

Burlington Planning Commission

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www.burlingtonvt.gov/pz

Andy Montroll, Chair
Bruce Baker, Vice-Chair
Yves Bradley
Alexander Friend
Emily Lee
Harris Roen
Jennifer Wallace-Brodeur

Burlington Planning Commission

Tuesday, November 24, 2020, 6:45 P.M.

Remote Meeting via Zoom

To Join the Meeting on a Computer

Link: <https://us02web.zoom.us/j/85462593143>

To Join the Meeting on a Phone

Number: +1 312 626 6799 Meeting ID: 854 6259 3143

AGENDA

I. Agenda

II. Public Forum - Time Certain 6:50 p.m.

Public Forum for items not on the agenda. See the Agenda Packet for details on how to participate in the public forum for this meeting.

III. Proposed CDO Amendment: Short Term Rentals

Staff will provide information related to Committee questions from the last meeting. Information related to this item is included in the agenda packet, including:

- Memo outlining discussion topics for 11/24 meeting
- Proposed ZA-20-05 memo and ordinance text

Additionally, a composite PDF of slides from past Joint Committee meetings has been posted under the files for this meeting, at: <https://www.burlingtonvt.gov/CityPlan/PC/Agendas>

Staff Recommendation: Following public forum and any additional changes to the proposal, the Commission is recommended to approve the municipal bylaw amendment report and warn for public hearing.

IV. STR Public Forum

Public Forum for comments on Short Term Rentals.

V. 2021 Planning Commission Meeting Schedule

A draft schedule for 2021 regular meetings of the Planning Commission is included in the agenda packet.

Staff Recommendation: Modify if needed, and approve 2021 meeting schedule.

VI. Commissioner Items

- a. Upcoming Meetings – final meeting of 2020
 - i. Tuesday, Dec. 8 (scheduled), or move to 12/16 or 12/17 depending on 11/24 outcome

II. Minutes & Communications

- a. The minutes of the November 10 meeting are enclosed in the agenda packet.
- b. Communications are enclosed in the agenda packet.

III. Adjourn

The City of Burlington will not tolerate unlawful harassment or discrimination on the basis of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, crime victim status or genetic information. The City is also committed to providing proper access to services, facilities, and employment opportunities. For accessibility information or alternative formats, please contact Human Resources Department at (802) 540-2505. Written comments on items may be directed to the Planning Commission at 149 Church Street, Burlington, VT 05401, or at mtuttle@burlingtonvt.gov

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- Proposed ZA-20-05 memo and ordinance text- p. 6

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- b. Communications are enclosed in the agenda packet p. 29

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Guidance for Participating in a Virtual Planning Commission Meeting

As social distancing measures to preserve public health and safety continue to be required to prevent the spread of COVID-19, or are recommended as a standard practice, the Office of City Planning will be supporting the Planning Commission to conduct their meetings online via Zoom. Here is information about how to join a virtual meeting, and what to expect while participating.

General Guidance for Public Participation

Please remember that in this digital meeting environment, meetings are open to the public and anyone may be watching or listening even if you cannot see them. Meetings will be recorded, and both the recording and chat content of the meeting will be maintained as a public record.

Please ensure your display photo and screen name are professional, such as using your first and last name. Please test your audio and video prior to the start of a meeting, and familiarize yourself with how to join a meeting by your chosen method. And finally, please be patient with us. Technology doesn't always work as planned, and we are all learning how to hold a successful virtual meeting!

How to Join a Virtual Meeting

Zoom allows participation via either computer or telephone. Each agenda for a meeting that will be conducted virtually will include details about how to join via either of these options, including a web address, phone number, Meeting ID, and password.

If you participate via computer, you have the option of seeing Commissioner videos and any presentation materials that may be shared. If you use either a standard phone or cell phone to call in, you will only hear the audio portion of the meeting. If you join via a smartphone, you may have the option to download the Zoom app, which will enable you to see and hear the meeting.

How to Participate in a Virtual Meeting

During meetings, only Planning Commission members and limited staff members will be viewed on video. Members of the public attending a meeting will be muted, except when invited to speak during public forum or a public hearing. Whether members of the public can speak at other times during the meeting is the discretion of the Chair.

If you want to speak during public forum, please take the following steps to assist us in making this process run as smoothly as possible:

- Email staff at mtuttle@burlingtonvt.gov by 5pm on the day before a meeting to indicate your interest in speaking. You do not need to provide your comments. Staff will enable your microphone as your name is called from a list of interested speakers.
- During a meeting, you can use the "Raise Hand" feature, or indicate in a chat message that you wish to speak during public forum. Staff will enable your microphone as your name is called.
- If you are interested in submitting your comments in writing instead of speaking during the meeting, you may do so by 5pm the day before a meeting, they will be forwarded to the Commissioners ahead of the meeting.

TO: Burlington Planning Commission
FROM: Meagan Tuttle, Comprehensive Planner, Office of City Planning
DATE: November 19, 2020
RE: STR policy questions for discussion on Nov. 24

Based on the October 28 meeting, we have identified a number of policy questions that the Committee should consider. As a reminder, per the Council's 2019 resolution, the goal of this policy is to create a regulatory framework for short-term rentals that includes tiers for different types of rentals and disincentivizes the most impactful uses by:

- limiting the number of housing units converted to short-term rentals
- ensuring STRs contribute to efforts to preserve and expand permanently affordable housing
- preserving some flexibility for hosts to use their homes and earn income
- recognizing that some supply of short-term rentals benefits the Burlington economy

Three of the four questions relate to the standards that help limit the number of STRs. These standards were applied differently across scenarios based on relative impact to the city's housing stock. The original proposal used a combination of strategies:

- Limit to the number of STRs allowed in a building/on a property
- Requirement that property is host's primary residence
- Consideration of some STR "scenarios" as a commercial use, and/or limited to a conditional use in some parts of the city (see the section on the history of housing replacement)

Several changes have been made to the proposed framework as a result of the Committee's discussions, which are outlined in the ZA-20-05 memo in the agenda packet. At the upcoming meeting, staff will provide additional data and details related to the following topics. A PDF of slides from past meetings has also been posted online for reference:

<https://www.burlingtonvt.gov/CityPlan/PC/Agendas>

When is the property required to be the host's primary residence?

Staff is looking for direction from the Committee on two specific questions related to this issue, which essentially boil down to whether off-site hosting should be allowed in all, some, or none of the scenarios.

Setting aside the question of who a host is, the proposal initially required a property to be a host's primary residence for all scenarios. While the Committee heard significant feedback from hosts about how a host does not need to live on site in order to ensure proper management, the *primary* intent of this requirement was to prevent widespread conversion to STRs.

Based on input from hosts, the Committee revised the original proposal to allow hosts of STRs in multi-unit buildings to live off-site. The proposal continues to require host residency for single-family homes and duplexes. Note: some STR hosts refer to duplexes as multi-unit buildings; however, both the scenarios and the CDO use "multi-unit" to refer to buildings with 3+ units.

We are looking for the Committee's direction on two host-related questions raised at the last meeting, which are at opposite ends of the regulatory spectrum:

- a Committee member asked whether off-site hosting should be allowed for any scenario
- the Committee was asked to allow off-site hosts for single-family homes and duplexes

Who is an STR host?

Staff is looking for direction from the Committee on whether it would like to change the proposed definition and, if so, for what purpose.

While "host" has often been used interchangeably with "owner" in the discussion, the proposed definition in *Article 13* includes either an owner or tenant of the property with the STR. As noted previously, the intent was simple: to ensure the host had their primary residence on the property, regardless of owner or tenant. At the last meeting, a Committee member expressed concern about allowing tenants as hosts.

It's widely believed that few property owners would permit a tenant to host an STR. The staff recommendation was to leave this up to the terms of the lease. Further, requiring owner-occupancy has challenges, as previously discussed in our ADU policy work.

The effect of restricting host to owner will vary based on the related question of where an off-site host is allowed. For example, maintaining the current provision for off-site hosting and requiring the host to be an owner will primarily impact the smaller number of single-family homes and duplexes that are rented. Conversely, requiring the host to live on site in all scenarios and requiring the host to be an owner, would impact most multi-unit rental properties.

Does the Committee support the proposed STR limits based on building type?

Staff is looking for the Committee to confirm their support for these limits, and direction on how it wants to approach STRs that exceed these limits.

Staff has translated the scenarios discussed in prior meetings into *Table 5.4.14-1* in the ZA-20-05 memo. These limits have been revised down from the original proposal as a result of Committee input as follows:

- One Whole Unit STR is allowed in single-family homes, duplexes, and multi-unit buildings of up to 4 units (subject to applicable hosting requirements)
- Allows up to 2 Whole Unit STRs in buildings with 5 or 6 units, and up to a max of 3 whole unit STRs for buildings with 7+ units

The Committee has discussed that "Scenario 6"—when all units in a building are STR's— is considered to be "Lodging" rather than an STR. The proposed *Table 5.4.14-1* also clarifies that any property exceeding the limits above are also considered to be Lodging. This detail is significant because Lodging is a Commercial use, while STR's are otherwise a Special Residential use. As a Lodging use, some properties could have a route to exceed the limits in *Table 5.4.14-1*; however, this would only apply in mixed-use districts since Lodging uses are not permitted in residential districts.

