

Agenda Summary

January 10, 2024

Agenda No.

Short Term Rental Ordinance Selectboard Work Session

Summary: This time has been set aside for the Selectboard to continue deliberating on the enclosed draft Short Term Rental Ordinance.

Town Plan Update: Conforms with Local Planning Process Goal “To ensure the widespread involvement of Stowe citizens and property owners at all levels of the local planning and decision-making process.” Conforms with Housing Goal “To ensure the availability of housing for all Stowe residents and non-resident property owners that is of high-quality design, is energy efficient, and is compatible with the character of the community.”

Fiscal Impact: The cost of administering and enforcing the ordinance may be offset by fees which will be set annually by the Selectboard. Fees cannot be established above the cost of administering and enforcing the ordinance.

Recommendations: No action is required at this time.

TOWN OF STOWE

SHORT-TERM RENTAL ORDINANCE

- I. **Authority:** This Ordinance is adopted pursuant to the authority set forth in 24 VSA 2291(15) and (29) and § 204 of the Town of Stowe Charter. This Ordinance shall be designated as a civil ordinance under 24 V.S.A. § 1971(b).

- II. **Purpose:** The purposes of this Ordinance are to promote the public health, safety, welfare and convenience of the Town by, among other things, identifying and gathering information on Short-Term Rental properties so that the Town may better evaluate the impacts of Short-Term Rental properties on the community and determine what further regulation of such properties, if any, is appropriate and consistent with the best interests of the Town, its residents and visitors; to define certain regulatory requirements and prohibited activities related to Short Term Rentals, including that Short Term Rentals be “Owner Occupied” or under the active management and control of a “Property Manager,” as those terms are defined herein; and to provide a mechanism for enforcement thereof.

- III. **Definitions:** The following definitions shall apply to this Ordinance.
 - A. “Compliance Officer” shall mean the person designated by the Town Manager to administer and enforce this Ordinance and who may serve as a representative of the Town in any associated legal proceedings.
 - B. “Dwelling Unit” shall mean one or more rooms, connected together, constituting a separate, independent housekeeping establishment for Owner occupancy, rental or lease, physically separated from any other rooms or dwelling units which may be in the same building, and containing independent cooking and sleeping facilities.
 - C. “Lot” shall mean a plot or parcel of land established and recorded by plat, subdivision, or otherwise, permitted by law to be occupied by at least one (1) principal building and the accessory buildings or uses customarily incidental to it, including any required open spaces.
 - D. “Non-Owner Occupied” shall mean that the Owner or, if the Owner is not a natural person, a member, director or other duly authorized representative of the Owner, does not use the involved real property as their primary residence. By way of example, Non-Owner Occupied property includes a furnished house, condominium, apartment, or other dwelling room or self-contained Dwelling Unit that is not the Owner’s primary residence, nor located on the same Lot as the Owner’s primary residence.
 - E. “Owner” shall mean that the Person(s) in whom is vested title to real property.

- F. “Owner Occupied” shall mean that the Owner or, if the Owner is not a natural person, a member, director or other duly authorized representative of the Owner, uses the involved real property as their primary residence. By way of further example, Owner Occupied property includes a furnished house, condominium, apartment, or other dwelling room or self-contained Dwelling Unit that is the Owner’s primary residence or that is located on the same Lot as the Owner’s primary residence.
- G. “Person” shall include any natural person, corporation, municipality, the State of Vermont or any department, agency, or subdivision of the State, and any partnership, unincorporated association, or other legal entity.
- H. “Property Manager” shall mean a Person or Persons designated and authorized by the Owner, or that Person’s employee or agent, capable of and responsible for providing timely interior and exterior access to the Short-Term Rental and who shall take responsibility for any issue or problem related to the STR, as appropriate, in the Owner’s absence.
- I. “Short-Term Rental” or “STR” or “Short-Term Rental property” means any lease or rental of residential real property, including a furnished house, condominium, or other dwelling room or self-contained Dwelling Unit, or a portion thereof, to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year, but specifically excluding commercial lodging establishments such as hotels, motels, inns and bed and breakfasts.
- J. “Short-Term Rental Registration form” shall mean the form that the Owner of a Short-Term Rental must file annually with the Town containing information regarding the Short-Term Rental, including contact information for the Owner, Property Manager or other person responsible for the STR.
- K. “Short-Term Rental Identification Number” shall mean the identification number issued by the Compliance Officer after a Short-Term Rental is properly registered with the Town.

