

# Denver Short Term Rental Advisory Committee

May 10, 2022

Excise and Licenses

# Public Comment

There will be time allotted at the **end** of the meeting for public comment.

Please use the “**raise hand**” feature on Zoom at any time during the meeting to indicate that you’d like to make a public comment at the end.

If you are calling in and cannot use the “raise hand” feature, you may sign up for public comment by emailing [Alex.Vidal@denvergov.org](mailto:Alex.Vidal@denvergov.org) at any point during the meeting.



# Welcome New Members!

## New Committee Members

Jeff Ruffe – Visit Denver

Susan Pearce – DMAR

Tyler Woolsey – STR Host

Jimmy Hernandez – Non-Host

Emmett Hobleby – Non-Host

Kayla Greathouse – Non-Host

TBD – Inter-Neighborhood

Cooperation (INC)

## City/County Members (for reference)

Kevin Flynn - City Council, District 2

Amanda Sawyer - City Council, District 5

Molly Duplechian – Director, EXL

Erica Rogers - Policy Director, EXL

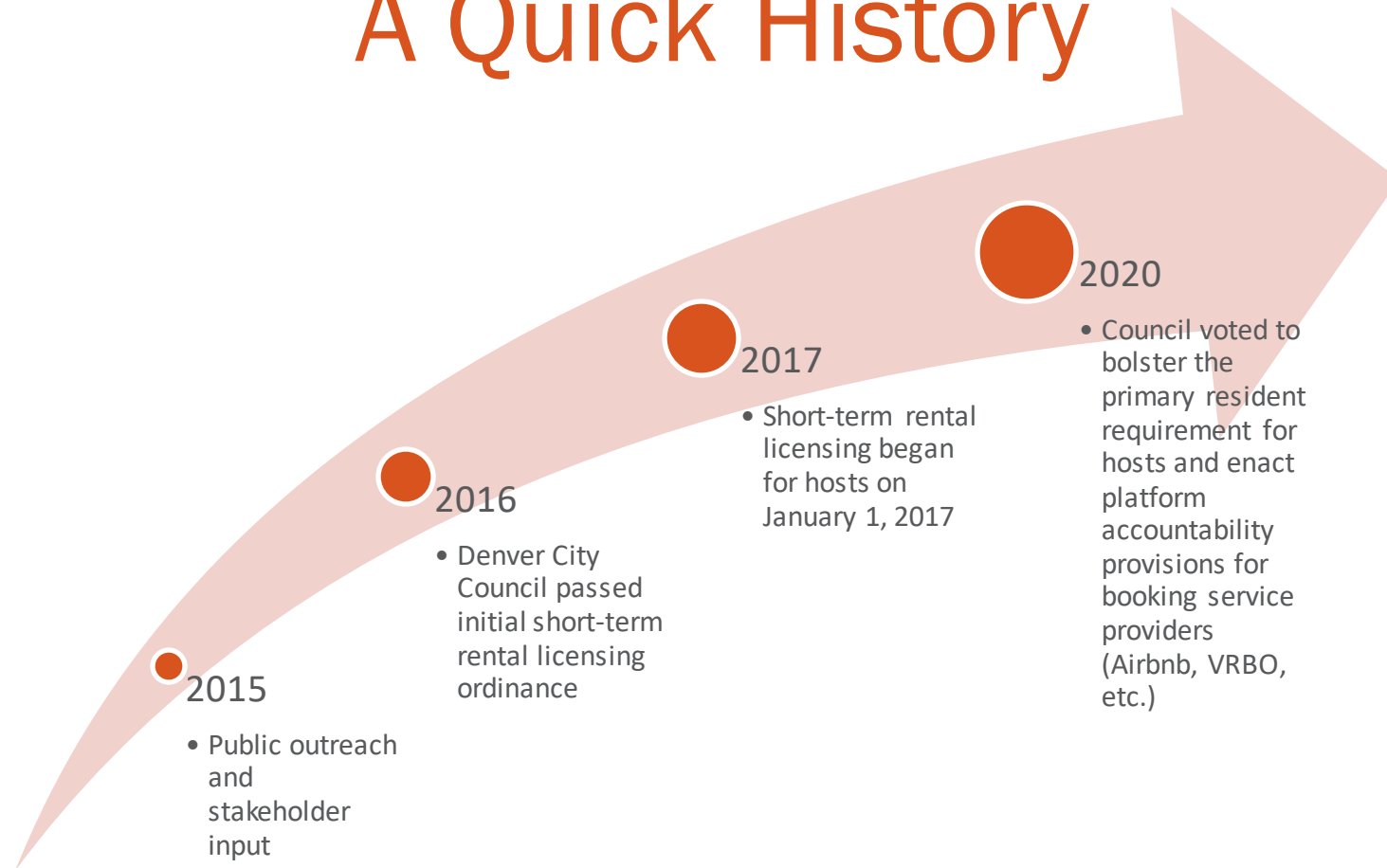
Alex Vidal - Policy Analyst, EXL