The Committee has two options for how it can deal with these situations:

- as written in *Table 5.4.14-1*, any building exceeding these limits to any degree is considered "Lodging"
- revise *Table 5.4.14-1* to not allow buildings to exceed STR limits anywhere in the city

Is the concept of a "nightly fee" meant to be a deterrent or a way to generate revenue?

Staff is continuing to research authorities related to the question of fees, but is looking for the Committee to confirm what it views the purpose of a fee to be.

The conversation around the intent of the Housing Replacement Fee requirement vs. payment of a nightly fee has become somewhat muddled. This section briefly recaps how these fees came to be part of the discussion.

Payment of a "Housing Replacement Fee" is an existing standard in the *CDO* that applies to most situations when a residential use is converted to a commercial use. The purpose of the fee is to support the Housing Trust Fund (HTF), which is used to create and preserve affordable housing. The fee is based on the number of bedrooms in a rental unit, and reflects the subsidy needed to make a rental unit of equal size affordable to a household making 65% AMI for 10 years.

When the STR proposal was first shared with the Committee, most whole-unit STR scenarios were considered to be a commercial use rather than a residential use and, like all commercial uses, were more limited in residential areas than in mixed-use areas. It is for this reason—the classification as a commercial use—that the Housing Replacement Fee was applicable to STRs. While the fee did address two of the policy goals mentioned above, it was neither intended primarily as a tool to generate a specific amount of revenue for the HTF, nor to necessarily deter STRs. The impacts and purpose of the fee have been widely debated, and would likely have done a bit of both.

The Committee's decision to move away from the Housing Replacement Fee, however, was ultimately about its evolving understanding of what an STR is. Unlike other types of commercial uses (i.e. a café), using a housing unit as an STR, while "commercial" by some standards, does not necessarily result in a permanent loss of the unit. The unit itself could transition in and out of the long-term housing market over time. The Committee was concerned that considering an STR to be a commercial use didn't reflect the flexible nature of STRs, and that the financial burden of the fee would be a disincentive to re-establishing long-term housing. The proposal now considers STR's to be a Special Residential Use, and as a result Housing Replacement does not apply.

The idea of a "nightly fee" was originally proposed by an STR host as an alternative to what many hosts viewed as prohibitively high Housing Replacement Fees. It was not initially brought into the proposal due to staff concern about the city's level of authority to do so. However, as the Committee discussed its concerns about housing replacement, there was an increased interest in exploring a nightly fee that would apply to all scenarios. Staff understood the interest in the fee to be its potential to bring new revenue to the HTF in way that was more equitable and based on the actual use of a property as an STR.

The Committee had several questions about this issue at the last meeting. However, it is difficult to compare the potential to generate revenue from Housing Replacement to a nightly fee for many reasons. While staff is still researching its authorities related to this question, it is highly unlikely that the details of any potential fee will be within the purview of this committee. That said, in order to ultimately provide a complementary recommendation on this issue, we are seeking a clarification from the Committee on what it views the purpose of a fee to be.

TO: Burlington Planning Commission & City Council
Ordinance Committee
FROM: Scott Gustin, Principal Planner & Zoning Division Manager
Meagan Tuttle, Comprehensive Planner, Office of City Planning
DATE: November 19, 2020
RE: Proposed CDO Amendment ZA-20-05: Short Term Rentals

Overview & Background

Defining Short Term Rentals

A short term rental (or STR) is typically a dwelling unit that is rented in whole or in part to guests for less than 30 consecutive days for overnight stays. It may be an apartment, a house, or just a bedroom within a housing unit. AirBnB exemplifies short term rentals.

In the last several years, there has been significant and growing demand for STR's internationally, and locally. They benefit owners with a source of income that can help subsidize a cost of living that may otherwise be unaffordable. STR's may also encourage investment in a property. They benefit Burlington's tourism economy and provide guests with a convenient, and often more affordable, place to stay when traveling. They also generate city and state tax revenue via the Rooms & Meals Tax (RMT). Short term rentals, however, do not come without impacts. Some have the effect of removing dwelling units for long-term occupancy, and they may contribute to rising rental rates and purchase prices. Given the high turn-over of guests, short-term rentals may bring about nuisance impacts such as traffic, noise, and trash to neighborhoods.

As the Joint Committee has heard from many of the city's STR hosts, short-term rentals are uniquely flexible and come in a variety of forms—beyond the major distinction between whole unit and partial unit STR's. The same dwelling unit may alternate between long- and short-term rental uses within a relatively short period of time. A dwelling unit may serve as one's primary residence for most of the year, and serve as a short-term rental while the resident is away. A short-term rental may coexist with a number of long-term rentals within a multi-family building. This variability and flexibility needs to be considered within the context of the overarching policy objective: to protect Burlington's limited housing stock, while affording reasonable opportunity to host short-term rentals within the city.

Short Term Rentals in Burlington

Burlington has some 10,000+ rental housing units, representing 60% of all housing units. While the June 2019 Housing Summit reported hopeful trends in a slightly increasing vacancy rate and slight slowing annual rent inflation, the city's housing market remains tight with the long-time rental vacancy rate between 1% and 2%. Short-term rentals have replaced a growing number of dwelling units citywide in recent years. According to data provided by HostCompliance, the number of short term rentals within Burlington increased 26% between 2018 and 2019. The average monthly number of short term rentals within city limits between June and September 2020 was 403 listings, representing 357 unique rentals.

As of September 2020, 71% STRs in Burlington are an entire dwelling unit, whereas 29% are partial dwelling units (i.e. bedrooms). This is a change from 67% and 33% respectively in 2019, likely due to COVID-19 concerns. In September 2020, 55% of the city's STR's were in single-family properties and 45% in multi-family properties. The COVID-19 pandemic has had wide-ranging impacts on the STR market globally and locally.

While the total number of unique properties and listings in Burlington has changed little in 2020, the number of active listings has varied this year due travel restrictions and hosts' management decisions. Stories shared by STR hosts and data from other sites, such as AirDNA, suggest that many of these listings may currently be inactive, are being rented as an STR for a longer duration (such as for weeks or months), or are being used as temporary accommodations for people who have relocated due to the pandemic. It will be some time before the long-term impacts of COVID-19 on the local STR market are understood.

Joint Committee work on STR Proposal

The Joint Committee has received information on STRs in the city during 7 previous meetings in 2020. In response to public and Joint Committee comments, the draft regulatory framework has been revised in three major ways:

- Revision to STR limits within multi-unit buildings to be less than 50% of units, and a related clarification that exceeding these limits results in a "lodging" use.
- Allow some degree of off-site hosting for STR's within multi-unit buildings
- Consider an alternative to Housing Replacement fees, such as an additional fee based on STR income. In either scenario, fees will support the City's Housing Trust Fund.

Additional changes to the proposal reflecting comments of the Joint Committee include:

- Revision to standards for permitted vs. conditional use for a number of the scenarios.
- Elimination of the requirement for an additional on-site parking space when a single bedroom is rented within a host's dwelling unit. For instances with multiple bedrooms, the parking requirement has been revised to 1 space per bedroom, minus 1.
- Replacing "hotel/motel" and "hostel" uses with a more general "lodging" use.

Some existing standards in both the *Comprehensive Development Ordinance*, and Chapter 18 of the *City Code of Ordinances* continue to be applicable. Specifically, use of a whole or partial unit as a short-term rental will not require a zoning permit if it meets the existing "temporary use" thresholds in the *CDO*. This exempts any use from requiring a zoning permit if it is operating for less than 10 consecutive days, and up to 30 total days within a year. Conversely, a long-term rental (defined as having a single lease or contract for 30 or more consecutive days) also does not require a zoning permit.

While outside of the *CDO*, this amendment is accompanied by related revisions to Chapter 18 of the *City Code of Ordinances*. These revisions will be made to include short-term rentals in the city's rental registration and inspection process. To be consistent with state statute, which defines a short-term rental as operating for "less than 30 days", the threshold between a short-term and long-term rental within Chapter 18 has been revised. Applicability of Chapter 18 will ensure that minimum life safety standards are adhered to for STRs. These proposed amendments are attached to this memo, following changes to applicable sections of the *CDO*.

Proposed Amendment

Amendment Type

Text Amendment	Map Amendment	Text & Map Amendment
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Purpose Statement

The proposed zoning amendments are aimed at minimizing the potential for adverse impacts to the city's housing stock, while balancing some flexibility for hosts to operate short-term rentals. The proposed standards are intended to be clear, reasonable, and enforceable. The proposed amendments are intended to allow the short term rental of bedrooms within a dwelling, and the use of a host's own dwelling occasionally as a short-term rental, with minimal burden to the host. More rigorous standards are applied to whole-unit short term rentals operated by off-site hosts so as to limit their proliferation. In an effort to balance the benefits to

hosts with the preservation of our neighborhoods, short-term rentals would generally be allowed wherever residential uses are allowed; however, in most scenarios, hosts must be a resident of the property. Within residential and institutional zones, multi-unit buildings with off-site whole unit STR hosts would be a "conditional use" thereby affording a forum to identify and address potential impacts by the Development Review Board. Large partial-unit STRs would continue to be conditional uses in these zones, as bed and breakfasts currently are.

