

Chyenne Ueland's Appeal of the Denial of Her Short Term Rental Permit Renewal

September 29, 2021

On September 20, 2021, Appellant Chyenne Ueland ("Ms. Ueland") received an email (not a formal Notice and Order to Abate) from the Planning and Community Development Department ("the Department") denying her short-term rental license renewal for the property at 116 S. 14th St. ("the property"). The correspondence indicated that to appeal the denial, a formal written appeal was required by September 30, 2021. Please consider this Ms. Ueland's formal appeal of the Department's denial of her short-term rental license renewal

The September 20, 2021 correspondence from the Department indicates that the renewal request was denied as "the property transferred from [Ms. Ueland's] name to 14th Street Ltd in July 2020" and that such transfer results in the expiration of the Short Term Rental ("STR") permit pursuant to City Code Section 7.5.1702.B. That particular provision states:

The short-term rental unit permit does not run with the property, but is issued to the specific owner of the property. The permit shall expire upon sale or transfer of the property. The permit shall not be transferred or assigned to another individual, person, entity, or address but may be managed by a third party on behalf of the owner.

For the reasons discussed herein, Ms. Ueland hereby formally appeals that decision.

Please find below a summary of relevant facts:

- a. The property located at 116 S. Fourteenth St. was purchased by Ms. Ueland and her husband (Jon Ueland) as individuals, on or about June 29, 2018.
- b. In 2019, Ms. Ueland applied for a STR permit for the property. The Department issued a STR permit to Ms. Ueland on September 3, 2019. The permit named Ms. Ueland as the licensee and owner (upon her inquiry, Ms. Ueland was informed by the Department that her husband Jon Ueland did not need to be listed as owner or licensee).
- c. Ms. Ueland is the parent of a legally disabled child and the extent of her child's disabilities were not fully known prior to Ms. Ueland's initial STR permit application in 2019. Upon learning that her child was legally disabled and would require 24-hour care for the rest of his life, Ms. Ueland conferred with an estate planning attorney in the interest in ensuring that her child's needs would continue to be met upon Ms. Ueland's (and her husband's) demise. The estate planning attorney assisted Ms. Ueland in setting up a special needs testamentary trust to be formed upon Ms. Ueland's death, and funded, in part, by the property.
- d. To facilitate the transfer of the property upon Ms. Ueland's death, Ms. Ueland formed "14th Street Ltd." a single-member LLC created, owned, and managed at all relevant times by Ms. Ueland. (See Articles of Organization attached hereto) Once placed into the LLC, and upon Ms. Ueland's death the property is to automatically be transferred into the special

needs testamentary trust for the purpose of avoiding the need to include the property in a probate case as an asset of her estate.

- e. Consistent with the above, on or about July 9, 2020, Ms. Ueland retitled the property to “14th Street Ltd.” via Quit Claim Deed. (See Quit Claim Deed attached hereto) A beneficiary deed was then executed naming the special needs trust as the beneficiary of the LLC upon Ms. Ueland’s death. (See Beneficiary Deed attached hereto)
- f. Following the retitling of the property, Ms. Ueland applied for and was granted a renewal of her STR permit in October 2020. (See STR License attached hereto)
- g. In September 2021, Ms. Ueland again applied for a renewal of her STR permit. Her renewal was denied due to the property being titled to 14th Street Ltd.
- h. Throughout this process, the relevant STR permit was never transferred or assigned to another individual, person, or entity, or address.
- i. At all relevant times, Ms. Ueland retained full and exclusive authority and control over the property (with the exception of the time period that the title to the property included Ms. Ueland’s husband, Jon).
- j. The property located at 116 S. Fourteenth St. is also subject to a second STR permit distinct from the permit at issue in this appeal. As that second permit was obtained at a later date, Ms. Ueland has not yet applied for that permit’s renewal.

Ms. Ueland appeals the denial of her renewal request by the Department on account of such denial being (1) against the express intent of the ordinance and (2) unreasonable. See *City Code Section 7.5.906.A.4*.

Ms. Ueland submits that the intended purpose of City Code Section 7.5.1702.B is to ensure that legal control over the properties being benefited by a STR permit does not transfer away from the individual or entity to whom the permit was initially granted. Such circumstance would have the effect of severing the relationship between the applicant/permit holder and the City of Colorado Springs in a manner that would make it more difficult to ensure compliance with applicable STR regulations. Ms. Ueland’s actions do not contravene this intended purpose. Instead, Ms. Ueland simply engaged in necessary and appropriate estate planning for the purpose of ensuring that the needs of her disabled child would be met upon Ms. Ueland’s demise.

For all intents and purposes, Ms. Ueland retained full legal ownership and control of the property throughout all relevant time periods. The 14th Street Ltd. LLC is and has always been owned, operated, exclusively controlled by Ms. Ueland.

