



## Short-term Rental Regulation

**By Adam Alemzada**

This memorandum provides information on the regulation of short-term rentals (STRs) in Colorado. State law defines any rental of a lodging unit for less than 30 days as an STR, and allows for their regulation at the county level. STRs may also be regulated privately through contracts and homeowners' association covenants. A lodging unit includes any property or portion of a property that is available for lodging, except for hotels.<sup>1</sup> STRs are usually privately owned residential units that are booked through third-party vacation rental services, such as Airbnb and VRBO.

### State Law

There are no statewide regulations regarding STRs. As established through [House Bill 20-1093](#), state law allows for boards of county commissioners (BOCCs) to license and regulate an owner or owner's agency and to fix the fees, terms, and manner for issuing and revoking licenses. [House Bill 23-1287](#) clarified definitions and the scope of BOCC authority.

BOCCs also have the authority to mandate that vacation rental services impose a requirement on STR owners with listings in the county to include their local STR license or

permit number on the STR's listing. If the owner of an STR unit has their license or permit revoked or suspended by the county, then BOCCs may require a vacation rental service to remove the STR unit's listing from their website.<sup>2</sup>

Home rule municipalities in Colorado were able to regulate STRs before the passage of HB 20-1093 in 2020, such as the City of Denver, which adopted their STR ordinances in 2016.

### Examples of Local STR Regulations

Several cities and counties in Colorado have established regulations for STRs. This memorandum uses the City and County of Denver, the Town of Breckenridge, and Boulder County as examples.

#### City of Denver

Denver's STR regulations include, but are not limited to, requiring that:

- all STRs have a license;
- STRs be in the host's primary residence;
- STRs provide a brochure that includes licensee's contact information and pertinent neighborhood information;

<sup>1</sup> Section 30-15-401 (1)(s.5), C.R.S.

<sup>2</sup> Section 30-15-401 (1)(s), C.R.S.

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- all advertisements display the host's license number; and
- STR hosts follow rules related to safety, taxes, zoning, record-keeping and insurance.

Denver also imposes a Lodger's Tax of 10.75 percent on STR unit bookings. STR hosts may be fined or lose their licenses if they violate any local STR ordinances.<sup>3</sup>

## Town of Breckenridge

Breckenridge requires that all STR properties be licensed and that the license number is displayed on all advertisements for the property. Licenses are non-transferable in the event of property sale. Breckenridge allows individual homeowners' associations to impose their own requirements, restrictions, and covenants related to STRs.<sup>4</sup>

## Boulder County

Boulder County allows for two types of STR licenses, with different restrictions imposed on each.<sup>5</sup>

### Short-Term Rental License

Boulder County's Short-Term Rental License requires an initial fee of \$350 and a \$250 renewal fee if there are no confirmed license violations or new unpermitted work during the

previous two-year licensing term. These licenses may only be used for units that are the owner's primary residence, meaning the owner resides there for more than six months out of the year. These units are generally rented while the owner is present at the property. For example, a person could use a Short-Term Rental License to list a guest bedroom in the home they live in.

### Vacation Rental License

Boulder County's Vacation Rental License requires an initial fee of \$500 and a \$300 renewal fee if there are no confirmed license violations or new unpermitted work during the previous two-year licensing term. These licenses may be used for single-family dwellings that are rented to single booking party at a time, where the entire dwelling unit is solely occupied by the rental party. Vacation Rental Licenses are only permitted in Forestry and Mountain Institutional zone districts, which are mostly located in the western region of Boulder County. There are a limited number of licenses for the two regions in that area, with a total of 277 licenses allowed between the two. They are not permitted in the Plains Census County Division, which includes the cities of Longmont, Lyons, Erie, Lafayette, Louisville, and Boulder.

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<sup>3</sup> City of Denver, [Short-term rentals laws, rules, and regulations](#).

<sup>4</sup> Town of Breckenridge, [Accommodation Unit \(Short Term Rentals\) Licenses](#).

<sup>5</sup> Boulder County, [Short-Term Dwelling and Vacation Rental Licensing](#).