IV. Compliance with Law; No Waiver: The Owner of any Short-Term Rental in the Town shall comply with all other requirements of federal, State and local law pertaining to rental housing, including, without limitation, relevant provisions of the Vermont Rental Housing Health Code and the Town of Stowe Zoning Regulations, as amended from time to time. Nothing herein shall constitute a waiver by the Town of its right and obligation to enforce such other legal requirements pertaining to rental housing, which the Town is charged with enforcing, in the manner provided by law. A building in which people rent accommodations, whether as a Short-Term Rental or for a term of 30 consecutive days or more, constitutes a “public building” under 20 V.S.A. §2730(a)(1)(D) and is subject to the authority of the State of Vermont Division of Fire Safety or its designee.

V. Short-Term Rental Registration

Annually, on or before November 1 of each year:

(1) The Owner of property proposed for use as a Short-Term Rental shall complete and submit to the Town a Short-Term Rental Registration form for each STR Dwelling Unit they may separately rent during the following calendar year prior to renting said Dwelling Unit. Said form shall be approved by the Town Manager and, subject to the requirements of this Ordinance, may be modified or amended from time to time by the Manager.

(2) Without limitation, the Short-Term Rental Registration form shall require that the Owner of Short-Term Rental property provide at least the following information (note: proof of ownership may be required if the person submitting the Short-Term Rental Registration form does not hold legal title, as evidenced by deeds or other instruments recorded or on file in the Stowe Land Records):

(a) physical (E-911) address(es) of all property advertised, offered for lease/rental, or used as a Short-Term Rental;

(b) contact information for the property Owner, including: the Owner's full and proper name, mailing and/or physical address, telephone number and email address;

(c) contact information for any natural person residing on the property who is designated/authorized to act on the Owner's behalf as a Property Manager, including: the on-site Property Manager's full and proper name, mailing and/or physical address, telephone number and email address;

(d) contact information for any off-site Property Manager, including: the off-site Property Manager's full and proper name, mailing address, telephone number and email address;

(e) whether the Short-Term Rental is Owner Occupied or Non-Owner Occupied.

(f) the number of bedrooms in the Dwelling Unit being leased/rented as STRs.

(4) After completing and submitting a Short-Term Rental Registration form, the Owner shall report any material changes in the required information submitted to the Town.

(5) Upon the conveyance of title to any property on the Town's Short-Term Rental Registry (or that is required to be on such Registry, but is not otherwise registered), the new Owner shall complete a new Short-Term Rental Registration form with updated information to continue to use the property as a Short-Term Rental.

(6) If an Owner is required to obtain a Certificate of Occupancy from the Vermont Division of Fire Safety prior to occupying, renting or using a Short-Term Rental, a copy of that Certificate of Occupancy shall be filed with the Town in conjunction with any Short-Term Rental Registration form.

(7) The “Short Term Rental Safety, Health and Financial Obligations” form found on the Vermont Division of Fire Safety website must be completed by the Owner, filed with the Town, and posted in a plainly visible location within the STR. See:

<https://firesafety.vermont.gov/sites/firesafety/files/documents/Short%20Term%20Rental%20healthand%20safety.pdf>

(8) Upon complete and proper submission of all required information, as determined by the Short-Term Rental Compliance Officer, the Compliance Officer shall issue a Short-Term Rental Registration Number, subject only to the requirements of this Ordinance.

(9) All Short-Term Rental Authorization and Registration Numbers shall expire on December 31 of each year, with registration renewal forms submitted no later than February 1 of each year (even if actual rentals will occur later in the year).

VI. Regulatory Requirements and Prohibited Activities.

- A. It shall be a violation of this Ordinance for the Owner of a Short-Term Rental property to lease or rent such property as a Short-Term Rental without first registering the same with the Town as provided herein.
- B. Providing intentionally false or materially misleading information on any Short-Term Rental Registration form shall be a violation of this Ordinance.
- C. Advertising any Short-Term Rental, in any manner, without first obtaining a Town-issued STR Registration Number.
- D. All Short-Term Rental property in the Town shall be Owner Occupied or, if not Owner Occupied, under the active management and control of a Property Manager, who shall: (i) reside on site or (ii) be within a 30 minute drive of the Short-Term Rental property being managed and (for each of the foregoing) (iii) be available and authorized to respond promptly to issues or problems involving the Short-Term Rental and (iv) be capable of providing timely interior and exterior access to the Short-Term Rental, on a 24/7/365 basis. An Owner or Property Manager shall respond and, if necessary, provide access to a Short-Term Rental property within 30 minutes of alarm activation or, for non-alarm incidents, within 30 minutes of notification by a Stowe Firefighter or Police Officer regarding any other issue or problem involving a Short-Term Rental and failure to do so shall be a violation of this Ordinance. For the purposes of the foregoing sentence, “respond” shall mean arrive, in person, at the location of the involved

