

## AMENDED APPEAL STATEMENT

RE: Appeal by Orsillo Real Estate Ventures, LLC to the Administrative Denial of Short-Term Rental (STR) Permits for 2525 North Cascade Avenue (STR-1374 & STR-1517)

Orsillo Real Estate Ventures, LLC ("OREV"), through its counsel, Mulliken Weiner Berg & Jolivet PC, hereby appeals the administrative decision to deny the Short-Term Rental (STR) Permits renewal applications for 2525 North Cascade Avenue (STR-1374 & STR-1517). We believe the denial was based on the request to change the permit holder from Gigi Orsillo (a/k/a Jeneva Orsillo) to OREV, and due to the transfer of title via a quit claim deed on December 29, 2020 from Landon Orsillo to OREV LLC. That transfer, however, was to the titled owner of the property and did not violate the spirit or intent of the zoning ordinance, City Code Section 7.5.1702.B. It would be unfair and unreasonable to deny the applications under the facts and circumstances of this case and would result in a major and unfair loss to OREV without any comparable benefit to the community. We believe this ruling, if allowed to stand, would be contrary to spirit and the expressed intent of City Code Section 7.5.1702.B, which was put in place to eliminate the transfer or monetization of STR permits.

According to the memo published on February 14, 2022 entitled "Short Term Rental Ownership Transfer Interpretation and Policy" the Commission states that, "the Department will ascertain who the beneficial owner of the property is (*without regard to corporate form*) and whether the beneficial ownership has changed since the issuance of the permit." The actions of OREV have at all times endeavored to honor the spirit and intent of that policy, and any denial of the applications would be based on form over substance.

OREV is a relatively new family real estate business owned by a long-term Colorado Springs family, the Orsillos. Gigi Orsillo, who applied for the Permits, was then and always has been a member and owner of OREV. At the time of the applications, Gigi was also the property booking manager for OREV. The initial permits were applied for by Gigi Orsillo. Gigi Orsillo mistakenly used her individual name as the applicant rather than using OREV's name, but she at all times intended to be seeking the permit on behalf of OREV as the beneficial owner of the property. The application form, which asks a number of questions, such as whether the applicant is living at the property and will be present, seemed to Gigi to apply to the individual filling out the application rather than the entity which might beneficially own it. This renewal application would correct this error if issued in OREV's name.

OREV is now, and always has been, the beneficial owner of the property. At the time of the initial application, the property was owned by Landon Orsillo, a family member, but he took title on an interim basis pursuant to a contract with and as an agent for OREV. OREV's funds alone were used by Landon to acquire and improve the property. It was the intent from the beginning to have OREV own the property as part of this family real estate business.

That intent was fulfilled though a quit claim deed filed on December 29, 2020 transferring title from Landon Orsillo to OREV. Prior to taking title, OREV financed 100% of the purchase, managed and funded the entire renovation, furnished the residence, and managed the STR bookings. As such, OREV has always been the beneficial owner of the property and the quit claim deed merely fulfilled the original intent and documented the beneficial ownership. Gigi Orsillo has from the beginning been and is currently one of the member owners of OREV.

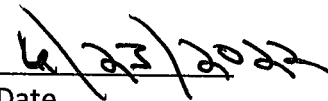
It is a transfer of the permit (or change of owners of the entity owning the permit) which is precluded by the statute. We are requesting a transfer of the permits from Gigi to OREV, a transfer to correct the record and have the permits reflect the beneficial owner. When Gigi applied for the permits, she intended to be applying for them on behalf of OREV, as OREV was the beneficial owner of the Property. Stated otherwise, the transfer of the permits to OREV is to correct an honest clerical error made in the earlier applications, it is not to transfer the permits to a new owner different from the originally intended owner and permit holder. While the members of OREV changed slightly, those changes were triggered by divorce proceedings and should not be problematic under the Short Term Rental Ownership Transfer Interpretation and Policy.

OREV invested in the property with the expectation that it would be eligible for short-term rentals, and to lose that eligibility would be a great loss and unfair under the circumstances. The property has been well operated by OREV, without neighbor complaints, and the adverse impact to OREV if the permits are not renewed would far outweigh any resulting benefit to the community.

We respectfully appeal the administrative decision to deny renewal of the Permits and request that our appeal be referred to and heard by the Planning Commission.

Mulliken Weiner Berg & Jolivet PC

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