Alex Cobell – License Inspector II, EXL

Polly Kyle – Housing Policy Officer, HOST

Ken Martinez – Tax Audit Manager, DOF

# Short-Term Rentals in Denver: A Quick History



# Short-Term Rentals: Opportunities and Risks

## Opportunities

- STRs can create additional income opportunities for Denver residents
- STRs can foster variety in lodging options for Denver visitors
- STRs can drive community economic development when hosts recommend local businesses and employ service providers

## Risks

- Use of properties for STRs can put stress on the housing stock and affect [affordability](#)
- STRs used as “mini hotels” can lead to commercial encroachment in residential neighborhoods and accelerate gentrification and/or displacement of permanent residents
- Disrespectful guests can lead to health, safety, welfare, or quality of life concerns in neighborhoods

# Denver STR Program - The Basics

All short-term rentals must be **licensed**.

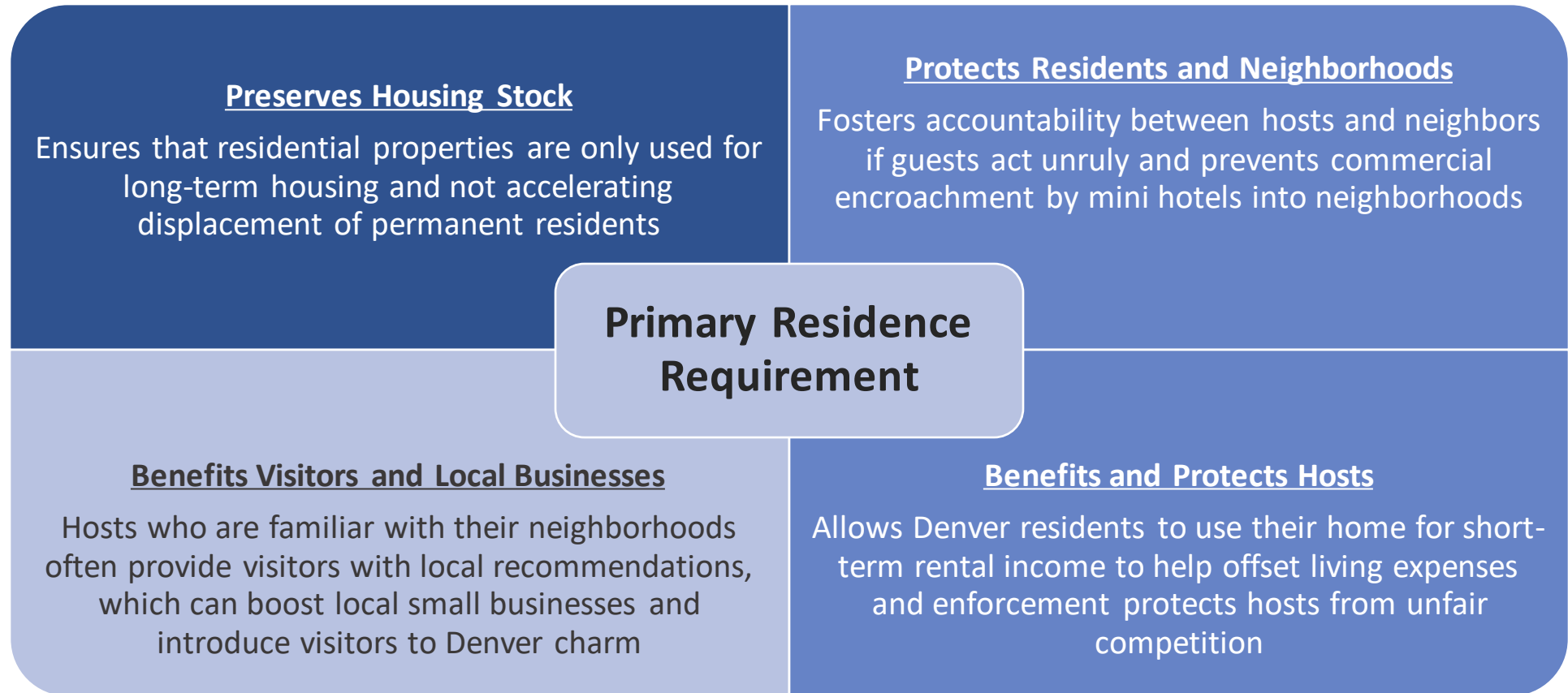
Any short-term rental must be the host's **primary residence**.

