Public Hearing
Rules Governing Short-Term Rentals
January 8, 2019

Excise and Licenses
Proposed STR Rules

What’s in the Proposed Rules?

- Insurance Requirements
- Good Cause for Denial of Applications and Sanctions on Licenses
- Notification requirements for changes to the Local Responsible Party

RULES GOVERNING SHORT TERM RENTAL LICENSES

Effective Date
TBD

Approved as to Form and Legality
Kristin M Bronson
City Attorney, City & County of Denver

Approved and Adopted
Ashley R Kilroy
Executive Director, Excise and Licenses
• Insurance Requirements
  – A licensee must maintain an insurance policy for the property being used as the STR for no less than $1 M
  – Licensees have the option to conduct transactions through a platform that provides this coverage or through obtaining their own policy
  – Regardless of whether licensees carry a separate STR policy or use the insurance provided by a hosting platform, licensees must notify their insurance company that they’ll be using the property as an STR
  – Licensees who belong to an HOA or similar organization must also notify the HOA that they’ll be using the property as an STR
  – These notification requirements prevent a denial of claims based solely on the insurance carriers’ lack of knowledge
• Good Cause for Denial and Sanctions
  – Good Cause is defined as:
    • Evidence that a Licensee has violated, does not meet, or has failed to comply with any of the terms or conditions placed on his or her Short-Term Rental license, any city or state law, or any rules and regulations promulgated thereunder, including but not limited to the Denver Zoning Code, section 11.8.10, as amended; or
    • Evidence that a Short-Term Rental or a property for which a Short-Term Rental license is being sought 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 property is located.
  – The Director may deny an STR license application for Good Cause.
  – The Director may fine, suspend, revoke, or refuse to renew an STR license for Good Cause.
Changes to the Local Responsible Party

- The D.R.M.C. requires licensees to provide a brochure at the STR that includes certain information, including the name and contact information for a Local Responsible Party.
- A Local Responsible Party is a person who will be in Denver during the entire length of a guest’s stay who has access to the STR and can make decisions regarding the STR.
- The proposed rules require licensees to submit any changes to the name or contact information for a Local Responsible Party to the Department within 30 days of a change.
Next STRAC Meeting:

Tuesday, February 12, 2019
4:00-6:00 p.m.
Wellington Webb Building