

Ordinance #770
Series 2022

An Ordinance of the Town of Mancos Amending Certain Portions of Chapter 16 of the Mancos Municipal Code Known as the Mancos Land Use and Development Code Concerning Short-Term Rentals and Lifting the Temporary Moratorium on Short-Term Rentals

WHEREAS, the Town of Mancos amends the Town of Mancos Municipal Code, Adopted by Ordinance 420 in 1982, Re-codified in 2010 by Ordinance 634, as amended, from time to time (hereafter “Mancos Municipal Code”); and

WHEREAS, Section 1-3-70 of the Mancos Municipal Code allows that amendments to the Code may be made; and

WHEREAS, the regulation of Land Use, Planning and Zoning are within the proper exercise of a local government’s police power to promote public health, safety, and welfare; and

WHEREAS, proper public notice was given and public hearings were held in consideration of the text amendments to the Mancos Land Use and Development Code as set forth in Section 16-18-2 and Section 16-19-14 of the Mancos Land Use and Development Code; and

WHEREAS, after having considered the public comment and having reviewed all aspects of the proposed changes and amendments as described in the attached Exhibit A, the Planning and Zoning Commission, at a regular meeting held on April 20, 2022, recommended approval of the amendments to the Mancos Land Use and Development Code as described in Exhibit A to the Board of Trustees or with suggested modifications as dictated by the Planning and Zoning Commission in Exhibit B, if any; and

WHEREAS, a duly advertised public hearing was held by the Board of Trustees at its regular meeting on June 8, 2022; and

WHEREAS, after having considered the public comment, the Board of Trustees of the Town of Mancos has determined that amending the Mancos Land Use and Development Code as described in the attached Exhibit A is necessary in order to better achieve the purposes identified in Section 16-1-4 of the Mancos Land Use and Development Code; and

WHEREAS, in Ordinance 768, Series 2022, the Board of Trustees of the Town of Mancos extended a temporary moratorium on the submission, acceptance, processing, and approval of permits and renewals of any new short-term rental permit, but excluding renewals of short-term rental permits to allow for the development of new and amended short-term rental permitting through August 31, 2022.

NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Mancos, Colorado, that:

1. The Mancos Land Use and Development Code is hereby amended as described in the attached hereto Exhibit A on the effective date of this ordinance.
2. The temporary moratorium on short-term rentals up to August 31, 2022, established in Ordinance 768, Series 2022 shall be deemed lifted, rescinded and of no further force and effect upon the effective date of this ordinance.

THIS ORDINANCE PASSED ON FIRST AND FINAL READING THIS 8th DAY OF June, 2022.
This ordinance shall become effective thirty (30) days after publication.

TOWN OF MANCOS, COLORADO

Ellen "Queenie" Barz, Mayor

ATTEST:

Jamie Higgins, Town Clerk

PUBLISHED THE ___ DAY OF _____, 2022 BY THE AUTHORITY OF THE TOWN
CLERK OF MANCOS, COLORADO.

ATTEST:

Jamie Higgins, Town Clerk

Sec. 16-4-4. Permitted uses and classification of unlisted uses.

(d) Primary uses. The following uses are permitted as primary uses in the zone districts identified:

- (1) Uses identified with a /P/ in a district column are allowed by right in the district subject to compliance with any applicable use-specific standards conditions and all other provisions of this LUC.
- (2) Uses identified with an /S/ in a district column are allowed in the district only upon approval of a special use permit in accordance with the procedures and standards of Section 16-19-5, Special Use Permits.
- (3) Uses identified with an /X/ in a district column are prohibited in that district.

Table 16-4.1: Primary Uses												
Use Type	Additional Standards	Zone Districts										
		AR	AR-C	SFR-1	SFR-2	MFR-1	MFR-2	DMU	CMU	C	LI	P2
Key: P= Permitted by Right, S = Special Use Permit, /X/ Prohibited												
<i>Lodging Accommodations</i>												
Bed and breakfast	16-4-6	P	S	S	S	P	P	P	P	P		
Hotel or motel								P	P	P		
Recreational vehicle park	16-4-6	S									P	P
Short-term rental	16-4-10(k); Town max: 15							P	P	P		

(e) Permitted accessory uses. The following uses are permitted as accessory uses in the zone districts identified:

