

ORDINANCE NO. 108, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING ARTICLE XVIII, SECTION 15 OF THE CODE OF THE
CITY OF FORT COLLINS RELATING TO SHORT TERM RENTALS

WHEREAS, the renting of dwelling units for periods of less than thirty days (“Short Term Rental” or “Short Term Rentals”) is an ongoing activity in the City requiring owners of Short Term Rentals to obtain City sales and use and lodging tax licenses; and

WHEREAS, the City wishes to protect neighborhoods while accommodating an existing and desired activity; and

WHEREAS, by utilizing existing zoning code provisions and applying additional requirements on Short Term Rental activities, neighbors, renters, and traditional lodging establishments can all be protected from unregulated activity; and

WHEREAS, there are a number of existing Short Term Rentals operating in multi-family buildings within the City, which raises issues about what sanitation, mechanical, electrical, structural, and fire safety requirements should be used to review these particular Short Term Rentals; and

WHEREAS, City Council wishes to amend the current Short Term Rental regulations in order to specify which sanitation, mechanical, electrical, structural, and fire safety requirements apply to Short Term Rentals operating in multi-family buildings and to provide an alternative method for currently existing Short Term Rental operating in multi-family buildings to meet current fire safety requirements; and

WHEREAS, Council also wishes to make other amendments to the Short Term Rental regulations to change a violation of these regulations to a civil infraction and to make other appropriate edits; and

WHEREAS, these restrictions, requirements and regulations are in the public’s interest and protect the health, safety and welfare of City residents and of individuals staying in a Short Term Rental within the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That two new definitions are hereby added to Section 15-641 of the Code of the City of Fort Collins, which new definitions shall read in their entirety as follows:

Multi-family dwelling unit shall mean a dwelling unit that is located in a structure that is zoned for multi-family use.

R-1 Occupancy Building shall have the same meaning as the most recent *International Building Code* adopted by the City of Fort Collins.

Section 3. That the definition “*Short term non-primary rental*” contained in Section 15-641 of the Code of the City of Fort Collins is hereby amended to read as follows:

Short term non-primary rental shall mean a dwelling unit that is not a primary residence and that is leased, in part or in whole, in its entirety to one (1) party at a time for periods of less than thirty (30) consecutive days. The term short term non-primary rental shall not include the rental of a dwelling unit to the former owner immediately following the transfer of ownership of such dwelling unit and prior to the former owner vacating the dwelling unit.

Section 4. That Section 15-642 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 15-642. License required.

No person may lease to any person, or use, any dwelling unit ~~may be utilized~~ as a short term primary rental or short term non-primary rental within the City unless a license to rent such dwelling unit has been first issued as provided in this Article.

Section 5. That Section 15-644 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 15-644. Licensing requirements.

(a) The following are the minimum requirements that must be satisfied by the applicant for the issuance of a short term primary rental license.

...

(4) The property must conform to, and the applicant shall certify that the dwelling unit proposed to be licensed as a short term rental complies with, specific applicable sanitation, mechanical, electrical, structural, and fire safety requirements in Chapter 5 of the Code of the City of Fort Collins and listed in administrative regulations adopted pursuant to § 15-651. The Director may inspect the dwelling unit proposed to be licensed for purposes of verifying compliance with such requirements and refusal by the applicant to allow such inspection shall be grounds for denial of the issuance of a license.

(5) The applicant must maintain and provide proof of liability insurance sufficient to compensate renters for injuries that may be sustained in the dwelling unit proposed to be rented within the coverage limits established in administrative regulations adopted pursuant to § 15-651.

...

(b) The following are the minimum requirements that must be satisfied by the applicant for the issuance of a short term non-primary rental license.

...

