

**ORDINANCE NO. 2022-10  
CITY OF CRIPPLE CREEK**

**AN ORDINANCE OF THE CITY OF CRIPPLE CREEK, COLORADO AMENDING  
CHAPTER 6 OF THE CRIPPLE CREEK MUNICIPAL CODE TO ADD A NEW  
ARTICLE 10 RELATING TO SHORT TERM RENTALS**

**WHEREAS**, the City of Cripple Creek ("City") is a municipal corporation possessing all powers granted to statutory cities by Title 31 of the Colorado Revised Statutes; and

**WHEREAS**, pursuant to C.R.S. § 31-15-401, the City by and through its City Council ("Council"), possesses the authority to adopt laws and ordinances within its local powers in furtherance of the public health, safety and welfare; and

**WHEREAS**, pursuant to Title 31, Article 15 of the Colorado Revised Statutes, the City also possesses the authority to license and regulate businesses; and

**WHEREAS**, the City of Cripple Creek is currently experiencing a severe shortage of housing and long-term rental units for the local workforce, and the diversion of the existing housing stock for short-term rentals contributes to the City's housing shortage and has a direct and indirect impact on affordability and the availability of housing; and

**WHEREAS**, the Council finds that it is necessary for the public health, safety and welfare of the City's present and future residents, local workforce, businesses, customers, economy and tax base to implement a short-term rental permitting program as provided below.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE  
CITY OF CRIPPLE CREEK, COLORADO, THAT:**

Section 1. Chapter 6 of the Cripple Creek Municipal Code is hereby amended by the addition of a new Article 10 Short Term Rental Permits to read as follows:

**Sec. 6-10-10. – Definitions.**

The following terms, as used in this Article, shall have the meanings hereafter designated, unless the context specifically indicates otherwise or unless such meaning is expressly excluded:

*Accessory dwelling unit* means a detached structure on the same lot as a primary dwelling unit that contains a separate address from the primary dwelling unit.

*Applicant* means the owner of the property, or the person controlling the corporate owner of the property, used as a short-term rental business, as evidenced on the recorded deed for the property.

*Local contact person* means the person designated by the owner or the owner's authorized agent or representative who shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of: (1) addressing within sixty (60) minutes property code violations and/or

complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit and (2) taking remedial action to resolve such violations and/or complaints.

*Person* means any individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, limited liability company, partnership, association, or other legal entity.

*Premises*, when used without a modifier and unless the context indicates otherwise, means the building in which the short-term rental business is operating and the real property lot or parcel on which it is located.

*Short-term rental business* means the occupation of leasing or renting one (1) short-term rental unit.

*Short-term rental permit* means a city-issued license to operate a short-term rental business. A short-term rental permit does not satisfy the requirements of Article 1 of this Chapter 6 which requires a short-term rental business to also obtain a business license.

*Short-term rental unit* means a residential dwelling unit, such as a single-family detached unit, duplex, condominium, or townhome that is rented for occupancy for the purpose of lodging for any period less than thirty (30) consecutive days, not to include apartment buildings, bed and breakfast inns, hotels, lodges, and hostels.

*Unit of housing stock* means a residential dwelling unit that is constructed in accordance with all applicable laws regulations and standards and for which a certificate of occupancy has been duly issued.

**Sec. 6-10-20. – Prohibition.**

(a) It shall be unlawful for any person to conduct, operate or permit to be conducted or operated any short-term rental business in the City without first having obtained both a short-term rental permit and a business license pursuant to Article 1 of this Chapter 6.

(b) It shall be unlawful for any person to advertise a short-term rental business located within the City without first having obtained a short-term rental permit and a business license.

**Sec. 6-10-30. – Permit Fee.**

The annual short-term rental non-refundable permit fee shall be set by the City Council by resolution.

**Sec. 6-10-40. – Number of permits required.**

When a person conducts or operates more than one short-term rental business in the City, the person must obtain a business license and short-term rental permit for each short-term rental business in the City.

**Sec. 6-10-50. – Insurance and bond requirements.**

No permit to operate a short-term rental business shall issue until the applicant furnishes evidence of a current Comprehensive General Liability insurance policy with minimum combined single limits of five hundred thousand dollars (\$500,000) each occurrence and five hundred thousand dollars (\$500,000) aggregate. The policy shall be applicable to all premises and operations. All policies shall be kept in force for the entire term of the permit.

**Sec. 6-10-60. – Qualifications for permit.**

Every applicant for a permit provided for in this Article shall be at least eighteen (18) years of age and shall meet all the requirements specified in this Article for the permit.