Table 16-4.2: Accessory Uses												
Use Type	Additional Standards	Zone Districts										
		AR	AR-C	SFR-1	SFR-2	MFR-1	MFR-2	DMU	CMU	C	LI	P2
Short-term rental	16-4-10		P	P	P	P	P	P	P	P		

ARTICLE 4 - USE STANDARDS

Sec. 16-4-10 - Accessory Uses

(k) Short-Term Rentals 1

(1) Purpose 1

(2) Business License for a Short-Term Rental (STR) Required 2

(3) Applicability to Existing Short-Term Rental Licenses 3

(4) STR Business License Cap 3

(5) Short-Term Rental Eligibility 3

(6) Use and Occupancy 3

(7) Structure and Site Requirements 3

(8) Business License 4

(9) Periodic Life Safety Inspections 6

(10) Listing Information 6

(11) Guest Information in the Rental Unit 6

(12) Violation, Enforcement, and Penalties 6

(13) Definitions 6

(k) Short-Term Rentals

(1) Purpose

The purposes of the Mancos short-term rental unit licensing program are to:

- a. Maintain the viability and affordability of owner and renter-occupied residential housing in Mancos
- b. Protect existing commercial structures and spaces from investment pressure to convert to residential short-term rental use.
- c. Ensure that traditional residential neighborhoods are not turned into tourist areas to the detriment of full-time residents
- d. Prevent the creation and use of pseudo-hotels in residential neighborhoods.
- e. Ensure that short-term rental owners maintain compliance with the Town’s LUC and other relevant municipal regulations.
- f. Support the property values of all properties in a neighborhood, not just those lots with short-term rentals.
- g. Minimize public safety risks and the noise, trash, and parking problems often associated with short-term rentals.

- h. Give permanent residents the option to occasionally utilize their properties to generate extra income from short-term rentals as long as all of the Town's other policy objectives are met.
- i. Protect the health, safety, and general welfare of the community.
- j. Establish a comprehensive review and licensing process to safeguard the public health, safety, and welfare of the community by regulating and controlling use, occupation, location, and maintenance of short-term rental properties within the Town of Mancos.

(2) Business License for a Short-Term Rental (STR) Required

- a. Business License Issuance
 - 1. A business license is required for all short-term rentals. A separate license is required for each short-term rental unit on a property. It shall be unlawful for any person to operate a short-term rental without a valid business license.
 - 2. The business license must be obtained before the rental is advertised or used, except as provided in Section (k)(3), Applicability to Existing Short-Term Rental Licenses, for properties with existing short-term rental licenses.
 - 3. Business licenses for short-term rentals are not transferrable and they do not run with the property.
- b. A short-term rental business license shall only be issued to any of the following, whose name shall appear on the deed of the property:
 - 1. A natural person;
 - 2. A trust, if the beneficiary of the trust is a natural person; or
 - 3. A limited liability company or a closely held corporation with three or fewer members or shareholders who are natural persons. Please reference the definition of natural persons.
- c. The business license holder shall be responsible for payment of all taxes, including any applicable sales and lodging taxes.
- d. Renewal
 - 1. All business licenses shall be renewed annually pursuant to Mancos Municipal Code Ch.6, Art. 8.
 - 2. Renewal applications for properties that have been compliant with the short-term rental regulations and that have been submitted for renewal in a timely manner will be given priority processing over new applications.
- e. The regulations in this section apply to short-term rentals only. They do not apply to long-term leases or businesses that provide lodging services with a staffed central check-in desk, such as a hotel or bed and breakfast, when operated in a zone district that permits lodging uses.

(3) Applicability to Existing Short-Term Rental Licenses

Property owners with a short-term rental business license issued prior to the adoption of this ordinance have until the end of the current yearly license expiration period (December 31, 2022) to bring the property into compliance with the terms of this ordinance, including compliance with the residency requirement, and apply for a new business license per Mancos Municipal Code Ch. 6, Art. 8.

(4) STR Business License Cap

Up to a maximum total of 15 business licenses for short-term rentals may be issued by the Town. The Town may decide to issue fewer than the maximum total number of licenses in any year.