(4) The property must conform to, and the applicant shall certify that the dwelling unit proposed to be licensed as a short term rental complies with, specific applicable sanitation, mechanical, electrical, structural, and fire safety requirements in Chapter 5 of the Code of the City of Fort Collins and listed in administrative regulations adopted pursuant to § 15-651. The Director may inspect the dwelling unit proposed to be licensed for purposes of verifying compliance with such requirements and refusal by the applicant to allow such inspection shall be grounds for denial of the issuance of a license.

(5) The applicant must maintain and provide proof of liability insurance sufficient to compensate renters for injuries that may be sustained in the dwelling unit proposed to be rented within the liability coverage limits established in administrative regulations adopted pursuant to § 15-651.

...

Section 6. That Section 15-646 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 15-646. Licensing of short term primary and non-primary rentals existing prior to Land Use Code restrictions.

...

(e) Should ownership of a dwelling unit licensed pursuant to § 15-646 be transferred, and such license was continuously valid until the transfer of ownership, the new owner is eligible for a license identical in scope to the previously issued license provided: (1) the new owner applies for a license within thirty (30) calendar days of the transfer of ownership; (2) the dwelling unit complies with the parking requirements in Land Use Code Section 3.2.2(K)(1)(k); and (3) any license issued pursuant to § 15-646 is continuously maintained. Should a license issued to the new owner under this Section be revoked, not be renewed, or lapse for any period of time, the new owner shall no longer be eligible for a license for such dwelling unit pursuant to this Section.

...

Section 7. That Section 15-647 of the Code of the City of Fort Collins hereby amended to read as follows:

Sec. 15-647. Term of license and renewal.

...

(d) A short term primary or non-primary rental shall only operate in a multi-family dwelling unit if the entire multi-family structure meets all sanitation, mechanical, electrical, structural, and fire safety requirements applicable to an R-1 Occupancy Building.

(e) A short term primary or non-primary rental licensed prior to September 13, 2019, that operates in a multi-family dwelling unit may continue to operate under and for the current terms of such license if it meets the requirements in § 15-648(4) and continues to comply with all other applicable requirements, and if the license has not lapsed for more than thirty (30) days.

If the owner of a short term primary or non-primary rental operating in a multifamily dwelling unit that is licensed prior to September 13, 2019, sells or otherwise transfers the multifamily dwelling unit, then the short term rental license shall expire at the time of sale or transfer unless the entire multi-family structure where the multifamily dwelling unit is located meets the R-1 Occupancy Building requirements in this § 15-647.

Section 8. That Section 15-648 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 15-648. License regulations.

Upon issuance of a license pursuant to this Article, the following requirements must be met in order for the license to remain valid. Failure to comply with any of the following regulations may result in revocation, suspension, or non-renewal of the issued license pursuant to § 15-649:

...

(4) The licensee shall maintain compliance with all sanitation, mechanical, electrical, structural, and fire safety requirements described in § 15-644. As a condition of renewal for the year 2020 and subsequent years, a short term primary or non-primary rental licensed in a multi-family dwelling unit prior to September 13, 2019, may only continue to operate as a short term rental if the Building Official determines that the dwelling unit meets the following alternate minimum fire resistance and safety requirements applicable to an R-1 Occupancy, as those terms are defined by the *International Building Code*:

(a) The dwelling unit is sprinkled and has egress windows that are not less than the equivalent fire resistance and safety requirements prescribed by the *International Building Code*;

(b) The dwelling unit is on the first or second story of the building, has direct exits to the outside, fire separation ratings and egress windows that are not less than the equivalent fire resistance and safety requirements prescribed by the *International Building Code*; or

(c) The dwelling unit is located above the second story of a building and has fire rated corridor exiting, fire alarm systems, fire rated doors and egress windows that are not less than the equivalent fire resistance and safety requirements prescribed by the *International Building Code*.

...

Introduced, considered favorably on first reading, and ordered published this 20th day of August, A.D. 2019, and to be presented for final passage on the 3rd day of September, A.D. 2019.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 3rd day of September, A.D. 2019.

Mayor

ATTEST:

City Clerk