**Sec. 6-10-70. – Application requirements for short-term rental permit.**

Every application for a permit to operate a short-term rental business shall contain the following:

- (a) The name, address, telephone number and date of birth of the applicant and, if applicable, each of its officers, partners, directors and registered agents.
- (b) The address of the premises to be permitted.
- (c) The name, address, telephone number and date of birth of the local contact person.
- (d) The sales tax license.
- (e) A current title commitment or other evidence acceptable to the City showing that the applicant is the owner of the premises on which the short-term rental business is located, or the person controlling the corporate owner of the premises.
- (f) A completed application form provided by the City.
- (g) Consent to a city short-term rental inspection of the premises.
- (h) A sketch, drawing or diagram drawn to scale and showing the configuration of the premises, including total floor area to be occupied by a short-term rental unit(s) and identifying the total number of: (i) bedrooms, and (ii) any shared spaces.
- (i) A sketch showing the outside of the premises, the location of trash storage and the off-street parking spaces reserved for the exclusive use of the short-term rental business.
- (j) Evidence that applicant meets the insurance coverage requirements of this Article.
- (k) Each application shall be accompanied by a nonrefundable application fee in an amount established by resolution of the City Council, which application fee shall be in addition to the permit fee and any other applicable fees imposed by this Chapter.

**Sec. 6-10-80. – Cap on short-term rental businesses; exclusions.**

- (a) There shall be a cap on the number of short term-rental business in the City. The maximum number of short-term rental businesses in the City shall be thirty-five (35). This cap shall increase by one (1) unit for each twenty (20) units of housing stock added to the housing inventory within City limits.
- (b) In accordance with the timing and schedule to be determined by the City Administrator or designee, the City will conduct a lottery to allocate available permits in the event the cap on short-term rental businesses increases, or when a permit becomes available within the

existing cap. The City Administrator or designee is hereby directed to promulgate rules for conducting said lotteries.

(c) Short-term rental businesses that are occupied by the owner as the owner's primary residence are excluded from the cap on short-term rental businesses.

**Sec. 6-10-90. – Limitations on short-term rental businesses within multi-dwelling unit buildings.**

- (a) No more than one short-term rental business shall be allowed on a single lot.
- (b) No more than one short-term rental business shall be allowed in a duplex.
- (c) No short-term rental business shall be allowed in multiple (more than two) dwelling unit building, such as a tri-plex or four-plex.
- (d) No short-term rental business shall be allowed in an apartment building.

**Sec. 6-10-100. – Distance limitations for short-term rental businesses.**

The application for issuance of any new short-term rental permit shall not be received or acted upon if the building in which the short-term rental business will be located is within two hundred (200) feet of any currently permitted short-term rental business. The two hundred (200) foot distance shall be computed by direct measurement from the nearest property line of the currently permitted short-term rental business to the nearest portion of the applicant's proposed short-term rental property line.

**Sec. 6-10-111. – Issuance or denial of permit.**

- (a) The City Clerk shall issue a short-term rental permit unless one (1) or more of the following is true:
  - 1. The issuance of a permit to the proposed short-term rental business would violate the established cap on short-term rental businesses.
  - 2. The applicant has not submitted a complete application form and provided all required information regarding the short-term rental business, including, but not limited to a copy of the applicable sales tax license, the total number of bedrooms and shared spaces, and the local contact person.
  - 3. The applicant has not paid the short-term rental permit fee and all other applicable fees under this Chapter.
  - 4. The applicant has not paid all taxes and fees owed to the City, including lodging tax and those related to other properties and purposes within the City.
  - 5. The premises to be used for a short-term rental business has failed the City short-term rental unit inspection.
  - 6. The premises in which the short-term rental business is proposed to be located does not comply with applicable City ordinances, such as parking ordinances, the building code, electrical or fire code.
  - 7. The applicant has failed to provide proof of required insurance.
  - 8. The applicant has knowingly provided false information to the City on an application for short-term rental permit, business license, or on any other application submitted to the City or any other governmental entity.

