



## Mountain Towns: Resort Area Regulations

Colorado's mountain towns are rapidly changing their short-term rental regulations:

### **Summit County (includes Breckenridge, Keystone, etc.):**

- Divides areas into resort and neighborhood zones
- Different license types with different night limits
- Caps on the total number of licenses in some areas

### **Vail:**

- Has different fees based on management type

### **Aspen:**

- Requires one of three permit types
- Lodging Exempt permits are limited to property managers of lodges and condo-hotels
- Owner-Occupied permits are capped at 120 short-term rental nights per year
- Classic permits are number-limited in certain residential districts, but there's a waitlist

### **Durango:**

- STRs only permitted in certain zones with individual STR caps; in commercial and mixed-use zones, caps are development-specific
- STRs in residential zones have density limits
- STR permits are non-transferable (if the property is sold, the permit is invalidated)

(Most mountain towns are adding restrictions to address housing shortages for local workers.)

Colorado Springs has a two-tiered system for rental properties:

### **Type 1: Owner-occupied rentals**

- Must be your primary residence (185+ days per year)
- Allowed in all residential zones
- No cap on the number of licenses

### **Type 2: Non-owner-occupied rentals**

- Not allowed in single-family zones
- Must be at least 500 feet from other non-owner STRs
- The number of licenses is capped

**ToGL Municipal Code:**

**12-2-31 - Special and Conditional Use Regulations.**

**(B) Conditional Use Permits (CUP).**

**4. Rental Conditional Use Permits.**

(a) Nightly Rental Conditional Use Permits by Zone.

1. The following shall apply only to the following districts: Open, Residential Estate, Single Family Residential High Density, Single Family Residential Medium Density, Single Family Residential Low Density, Multiple Family Residential Medium Density, and Multiple Family Residential High Density. (County notified of STR)

2. The following shall apply only to the following districts: COMMERCIAL TRANSITIONAL, COMMERCIAL, and RESORT DISTRICTS. (County notified of commercial STR, homeowner can choose a business lic. over STR lic.)

**ToGL NIGHTLY RENTAL FEES**

There is a one-time application fee of \$165.00 for first-time licenses. An annual Nightly Rental License fee is also required upon renewal, based on occupancy:

- 1-3 occupancy = \$700
- 4-6 occupancy = \$900
- 7-10 occupancy = \$1,100
- 11+ occupancy = \$2,000

**Lodging titles:**

Hotel/Motel

STR

Lodge/Lodging

Resort Cabins

Condo-hotel

**SENATE BILL 24-033**

**A BILL FOR AN ACT 101 CONCERNING THE PROPERTY TAX TREATMENT OF REAL PROPERTY 102 THAT IS USED TO PROVIDE LODGING.**

**Bill Summary:**

**Legislative Oversight Committee Concerning Tax Policy.** The bill establishes that, for property tax years commencing on or after January 1, 2026, a short-term rental unit, which is an improvement that is designated and used as a place of residency by a person, family, or families, but that is also leased for overnight lodging for less than 30 consecutive days in exchange for a monetary payment (short-term stay) and is not a primary residence, and the land upon which the improvement is located, may be classified as either residential real property or lodging property. If, during the previous property tax year, a short-term rental unit was leased for short-term stays for more than 90 days, then it is classified as lodging property. Otherwise, it is classified as residential real property. Actual value for a short-term rental unit that is classified as lodging property is to be determined solely by application of the market approach to appraisal.

The bill also specifies, (with an exception for a property that qualifies as a bed and breakfast), that a building designed for use predominantly as a place of residency by a person, a family, or families but that is actually used, or available for use, to provide short-term stays only is a hotel and motel.

For purposes of applying the classification of either residential or lodging to a short-term rental unit, annually, the assessor is required to send notice to owners of short-term rental units of the number of days during the prior property tax year that the assessor has determined the property was leased for short-term stays. An owner must sign and return the notice and, if the owner disputes the number of days the property was leased for short-term stays, the owner must provide evidence demonstrating a different number of days the property was leased for short-term stays.

Additionally, the property tax administrator is required to establish and administer a pilot program to develop a statewide database and uniform reporting system to track short-term rental units.

## **(ToGL) ARTICLE 2. - ZONING REGULATIONS<sup>[2]</sup>**

### **12-2-6 - Definitions.**

***Bed and Breakfast.*** An **owner-occupied single-family residence** with no more than ten (10) guest rooms which provides overnight accommodations **and breakfast, provided from a single kitchen on the premises,** to registered Transient Guests. The use of a Bed and Breakfast in a single-family residence shall be considered an accessory use to the primary use.

All Bed and Breakfast licenses need to be reevaluated for 2026.