Proposed Amendments

To achieve the goals identified above, the proposed amendment affects the following sections of the *Burlington Comprehensive Development Ordinance*:

1. Create Section 5.4.14 within Citywide General Regulations for Short Term Rentals

This will expressly enable and directly address Short Term Rental (STR) uses, replacing the current system of treating them as either a Bed & Breakfast or a Hotel/Motel. This section will establish the base standards for both whole unit and partial unit STRs, address where off-site hosting is permitted, and establish limits on the number of STRs in a building. In certain cases, the host is required to reside on the lot where the STR is located; the notable exception is for STR's located within multi-unit buildings.

2. Amend Article 13 Definitions to add STR types, modify lodging definitions

Create definitions for Whole Unit and Partial Unit STR's and STR hosts. Additionally, streamline the definitions of Bed & Breakfast, Hotel/Motel, and Hostel to a more general "Lodging" definition to reduce redundancy and inconsistencies in how various lodging options are permitted.

3. Add Whole Unit and Partial Unit STRs as "special residential uses" to Appendix A- Use Table and in Article 14- Downtown Code

This will establish where various STR types are permitted, not permitted, or permitted by conditional use, as well as set limits on the number of rooms or units that may be rented as an STR. Short-term rentals that are comprised of bedrooms within a host-occupied unit will be permitted in most cases, and will largely be based on existing Bed & Breakfast standards. Short-term rentals that are comprised of an entire dwelling unit will be a permitted use in most cases. However, when operated by an off-site host in Residential districts, conditional use will apply. See attached excerpts of these sections of the CDO.

4. Amend Table 8.1.8-1 Minimum Off-Street Parking Requirements

This will establish the related parking standards for each STR type, and amend standards for traditional lodging establishments. Generally, a requirement of one parking space will apply for Whole Unit short term rentals, and 0.75 spaces per rented bedroom, except for the first bedroom, for Partial Unit STRs. Additionally, STR's of any type may not be required to provide a minimum number of parking spaces if located within the "Multimodal Mixed-Use Parking District" that was recently adopted.

Excerpt of ARTICLE 5: CITYWIDE GENERAL REGULATIONS

PART 4: SPECIAL USE REGULATIONS

Sec. 5.4.1 - 5.4.13 *As written.*

Sec. 5.4.14 Short Term Rental (Partial and Whole Unit)

All short term rentals (STR) shall be comply with the following requirements:

1. Subject to the site and design review standards in Art 6 or Art. 14, and subject to conditional use standards in Art. 3 where applicable; and
2. All dimensional standards for the underlying zoning per the requirements of Art. 4 or Art. 14 shall be applicable; and
3. Short term rentals shall register with the city as rental units under Chapter 18: Housing unless exempted under that Chapter; and.
4. The host's primary residence shall be within the same building or on the same lot (on-site) as the short term rental, except per Table 5.4.14-1 below; and,
5. Whole and Partial Unit STRs may be located within the same building or on the same lot, subject to standards in Table 5.4.14-1.

<u>Table 5.4.14-1 Short Term Rental Types, Limits, and Standards</u>				
<u>Building Type</u>	<u>Dwelling Units in Building</u>	<u>STR Limit in Building</u>	<u>Host's Primary Residence</u>	<u>Permitted or Conditional Use</u>
<u>Whole Unit STRs</u>				
<u>Single Detached Dwelling</u>	<u>1</u>	<u>1 Whole Unit</u>	<u>Required</u>	<u>Permitted</u>
<u>Single Detached Dwelling with an ADU (attached or detached), or Duplex</u>	<u>2</u>	<u>1 Whole Unit</u>	<u>Required on same lot as STR</u>	<u>Permitted</u>
<u>Attached Dwellings- Multifamily</u>	<u>3-4</u>	<u>1 Whole Unit</u>	<u>Not Required</u>	<u>Permitted in FD5, FD6, & Neighborhood Mixed Use Districts</u> <u>Permitted in Residential & Institutional Districts when host's primary residence</u> <u>Conditional use in Residential & Institutional Districts when not host's</u>
	<u>5-6</u>	<u>2 Whole Units</u>	<u>Not Required</u>	
	<u>7+</u>	<u>3 Whole Units</u>	<u>Not Required</u>	

				<u>primary residence</u>
<u>On lots containing 2 or more detached primary structures/buildings, the STR limits are applicable to each building, based on the number of dwelling units in each building.</u>				
<u>Buildings exceeding these limits are a Lodging use, and subject to standards in Appendix A.</u>				
	<u>Zoning District</u>	<u>STR Limit on Property</u>	<u>Host Primary Residence</u>	<u>Permitted or Conditional Use</u>
<u>Partial Unit STRs</u>				
<u>Rooms within a Dwelling Unit</u>	<u>RL and RL-W</u>	<u>1 – 2 Rooms</u> <u>3 Rooms</u>	<u>Required</u>	<u>Permitted</u> <u>Conditional Use</u>
	<u>RM, RM-W, RH, and Institutional</u>	<u>1-2 Rooms</u> <u>3-5 Rooms</u>	<u>Required</u>	<u>Permitted</u> <u>Conditional Use</u>
	<u>FD5, FD6, and Neighborhood Mixed Use Districts</u>	<u>1-5 Rooms</u>	<u>Required</u>	<u>Permitted</u>

Excerpt of **ARTICLE 8: PARKING**

Sec. 8.1.1 – 8.1.7 *As written.*

Sec. 8.1.8 Minimum Off-Street Parking Requirements

Parking for all uses and structures shall be provided in accordance with Table 8.1.8-1.

- (a) Where no requirement is designated and the use is not comparable to any of the listed uses, parking requirements shall be determined by the DRB upon recommendation by the administrative officer based upon the capacity of the facility and its associated uses.

When the calculation yields a fractional number of required spaces, the number of spaces shall be rounded to the nearest whole number.

Table 8.1.8-1 Minimum Off-Street Parking Requirements			
	Neighborhood District	Shared Use District	Multimodal Mixed-Use District
RESIDENTIAL USES	Per Dwelling Unit except as noted		
No changes			
RESIDENTIAL USES - SPECIAL	Per Dwelling Unit except as noted		
** Rest of Special Residential Uses unchanged**			
Bed and Breakfast (per room, in addition to single-family residence)	<u>1</u>	<u>0.75</u>	<u>0</u>
<u>Short Term Rental – Partial Unit (per bedroom minus 1, in addition to dwelling unit)</u>	<u>1</u>	<u>0.75</u>	<u>0</u>

<u>Short Term Rental – Whole Unit, except no additional parking space is required for single detached dwelling units</u>	<u>1</u>	<u>1</u>	<u>0</u>
NON-RESIDENTIAL USES	Per 1,000 square feet of gross floor area (gfa) except as noted		
** Rest of Non-Residential Uses unchanged**			
Hostel (per two (2) beds)	0.5	0.5	None
Hotel/Motel <u>Lodging</u> (per room)	1	0.75	0

ARTICLE 13: DEFINITIONS

Sec. 13.1.1 Miscellaneous *As written.*

Sec. 13.1.2 Definitions

For the purpose of this ordinance certain terms and words are herein defined as follows:

Unless defined to the contrary in Section 4303 of the Vermont Planning and Development Act as amended, or defined otherwise in this section, definitions contained in the building code of the City of Burlington, Sections 8-2 and 13-1 of the Code of Ordinances, as amended, incorporating the currently adopted edition of the American Insurance Association's "National Building Code" and the National Fire Protection Association's "National Fire Code" shall prevail.

Additional definitions specifically pertaining to *Art. 14 planBTV: Downtown Code* can be found in Sec. 14.8, and shall take precedence without limitation over any duplicative or conflicting definitions of this Article.

All other definitions as written.

Bed and Breakfast: ~~An owner-occupied residence, or portion thereof, in which short-term lodging rooms are rented and where only a morning meal is provided on premises to guests.~~

Host: A person who operates a whole or partial unit short term rental. The host may be the property owner or tenant.

Hostel: ~~A place where travelers may stay for a limited duration, as recognized by the International Hostel Association.~~

Hotel, Inn or Motel Lodging: ~~An establishment providing for a fee three or more temporary guest rooms and customary lodging services~~ (such as onsite staffing at all hours, lobby space, and room service), and subject to the Vermont rooms and meals tax. Lodging may, or may not, be owner occupied. Lodging does not include historic inns or short term rentals (except when per-building short term rental limits per Table 5.4.14-1 are exceeded).

Short Term Rental – Whole Unit: A dwelling unit (as defined in Article 18 of the Burlington City Code of Ordinances) that is rented to guests for overnight stays of less than 30 consecutive days and is subject to the Vermont rooms and meals tax. Short term rental does not include lodging.

Short Term Rental – Partial Unit: A dwelling unit (as defined in Article 18 of the Burlington City Code of Ordinances) wherein only bedrooms are rented to guests for overnight stays of less than 30 consecutive days and is subject to the Vermont rooms and meals tax. A morning meal may be provided onsite such as with a traditional bed and breakfast.

****End Proposed Text Amendments****

Relationship to planBTV

This following discussion of conformance with the goals and policies of planBTV is prepared in accordance with the provisions of 24 V.S.A. §4441(c).

Compatibility with Proposed Future Land Use & Density

The proposed amendments are intended to protect existing housing from unlimited conversion to short term rental use. Data shows increasing numbers of short term rentals in recent years, largely at the expense of long term housing stock. This increase puts additional pressure on the city's available housing and degree of affordability. The proposed measures will establish parameters for allowing short term rentals while limiting their adverse impacts on the city's housing supply and affordability.