All advertisements for short-term rentals must **display** the host's **business license number**.

All short-term rental hosts must abide by rules related to **safety, taxes, zoning, and insurance**.

Failure to follow the rules can result in **fines or other penalties, including license revocation**.

# The Primary Residence Requirement



# STRAC Brief History

- STRAC formed in October 2016 to advise EXL on licensing program policies
- Issue Areas Previously Studied:
  - ✓ Licensing compliance rates
  - ✓ Primary residence policy enforcement
  - ✓ Types and frequency of STR complaints
  - ✓ Impact on neighborhood quality of life
  - ✓ Disability access in the STR market
  - ✓ STR impact on housing market
  - ✓ Use of ADUs as STRs
  - ✓ STR Taxes & Fees



# Denver Short-Term Rental Resources

Check out our [Short-Term Rental Laws, Rules, and Regulations page](#)

[Sign up](#) for our short-term rental bulletin.

Denver Revised Municipal Code: [Short-Term Rental Ordinance](#)

Denver Department of Excise and Licenses: [Short-Term Rental Rules](#)

Denver Department of Finance: [Short-Term Rental Taxation Information](#)

Denver Zoning Code: [Short-Term Rental Zoning Provisions](#)

# Licensing & Enforcement Updates



# STR Application Data

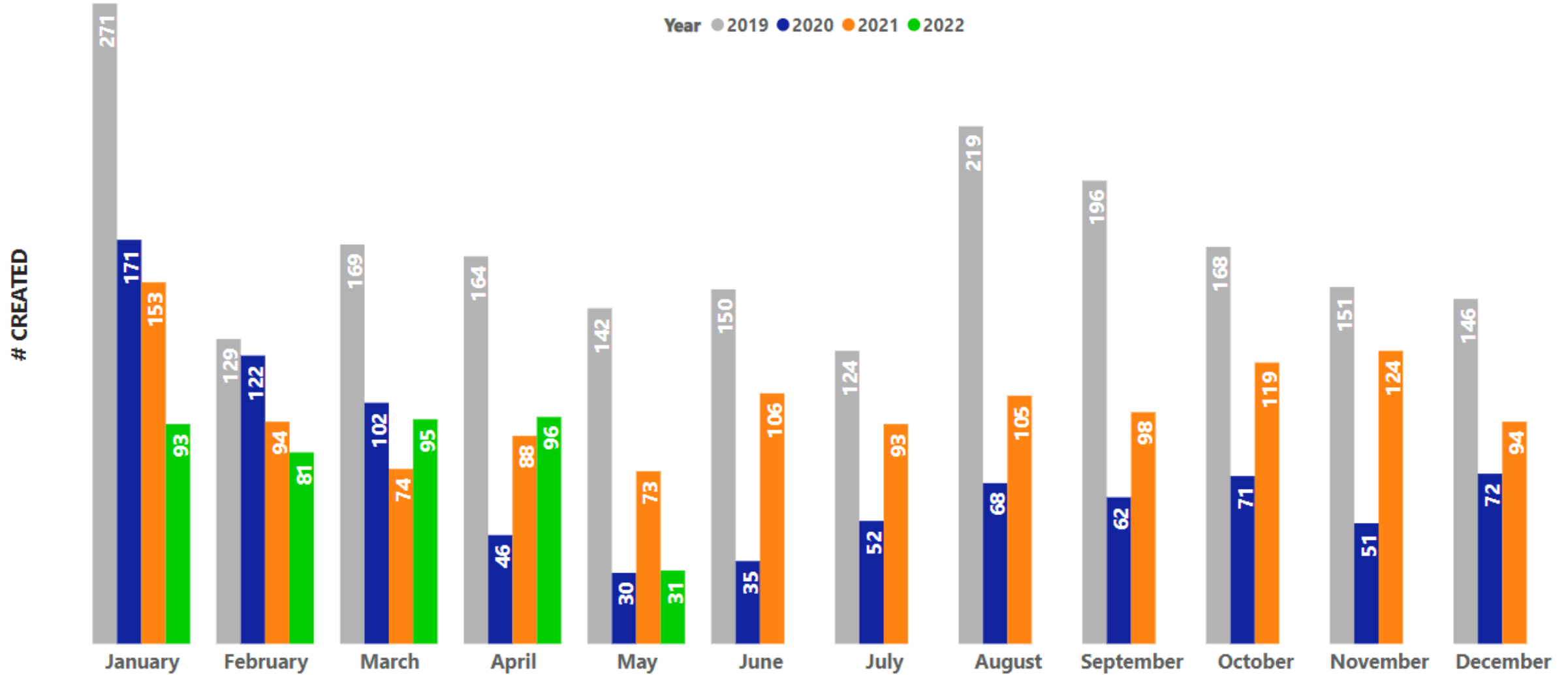
## Pending Applications

- As of May 6, we had **306 total pending applications**
  - 108 pending applications are awaiting applicant action
  - 119 pending applications are under review by EXL
  - 57 pending applications are under review by another city agency
  - 22 are awaiting formal denial with CAO