- (b) Within ten (10) business days of the date of a written statement of denial, the applicant may submit to the City Clerk a written request that the City Clerk schedule a hearing before the City Council on the application. The hearing shall be held at a regularly scheduled City Council meeting occurring at least ten (10) days after receipt by the City Clerk of the written request.
- (c) At the hearing, the applicant may present additional evidence, either documentary or through witness testimony, which is relevant to the applicant's eligibility for a short-term rental permit.
- (d) At the conclusion of the hearing or within ten (10) days thereafter, the City Council shall either order that the City Clerk issue the short-term rental permit or issue a written order denying the application for the short-term rental permit.
- (e) If the City Council denies the application for a short-term rental permit, the City Council's decision shall be final, subject to judicial review pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

**Sec. 6-10-112. – Term of permit; renewal.**

- (a) All short-term rental permits issued under this Article shall be valid until the end of the year in which it is issued, unless revoked or suspended as provided in this Article. Except for new permits issued after January 1, the term of the permit shall be for one calendar year, commencing January 1 and expiring December 31. The permit fee shall not be prorated if the permit is obtained after January 1. In no event shall the annual fee for such permit be prorated, abated or refunded.
- (b) Written application for renewal of a short-term rental permit shall be filed with the City Clerk no later than October 31, together with the applicable short-term rental permit fee in an amount established by resolution.
- (c) A permittee may submit to the City Clerk a late renewal application on the prescribed forms and pay a non-refundable late application fee in an amount established by resolution for a renewal application made after October 31. All other provisions concerning renewal applications apply to a late renewal application.
- (d) The timely filing of a completed renewal application or a late renewal application shall extend the current permit until a decision is made on the renewal.
- (e) Applications for renewal shall include the same information as an original application, except that the City short-term rental unit inspection will be conducted every two years.
- (f) Applicants for renewal shall also include an affidavit, signed by the applicant and notarized, attesting, under penalty of perjury, to the duration and frequency of the prior year's short-term rental history, including the specific number of rooms and nights rented in the prior year, as well as confirmation of payment of all applicable sales and lodging taxes.
- (g) The procedures for renewal permits shall be the same as the procedures for new permit applications.
- (h) Each application for renewal permit shall be accompanied by a nonrefundable application fee in amount to be set by resolution of the City Council, which application fee shall be in addition to the permit fee and any other applicable fee imposed by this Chapter.

**Sec. 6-10-113. – Suspension and revocation.**

- (a) The City Clerk may suspend or revoke any short-term rental permit issued under this Article if the City Clerk receives reliable information that:
- (1) A nuisance is being maintained on the permitted premises;
  - (2) The permitted premises are unsanitary as certified by the County or any other agency with jurisdiction;
  - (3) The permitted premises are unsafe as certified by the Building Official or Fire Chief.
  - (4) The permittee has knowingly provided false information on an application for a short-term rental permit or renewal of such a permit.
  - (5) The permittee has failed to pay any tax, such as lodging tax, or the annual permit fee established by City Council;
  - (6) The permittee has failed to file any report or furnish any other information required by this Article;
  - (7) Any fact or condition exists which, if it had existed or had been known to exist at the time of the application for such permit, would have warranted the denial of the issuance of such permit; or
  - (8) Violation of any provisions of this Article set forth in Section 6-10-117, or of any applicable law or regulation, or of any of the terms or conditions of the permit.
- (b) At least twenty (20) days before the City Clerk suspends or revokes any short-term rental permit, the City Clerk shall provide written notice to the permittee, via United States mail, postage prepaid, to the address provided on the most recent application, of the allegations supporting the suspension or revocation.
- (c) During the twenty-day period, the permittee may file with the City Clerk a written request for stay of the suspension or revocation pending a hearing before the City Council on the allegations to support the suspension or revocation.
- (d) The hearing shall be held at a regularly scheduled City Council meeting at least ten (10) days after receipt of the request by the City Clerk.
- (e) At the hearing, the permittee may present additional evidence, either documentary or through witness testimony, which is relevant to the suspension or revocation.
- (f) At the conclusion of the hearing or within ten (10) days thereafter, the City Council shall order that short-term rental permit be suspended for a period not to exceed thirty (30) days or one year, as applicable in accordance with Sec. 6-10-117, that the permit be revoked or that no action be taken with respect to the permit.
- (g) If the City Council orders suspension or revocation, the City Council's decision shall be final, subject to judicial review pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

**Sec. 6-10-114. – Permit nontransferable.**

A short-term rental permit issued under this Article is nontransferable. By way of example but not limitation, a new short-term rental permit shall be required upon: the sale, lease or sublease of the short-term rental business or the permitted premises; the transfer by sale, exchange or similar means of a controlling interest in the short-term rental business; or the

establishment of a trust, gift or similar legal device which transfers ownership of control of the short-term rental business of the permitted premises, other than transfer by bequest or other operation of law upon the death of the person possessing ownership or control.