(5) Short-Term Rental Eligibility

- a. The following properties may qualify for use as a short-term rental:
 - 1. A residential property with an ADU located in a residential zone district where the property owner lives on-site as a primary residence.
 - 2. Residential properties in mixed-use and commercial zone districts where the property is owned by a local owner.
- b. Residency requirements shall not be eligible for exemption or variance.
- c. Permanently affordable housing, publicly-owned housing, or housing approved to serve workforce housing needs may not be used for short-term rentals.
- d. Nothing in this section shall limit the ability of a property owner; property covenants, conditions, and restrictions (CC&Rs); homeowners' association or similar association from prohibiting or further limiting the short-term rental of property where the authority to do so exists.

(6) Use and Occupancy

- a. Short-term rentals must be used for lodging purposes only. Occupancy shall be limited to 2 people per bedroom plus two additional guests.
- b. Short-term rental properties may not be used for commercial purposes or large social gatherings such as weddings or family reunions.
- c. Noise
 - 1. Quiet hours shall be from 10:00 p.m. to 7:00 a.m. and no outside assembly of more than the maximum overnight occupancy shall be permitted during this period.
 - 2. Outdoor amplified sound (microphone or speaker system) shall not be allowed at any time. This provision does not apply to casual music from personal music devices or similar situations that are typical of residential surroundings.
 - 3. Pets if allowed by owner shall be secured on the property at all times. Continual nuisance barking by unattended pets is prohibited.

(7) Structure and Site Requirements

- a. Sleeping quarters for short-term rentals shall be located in a habitable structure and not in:
 - 1. Non-residential areas within a building that do not contain finished living space (e.g., shed, garage);
 - 2. Commercial or industrial spaces; or
 - 3. Outdoors in temporary structures (e.g., tent) or in a recreational vehicle or tiny home on wheels.
- b. Short-term rental units must contain smoke detectors, fire extinguishers and carbon monoxide detectors; and shall remain compliant with all zoning, building, fire, noise, and other applicable Town and state codes.
- c. Guests shall be provided with instructions about where to park. On-site parking is limited to driveways and garages.
- d. The property owner shall maintain weekly residential trash collection services.
- e. No signage in addition to that allowed for the property in Article 16.13, Signs, is allowed for short-term rentals.
- f. A copy of the business license shall be posted in a prominent location within the rental. The business license shall specify the term of the license, maximum occupancy approved for the short-term rental, contact information for the property owner or manager, location of fire extinguisher(s), and any relevant conditions of the business license approval.

(8) Business License

- a. An application for a business license for a short-term rental shall include the following information:
 - 1. Contact information for the owner (person, trust, or corporation) of the property.
 - 2. Contact information for the owner's local contact person, who has authority to fix any problems or violations of this section, who is located within 30 minutes of the property and available 24 hours a day, seven days a week, at a phone number provided to both the Town and any person staying at the property.
 - 3. The URL (i.e., the website address) for any and all advertisements of the short-term rental of the property.
 - 4. Proof of building and fire code compliance.
 - 5. Proof of commercial general liability insurance.
- b. All properties subject to a business license application must be inspected by the Town for compliance with this LUC and all applicable life safety codes within 30 days prior to the filing of the application.
- c. The Town Administrator shall review a new or renewal application for a short-term rental business license for compliance against the criteria listed below. The Town Administrator

may deny a short-term rental business license application or renewal application if any of the following issues are found:

1. The property has any unresolved code enforcement violations, including issues unrelated to the short-term rental.
2. The property is not in compliance with all applicable Land Use Code requirements, any permit requirements, or where applicable, any fire, building and safety, or other relevant laws and ordinances.
3. The applicant has made any false, misleading, or fraudulent statements of material fact in the application, or in any report or statement required to be filed that is related to the application.
4. The property that is the subject of the application is not available for immediate rental on a short-term basis consistent with the requirements of these regulations.

d. Issuance and Renewal

Business licenses for short-term rentals shall be issued pursuant to the Mancos Municipal Code Ch. 6, Art. 8. The issuance of a business license for a short-term rental does not create a continuous right to operate a short-term rental beyond the annual term of the license.

e. Effect of Denial

1. If an application for a new or renewal short-term rental business permit is denied, the Town Administrator may not approve a new application for that applicant and location for a one-year period after the denial unless the Planning and Zoning Commission determines that the reason for the denial has been cured or no longer exists.
2. An applicant who has requested review based on cured circumstances but is denied by the Planning and Zoning Commission may appeal the denial to the Board of Trustees.