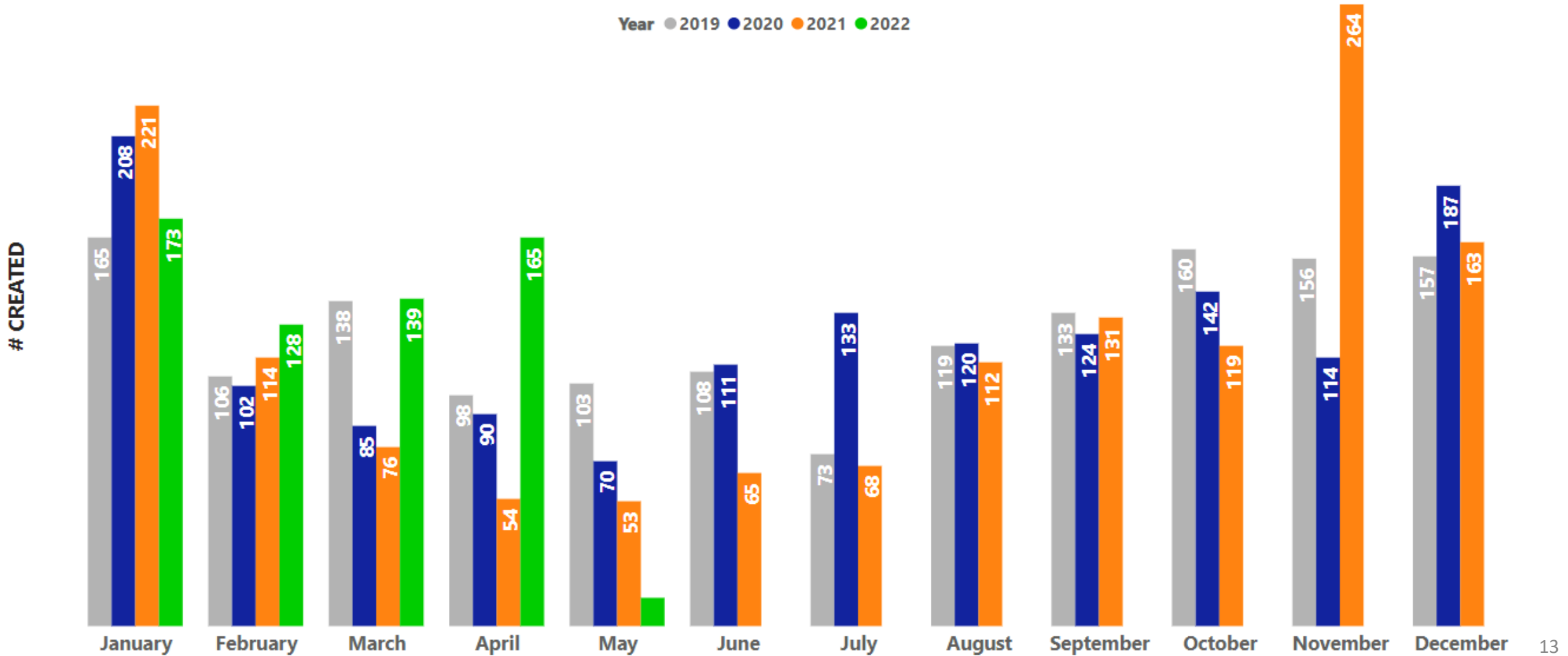
## New Applications

- We received **194 total applications** during the month of February:
  - 71 applications for new STRs
  - 123 STR license renewal applications
- We received **222 total applications** during the month of March:
  - 93 applications for new STRs
  - 129 STR license renewal applications
- We received **244 total applications** during the month of April:
  - 89 applications for new STRs
  - 155 STR license renewal applications