Impact on Safe & Affordable Housing

The proposed amendments will have no impact on the intensity or density of future land use. They will; however, ensure that future short term rentals are compatible with the residential neighborhoods that so many of them occupy. Short term rentals will be allowed as another one of many uses in the city's mixed use and downtown areas. Conditional use review of STR's operated by offsite hosts in our residential areas will ensure compatibility with existing neighborhoods. Overall limits will prevent wholesale conversion of residential units into short term rentals.

Planned Community Facilities

This amendment has no impact on any planned community facilities.

Process Overview

The following chart summarizes the current stage in the zoning amendment process, and identifies any recommended actions:

Planning Commission Process				
Draft Amendment prepared by: Staff, based on referral of City Council	Presentation to & discussion by Joint Committee 1/14, 1/28, 2/11, 2/19, 8/11, 9/23, 10/28, 11/24	Approve for Public Hearing	Public Hearing	Approve & forward to Council
				Continue discussion
City Council Process				
First Read & Referral to Ordinance Cmte	Ordinance Committee discussion	Ordinance Cmte recommends to Council	Second Read & Public Hearing	Approval & Adoption
				Rejected

Appendix A-Use Table – All Zoning Districts

	Urban Reserve	Recreation, Conservation & Open Space			Institutional	Residential			Downtown Mixed Use ^l	Neighborhood Mixed Use				Enterprise	
USES	UR	RCO - A	RCO - RG	RCO - C	I	RL/W	RM/W	RH	DW-PT ¹⁶	NMU	NAC	NAC-RC	NAC-CR	E-AE	E-LM
RESIDENTIAL USES	UR	RCO - A ¹	RCO - RG	RCO - C	I	RL/W	RM/W	RH	DW-PT ¹⁶	NMU	NAC	NAC-RC	NAC-CR	E-AE	E-LM
As written															
RESIDENTIAL SPECIAL USES	UR	RCO – A	RCO - RG	RCO - C	I	RL/W	RM/W	RH	DW-PT ¹⁶	NMU	NAC	NAC-RC	NAC-CR	E-AE	E-LM
Rest of Residential Special Uses as written.															
Bed and Breakfast^{4,-6}	N	N	N	N	CU	CU	CU	CU	N	Y	Y	Y	N	N	N
Short Term Rental – Partial Unit (See Sec. 5.4.14)⁴	N	N	N	N	Y/CU	Y/CU	Y/CU	Y/CU	N	Y	Y	Y	Y	N	N
Short Term Rental – Whole Unit – (See Sec. 5.4.14)⁴	N	N	N	N	Y/CU³³	Y/CU³³	Y/CU³³	Y/CU³³	N	Y	Y	Y	Y	N	N
NON-RESIDENTIAL USES	UR ²¹	RCO - A	RCO - RG	RCO - C	I	RL/W	RM	RH	DW-PT ¹⁶	NMU	NAC	NAC-RC	NAC-CR	E-AE	E-LM
Rest of Non-Residential Uses as written.															
Hostel	N	N	N	N	Y	N	N	CU	N	Y	Y	Y	Y	N	N
Hotel, Motel Lodging	N	N	N	N	CU	N	N	N	(See Sec. 4.4.1 (d) 1)	N	Y	N	Y	N	N

1. Residential uses are not permitted except only as an accessory use to an agricultural use.
2. Duplexes may be constructed on lots which meet the minimum lot size specified in Table 4.4.5-1.
3. Duplexes shall only be allowed as a result of a conversion of an existing single family home. New duplexes are prohibited.
4. ~~No more than 5 rooms permitted to be let in any district where bed and breakfast is a conditional use. No more than 3 rooms permitted to be let in the RL district. See limits on number, and permitted or conditional use, of Partial and Whole Unit STRs per building or lot in Table 5.4.14-1.~~
5. An existing fraternity, sorority, or other institutional use may be converted to dormitory use subject to conditional use approval by the DRB.
6. Must be owner-occupied.
7. Must be located on a major street.
8. Small daycare centers and small preschools in the RCO zones shall only be allowed as part of small museums and shall constitute less than 50% of the gross floor area of the museum.
9. Automobile sales not permitted other than as a separate principal use subject to obtaining a separate zoning permit.
10. Exterior storage and display not permitted.
11. All repairs must be contained within an enclosed structure.
12. No fuel pumps shall be allowed other than as a separate principal use subject to obtaining a separate zoning permit.
13. Permitted hours of operation 5:30 a.m. to 11:00 p.m.
14. Such uses not to exceed ten thousand (10,000) square feet per establishment.
15. Excludes storage of uncured hides, explosives, and oil and gas products.
16. See Sec.4.4.1(d) 2 for more explicit language regarding permitted and conditional uses in the Downtown Waterfront – Public Trust District.
17. Allowed only as an accessory use.
18. A permitted use in the Shelburne Rd Plaza and Ethan Allen Shopping Center.
19. [Reserved].
20. Accepted agricultural and silvicultural practices, including the construction of farm structures, as those practices are defined by the secretary of agriculture, food and markets or the commissioner of forests, parks and recreation, respectively, under 10 VSA §1021(f) and 1259(f) and 6 VSA §4810 are exempt from regulation under local zoning.
21. See Sec. 4.4.7 (c) for specific allowances and restrictions regarding uses in the Urban Reserve District.
22. See Sec. 4.4.5 (d) 6 for specific allowances and restrictions regarding Neighborhood Commercial Uses in Residential districts.
23. Allowed only on properties with frontage on Pine Street.
24. Such uses shall not exceed 4,000 square feet in size.

Legend:	
Y	Permitted Use in this district
CU	Conditional Use in this district
N	Use not permitted in this district
Abbreviation	Zoning District
RCO – A	RCO - Agriculture
RCO – RG	RCO – Recreation/Greenspace
RCO – C	RCO - Conservation
I	Institutional
RL/W	Residential Low Density, Waterfront Residential Low Density
RM/W	Residential Medium Density, Waterfront Residential Medium Density
RH	Residential High Density
DW-PT	Downtown Waterfront-Public Trust
NMU	Neighborhood Mixed Use
NAC	Neighborhood Activity Center
NAC-RC	NAC – Riverside Corridor
NAC-CR	NAC – Cambrian Rise
E-AE	Enterprise – Agricultural Processing and Energy
E-LM	Enterprise – Light Manufacturing

Appendix A-Use Table – All Zoning Districts

- 25. Dormitories are only allowed on properties contiguous to a school existing as of January 1, 2010.
- 26. The mixed uses shall be limited to those that are either permitted, conditional, or pre-existing nonconforming in the zoning district.
- 27. This use is permitted or conditionally permitted on lots south of Home Avenue only when one or more Industrial or Art Production use(s) exists on the lot, and when the combined gross floor area of all uses with this footnote does not exceed 49% of the Gross floor Area on the lot.
- 28. Grocery Stores up to but not to exceed 35,000 square feet may be permitted subject to conditional use approval by the DRB in that portion of the Enterprise-Light Manufacturing District between Flynn and Home Avenue.
- 29. Must be fully enclosed within a building.
- 30. New single detached dwellings are not permitted. However, a pre-existing single detached dwelling may be reverted to a single family use regardless of its present use if the building was originally designed and constructed for that purpose.
- 31. See special use standards of Sec. 5.4.13, Emergency Shelters.
- 32. Performing Arts Centers in the ELM zone shall be limited to properties with frontage on Pine Street up to 5,000 square feet in size, and to properties with frontage on Industrial Parkway up to 15,000 square feet in size. Performing Arts Centers may contain accessory space for preparation and serving food and beverages, including alcohol, provided this accessory space comprises less than 50% of the entire establishment.
- 33. Whole Unit short term rentals operated by off-site hosts are subject to conditional use review; short term rentals operated by on-site hosts are a permitted use.

ⁱ For permitted and conditional uses within the Downtown and Waterfront Form Districts, refer to Article 14.

14.3.4-H- Use Type FD6

Uses not specifically listed in a use table, and that are not similar in nature and impact to a use that is listed, are not permitted.

RESIDENTIAL - GENERAL

Attached Dwellings	P
Single Detached Dwellings (only pre-existing Buildings originally designed and constructed for such purpose)	P

RESIDENTIAL - SPECIAL

Assisted Living	P
Boarding House ¹	P
Community House (Sec. 14.6.6.e)	P
Convalescent /Nursing Home	P
Short Term Rental- Partial Unit (Sec. 5.4.14)	P
Short Term Rental- Whole Unit (Sec. 5.4.14)	P

SHORT-TERM ACCOMMODATIONS

Bed and Breakfast [†]	P
Historic Inn (Sec. 14.6.6.c)	P
Hotel	P
Lodging	P
Shelter	P

RETAIL - GENERAL

ATM	P
Auto/Boat/RV Sales/Rentals ³	P
Convenience Store	P
Fuel Service Station ² (Sec. 14.6.6.d)	CU
General Merchandise/Retail	P

RETAIL - OUTDOOR

Open Air Markets	P
------------------	---

Key

Permitted Use	P
Conditional Use	CU

END NOTES

¹ Must be owner-occupied.

² Automobile sales not permitted as an Accessory Use

³ Exterior storage and display not permitted.

