

FY2023-2024 SHORT TERM RENTAL LICENSE LIMIT
November 29, 2023

BACKGROUND:

Ordinance No. 963, an Ordinance by the City of Red Lodge, Montana was passed and approved on first and second reading, which was created to regulate Short Term Rentals within the City Limits

Ordinance No. 963 Section 5. The City of Red Lodge hereby establishes a limit of total STR licenses permitted within the City of Red Lodge calculated at twenty percent (20%) of the total number of dwelling units in the City of Red Lodge, as determined by the 911 address list provided by the Red Lodge Fire Department.

The limit will be calculated by Red Lodge City staff each June annually. In the event the limit is reached, a waiting list shall be established to facilitate new permits when existing permits expire and are not renewed. Regulations in this ordinance will be reviewed as set forth by resolution.

FINDING:

The Red Lodge Fire Department *reported "1,651 residential structures (both single and multi-family, built or under construction) with 1,855 total dwellings or units"* on November 28, 2023.

ESTABLISHED LIMIT:

Based on the number of dwelling units provided by the Red Lodge Fire Department, there shall be an established limit of **371 short term rental license certificates available** to the public.

Type 1: Owner-occupied is exempt and not included this established limit.

Type 2: 55% of the established limit shall be reserved for professionally managed properties. Of the 371, 204 short term rental license certificates are strictly available to professional managed rentals.

Type 3: 45% of the established limit shall be made available to all classification types, unless exempt from this threshold per Ordinance No. 963, including those managed professionally. Of the 371, 167 short term rental license certificates are available to all property types.

CURRENT STATUS:

To date, November 29, 2023, there are currently 197 active short term rental licenses.

TYPE 1 holds 2 of the 197 license and are exempt.

TYPE 2 holds 61 active licenses with a remaining amount of 143 licenses still available.

TYPE 3 holds 134 active licenses with a remaining amount of 33 licenses still available.