Through Ms. Ueland’s actions there can be no appreciable or conceivable detriment to the community or to the Department. Conversely, the position taken by the Department is adverse to the economic prosperity of the City of Colorado Springs and limits the availability of affordable short-term rentals to Colorado Springs citizens and visitors.

The Department’s written statement in a prior matter involving a STR permit renewal denial indicates that it has already created non-codified exceptions to 7.5.1702(B): “When applying the Code, Staff remains consistent in upholding the policy that ANY transfer of ownership results in

the expiration of the STR permit automatically with the exception of name changes due to marriage and/or divorce.” This exception is not codified or otherwise written outside of the Division’s written statement made pursuant to the prior appellate process.

The reason why such exception was created, Ms. Ueland submits, is because a literal reading of the Code leads to absurd results. For example, if Ms. Ueland were to divorce, re-marry and retitle the property into the name of both her and her subsequent spouse, the Department’s position, if followed, would result in the expiration of her STR permit. This is certainly not the intent behind City Code Section 7.5.1702.B. For the purpose of City Code Section 7.5.1702.B, the change of ownership from Ms. Ueland individually to an entity owned and controlled by Ms. Ueland is tantamount to a legal name change.

Furthermore, Ms. Ueland’s position in this matter is substantially similar to Appellant Tara Sorenson’s position in Ms. Sorenson’s recent appeal of the denial of her own STR permit renewal request (involving 1950 & 1952 Woodburn Street). On September 28, 2021, the Colorado Springs City Council voted to uphold Ms. Sorenson’s appeal and reverse the denial of her STR permit renewal request as long as Ms. Sorenson could substantiate (to the Department’s satisfaction) that the business entities in which the relevant property was placed were in fact in the exclusive control of Ms. Sorenson during all relevant times (this substantiation is currently in progress). Similar to Ms. Sorenson, as the business entity and property involved in the present circumstance were, at all relevant times, within Ms. Ueland’s exclusive possession and control, Ms. Ueland’s appeal should be granted.

For these reasons and others, Ms. Chyenne Ueland respectfully requests that the denial of her STR renewal application be overturned.

Thank you for your time and consideration,

Sincerely,
Chyenne Ueland
Chyenne Ueland



Colorado Secretary of State
 Date and Time: 02/13/2019 10:30 AM
 ID Number: 20191130293
 Document number: 20191130293
 Amount Paid: \$50.00

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ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-90-301 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

14th Street Ltd.

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "Ltd. liability company", "limited liability co.", "Ltd. liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

116 S. 14th Street

(Street number and name)

Colorado Springs

(City)

CO

(State)

80904

(ZIP/Postal Code)

United States

(Country)

(Province – if applicable)

Mailing address

(leave blank if same as street address)

P.O. Box 1330

(Street number and name or Post Office Box information)

Castle Rock

(City)

CO

(State)

80104

(ZIP/Postal Code)

United States

(Country)

(Province – if applicable)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Ueland

(Last)

Chyenne

(First)

R

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

116 S. 14th Street

(Street number and name)

Colorado Springs

(City)

CO

(State)

80904

(ZIP Code)

Mailing address

(leave blank if same as street address)

P.O. Box 1330

(Street number and name or Post Office Box information)

Castle Rock CO 80104
(City) (State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Ueland Chyenne R
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address 116 S. 14th Street
(Street number and name or Post Office Box information)

Colorado Springs CO 80904
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

or

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

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The delayed effective date and, if applicable, time of this document is/are _____
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Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

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9. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>Ueland</u>	<u>Chyenne</u>	<u>R</u>	
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
<u>116 S. 14th Street</u>			
<small>(Street number and name or Post Office Box information)</small>			
<hr/>			
<u>Colorado Springs</u>	<u>CO</u>	<u>80904</u>	
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
<u></u>	<u>United States</u>		<u>.</u>
<small>(Province – if applicable)</small>	<small>(Country)</small>		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

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(Middle)

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or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

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(if an individual) Ueland Chyenne R
(Last) (First) (Middle) (Suffix)

or

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address 116 S. 14th Street
(Street number and name or Post Office Box information)

Colorado Springs CO 80904
(City) (State) (ZIP/Postal Code)
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QUIT CLAIM DEED

THIS DEED made this _____ day of _____, _____, between

Jon O. Ueland and Chyenne R. Ueland
of the said County of El Paso and State of Colorado, Grantor
and
14th Street Ltd.,

whose legal address is 116 S Fourteenth St., Colorado Springs, CO 80904-4005 of the said County of El Paso and State of Colorado, Grantee:


WITNESS, that the Grantor, for and in consideration of the sum of (\$10.00) Ten Dollars and No Cents, the receipt and sufficiency of which is hereby acknowledged, has remise, released, sold, conveyed, and QUIT CLAIMED, and by these presents do remise, release, sell, convey and Quit Claim, unto the grantee, his heirs, successors and assigns, forever, all the right title, interest, claim and demand which the grantor has in and to the real property, together with improvements, if any, situate, lying and being in the County of El Paso and State of Colorado, described as follows:

The Northerly 50 feet of Lots 9 and 10 in Block 61 in the TOWN OF WEST COLORADO SPRINGS, now a part of the City of Colorado Springs, County of El Paso, State of Colorado.

