

## Vacation Rentals

### Summary

The City of Durango's Land Use and Development Code (LUDC) has allowed and regulated 'Tourist Homes' in certain parts of the City since 1989. Recently, the rise in popularity of AirBnB, VRBO, and similar websites which advertise vacation rentals has led to the adoption of regulations that limit this use to appropriate areas. The goal of Durango's vacation rental program is to provide opportunities for property owners to pursue this use while reducing potential impacts on neighborhood character and housing availability for City residents.

A vacation rental, also often called a short-term rental, is a dwelling unit that is rented for the purpose of lodging for a period of 1 to 29 days. This is a commercial use of a residential property and is only allowed following the approval of a Limited Use Permit by the Community Development Department. Rentals of 30 days or longer are not vacation rentals and are not regulated by the City.

Vacation rentals may only be permitted in certain zones. These include the Central Business zone, Mixed-Use zones, select Planned Development zones, and Established Neighborhoods (EN) 1 & 2. There is a cap on the number of available permits in the EN zones, with a total of 22 vacation rentals allowed in EN-1 and 17 in EN-2. In the other zones where vacation rentals are permitted, caps are applied on a development-specific basis, so that only a certain number of residential units may be permitted as vacation rentals within a certain building or development. Caps have been reached in most cases and properties must be placed on a wait list before being eligible to apply.

### Applicable Sections of the Land Use and Development Code (LUDC)

[Section 2-2-3-4 Standards for Transient Residential Land Uses and Overnight Accommodations](#)

[Division 6-3-3: Standard Development Approval Procedures](#)

\*Note: Properties proposed with Limited Uses must meet all of the requirements of the LUDC and may be subject to additional requirements not specified above.

### Fees & Required Materials

A Vacation Rental Limited Use Permit application must include the following materials:

1. A completed Land Use Application.
2. \$750 fee.
3. A list of all property owners and mailing addresses within a 300 foot radius of the property.
4. A written narrative describing the use and how it complies with the VR requirements specified in the LUDC. This should also list the local contact person or property manager with their contact information, the desired occupancy limits, on-site parking details, and how the property will be advertised.
5. A site plan showing on-site parking spaces, trash/recycling facilities, access to the unit, and any other relevant information.
6. A floor plan showing the unit's layout, bedroom dimensions, fire extinguisher location, and any other relevant information.
7. Any additional materials as deemed necessary by City Staff.

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### Procedural Summary

Within five days of receiving a complete application, City staff will post a notice on the property for fourteen days and mail notices to property owners within 300 feet to inform them of the request and ask for comments. During this public comment period, staff will review the proposal in accordance with the requirements of the LUDC. Staff may schedule a site visit with the applicant to confirm that property conditions align with statements made in the application materials.

Following the completion of the public comment period, staff will pass along any comments received to the applicant and conduct a final review of the request. Within 30 calendar days of the date that the application is filed, staff will approve, refer to the Planning Commission, or deny the permit request. Applicants who are aggrieved by the City's decision may file an appeal within 5 business days.

### Additional Information and Requirements

- **Vacation rentals require additional licensing from the City Clerk**, such as a sales tax licensing, business licensing, etc. It is the applicant's responsibility to secure and keep all licenses current.
- To assist in enforcement of illegal vacation rentals, all **advertisements for an approved vacation rental unit must clearly display the permit number and business license number** issued for that unit. Failure to display these numbers is grounds for revocation of the permit.
- **VR permits are not transferable** to any other person or legal entity. Any VR permit will automatically terminate upon the sale or change of ownership of the property.
- In most cases, **one off-street parking space must be provided for each bedroom in a VR**. In commercial zones, off-site parking can be leased within 1/4 mile of the property. In the CB zone, the number of spaces required is reduced by one for units with three or more bedrooms.
- Dwelling units that are proposed to be used as **vacation rentals must demonstrate compliance with minimum building code requirements** as determined by the Building Official, and may be subject to inspection. Staff can provide a checklist of these requirements upon request.
- **In Mixed-Use and PD zones, vacation rentals are only allowed when a prior development agreement or land use permit specifically lists them as a permitted use.** If VRs are not specifically listed as an allowed use, then the previous approval must be amended or re-issued. Developments in Mixed-Use or PD zones must have a cap on the total number of units that can be used as a VR.

### Questions?

**Please contact the City of Durango Community Development Department or visit us at River City Hall.**

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[www.durangogov.org/vacationrentals](http://www.durangogov.org/vacationrentals)