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# Short-term Rental Regulations in the Denver Zoning Code Summary Question & Answer

September 20, 2018

#### **How Does the Denver Zoning Code Define Short-term Rentals?**

<u>Denver Zoning Code</u> Section 11.12.7.7 defines short-term rentals as:

"The provision of temporary guest housing to non-residents, for compensation, by the person or persons maintaining the primary dwelling unit use as their primary residence. The length of stay per guest visit is less than 30 days. Short-term Rental does not include rental of a dwelling unit for meetings such as luncheons, banquets, parties, weddings, fund raisers, or other similar gatherings for direct or indirect compensation."

### Where Does the Denver Zoning Code Permit Short-term Rentals?

The use tables in Articles 3-9 of the <u>Denver Zoning Code</u> permit short-term rentals as an accessory use (a secondary use conducted in your home, such as a home beauty salon) wherever residential uses are permitted. This means house, condo or apartment residents may conduct a short-term rental in their home. Homeowners associations or landlords may prohibit short-term rentals even where they are allowed by the <u>Denver Zoning Code</u>.

### What Limitation Does the Denver Zoning Code Place on Short-term Rentals?

The limitations on short term rentals are outlined in <u>Denver Zoning Code</u> Section 11.8.10. They are summarized below:

- The property must still clearly look and feel like a residence in which someone lives.
- The property must have a primary resident and not function merely as a short-term rental property.
- Mobile homes, RVs or travel trailers cannot serve as short-term rentals.
- Only one non-animated, non-illuminated sign is allowed on the property to identify it as a short-term rental.
- The property can only be rented to one party at a time.
- There is no city-imposed maximum guest limit.



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#### Does the Denver Zoning Code Limit The Maximum Number of Guests?

No. Residents who list their properties as short-term rentals may set their own guest limits, but are not required to do so by the Denver Zoning Code.

#### What is the History of Short-term Rentals in the Denver Zoning Code?

Prior to 2016, the <u>Denver Zoning Code</u> defined property rentals as lasting more than 30 days or month-to-month, so by definition, short-term rentals were illegal.

# How Did Short-term Rentals Become a Permitted Accessory Use in The Denver Zoning Code?

A task force led by Councilwoman Mary Beth Susman led to a proposal to amend the <u>Denver Zoning Code</u> to allow short-term rentals and a proposal to add a new <u>Article III</u> to Chapter 33 of the Denver Revised Municipal Code to establish a business licensing system for short-term rentals. Both proposals were adopted by the Denver City Council in June 2016.

# What About Short-term Rentals in Former Chapter 59 (old zoning code) Districts?

Denver's Zoning Administrator has issued a <u>determination</u> to clarify that short-term rentals are a permitted accessory use in all Former Chapter 59 zone districts that permit primary residential uses with the same limitations as those that apply in <u>Denver Zoning Code</u> Districts.

#### **How Are Zoning and Licensing Rules for Short-term Rentals Enforced?**

Most of the zoning requirements for short-term rentals are also included within related business licensing requirements. Because short-term rentals often generate little physical evidence to support zoning enforcement, licensing inspectors from the Department of Excise and Licenses will conduct most enforcement.

## What About Conducting Short-term Rentals as a Primary Use?

The adopted zoning and licensing system require a primary resident to be the operator of a short-term rental, meaning a dwelling unit cannot solely be used as a short-term rental. However, some zone districts (including mixed-use commercial districts) permit Lodging Accommodations (Bed and Breakfasts, Hotels, etc.) as a primary use. The Lodging Accommodations use does allow nightly rentals without of units without a primary resident. Where permitted, conducting a primary Lodging Accommodations use requires a Zoning Permit and must be licensed as a Lodging Facility.