This 1st Draft of Short-term Rental Regulations amending the Development Code to allow Short-term Rentals, represents an initial draft for public discussion and reflects analysis and public input on short-term rentals.

The sections in this draft are organized as follows:

1. **Proposed New Definitions** for Section 1 of the Development Code.
2. **Short-term Rentals in Zoning Districts** (Section 3, Zoning), including the tables of principal and conditional uses by zone district – where STRs are allowed in the Town of Berthoud. The tables also include applicable review procedures.
3. **Use-Specific Standards** (Section 3, Zoning) includes the standards that apply to all STRs including standards to address compatibility, safety, and parking.
4. **Other sections of the code** that need to reference STRs, including Section 2, parking standards.

**Note for the reader/Municode:** Section explanations are not to be codified. These introductory explanations are intended to memorialize the reason why a code change is proposed.

**Section 1: Proposed New Definitions**

30-1-116 – Definitions

**40.1 Bed and breakfast** means an establishment operated in a principal dwelling or portion thereof, which provides temporary accommodations to overnight guests for a fee and which is occupied by the operator of such establishment. **A bed and breakfast may provide accommodation to individuals or multiple separate parties concurrently on both a reservation or a walk-in basis.** The “party” as used in this definition shall mean one or more persons who stay at a bed and breakfast as a single group pursuant to a single reservation and payment.

a. **Maximum Number of Guests:** A Bed and Breakfast shall be limited to 12 or fewer guests.

**NEW 369: Short-term Rental** a principal dwelling rented to transient guests who are part of one party for short-term lodging (30 days or less) when not occupied by the owner/operator. The term “party” as used in this definition shall mean one or more persons who stay at a short-term rental as a single group pursuant to a single reservation and payment.

a. **Maximum Number of Guests:** A Short-term Rental shall be limited to 10 or fewer guests who are part of one party or single group of renters.
Section 2: Short-term Rentals in Zoning Districts
30-3-104 – Principal and Conditional Uses Permitted By Zoning District

Table 3.3: Principal and conditional uses by zone district

<table>
<thead>
<tr>
<th>Commercial, retail or service land uses</th>
<th>AG</th>
<th>TN</th>
<th>R1</th>
<th>R2</th>
<th>R3</th>
<th>R4</th>
<th>R5</th>
<th>C1</th>
<th>C2</th>
<th>M1</th>
<th>M2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel/motel (no room limit)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inn (up to 12 rooms)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term Rental (max 10 guests)</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Table 3.5, Conservation Subdivision, Table 3.7 Suburban Uses, and Table 3.10 Urban Uses

<table>
<thead>
<tr>
<th>Commercial, retail or service land uses</th>
<th>CD</th>
<th>SR</th>
<th>SC</th>
<th>UR</th>
<th>UC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel/motel (no room limit)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inn (up to 12 rooms)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term Rental (max 10 guests)</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Abbreviated Uses for All Use Tables

**Principal Use By Right:** ‘■’ in a cell indicates that the use is allowed in the respective zoning district as a matter of right. Permitted uses are subject to all other applicable regulations of the Code.

**Conditional Use:** ‘□’ in a cell indicates that the use is only allowed in the respective zoning district with approval of a conditional use permit subject to all other applicable standards of the Code.
Section 3: Use-Specific Standards

NEW 30-3-### – Short-term Rentals

A. Purpose. The purpose of these regulations is to allow short-term rentals through a licensing process within the regulatory boundaries of the Town. These regulations are to assist in protecting the health, safety, and welfare of property owners, neighbors, and occupants.

B. Applicability. These regulations apply to all uses meeting the definition of short-term rental. Private covenants running with the land may restrict or prohibit short-term rentals; it is the responsibility of the property owner, not the Town, to ensure compliance with restrictive covenants.

C. License Required. No person or entity shall rent a principal dwelling as a short-term rental as defined in this Chapter to a transient guest(s) without first obtaining a short-term rental business license issued by the Town and complying with any conditions or restrictions thereof. A short-term rental business license may be issued by the Town Administrator, or Designee, upon finding that the requirements of this Section (30-3-###) are met.

a. The short-term rental business license shall be valid for one year and is subject to annual license renewal as prescribed by the Town.

b. In determining whether to renew a short-term rental business license, the Town Administrator, or Designee, will consider the history of any violations of the short-term rental business license and any documented complaints from nearby property owners or lessees.

c. The short-term rental business license is not transferable to any person upon sale or other transfer of ownership of the property nor is a short-term rental business license transferable from one property to another.

d. A copy of the business license shall be prominently displayed within the short-term rental unit (such as next to the front entrance).

e. The short-term rental business license number shall be included in all advertisements with any lodging or booking agency or website designed to find customers.

