

Town of Berthoud – Development Code Short-term Rental Regulations

Final Draft – August 14, 2024

This Public Hearing Draft of Short-term Rental Regulations amending the Development Code to allow Short-term Rentals, reflects analysis and public input on the short-term rental regulations project following three Town Board work sessions, a community questionnaire, and a 1st Draft of regulations.

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.

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 means 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.

NEW: Property Owner for purposes of the Use Specific Standards for Short Term Rentals means a person who owns property, and any person related to the property owner.

NEW: Related to means, with respect to a natural person, the spouse of the individual; the domestic partner of an individual, a brother, brother-in-law, sister, or sister-in-law of the individual; an ancestor or lineal descendant of the individual or the individual's spouse or domestic partner; and any other relative, by blood or marriage, of the individual or the individual's spouse or domestic partner who shares the same home with the individual.

NEW: Related to means, with respect to a business entity, if a partnership, all the partners of the partnership who are making an application for a license under this article. If any other type of business entity, all the officers, directors, and owners of at least ten percent of the entity making an application for a license under this article.

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

	AG	TN	R1	R2	R3	R4	R5	C1	C2	M1	M2
■ Principal Use By Right											
□ Conditional Use											
<i>Commercial, retail or service land uses</i>											
Hotel/motel (no room limit)						□		□	■	■	
Inn (up to 12 rooms)						■		■	■	■	
Short-term Rental (max 10 guests), See Section 30-3-113			■	■	■	■		■			

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

	CD	SR	SC	UR	UC
■ Principal Use By Right					
□ Conditional Use					
<i>Commercial, retail or service land uses</i>					
Hotel/motel (no room limit)					
Inn (up to 12 rooms)					
Short-term Rental (max 10 guests), See Section 30-3-113		■	■	■	■

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 30-3-113 – 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 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 (30-3-113) are met.
 - 1. The short-term rental business license shall be valid for one year and is subject to annual license renewal as prescribed by the Town. Failure to complete the license renewal shall be cause for revocation of the license approval and may subject the short-term rental to the limitations of the cap.
 - 2. 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.
 - 3. 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 without first receiving written approval from the Town.
 - 4. A property owner shall obtain no more than two (2) short-term rental business licenses in the Town at any given time.
 - 5. A copy of the business license shall be prominently displayed within the short-term rental unit (such as next to the front entrance).
 - 6. 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.
 - 1. 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
 - 2. A short-term rental must be a minimum of 200 feet from another short-term rental. This distance is measured from center of principal dwelling to center of principal dwelling.
 - 3. Only one short-term rental shall be allowed on a property. A short-term rental shall not be allowed in multi-family apartment dwellings, as defined by this code.
 - 4. A short-term rental shall only be conducted in a legally constructed dwelling unit.
 - 5. 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.

6. The required minimum number of guest parking spaces for the short-term rental, noted in the table below, shall be provided on-site in a garage, on the driveway, or in a parking lot for multi-unit buildings or developments. One (1) on-street parking space located within one block of the short-term rental shall be counted toward the required minimum number of on-site parking spaces for those properties that do not have a garage and/or driveway. If the short-term rental does not have the required minimum number of on-site guest parking spaces, as required in the table below, but can provide a portion of the required number, the provided number of guest parking spaces shall determine the maximum number of allowed guests. The minimum number of off-street parking spaces required are as follows:

Number of Bedrooms in STR Unit	Number of Off-Street Parking Spaces
1-2	1
3-4	3
5	4

7. In multi-unit buildings or developments, only parking spaces that are specifically designated for the dwelling unit shall be used for the short-term rental guest parking. Guest or overflow parking for the development shall not be used as parking for the short-term rental.
8. 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.
9. 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.
10. 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.

1. 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. The Life Safety Inspection shall be conducted by the Town Building Official, or Designee.
2. 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:
 - a) In each room with a cooking appliance, fireplace, heating appliance, or water heater.
 - b) Inside and adjacent to the door leading to a deck, porch, or patio with such appliances.
 - c) At least one on each story.
3. The property owner shall ensure that the short-term rental contains the following on the premises at all times:
 - a) The required number of smoke detectors in good working order;
 - b) The required number of carbon monoxide detectors in good working order;

- c) Adequate and functional building egress from each sleeping room in the dwelling; and
 - d) Posted egress maps.
 - 4. A sign containing the following information shall be posted at each interior entrance and exit of the short-term rental:
 - a) The property address.
 - b) The maximum number of occupants or guests permitted to stay in the short-term rental as approved by the Town.
 - c) Contact information for the Fire Department and Police/Sheriff Department.
 - d) Contact information for the short-term rental property manager or property owner.
 - 5. 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 at the time of application.
 - 6. 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 designated local property manager must be able to affirmatively respond to complaints within one hour of notification of such complaint. The designated local 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 designated local property manager shall be provided to the Town Community Development Department within five business days of the change in contact information. The designated local property manager may be the owner of the property if they meet the *local* criteria.
 - 7. 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.
 - 8. 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, Enforcement.
- 1. A short-term rental is subject to lodging, sales, and other applicable taxes. A short-term rental business license holder who fails to collect and remit lodging taxes on a short-term rental during the license period shall not be permitted to renew the license for the following two-years, and the property may become subject to the limitations of the cap.
 - 2. 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.
 - 3. A short-term rental business license constitutes a permit, and this Section shall be enforced in accordance with Section 5 of the Berthoud Development Code.

Note for the reader/Municode: The following Development Code Section numbers are being updated due to the incorporation of the new Short-term Rental regulations as Section 30-3-113. The content contained within each Section referenced below does not change, only the Section number will change.

Section 30-3-114– Medical and Retail Marijuana

Section 30-3-115 – Mountain Avenue Overlay District

Section 30-3-116 – 30-3-xxx – Reserved