14.3.4-H- Use Type FD6

OFFICE & SERVICE

Animal Grooming	P
Auto/Boat/RV Service ³ (Sec. 14.6.6.d)	P
Beauty Salon/Barber Shop/Spa	P
Car Wash	P
Crisis Counseling Center (Sec. 14.6.6.g)	P
Office – General	P
Office – Medical	P
Office – Technical	P
Dry Cleaning Service	P
Funeral Home	P
Health Club/Studio	P
Laundromat	P
Mental Health Crisis Center	P
Tailor Shop	P

HOSPITALITY/ENTERTAINMENT/RECREATION

Aquarium	P
Art Gallery/Studio	P
Bar, Tavern	P
Billiards, Bowling & Arcade	P
Café	P
Cinema	P
Club, Membership	P
Community Center	P
Conference/Convention Center	P
Museum	P
Performing Arts Center	P
Performing Arts Studio	P
Recreational Facility - Indoor	P
Restaurant	P
Restaurant – Take Out	P

14.3.5-H- Use Types

FD5

Uses not specifically listed, and that are not similar in nature and impact to a use that is listed, are not permitted.

RESIDENTIAL - GENERAL

Attached Dwellings	P
--------------------	---

Single Detached Dwellings (only pre-existing Buildings originally designed and constructed for such purpose)	P
--	---

RESIDENTIAL - SPECIAL

Assisted Living	P
-----------------	---

Boarding House ¹	P
-----------------------------	---

Community House (Sec. 14.6.6.e)	P
---------------------------------	---

Convalescent /Nursing Home	P
----------------------------	---

Group Home	P
------------	---

Short Term Rental- Partial Unit (Sec. 5.4.14)	P
---	---

Short Term Rental- Whole Unit (Sec. 5.4.14)	P
---	---

SHORT-TERM ACCOMMODATIONS

Bed and Breakfast ⁺	P
--------------------------------	---

Historic Inn (Sec. 14.6.6.c)	P
------------------------------	---

Hotel	P
-------	---

Lodging	P
---------	---

Shelter	P
---------	---

RETAIL - GENERAL

ATM	P
-----	---

Automobile and RV Sales and Rental ²	P
---	---

Convenience Store	P
-------------------	---

Fuel Service Station ² (Sec. 14.6.6.d)	CU
---	----

General Merchandise/Retail	P
----------------------------	---

RETAIL - OUTDOOR

Boat Sales/Rentals	P
--------------------	---

Garden Supply Store	P
---------------------	---

Open Air Markets	P
------------------	---

14.3.5-H- Use Types

FD5

OFFICE & SERVICE

Animal Grooming	P
-----------------	---

Beauty Salon/Barber Shop/Spa	P
------------------------------	---

Car Wash	P
----------	---

Crisis Counseling Center (Sec. 14.6.6.g)	P
--	---

Dry Cleaning Service	P
----------------------	---

Funeral Home	P
--------------	---

Health Club/Studio	P
--------------------	---

Laundromat	P
------------	---

Mental Health Crisis Center	P
-----------------------------	---

Office – General	P
------------------	---

Office – Medical	P
------------------	---

Office – Technical	P
--------------------	---

Tailor Shop	P
-------------	---

Vehicle/Boat Repair/Service ²	P
--	---

HOSPITALITY/ENTERTAINMENT/RECREATION

Aquarium	P
----------	---

Art Gallery/Studio	P
--------------------	---

Bar, Tavern	P
-------------	---

Key

Permitted Use	P
---------------	---

Conditional Use	CU
-----------------	----

END NOTES

¹Must be owner-occupied.

² Exterior storage and display not permitted.

ARTICLE I. IN GENERAL

18-1 Short title.

This chapter shall be known and may be cited as the "Minimum Housing Standards Ordinance of the City of Burlington."

(Rev. Ords. 1962, § 921)

18-2 Definitions.

For the purposes of this chapter, the following terms, phrases, words, and their derivations, shall have the meanings given herein:

Hotel or motel means an establishment which holds itself out to the public by offering temporary sleeping accommodations for consideration. Hotel or motel does not include short term rental.

Occupant shall mean any person including an owner living and sleeping in a dwelling unit or rooming unit.

Rental unit shall mean any structure, a part of which is rented out and occupied as a residence by another, for compensation, including duplex units, so called. Rental unit shall also include short term rental. The portion of any such unit being occupied as a residence by the owner shall be considered a rental unit.

Roominghouse shall mean any dwelling or that part thereof containing one or more rooming units in which space is let to three (3) or more persons. A roominghouse does not include short term rental.

Rooming unit shall mean any room or group of rooms forming a single habitable unit used or intended to be used for living and sleeping, but not for cooking or eating purposes. A rooming unit does not include short term rental.

Short term rental shall mean a dwelling unit that is rented in whole or in part to guests for less than thirty (30) consecutive days for overnight stays. It may be a whole dwelling unit or just bedroom(s) within. For the purposes of this Chapter, short term rental shall not include "temporary uses" as defined in the Comprehensive Development Ordinance (zoning ordinance). See also Article 13: Definitions of the Comprehensive Development Ordinance for related definitions of short term rentals (whole unit and partial unit).

Target housing means any dwelling constructed prior to 1978, except any zero (0) bedroom dwelling or any dwelling located in multiple-unit buildings or projects reserved for the exclusive use of the elderly or persons

with disabilities, unless a child six (6) years of age or younger resides in or is expected to reside in that dwelling. "Target housing" does not include units in a hotel, motel, or other lodging, including condominiums that are rented for transient occupancy for less than thirty (30) days ~~or less~~.

All other definitions as written.

18-3 – 18-14 Reserved

As written.

ARTICLE II. ADMINISTRATION AND ENFORCEMENT

DIVISION 1. GENERALLY¹

18-15 Registration required.

(a) The owners of all rental units subject to inspection pursuant to Section 18-16 shall be required to annually file a registration application and fee with the enforcement agency, which shall be due annually on or before April 1. The owners must complete a rental property information form to be provided by the enforcement agency which contains the following information:

- (1) The address of the property.
- (2) The number of dwelling units~~s~~ at that address.
- (3) The number of rental units at that address.
- (4) The maximum number of residents in each rental unit.
- (5) The number of sleeping rooms in each rental unit.
- (6) The number of families living in each rental unit.
- (7) The number of unrelated adults in each rental unit.
- (8) The number of vehicles owned or used by residents of the premises and the number of parking spaces that are dedicated for the rental units at the property.
- (9) The name, address, phone number, date of birth, drivers license and state and military status (active or not) of the property owner, and if the owner is a corporation, the registered corporate agent

and the president of the corporation and his/her name and address, and if the owner is a partnership, the registered partnership agent, and the names and addresses of the general partners.

(10) The name, address and phone number of any local (within Chittenden County) managing agent. All owners who do not live within Chittenden County are required to designate a managing agent located in Chittenden County who is empowered to represent the owner in matters concerning compliance with this chapter.

(11) The name, address and phone number of an emergency contact for this property. All properties must have an emergency contact within Chittenden County.

(12) A designated person within the state for service of process for this property. All owners who do not live within Chittenden County are required to designate a managing agent located in Chittenden County for service of process. The name, address, phone number, date of birth, drivers license number and state and military status (active or not) of the designated agent.

(13) State yes or no to the following question: If the number of unrelated adults listed in paragraph (a)(7) above is greater than four (4), do those adults purport to reside in the rental unit as a "functional family" as that term is defined in the Burlington Zoning Ordinance?

(b) Upon purchase or transfer of property containing a rental unit, the purchasers shall file a new registration application and a fifty dollars (\$50.00) fee. The payment of this fee shall cover one (1) or more rental properties being transferred to a new owner on the same date.

(c) Prior to occupancy of any newly constructed rental unit or conversion of use to a rental unit, the owner shall file an application for registration with the agency and pay the required fee which shall be the pro rata portion of the fee due for that year based on the date of registration.

(d) It shall be a violation of the city minimum housing ordinance for an owner of any rental unit within the city to fail to register a rental unit as required by this section.

(e) Property owners shall have a continuing obligation to notify the enforcement agency of any changes in the information required under subsection (a) during the periods between the required filings of the registration applications.

(14) State yes or no to the following question: Does the rental property contain short term rental(s)? If yes:

(i) How many short term rentals are there in the building?

(ii) How many entire dwelling units are short term rentals?

(iii) How many dwelling units let only bedrooms as short term rentals?

(iv) What is the tax account number?

(Ord. of 4-12-93; Ord. of 4-24-95; Ord. of 9-11-00)

18-16 Inspection required.

The enforcement officer or his/her delegate shall make inspections of rental units within the city, including hotel and motel rooms which are regularly let to the same tenant(s) for a period ~~in excess~~ of thirty (30) days or more, for the purpose of determining whether a violation of this chapter exists.

Excluded from periodic inspection shall be all owner-occupied dwellings containing one (1) or two (2) rooms which are rented out for compensation (including partial unit short term rentals of just one {1} or two {2} bedrooms. See Article 13 of the Comprehensive Development Ordinance for definition of short term rental – partial unit). Also excluded from inspection are university and college dormitories that conduct regular, comprehensive inspection programs and annually certify compliance with the minimum housing standards ordinance to the enforcement agency. Inspections of dwellings and dwelling units other than those that are subject to periodic inspections, or of hospital rooms, hotel and motel rooms or dormitories not subject to periodic inspections as provided for in this section, shall be made only upon complaint or upon request of the owner thereof.

