



ESTES PARK
COLORADO

Estes Valley Vacation Homes



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OVERVIEW

This handout is intended to answer some commonly asked questions about Vacation Homes, such as permitting and operational requirements.

This handout does not address Bed and Breakfasts, which differ from vacation homes in that multiple parties can stay at one time and the owner/operator is present on-site.

WHAT IS A VACATION HOME?

A Vacation Home is a residential dwelling unit that is rented, leased, or occupied for compensation for terms of less than thirty (30) days.

Vacation Homes cannot be designed or operated in a manner that is out of character with low-density, low-scale residential use. This means the building must look and operate like a single-family dwelling.

WHY ALL THE RULES?

Vacation Homes by definition are located in residential neighborhoods, which primarily consist of full-time residential use.

The Town Board and Board of County Commissioners recognize the potential conflicts between short-term vacationers and long-term residents, and have adopted a set of regulations in order to minimize these potential conflicts.

Regulations include clerical items such as an operating permit and sales tax collection, and operational items such as number of guests allowed.

Violation of regulations may result in loss or revocation of operating permit.

WHAT PERMITS ARE REQUIRED?

All Vacation Homes must obtain an annual operating permit from the Town Clerk's office, even if the Vacation Home is located outside Town limits. There is no cost for this operating permit.

State Sales Tax License.

Based on State law, rentals of less than thirty days must collect sales tax. Because of this, you must have proof of a current sales tax license. Contact the State Department of Revenue for information.

Business License.

Vacation Homes inside Town limits require a business license. You may contact the Town Clerk's Office at 970-577-4772 with questions.

WHY DO I HAVE TO COLLECT SALES TAX?

Colorado State law requires any rental of less than 30 days collect sales tax.

The Local Marketing District, which is not part of the Town or County government, also requires collection of a lodging tax. The LMD uses this "pillow tax" for marketing and advertising Estes Park as a vacation destination.

DO I HAVE TO PAY COMMERCIAL UTILITY RATES?

Yes. Commercial water and electric rates must be paid for the entire year a Vacation Home operating permit is valid, regardless of how often the home is used for a Vacation Home or for your personal use.

HOW MANY GUESTS CAN I HAVE?

Only one vacation home is allowed per dwelling unit, and Vacation Homes cannot be rented to more than one (1) party at a time.

No more than eight (8) individuals may occupy a Vacation Home at any one time.

Maximum occupancy is further limited by a maximum of two (2) individuals per bedroom plus two individuals. So a one-bedroom house would be allowed only four occupants, and a two-bedroom house would be allowed only six occupants.

Owners of the Vacation Home cannot occupy the Vacation Home while a party is present.

WHAT OPERATIONAL STANDARDS ARE THERE?

As noted above, the Town Board and Board of County Commissioners have adopted a “rule-book” in order to minimize conflicts between short-term guests and long-term residents. These are summarized below.

Design.

- Design must be compatible, in terms of building scale, mass, and character, with residential use.
- Guest rooms must be integrated within the Vacation Home.
- Recreational vehicles cannot be used as a Vacation Home.
- Kitchen facilities must be consistent with single-family residential use. No kitchen facilities are allowed in the guest rooms.

Exterior Appearance.

- Accessory buildings cannot be used for amenities beyond a gazebo or similar outdoor room.
- No changes in the exterior appearance are allowed, except that one (1) wall-mounted identification sign no larger than four (4) square feet is allowed.

Parking.

- Vehicular traffic and noise levels cannot be out of character with residential use.

- At least two on-site parking spaces are required.
- No more than three vehicles can be parked outside at any time (vehicles enclosed within a garage do not count towards this maximum).
- On-street parking is not allowed.

Home Occupations.

- Home occupations are not allowed on the site of a Vacation Home.

Guest Services.

- Vacation Homes cannot offer ancillary services to guests.

WHY DO I NEED A LOCAL PROPERTY MANAGER?

A local (Estes Valley) property manager is required for all Vacation Homes. Managers are required for 24-hour contact to address operational issues such as noise complaints, and emergency issues such as fire.

WHY CAN'T I RENT MY GUEST CABIN?

Accessory dwelling units (or “guest cabins”) cannot be rented for any length of time, either long-term or short-term as Vacation Homes.

If you are able to document the accessory dwelling unit was permitted for short-term rental, and that use has not lapsed, then you may be able to rent the accessory unit as a Vacation Home.

DO I NEED MY HOMEOWNER ASSOCIATION APPROVAL?

Staff recommends you contact your homeowners association to find out if Vacation Homes are allowed in your neighborhood.

Note: This information was summarized from Estes Valley Development Code Section 5.1.B *Bed and Breakfast Inn and Vacation Homes*.

These regulations can be viewed online at www.estes.org.