D. General Standards.

b-a. CAP OPTION 1: The maximum number of short-term rentals in the Town shall not exceed one percent (1%) of the Town’s residential structures in existence at the beginning of each calendar year (5,000 in 2024). An application for a new short-term rental shall be processed on a first-come-first-served basis. No applications for a short-term rental will be accepted if the maximum number has been met.

CAP OPTION 2: The maximum number of short-term rentals in the Town shall not exceed fifty (50). An application for a new short-term rental shall be processed on a first-come-first-served basis. No applications for a short-term rental will be accepted if the maximum number has been met.

CAP OPTION 3: Short-term rentals are only allowed in certain zone districts. A cap on the total number of short-term rentals is determined by zone district as provided in the table below. An application for a new short-term rental shall be processed on a first-come-first-served basis. No applications for a short-term rental will be accepted if the maximum number has been met.

<table>
<thead>
<tr>
<th>Zone District</th>
<th>Total Allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>TN, R1, R2, SR, UR</td>
<td>25</td>
</tr>
<tr>
<td>R4</td>
<td>10</td>
</tr>
<tr>
<td>C1, C2, SC, UC</td>
<td>15</td>
</tr>
</tbody>
</table>
b. Only one short-term rental shall be allowed on a property. A short-term rental shall not be allowed in multi-family residential dwellings, as defined by this code.

c. A short-term rental shall only be conducted in a legally constructed dwelling unit.

d. Accessory Dwelling Units shall not be utilized as a short-term rental.

e. The total number of occupants or guests of the short-term rental unit shall not exceed two (2) persons per bedroom plus two (2) additional persons per property, but in no instance shall the maximum number of occupants or guests exceed ten (10) total persons.

f. All guest parking for a short-term rental must be in a garage or on the driveway. On-street parking shall not be counted toward the required minimum number of off-street parking spaces. The minimum number of off-street parking spaces required are as follows:

<table>
<thead>
<tr>
<th>Number of Bedrooms in STR Unit</th>
<th>Number of Off-Street Parking Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2</td>
<td>1</td>
</tr>
<tr>
<td>3-4</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
</tr>
</tbody>
</table>

a. No person shall be permitted to stay overnight in any motor vehicle, including but not limited to a recreational vehicle, travel trailer, tent, or other outdoor structures on the short-term rental property.

b. The short-term rental shall not be used and/or advertised as an event space, be it a commercial event or large social gathering such as weddings, commercial or corporate events.

c. There shall be no change to the outside appearance of the dwelling or premises or other visible evidence of the conduct of such short-term rental and shall not disturb the neighborhood character.

E. Safety Standards.

a. The short-term rental must undergo and pass a life-safety inspection or other required building inspections at the time of initial licensing and on an annual basis accompanying the annual license renewal to ensure compliance with the Town’s Building Code.

b. Unless already equipped with an approved automatic fire sprinkler system or installing one with a building permit and/or fire permit, approved fire extinguishers shall be installed in readily accessible and visible locations for immediate use in the following locations within the short-term rental:
   i. In each room with a cooking appliance, fireplace, heating appliance, or water heater.
   ii. Inside and adjacent to the door leading to a deck, porch, or patio with such appliances.
   iii. At least one on each story.

c. The short-term rental shall be equipped with an operations manual/users guide that is in a visible location (such as a kitchen counter or entry table). The operations manual shall include standard contents as determined and approved by the Town.

d. The property owner shall designate a local property manager who shall be available 24 hours per day, 7 days per week to respond to complaints about or violations of law or of license terms. Local as used herein means having a permanent address within a 20-mile radius from the short-term rental property and a 24-hour contact phone number. The property manager must be able to affirmatively respond to complaints within one hour of notification of such complaint. The property manager’s contact information shall be
posted in the operations manual located in the short-term rental. Changes to the contact information for the property manager shall be provided to the Town Community Development Department within five business days of the change in contact information.

e. The property owner shall provide a written notice, on a form approved by the Town, of the short-term rental approval to all property owners within 500-feet of the subject property. Such notice shall be mailed within ten (10) days following the date of short-term rental approval.

f. The property owner shall maintain and provide proof of property liability insurance adequate for a short-term rental or provide proof that property liability coverage is provided by any and all hosting platforms through which the owner will rent the short-term rental unit.

F. Taxes, Records, Violations and Penalties.

a. A short-term rental is subject to lodging, sales, and other applicable taxes.

d-b. The property owner shall maintain records of occupancy for the short-term rental unit, including total number of nights the short-term rental was rented to a guest and the dates in which the short-term rental was rented by a guest. The records shall be made available to the Town, upon request, for review and inspection at any time.

c. A violation of this section may subject the short-term rental license to suspension, revocation, or the Town may refuse to renew any license issued hereunder. Any licensee who violates any provision of this Section may be punished by a fine. Additionally, the Town may take any other legal action available to address violations of the provisions of this Section.