All records, including inspection reports, records of complaints received and investigated, and plan for inspections of rental units, shall be available for public inspection.

(Ord. of 4-12-93; Ord. of 9-11-00)

18-17 – 18-29

As written.

18-29a Termination of rental housing tenancy; rental housing rent increase.

(a) In any case where there is no written rental agreement, no landlord may terminate a tenancy of rental housing without cause unless at least 90 (ninety) days' advance written notice to the tenant(s) has been provided in situations where the tenancy has been less than two (2) years in duration, nor may any such

termination occur without at least one hundred twenty (120) days' advance written notice to the tenant(s) in situations where the tenancy has been for two (2) or more years.

(b) Unless inconsistent with the terms of a written rental agreement, no tenant may terminate a residential tenancy without providing actual notice to the landlord at least two (2) rental periods in advance of the termination date specified in such notice.

(c) No increase in rent for rental housing within the city shall be effectuated without at least 90 (ninety) days' advance written notice to the tenant(s).

(d) The provisions of this subsection do not apply to short term rentals.

(Ord. of 10-29-04)

18-30 Fees.

(a) *Registration fee.* Pursuant to Section [18-15](#), a registration fee shall be charged to the owner of every rental unit in the city that is subject to periodic inspections. This fee shall be in an amount determined by and dedicated solely to the cost of providing rental housing inspection services, clerical, administrative and mediation support services for the housing board of review and landlord/tenant resource services. Any surplus remaining in this fund at the end of a fiscal year shall remain part of the fund and shall be carried forward to the next fiscal year. This fee shall be reviewed annually by the finance board. The fee shall be in the amount of one hundred ten dollars (\$110.00) per unit per year except for owner occupied dwellings with two (2) or less units, in which case the fee shall be eighty dollars (\$80.00) and except for partial-unit short term rentals, in which case the fee shall be fifty dollars (\$50.00).

Remainder of Sec. 18-30 as written.

18-31 – 18-69

As written.

ARTICLE III. MINIMUM STANDARDS¹

DIVISION 1. GENERALLY

18-70 Compliance with article required.

No person shall occupy as owner/occupant or shall let to another for occupancy any dwelling, roominghouse, dwelling unit or rooming unit which does not comply with the minimum standards as provided by this article, as evidenced by a current certificate of compliance or interim certificate of compliance. All repairs, maintenance work, alterations or installations which are caused directly or indirectly by the enforcement of these standards shall be performed and installed in a skilled manner and installed in accordance with the manufacturer's installation instructions in order to allow the performance intended and anticipated by the standards to be achieved and must meet the criteria of the definition of "skilled manner" in Section [18-2](#). See Division 7 for Minimum Standards applicable to short term rentals.

18-71 – 18-120

As written.

DIVISION 7. SHORT TERM RENTAL

18-121 Compliance with article required.

No person shall establish, operate, or host guests in a short term rental which does not comply with the minimum standards as provided by this article, as evidenced by a current certificate of compliance or interim certificate of compliance. All repairs, maintenance work, alterations or installations which are caused directly or indirectly by the enforcement of these standards shall be performed and installed in a skilled manner and installed in accordance with the manufacturer's installation instructions in order to allow the performance intended and anticipated by the standards to be achieved and must meet the criteria of the definition of "skilled manner" in Section 18-2.

18-122 Minimum Fire Safety Standards:

- (a) Smoke and carbon monoxide alarms are provided per the following:
 - i. Photoelectric type smoke alarms are required in the immediate vicinity of sleeping rooms, inside each sleeping room, and on all floor levels including the basement. All newly installed smoke alarms must be hard wired into the buildings electrical system.
 - ii. Smoke alarms in sleeping rooms of buildings constructed prior to 1994, may be of the 10- year photoelectric lithium powered tamper resistant type.
 - iii. Outside each sleeping area in the immediate vicinity of the bedrooms. An additional detector shall be installed in each sleeping room that contains a fuel- burning appliance.
 - iv. Carbon Monoxide alarms installed or replaced in a dwelling after July 1, 2005 must be directly wired to the building electrical service and have a battery backup.
 - v. Existing single family dwellings and duplexes constructed prior to July 1, 2005 may use plug in style alarm with battery backup or battery power or may be hardwired.
- (b) GFI Outlets are provided in the following areas:
 - i. Bathrooms, garages and accessory buildings having a floor located at or below grade level, not intended as a habitable room and limited to storage. Work areas, outdoors, crawl spaces, unfinished portions or areas of the basement not intended as a habitable room. Kitchen, where the receptacles are installed to serve countertop surfaces and sinks and where the receptacles are installed within 6ft from the top inside edge of the bowl of the sink. Boathouses and bathtubs or shower stalls, where receptacles are installed within 6ft of the outside edge of the bathtub or shower stall and laundry areas.
- (c) Every sleeping room is provided with a primary and secondary means of escape. A window meeting rescue and ventilation requirements can satisfy the secondary means of escape.
- (d) Heating systems (fuel and wood) have been inspected at least once every two (2) years by a certified fuel service technician.
- (e) Landings, decks, porches and balconies higher than thirty (30) inches from grade are provided with guards and intermediate rails spaced no more than four (4) inches apart. Stairs must be provided with graspable handrails.

18-123 Minimum General Standards:

- (a) Appliances are operational and in good repair, and hot and cold potable water have been supplied.
- (b) Guest rooms have been serviced and cleaned before each new guest.

- (c) Refuse containers are available and emptied at least once each week or more frequently, if necessary.
- (d) Swimming pools, recreational water facilities, and hot tubs are kept sanitary and in good repair.
- (e) Sewage system and toilets function and are in good repair.
- (f) Toxic cleaning supplies are properly labeled, safely stored and used according to the manufacturer's directions.
- (g) Guest rooms are free of any evidence of insects, rodents, and other pests.

ARTICLE IV. HOUSING DISCRIMINATION

18-200 Purpose.

As written.

18-201 Definitions.

- (a) For the purpose of this article, "adverse housing action" means any of the following:
 - (1) Refusal to rent;
 - (2) Refusal to negotiate a rental;
 - (3) Making a rental unit unavailable;
 - (4) Changing of the terms, conditions, or privileges of a rental including adding or increasing rental charges;
 - (5) Falsely representing that a rental unit is not available for a prospective tenant;
 - (6) Refusal to permit reasonable changes or modifications at other than the landlord's expense to a rental unit in order to render it suitable for occupancy by a handicapped person.
- (b) For the purpose of this article, "rental unit" shall not include:
 - (1) Dormitories or other housing provided by an educational institution including fraternities and sororities;
 - (2) Dwellings which are directly or indirectly assisted or subsidized by a public agency or public monies for the purpose of making housing available for a particular group or classification of persons;
 - (3) Housing provided for pious, charitable, or public purposes;
 - (4) Dwellings where the available space or facilities are inadequate to house a person and all minors under applicable occupancy standards;
 - (5) Dwellings which are owner-occupied duplexes-;
 - (6) Short term rentals.

(c) Notwithstanding the above, no dormitory or other housing provided by an educational institution, including fraternities and sororities, shall take an adverse housing action against any person because of the age, sexual orientation or handicap of the person.

(Ord. of 10-9-84; Ord. of 9-24-90)

18-202 – 18-301

As written.

18-302 Exemptions.

- (a) This article shall not be applicable to single-family homes and duplexes.
- (b) This article shall not be applicable to properties that meet all of the following requirements:
 - (1) land tract with ten (10) or fewer housing units;
 - (2) a deed restriction making at least twenty-five (25) per cent of the housing units affordable to low income tenant households; and
 - (3) located in United States Census Bureau tract that contains less than fifty (50) per cent home ownership.

(c) This article shall not be applicable to short term rentals.

(Ord. of 3-30-87; Amend. of 1-8-07, eff. 2-14-07)

18-303 – 18-501

As written.

18-502 Applicability.

- (a) This article shall be applicable to all rental properties subject to the Minimum Housing Code. In mixed commercial/residential buildings this article shall apply only to the residential portion of the building. This article shall not apply to owner-occupied portions of a multi-unit building.
- (b) The following properties shall be exempt from meeting the requirements of this article:
 - (1) Rental properties not rented between November 1 and March 31 of each year.
 - (2) New construction subject to and in compliance with the Energy Conservation Ordinance, B.C.O. sections [8-100](#) to [8-104](#)
 - (3) Hotels, motels, tourist rooming houses, dormitories, hospitals, hospices and nursing homes.
 - (4) Buildings or apartments where heating costs are paid by owners of the rental properties.

(5) Short term rentals.

(Ord. of 3-24-97)

18-503 – 18-511

As written.