# New Application Data and Trends



# Renewal Application Data and Trends



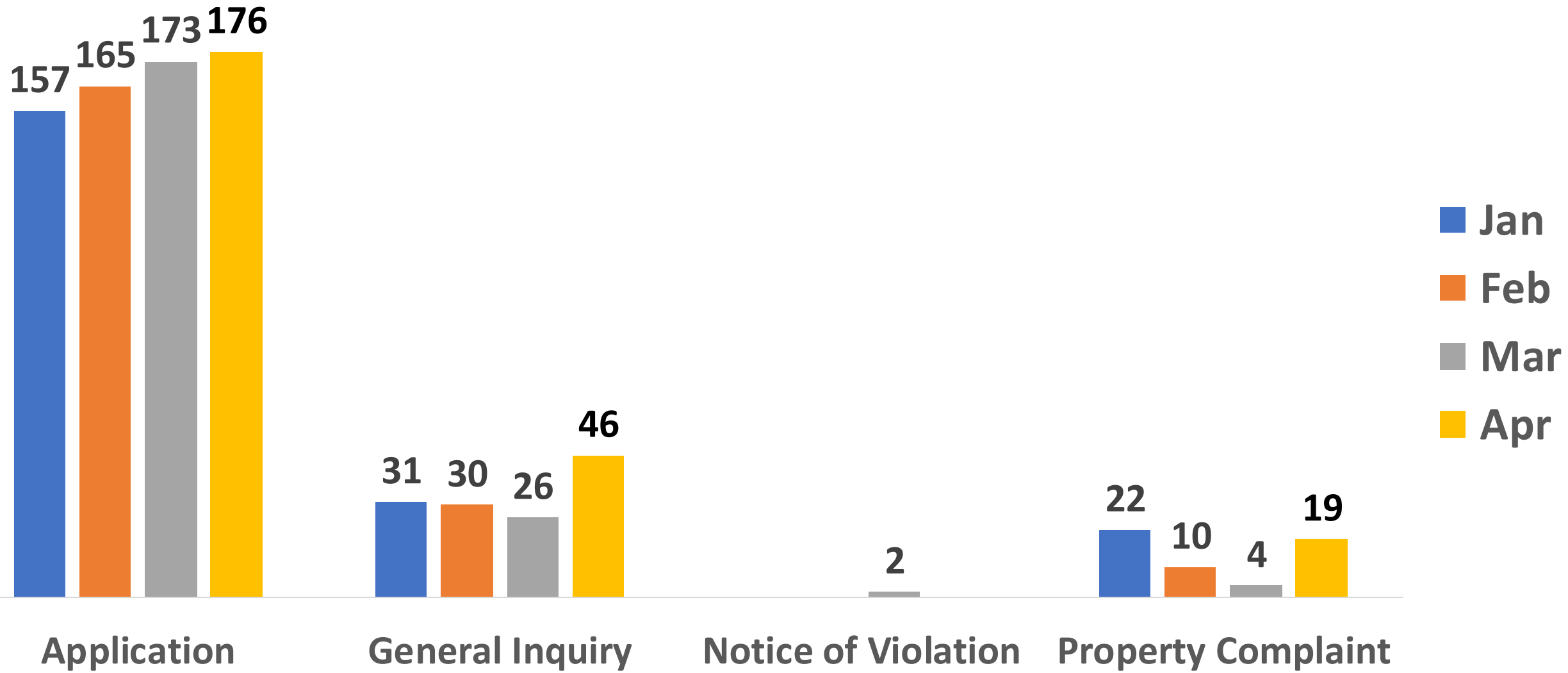
# Applications and Disciplinary Action

	Withdrawals	Closed Administratively	Calendar Records Requested
New & Renewal applications	15 since last STRAC 45 within the past year 345 total	