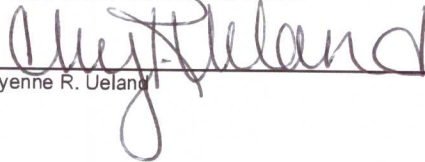
also known by street and number as: 116 S Fourteenth St., Colorado Springs, CO 80904-4005

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the grantor, either in law or equity, to the only proper use, benefit and behoof of the grantee, his heirs and assigns forever. The singular number shall include the plural, the plural and the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, the Grantor has executed this deed on the date set forth above.



Jon O. Ueland



Chyenne R. Ueland

State of Colorado
County of

The foregoing instrument was acknowledged before me this _____ by Jon O. Ueland and Chyenne R. Ueland.

Witness my hand and official seal.

Notary Public: _____
My commission expires: _____


EXHIBIT "A"
EXCEPTIONS TO TITLE

2018 real estate taxes and all subsequent years, covenants, conditions, restrictions, reservations, easements and rights of way of record, if any.

ASSIGNMENT TO BENEFICIARY

FOR VALUE RECEIVED, the undersigned does hereby assign to and designate **THE JON AND CHYENNE UELAND TRUST**, dated November 12, 2020, as beneficiary of all her right, title, and interest in and to **14th Street Ltd.** and directs that the same be delivered to said beneficiary at my death. Any party delivering the property assigned hereunder shall have no liability for making such delivery without a court order or without any authority other than this assignment. This assignment and designation of beneficiary is made pursuant to Section 15-15-101 of the Colorado Probate Code, or any successor to such section.

DATED 11-12-2020

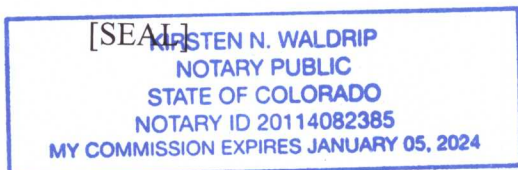


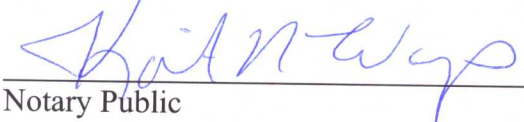
Chyenne Ramsour Ueland

STATE OF COLORADO)
) ss
COUNTY OF ARAPAHOE)

The foregoing Assignment to Beneficiary was acknowledged before me on November 12, 2020, by Chyenne Ramsour Ueland.

My commission expires January 5, 2024





Notary Public



City of Colorado Springs

Short-Term Rental License

Licensee:

Name: Chyenne E Ueland
Address: 116 S. Fourteenth St

Number of Bedrooms: 1
Maximum Occupancy: 4

Local Emergency Contact:

Please call 911 for life-threatening emergencies

Name: Cheyenne Ueland
Phone Number: 719-339-2390

License Issuance Date: 9/3/2020
License Expiration Date: 9/3/2021

Short Term Rental Permit Number: STR-1003

Issued By: Susanna Dalsing

Establishment Name:

Name: Chyenne E Ueland
Address: 116 S. Fourteenth St



Land Use Review
Approved

10/02/2020
8:20:56 AM
sdalsing

City of Colorado Springs Planning Department has approved the issuance of this Short Term Rental License for this establishment.

The City of Colorado Springs Code requires that any changes to the information on this license be immediately reported to shorttermrentals@coloradosprings.gov

LICENSE MAY NOT BE TRANSFERRED AND DOES NOT CONVEY WITH THE SALE OR TRANSFER OF THE PROPERTY



City of Colorado Springs

Short-Term Rental License

Licensee:

Name: Chyenne R Ueland
Address: 116 S Fourteenth St Apt 1

Number of Bedrooms: 2
Maximum Occupancy: 6

Local Emergency Contact:

Please call 911 for life-threatening emergencies

Name: Cheyenne Ueland
Phone Number: 719-339-2390

License Issuance Date: 10/18/2020
License Expiration Date: 10/18/2021

Short Term Rental Permit Number: STR-1246

Issued By: Susanna Dalsing

Establishment Name:

Name: Chyenne R Ueland
Address: 116 S Fourteenth St Apt 1



Land Use Review
Approved

10/19/2020
12:48:57 PM
sdalsing

City of Colorado Springs Planning Department has approved the issuance of this Short Term Rental License for this establishment.

The City of Colorado Springs Code requires that any changes to the information on this license be immediately reported to shorttermrentals@coloradosprings.gov

LICENSE MAY NOT BE TRANSFERRED AND DOES NOT CONVEY WITH THE SALE OR TRANSFER OF THE PROPERTY