PLANNING COMMISSION

January - December 2021
Regularly Scheduled Meetings

Date	Day	Time	Location
January 12, 2021	Tuesday	6:30 PM	TBD*
January 26, 2021	Tuesday	6:30 PM	TBD*
February 9, 2021	Tuesday	6:30 PM	TBD*
February 23, 2021	Tuesday	6:30 PM	TBD*
March 9, 2021	Tuesday	6:30 PM	TBD*
March 23, 2021	Tuesday	6:30 PM	TBD*
April 13, 2021	Tuesday	6:30 PM	TBD*
April 27, 2021	Tuesday	6:30 PM	TBD*
May 11, 2021	Tuesday	6:30 PM	TBD*
May 25, 2021	Tuesday	6:30 PM	TBD*
June 8, 2021	Tuesday	6:30 PM	TBD*
June 22, 2021	Tuesday	6:30 PM	TBD*
July 13, 2021	Tuesday	6:30 PM	TBD*
July 27, 2021	Tuesday	6:30 PM	TBD*
August 10, 2021	Tuesday	6:30 PM	TBD*
August 24, 2021	Tuesday	6:30 PM	TBD*
September 14, 2021	Tuesday	6:30 PM	TBD*
September 28, 2021	Tuesday	6:30 PM	TBD*
October 12, 2021	Tuesday	6:30 PM	TBD*
October 26, 2021	Tuesday	6:30 PM	TBD*
November 9, 2021	Tuesday	6:30 PM	TBD*
November 23, 2021	Tuesday	6:30 PM	TBD*
December 14, 2021	Tuesday	6:30 PM	TBD*

**All meetings are anticipated to be virtual until further notice. Meeting locations indicate where meetings will be held when City buildings reopen and/or COVID-19 restrictions are lifted. Please see individual meeting agendas to confirm meeting location.*

Burlington Planning Commission

149 Church Street
Burlington, VT 05401
Telephone: (802) 865-7188
(802) 865-7195 (FAX)
(802) 865-7144 (TTY)

www.burlingtonvt.gov/pz

Andy Montroll, Chair
Bruce Baker, Vice-Chair
Yves Bradley
Alexander Friend
Emily Lee
Harris Roen
Jennifer Wallace-Brodeur

Burlington Planning Commission

Tuesday, November 10, 2020, 6:30 P.M.

Remote Meeting via Zoom

DRAFT Minutes

Members Present	A Montroll, B Baker, Y Bradley, E Lee, A Friend, H Roen, J Wallace-Brodeur
Staff Present:	D White, M Tuttle, S Gustin, K Sturtevant
Attendance:	Sandy Thibault (CATMA), Kim Furtado (CATMA), Jonathan Dowd (UVM Transportation Research Center), Sharon Bushor, Barbara Headrick, Lani Ravin (UVM), Deb Ward Lyons, Karin Durfee

I. Agenda

Call to Order	Time: 6:31pm
Agenda	No changes.

II. Chair's Report

A Montroll	No report.
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III. Director's Report

D White	Staff continues to support the COVID-19 Analytics Team. Council unanimously approved five zoning amendments during its 11/9 meeting.
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IV. Public Forum

Name	Comment
B Headrick	Concerned UVM has a deficit during the day and in the evening during events. Should provide a parking analysis for different size events for post-construction at PFG. Don't want streets near UVM to be monetized for institutional parking. Don't think the 5-year plan is accurate to use for development review. How has COVID impacted timing of the Gutterson renovation; will there be events larger than 5,000 people; will there be more seating at Virtue Field; and what is location, timing, and capacity of potential UVM garage?
S Bushor	Like the idea of 5-year plan, but don't think it accurately estimates demand; hesitant about it as basis for parking decisions by the DRB. Concerned that UVM considers nearby street parking to meet their demand and city's systematic removal of street parking means this is not guaranteed. Concerned about how much of the 5-year development in the plan is certain, that UVM doesn't take full advantage of satellite parking, and that visitor parking is difficult to use. How are Redstone students and simultaneous on-campus events accounted for in the plan?

V. Joint Institutional Parking Management Plan 2020-2025

Action: Approve recommendation memo with changes, forward to DRB and DPW Commission		
Motion: Y Bradley	Second: A Friend	Vote: Approved Unanimously
Sandy Thibault, Kim Furtado, and Jonathan Dowd presented information in follow-up to Commission questions regarding the 2020-2025 JIPMP.		
Commission comments:		
- Commissioners would like the JIPMP to include off-site parking supply to UVM's analysis, and Redstone demand and supply to be broken out as a user group. - In future reports, would like more data about where people report parking, especially if they are not using UVM's supply. - Commissioners would like City departments and boards/commissions to be more collaborative and to coordinate more closely with CATMA, UVM regarding institution's impact on street parking around campus. Should consider more street parking regulation to control demand for neighborhood parking, limit carbon emissions from transportation sector, etc. - Spring update should include any revised projections on student enrollment/growth due to COVID-19. - Plan should consider collecting event parking utilization data in the future. - Additions to memo to DRB: - Emphasize that goal is not to see more parking, but rather to implement strategies to further reduce demand, increase utilization of alternative modes. - Encourage cooperation between institutions and city to manage street parking in neighborhoods. Copy memo to DPW Commission, invite DPW to discuss at a PC meeting. - Emphasize annual updates should not only report on new demand from changes to planned projects, but also from changes in travel behavior, number of people on campus.		

VI. Commissioner Items

Action: N/A		
Motion: NA	Second: NA	Vote: NA
- Next meeting is Tuesday, December 1 at 6:45p		

VII. Minutes & Communications

Action: Approved the minutes and accepted communications		
Motion by: E Lee	Second: J Wallace Brodeur	Vote: Approved Unanimously
Minutes Approved: November 10, 2020		
Communications approved enclosed in the agenda packet.		

VIII. Adjourn

Adjournment	Time: 7:50 pm	
Motion: H Roen	Second: Y Bradley	Vote: Approved Unanimously

Meagan Tuttle

From: Amy Magyar <takeaimer@yahoo.com>
Sent: Thursday, November 05, 2020 1:22 PM
To: Meagan Tuttle
Subject: Comments for Nov 10th Short Term Rental Ordinance Consideration

[WARNING]: External Message

Good afternoon Meagan,

I wanted to be sure to go on record in support of non-primary-residence, single detached, whole dwelling short term rentals in the city of Burlington. And I hope that the joint committee members have a chance to read this before our meeting on Nov. 10th.

Over the last year, there has been quite a great deal of discussion around being fine with multi-unit dwelling non-primary residence permission, but when it comes to a whole unit that does not have the owner on the property for any amount of time during the year, it has become a fear based, "they will ruin our neighborhood" argument that I thought we put to rest back in January. But alas, I heard it again during our last meeting and I would like to address it head on.

And to make sure any bias I may have on the subject be completely transparent, I will NOT benefit from having this part of the ordinance be considered. Quite the contrary...they will be my competition as I am a primary residence, single standing whole unit short term rental. But I felt it was more important to make sure our STR ordinance is one that is a win-win for all sides of the table, as well as financially sound for the city. I felt it was time for **some reflection on what we are so afraid of when it comes to single standing, non-primary resident units.**

After the last meeting, I got together with Deb Lyons to enjoy the last of the temperate nights and took a socially distanced walk around her neighborhood. As we walked, I noticed the warm lights coming from each of the houses and for the first time, I realized the diversity of the styles of homes spread around Burlington. Different architecture, styles, and designs. But I also saw the diversity of who was sitting in their living rooms, at their dining room tables, or who was on their front porches enjoying the evening like we were. It was a mix of renters and home owners enjoying their homes and it was a diverse mix of who made up the neighborhood. It made me realize that the beauty of our city, is that we are more diverse than I originally thought. Sure, there is plenty of room to continue to create an open community for all race, religion, gender, belief, or dog lover vs. cat lover. All are welcome. All live in Burlington. But no matter the makeup of our neighborhoods, everyone living there wants to be a part of a community. And they have chosen Burlington. **That is what makes a neighborhood a strong one.**

I thought of my own, often coveted, family friendly, ideal neighborhood, the 5 Sisters in the south end of Burlington. What I love about it is that it is a mix of rentals and home owned. On Halloween, I couldn't have been more proud of what I saw as I walked the streets - home owners and renters alike created unique ways to deliver candy. The rental homes, which are actually quite plenty in my neighborhood, were just as involved in handing out candy as the home owners were. In fact, I saw a short term rental property who has been housing a small family for three weeks putting candy out in their driveway as well....short term renters participating in Halloween? You bet. **It isn't how long someone is staying in a neighborhood that makes a neighborhood more or less desirable. It is how they feel living in it.** And it was very clear to me last weekend.

So, it made me wonder as we consider regulating short term rentals, what are we SO afraid?

One of the aspects of the regulating STRs has been to ensure the "fabric" of the neighborhood is untouched by the impact of short term rental whole unit. And that the "feel" of the neighborhood is intact. But what does fabric and feel look like in reality? And what is the actual impact of having short term renters visit a neighborhood? I assume it means that the neighborhood feels more like a place for homes and not hotels. And that desire to have the visitors blend into the neighborhood. That generally, the neighborhood remains "as intended."

I think it is important for the committee to understand that, we, the owners of short term rentals are proud that our homes are in neighborhoods and are well taken care of, family friendly, and a safe place to visit. That is what is attractive to the families we rent to. For the many reasons we discussed as to why families choose short term rentals over hotels, they are

looking for neighborhoods that feel relaxing and homey. Thus, it is imperative for us to ensure that our neighborhoods do stay "homey." We are rated by our guests on that fact. We WANT the neighborhoods to remain untouched. We don't want a retraction of the feel of the neighborhood. We want to encourage the strong feeling of community. But I also want to point out, with Burlington having a wonderful mix of rentals and home owners, having short term renters join the mix shouldn't detract from the feeling of the neighborhood. If nothing else, they may even add to the feel.