**Sec. 6-10-115. – General regulations.**

- (a) Local contact person. The local contact person shall:
- (1) Reside within a ninety (90) minute-drive from the short-term rental business.
  - (2) Ensure all permits and licenses are current.
  - (3) Remove snow and ice from driveways and sidewalks on the premises.
  - (4) Keep premises well maintained, including trash removal.
  - (5) Be available twenty-four (24) hours per day, seven (7) days per week for the purpose of: a) addressing within sixty (60) minutes property code violations and/or complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit and b) taking remedial action to resolve such violations and/or complaints.
- (b) Noise. While on the short-term rental business premises, no person shall amplify music outdoors or make any noise that violates any provision of Chapter 10, Article 10 of the Cripple Creek Municipal Code.
- (c) Camping and temporary structures. While on the short-term rental business premises, no person shall construct or use any temporary structure or recreational vehicle or trailer for overnight purposes.
- (d) Fires and grills. While on the short-term rental premises, no person shall make a campfire or use a portable outdoor charcoal grill, fireplace, or any other ember-producing equipment.
- (e) Shooting. While on the short-term rental premises, no person shall shoot a firearm for recreational purposes.
- (f) Information on premises. Every permitted short-term rental business permittee shall display in a visible location on the premises within each short-term rental unit:
- (1) Emergency phone numbers for police, fire, EMS, and the local contact person;
  - (2) The Cripple Creek Good Neighbor Guidelines in the form adopted by Resolution;
  - (3) A map of the property including parking locations, trash storage and service times;
  - (4) A map of the building including fire extinguishers, all exits and other escape routes; and
  - (5) Information on where to locate information on current fire bans and other emergency notifications.
- (g) Information current. Every permittee shall ensure that all of the information provided in a permit application is kept up to date at all times. It shall be unlawful for a permittee to fail to provide updated information to the City within ten (10) days after the date upon which any information provided is no longer accurate.

**Sec. 6-10-116. – Notice of violation and administrative order.**

Any person who has violated or is violating any of the provisions of this Article shall be subject to a written notice of violation, an administrative order, or both. A notice of violation and administrative order may be combined into one document. The notice of violation shall state the nature of the violation(s) and the administrative orders shall require that the violation(s) be corrected and compliance obtained with the applicable section of this Article within a reasonable time, as specified in the administrative order. The notice of violation and/or administrative order shall be sent via United States mail, postage prepaid, to the address provided on the most recent application, or by personal service; or for violation of subsection 6-10-115(b)-(e), by personal service or via United States mail, postage prepaid, to the address shown in the short-term rental business records.

**Sec. 6-10-117. – Civil Penalties.**

A. Any costs incurred by the City, including reasonable attorneys' fees, due to violations subject to civil penalty, shall be added to the total amount of the civil penalty assessment. Nothing in this section shall prevent the City from acting or seeking relief under any other sections of the Cripple Creek Municipal Code for any violation of this Article.

B. Should violations stated in a notice of violation issued pursuant to this Article be subject to civil penalty, the City Administrator or designee shall send notice of corresponding civil penalty to the responsible person via United States mail, postage prepaid, to the address provided on the most recent application, or by personal service; or for violation of subsection 6-10-115(b)-(e), by personal service or via United States mail, postage prepaid, to the address shown in the short-term rental business records. The notice shall describe the nature of the violations and clearly state the amount of the civil penalty along with the due date and possible consequence of nonpayment in accordance with this Article.

C. Violations under this Article are subject to the following civil penalty and administrative action:

1. First notice of violation or administrative order: Warning
2. Second notice of violation or administrative order for violation within 12 consecutive months: \$100 and permittee is on notice that subsequent violation may result in suspension or revocation.
3. Third notice of violation or administrative order for violation within 12 consecutive months of the previous violation: \$500 and permit may be suspended for up to thirty (30) days.
4. Fourth notice of violation or administrative order for violation within 12 consecutive months of the previous violation: \$1000 and permit may be suspended for up to one (1) year.
5. Fifth notice of violation or administrative order for violation within 12 consecutive months of the previous violation: Permit is revoked.

Each day or part of a day any violation occurs or continues is a separate offense.

Notwithstanding any contrary provision, nothing herein shall prevent the suspension or revocation of a permit where the conditions described in subsections 6-10-113(a)(1), (2) or (3) exist.

**Sec. 6-10-118. – Administrative review -- appeal hearing.**



A. Any person who is the recipient of an administrative order or notice of civil penalty assessment may request a formal appeal in writing within ten days of the issuance of the of the issuance of the administrative order or notice of civil penalty assessment. Compliance with this time limit shall be a jurisdictional prerequisite to any appeal brought under this Article. Failure to comply with such time limit shall be deemed to be a waiver of the right to a hearing and the adjudication of the issues related to the hearing. Any notice of appeal shall be submitted to the City Clerk, along with a processing fee to be set by resolution, which shall be paid by in cash, check or certified funds, simultaneously with the filing of the request for appeal. The processing fee is not refundable. The City Administrator shall appoint a hearing officer to hear and determine matters subject to appeal and determination. The hearing shall be conducted in compliance with due process and the parties shall be permitted the right to legal representation, and to present evidence. Written notice of the date, time and location of the hearing shall be personally served upon or sent by first class mail to the responsible party at least ten calendar days prior to the date of the hearing.