30 since last STRAC 70 within the past year 307 total	75 since last STRAC 207 within the past year 362 total

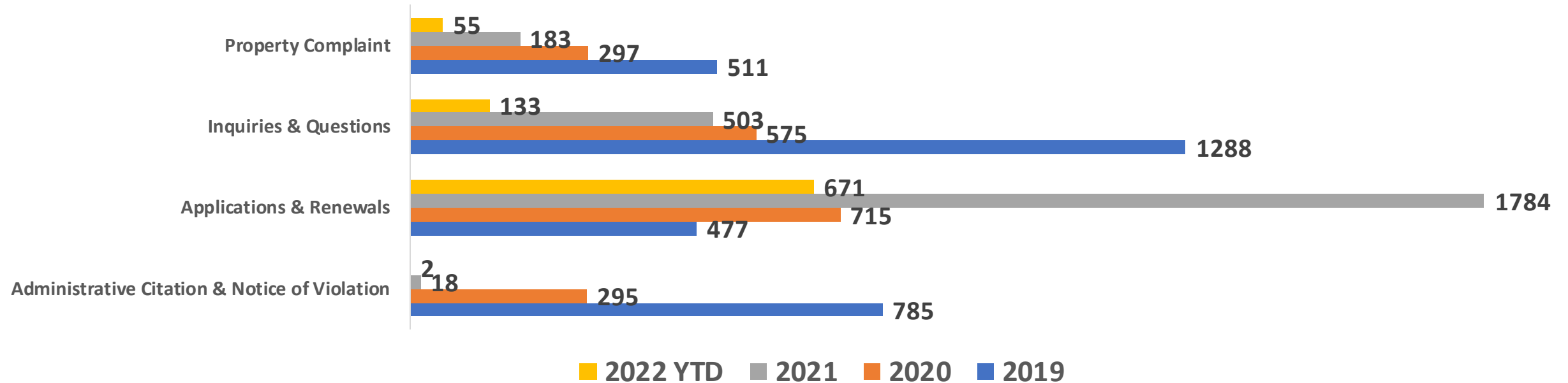
	Sent	Returned
Affidavits	60 since last STRAC 175 within the past year 896 total	52 since last STRAC 111 within the past year (63%) 438 total (49%)