f. Violation and Revocation

1. A business license may be found in violation and revoked pursuant to Mancos Municipal Code Ch. 6, Art. 8.
2. A license holder who is in notice of violation is prohibited from taking any further or future reservations.
3. If a short-term rental license is revoked, the short-term rental of the property must cease immediately. The unit shall not be used as a short-term rental until a new business license is issued, which may not be done for a period of one year following the revocation.
4. No fee refunds shall be issued to any licensee whose short-term rental business license is revoked.

g. Abandonment

Licensed owners must notify the Town of the closure of an STR within thirty days. Once the use of property for STR occupancy is abandoned, approval of a new business license shall be required before the property may be used again for a short-term rental.

(9) Periodic Life Safety Inspections

The Town may perform periodic life safety inspections on all short-term rental units.

(10) Listing Information

All short-term rental listings shall include the STR license number and maximum occupancy information.

(11) Guest Information in the Rental Unit

The following information shall be displayed in a prominent interior and easy to access location in each rental unit:

- a. The owner’s and local property management or contact information,
- b. The short-term rental license number,
- c. A copy of the Mancos Short-Term Rental Regulations, and
- d. Site-specific instructions about parking locations and trash pick-up.

(12) Violation, Enforcement, and Penalties

- a. Short-term rental business licenses shall be enforced pursuant to Mancos Municipal Code Ch. 6, Art.8.
- b. The short-term rental license holder shall be held responsible for citations for violations of the municipal code committed by persons at the property during a period when the property is rented on Short-Term rental basis.

(13) Definitions

Accessory use or structure means a use or structure naturally and normally incidental to and subordinate to the permitted primary structure or use by right of the land or lot area.

Accessory dwelling unit (ADU) means a smaller, secondary residential dwelling unit with a separate entrance from the primary one-unit dwelling on the same lot as a primary one-unit dwelling. Accessory dwelling units are independently habitable and provide the basic requirements of living, sleeping, cooking, and sanitation.

Bed and breakfast means a commercial establishment operated in a house, or portion thereof, used by the record owner of the property as a primary residence where short-term lodging rooms and meals are provided to guests for compensation.

Boarding house means an establishment where lodging in individual rooms or units without kitchen facilities is offered to one or more roomers or boarders for direct or indirect compensation for a period of 30 days or more.

Dwelling unit means a building arranged and designed as a dwelling unit and intended to be occupied by one (1) family, which has at least one bathroom and a minimum floor area of five

hundred (500) square feet, unless otherwise specified within the appropriate zoning districts. Dwelling units shall include manufactured homes and factory-built homes.

Hotel or motel means a building or group of buildings with guest rooms in which lodging is provided and offered to transient guests for compensation.

Local Resident (for the purposes of short-term rental regulations) means a natural person who has primary residence within the 81328-zip code.

Owner means any part owner, joint owner, tenant in common, tenant in partnership, joint tenant, or other person with sole or with concurrent legal and/or beneficial title to the whole or to part of a building or land. This definition also applies to any property manager or property management business.

Person means an individual, proprietorship, trust, partnership, corporation, association, or other legal entity. For purposes of short-term rentals, “person or persons” shall not include any corporation, partnership, firm, association, joint venture, or other similar legal entity unless otherwise specified in the STR regulations.

Primary residence means a dwelling unit that is owner-occupied and is the usual place of return for housing of a person as documented by at least two of the following: motor vehicle registration, driver's license, Colorado state identification card, voter registration, tax documents, or a utility bill. A person can only have one primary residence.

Short-term rental unit means a full residential dwelling unit or accessory dwelling unit that is rented for compensation or consideration for less than 30 days at a time. This definition does not include bed and breakfasts; boarding houses; hotels; motels; dwelling units owned by the federal government, state, or Town, or any of their agencies; or facilities licensed by the state as health care facilities.

Short-term rental means the renting, or offer to make available, (by way of a rental agreement, lease, license, or any other means, whether oral or written) for compensation or consideration, of residential property, a full dwelling unit, or accessory dwelling unit for a period of 30 consecutive days or less.

Short-term rental party (or party) means one or more persons who, as a single group, rent a short-term rental unit pursuant to a single reservation and payment.