Short-Term Rental property unless specifically excused from doing so by a Stowe Firefighter, Police Officer or other Person authorized to enforce this Ordinance.

- VI. **Fees.** The Selectboard may, from time to time, establish and adopt fees related to the administration and enforcement of this Ordinance and may incorporate all such fees into a duly adopted fee schedule.

- VII. **Enforcement.** Any person who violates a provision of this civil ordinance shall be subject to a civil penalty for each day that such violation continues. Each day the violation continues shall constitute a separate offense. The Stowe Fire Chief, the Stowe Police Chief, and the Town Manager (or their designees) shall all be designated and authorized to act as Issuing Municipal Officials to issue and pursue before the Judicial Bureau, or another court having jurisdiction, a municipal complaint to enforce this Ordinance.

A. Waiver Fees. An Issuing Municipal Official is authorized to recover waiver fees, in lieu of a civil penalty, in the following amounts, for any person who declines to contest a municipal complaint and pays the waiver fee:

First Offense -	\$100
Second Offense -	\$200
Third Offense -	\$300
Fourth and Subsequent Offenses -	\$400

Offenses shall be counted on a twelve (12) month basis, beginning January 1 and ending December 31 of each year. An Issuing Municipal Official shall have authority, but shall not be required, to issue a written warning, without recovering a waiver fee, for any First Offense. In such instance, the written warning shall be counted as a First Offense for calculating annual offenses.

B. Civil Penalties. An Issuing Municipal Official is authorized to recover civil penalties in the following amounts for each violation:

First Offense -	\$200
Second Offense -	\$400
Third Offense -	\$600

Fourth and Subsequent Offenses - \$800 (plus potential revocation/suspension/non-renewal of STR Authorization and Registration Number for up to twelve months per Section VIII, below)

Offenses shall be counted on a twelve (12) month basis, beginning January 1 and ending December 31 of each year. An Issuing Municipal Official shall have authority, but shall not be required, to issue a written warning, without recovering a civil penalty, for any First Offense violation. In such instance, the written warning shall be counted as a First Offense for calculating annual offenses.

C. Other Relief: In addition to the enforcement procedure available under Chapter 59 of Title 24, the Town Manager is authorized to commence a civil action in a court of competent jurisdiction to obtain injunctive and other appropriate relief, to request revocation or suspension of any Short-Term Rental Authorization and Registration Number on behalf of the Town, or to pursue any other remedy authorized by law. The Town Manager may also pursue all lawful means to obtain payment of fees and fines, including but not limited to placing a lien on the involved STR property pursuant to 24 V.S.A. § 1981.

VIII. Record of Compliance. The Compliance Officer or his/her designee shall maintain a written record of violations of this Ordinance during the calendar year, including identifying the Owner of the STR, the location of the property and nature of the violation. If the Record of Compliance demonstrates that a Short-Term Rental is the subject of more than three violations of this Ordinance in a single calendar year and those violations have either not been contested or have been finally adjudicated then the Compliance Officer may, upon written notice, revoke or suspend issuance of the STR Registration Number and/or deny any STR Registration Number renewal application for a period of up to one year following the last violation. Any appeal from such action by the Compliance Officer shall be taken by filing a notice of appeal, in writing, with the Selectboard within 15 days of the date of issuance of written notice. The procedures of 24 V.S.A., Chapter 36 (MAPA), shall apply to any such appeal.

IX. Severability. If any provision of this ordinance is deemed by a court of competent jurisdiction to be unconstitutional, invalid or unenforceable, that provision shall be severed from the ordinance and the remaining provisions that can be given effect without the severed provision shall continue in effect.

X. Effective Date. This Ordinance shall take effect upon passage.

ADOPTED at Stowe, Vermont, this ___ day of _____, 2024, and to be effective upon adoption.

Stowe Selectboard

Received and Recorded: _____

Clerk: _____