Licenses 'Show Caused'	Zero outstanding orders to show cause	
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# 311 Data and Trends in 2022



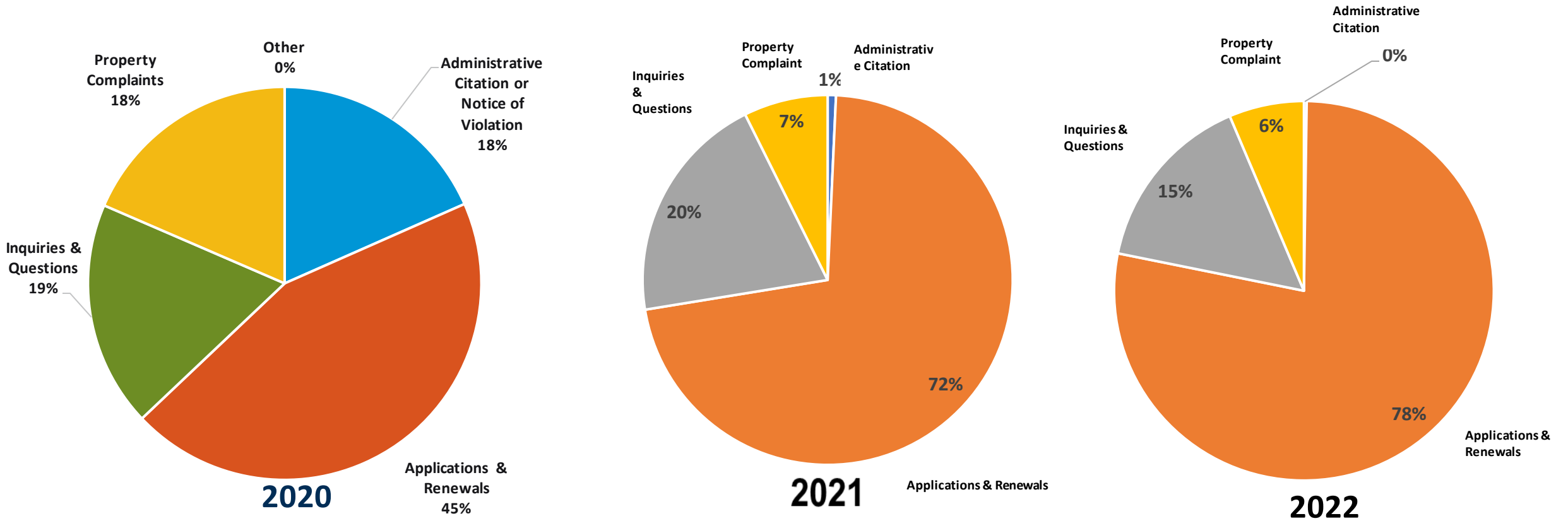
## 311 Data and Trends



Call Type	2019	2020	2021	2022 YTD
Administrative Citation & Notice of Violation	785	295	18	2
Applications & Renewals	477	715	1784	671
Inquiries & Questions	1288	575	503	133
Property Complaint	511	297	183	55
<b>Grand Total</b>	<b>3122</b>	<b>1889</b>	<b>2488</b>	<b>861</b>