D. The hearing officer, at the request of any party to the hearing, may subpoena witnesses, documents and other evidence where the attendance of the witness or the admission of evidence is deemed necessary to decide the issues at the hearing. All costs related to the subpoena including witness fees in the amount of \$5.00 per witness, and mileage fees at the rate provided for witnesses shall be borne by the party requesting the subpoena. It is unlawful for any person to refuse to obey a subpoena issued by the hearing officer.

E. The standard of proof to be used by the hearing officer in deciding the issues at an administrative order and civil penalty assessment appeal hearing shall be by a preponderance of the evidence.

F. Any person aggrieved by the decision of the hearing officer may appeal according to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

#### **Sec. 6-10-119. – Failure to attend appeal hearing.**

Any responsible party who fails to appear at the scheduled hearing is deemed to waive the right to a hearing and the adjudication of the issues related to the hearing, provided that proper notice of the hearing has been provided.

#### **Sec. 6-10-120. – Penalties assessed.**

A. If the responsible party fails to correct the violation, subsequent administrative orders and civil penalty assessment may be issued for violations of the same section of this Article.

B. Payment of the penalty shall not excuse the failure to correct the violations, nor shall it bar further enforcement by the City.

#### **Sec. 6-10-121. – Failure to pay penalties.**

A. Civil penalties not paid and received by the city within 30 days of issuance of the notice of civil penalty, or decision of the hearing officer, shall be deemed delinquent and subject to delinquency charges. Civil penalty assessments not paid before the due date may result in the imposition of a late fee of \$25.00 and interest at 1 ½ percent per month shall accrue.

delinquency charges. Civil penalty assessments not paid before the due date may result in the imposition of a late fee of \$25.00 and interest at 1 ½ percent per month shall accrue.

B. In the event of failure to pay all penalty assessments, the City Administrator may refer the matter for collection by whatever means are available to the City.

C. The City shall have as a security for the collection of such late fees, penalties, interest, and administrative costs, a lien upon the premises. The city finance director shall certify such charge to the office of the treasurer of the County, for collection in the same manner as the collection of general property taxes.

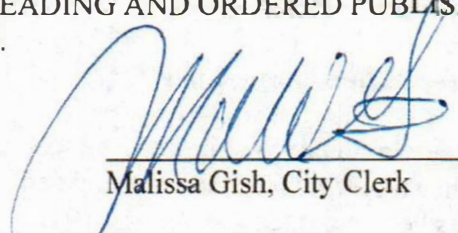
D. Any action or other process provided by law may be maintained by the City to recover or collect any amounts, including late fees, penalties, interest, and administrative costs, owing under this Article.

Section 2. Date of Compliance. Complete permit applications for existing short-term rental units shall be submitted to the City no later than October 31, 2022.

Section 3. Moratorium Repealed. The moratorium on short-term rentals imposed by Ordinance No. 2021-16 and extended by Ordinance No. 2022-XX is hereby lifted and repealed in its entirety.

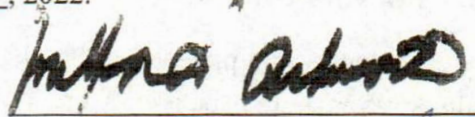
Section 4. Should any section, clause, or provision of this Ordinance be declared invalid by a court of competent jurisdiction, the same shall not affect the validity of the balance of this Ordinance.

PASSED ON THE FIRST READING AND ORDERED PUBLISHED THIS 3 DAY  
OF August, 2022.

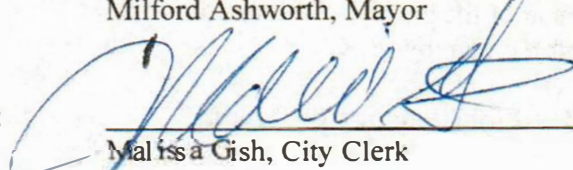
  
\_\_\_\_\_  
Malissa Gish, City Clerk

7 PASSED ON SECOND READING AND ADOPTED BY THE CITY COUNCIL THIS  
DAY OF September, 2022.


Approved:

  
\_\_\_\_\_  
Milford Ashworth, Mayor

Attest:

  
\_\_\_\_\_  
Malissa Gish, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Erin M. Smith, City Attorney