirements.
- xi. The owner or responsible party shall collect and pay all applicable local, state, and federal taxes, including the City's Lodging and Occupation Tax.
- xii. The short-term rental shall meet all applicable local, state, and federal regulations, such as the Colorado requirement for carbon monoxide detectors (C.R.S. §§ 38-45-101 *et seq.*), and the City's Building Regulation requirement for smoke detectors, and other life-safety requirements, such as egress from sleeping areas.

- xiii. One (1) fire extinguisher shall be kept and maintained within the short-term rental kitchen area.
- xiv. Short-term rentals shall be evaluated to ensure required water and sewer investment fees and City utility fees are paid.
- xv. The short-term rental property shall be kept free from litter and junk as required by Ouray Municipal Code Section 10-2-Z (Litter and Junk).
- xvi. Trash or recycling shall not be stored in a location that is visible from the public street or sidewalk. The short-term rental shall comply with City of Ouray Municipal Code Section 12-1 (City's Refuse Collection Service), with arrangements for proper disposal of garbage, refuse and trash collection.
 - a. Short-term rentals shall be charged the residential rate to manage trash. The City may require a short-term rental property to provide for two or more residential trash services at the same address to manage trash (paying for two residences), or to provide for a commercial trash pickup of trash if residential service and pickup cannot manage trash in accordance with the City of Ouray Municipal Code and these regulations.
 - b. Trash shall be properly managed and not visible or overflowing so as to cause a nuisance.
 - c. Animal resistant trash containers shall be provided as required by the City of Ouray Municipal Code.

- xvii. Short-term rentals shall replace any exterior open light fixtures with dark sky compliant lighting.
- xviii. Short-term rentals shall comply with the City requirements for snow removal for public sidewalks through a property, and shall remove snow from required parking spaces and walkways to the short-term rental.
- xix. The Owner of the short-term rental shall annually provide proof of liability insurance to the City and shall execute and indemnification agreement in a form set forth by the City.
- xx. The following information shall be posted in readily visible location within the short-term rental:
 - a. The Short-term Rental License issued by the City;
 - b. Contact information for the owner and, or, responsible party;
 - c. Maximum number of guests;
 - d. Location of fire extinguishers;
 - e. A copy of the noise ordinance and quiet hours of 11 PM to 7AM;
 - f. Parking and snow storage rules;
 - g. Trash disposal information;
 - h. How to sign up for emergency notifications; and


adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

INTRODUCED, READ, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by 4-0 vote of the Ouray City Council this 20TH day of MAY, 2019.

CITY OF OURAY, COLORADO



Pamela J. Larson, Mayor

ATTEST:



Melissa M. Drake, City Clerk

INTRODUCED, READ AND ADOPTED on second reading by 4-0 vote of the Ouray City Council this 17TH day of JUNE, 2019.

CITY OF OURAY, COLORADO


Pamela J. Larson, Mayor

ATTEST:


Melissa M. Drake, City Clerk

CERTIFICATE OF ATTESTATION

I, Melissa M. Drake, Ouray City Clerk, hereby certify that Ordinance No. 4 (Series No. 2019), was introduced, read and passed by the Ouray City Council on first reading on MAY 20, 2019. The Ordinance was published, in summary, in the *Ouray County Plaindealer* on MAY 23, 2019, and thereafter introduced, read and adopted by the Ouray City Council on JUNE 17., 2019, and thereafter published in the *Ouray County Plaindealer*, as required by law.

Melissa M. Drake

Melissa M. Drake, City Clerk