# 311 Data and Trends

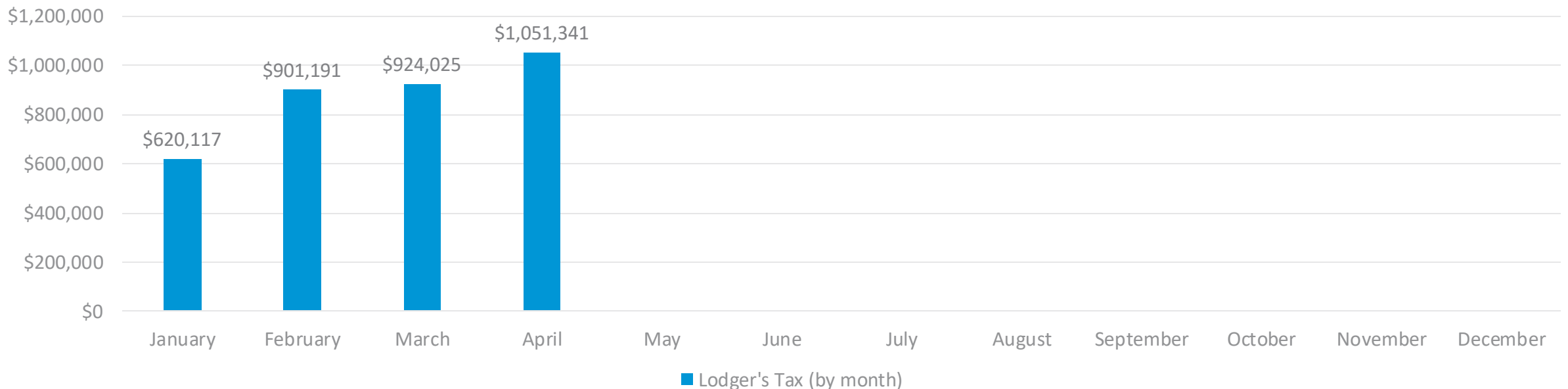


	2020	2021	2022 YTD
Volume	1,887	2,488	861

# Lodger's Tax Update\*

	2017 Total	2018 Total	2019 Total	2020 Total	2021 Total	2022 YTD
Lodger's Tax collected	\$ 3.5M	\$ 8.36M	\$ 10.6 M	\$ 5.6 M	\$8.2M*	\$3.5M*
% of Lodger's Tax collected		7.5 %	10.1 %	11.9 %	10.4 %*	12.7%*

Lodger's Tax (by month)



\*Due to technology upgrades, all starred numbers are approximations and may not reflect actual amounts.

# Current Events



# What's happening in the world of short-term rentals?

- Local – Denver STR compliance soars ([link](#))
  - Pitkin County struggling on consensus approach to STRs ([link](#))
  - Breckenridge bedroom fee & cap ([link](#)); Frisco ups STR tax 5% ([link](#))
- USA – STR regulation trends w/ focus on Colorado and Arizona ([link](#))
  - LA STR compliance struggles ([link](#)); Oahu passes STR ordinance ([link](#))
  - Clark County, NV forced to allow STRs by legislature ([link](#))
- Global - Airbnb works with UN on temp housing for Ukrainian refugees ([link](#))
  - Victoria housing being taken up by unregulated STRs ([link](#))
  - Toronto closing “hired host” loophole ([link](#))

## STRAC Meeting Dates

- August 9, 2022
- November 1, 8, or 15, 2022

## Possible Topics

- Enforcement policies and processes
- Disability access questions
- Others?

- Meetings are held quarterly on the 2<sup>nd</sup> Tuesday of the month
- All meetings are held via Zoom
- Additional meetings can be scheduled as needed



# Public Comment

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Speakers are allotted **two minutes** to speak.

Alternatively, you may email written comments at any time to [licenses@denvergov.org](mailto:licenses@denvergov.org) and they will be shared with the committee electronically.

