



## Guide for Operating a Short-Term Rental (STR) in the City of Fort Collins

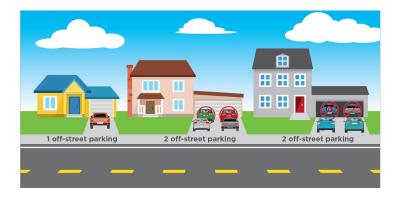
## The Basics:

- The City of Fort Collins requires dwelling units that rent for less than 30 days be licensed as a STR.
   The City recognizes both primary (owner occupied) and non-primary (not owner occupied) STRs
- Primary STRs are permitted in low, medium, or high-density Mixed-Use Neighborhood Districts, as well as Buffer District, and Commercial Districts. (green areas on map).
- Non-primary STRs are permitted in Commercial Districts. (yellow areas on map).
- STRs are not allowed in Multi Family buildings. Multi Family buildings are apartment or condo buildings with 3 or more dwelling units.
- The initial STR license fee is \$150. Your STR license will need to be renewed each year on or before June 30<sup>th</sup>. The renewal fee is \$100.
- In addition to your STR license, you'll need to apply for a Sales and Lodging Tax License.
  Third party sites such as AIRBNB do collect BOTH sales and lodging tax from your renters and remit directly to the City under the company's account.
- If you have renters that do not come from a third-party, you must collect the tax from your customer and remit to the City. The amount of tax is based on the rate of the room and any cleaning fees you may impose. Please visit <a href="https://www.fcgov.com/salestax/">https://www.fcgov.com/salestax/</a> for more information on sales, use, and lodging tax.
- If you do not have tax to remit, you still need to file a sales and lodging tax return on your due date. If you do not file, you will be charged a \$25 assessment fee. Tax returns are submitted online at https://fortcollins.munirevs.com/
- If you fail to file and pay your Sales and Lodging Taxes each period, your STR license could be revoked and/or denied at renewal.

## **FAQs:**

- **Do I need to set up an LLC or a Federal Employer Identification Number (FEIN) for my STR?** No. This is not a requirement for the City. You can use your first and last name as the business name if you do not have an LLC or other business name set up. We recommend you contact the IRS, Larimer County, and the State of Colorado for their business requirements.
- What if I am in a zone that doesn't allow STRs? You may consider long term renting (30 days or more). Please check for occupancy regulations <u>here</u>.
- Does the City of Fort Collins allow STRs in Multi Family Buildings, such as apartments or condos?
   Only if the building meets the R1 building code requirements. Please contact the Building
   Department at 970-416-2757 to verify.
- Can I rent to two parties at once? No. You may only rent to one party at a time.
- Can a long-term tenant rent out the property as a STR? No. Only the owner may operate a STR. In addition, they may only rent to one party at a time, and the long-term tenant counts as the renter.
- What happens if I sell my property? Can my license be transferred? No, however the new owner can apply for a STR license in their own name within 30 days of closing. If the property is a legacy property (FKA grandfathered), the new license must remain identical in scope to the original, and the new owner must meet the off-street parking requirements.
- What are the OFF-STREET (example: driveway or garage) parking requirements? See chart and examples below:

Number of Bedrooms Rented	Number of Off-Street Parking Spaces
1-2	1
3-4	2
5-6	3



## Now that you know the basics, here are the steps to apply for your licenses:

- ✓ Step 1: Verify you're in a zone that allows STRs here. If yes, move on to step 2
  - If you own a multifamily building with 3+ units, you are prohibited from renting a STR regardless of being in an allowable zone.
- ✓ **Step 2:** Verify that your HOA (if applicable) covenants allow STRs. If yes, move on to step 3.
- ✓ **Step 3:** Call the Building Department at 970-416-2740 to make sure there are no expired building permits that need to be addressed. Expired permits can delay the process. If there are none, proceed to step 4.
- ✓ **Step 4**: Gather these **required** documents:
  - Proof of Personal Liability Coverage (found in your homeowner's insurance)
  - For Primary STRs: A copy of your Driver's License, Car Registration, or Voter Registration to prove you reside at the property for at least 9 months out of the year
  - Proof of ownership (example: a print off from the Larimer County Assessor's Page. Only the owner of the property may operate a STR)
  - Photos of the rental space
- ✓ Step 5: Visit our online portal to register your account, and apply for a tax license
- ✓ **Step 6:** Once your initial account is approved, you will receive an email letting you know you can apply for your STR License, upload the required documents listed above and pay the \$150 license fee.

Once your applications have been submitted, they will be processed and sent to the zoning department for approval. Processing time ranges from 7-10 business days.

You will receive a final email when your license is approved. You will then be able to print a copy of your license to post in your rental. We also require that you include your STR license number in your online listings.