I also realize that there is a fear, that, "Given the high turn-over of guests, short-term rentals may bring about nuisance impacts such as traffic, noise, and trash to neighborhoods." This fear, especially if you look at the rates of grievance filed to the city for short term rentals vs long is unfounded. As hosts, we work hard to maintain order, reduction of unsightly trash, and noise pollution, because again, we are rated on how our homes keep our guests safe and happy. I think there is more issue with noise pollution coming out of long term rentals next to short term rentals that have often been an issue for a host. Rather than vice versa.

So I ask it again, what is wrong with having a family from out of town want to experience a neighborhood in Burlington? What are we afraid of? Especially when it comes to not having a host on property or who lives on the property for at least half the year. Does that mean that the home will fall in disrepair? **We find quite the opposite.** There is always someone who visits the property to ensure that the home is cleaned and turned over for the next guest. And that includes how the home overall feels. **So the fear that having a short term, primary resident NOT living on the property is unfounded for most of the short term rentals in Burlington.** The care that is given to these homes doesn't change whether the person lives on the property or not. The guests don't feel a difference. They feel the care that is given to the home. And they rate the host based on that care. So again, I ask, what are we so afraid of by not having the owner of the short term rental on the property?

Thank you for sharing my thoughts with the joint committee and for considering, at least a set number of whole unit, non-primary-residential owner properties with approval by the DRB. If we are so scared of ruining a neighborhood, limit the number the city can have. But don't remove them completely. When Burlington was first thinking about how to handle STRs they kept referencing Portland Maine and how they have been handling short term rentals. As a reminder, they DO allow non-primary-residential, single standing whole unit rentals in their city. They have a cap on the number of overall rentals, but they allow them. And as far as I know, Portland has not become a city less desirable after the ordinance was passed in 2017. In fact, their real estate has boomed since the ordinance of short term rental has gone into effect. Home sales were up 23% from year 2018 to 2019 and is well on its way to surpassing that number in 2020. People WANT to live in Portland Maine. And because those buying homes/condos are not able to turn them into STRs because of the cap of the number of STRs, they are moving in and living there because of the fabric and feel of the neighborhoods. They aren't put off by living next to a whole unit, non-primary residence short term rental. They live among long term renters, short term rentals that are primary residence as well as non primary residence. Portland has not fallen into an undesirable city. And Burlington won't either.

So I ask for the final time, what are we so afraid of?

Cheers,
AM



BTV HOUSING SUMMIT

STR Summary Slides Jan-Oct 2020

Slides have previously been presented to Joint Committee in meetings throughout 2020. Some slides may not be current based on changes to the proposal. These slides are being shared for reference, and most current proposal can be found

Table of Contents

- p. 2: Background & Original STR Proposal
- p. 9: Data on Short-Term Rentals in Burlington
- p. 15: “STR Scenarios” used for Committee Discussions
- p. 23: Previous Joint Committee Topics
 - Host Primary Residence (p. 24)
 - Housing Replacement (p. 28)
 - Housing Trust Fund (p. 29)
 - Implementing New Regulations (p. 30)
 - Existing STRs without Permits (p. 31)
 - “Revoking” Permits (p. 32)

STR Policy Goals

Per Oct 2019 Council Resolution, a framework that “creates tiers for different types of [STRs] and disincentivizes the most impactful uses...by:

- *limiting the number of housing units that can be converted for [STR] purposes and*
- *ensuring that those conversions are contributing to the city’s efforts to preserve and expand permanently affordable housing, while also*
- *preserving some flexibility and ability to earn greater income for Burlington homeowners, and*
- *recognizing that some supply of [STRs] benefits the Burlington economy...”*



Slides have previously been presented to Joint Committee in meetings throughout 2020. Some slides may not be current based on changes to the proposal. These slides are being shared for reference, and most current proposal can be found in upcoming Planning Commission agenda.

Housing Summit 2019 RE: STRs

What We Heard:

- Establish standards for STR's (zoning & minimum housing).
- Encourage or require owner-occupancy.
- Encourage partial unit STR's rather than whole unit.
- Different standards for different types and areas – not one size fits all.
- Consider ways to limit number & location.
- Consider neighborhood impacts.
- Consider ways STR's might support affordable housing.

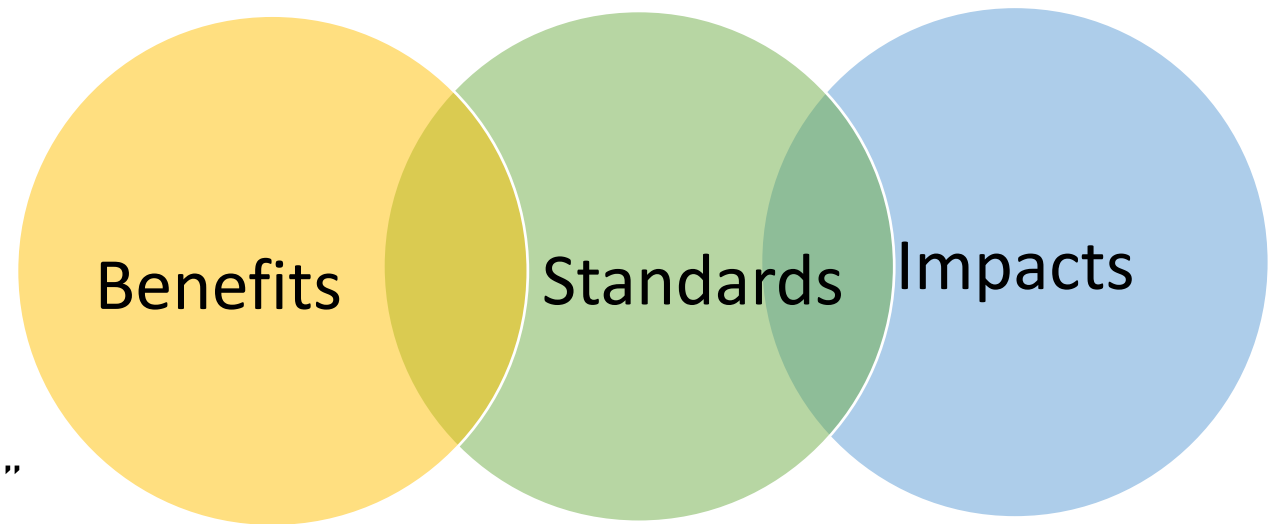


Slides have previously been presented to Joint Committee in meetings throughout 2020. Some slides may not be current based on changes to the proposal. These slides are being shared for reference, and most current proposal can be found in upcoming Planning Commission agenda.

Proposed Framework (original)

We've have heard a lot of very different opinions; key is to find balance between a legal pathway for these rentals, while limiting the burden on the city's housing stock.

- Consider Zoning, Rental Registration & Minimum Housing Code requirements
- Distinguish between whole-unit and rooms-within-a-unit STR's
- Require annual rental registration for STR's
- Require minimum housing inspection, except for some situations
- Continue to apply "Housing Replacement" and "Temporary Use" standards



Proposal: Rooms within a Unit

Policy intends to limit the number of housing units converted to STR, ensure that those conversions contribute to efforts to preserve & expand affordable housing, while allowing some flexibility for hosts to earn income and benefits to Burlington economy.

Proposed Zoning Policy:

- Revise “bed & breakfast” definition to recognize this type of STR
- Property must be host’s primary residence
- In residential zones, up to 2 rented rooms are permitted, 3+ are Conditional Use
- In mixed-use zones, up to 5 rented rooms permitted
- One parking space per rented bedroom in residential districts

Other Regulatory Considerations:

- Allow tenants as hosts, with owner/association permission
- All units required to register as a business (pay applicable taxes), and register annually as a rental
- Continue existing minimum housing inspection exemption for rental of one or two rooms within an owner-occupied home

Proposal: Whole Unit Rentals

Proposed Zoning Policy:

- Create new “whole unit short term rental” definition, considered a non-residential use
- Property where the STR is located must be the host’s primary residence
- Permitted in mixed-use zones, Conditional Use in residential zones
- Limit # of rentals based on size of building:
 - 1 STR in bldgs. with 1-3 units (including ADUs)
 - 2 STR in bldgs. with 4-5 units
 - 3 STR in bldgs. with 6+ units
 - Buildings with 4+ STR considered a Hotel
 - Upper limit of 3 or 5% of total dwelling units on a property, whichever is greater
- One parking space per rented unit in residential districts

Other Regulatory Considerations:

- Allow tenants as hosts, with owner/association permission
- All units required to register as a business (pay applicable taxes), and register annually as a rental
- Require minimum housing inspection
- Continue to apply Housing Replacement to housing units converted to STRs; exempt from requirement if unit is originally created & permitted as an STR

Existing Regulations

What is in place already that remains unchanged in this proposal?

- City & State rooms & meals tax required of hosts (some platforms remit on behalf of hosts)
- Zoning standards for Bed & Breakfast (to which permitted short-term rentals have complied)
- Zoning has “temporary use” provisions, which exempt from permitting requirements
- Zoning requirements for housing replacement, when housing is converted to commercial use

This is not a zoning permit. This is a

NOTICE

of
ZONING PERMIT REQUEST

ADDRESS: _____
DESCRIPTION: _____

APPLICANT: _____
DEVELOPMENT REVIEW BOARD DATE: _____

For more information
contact

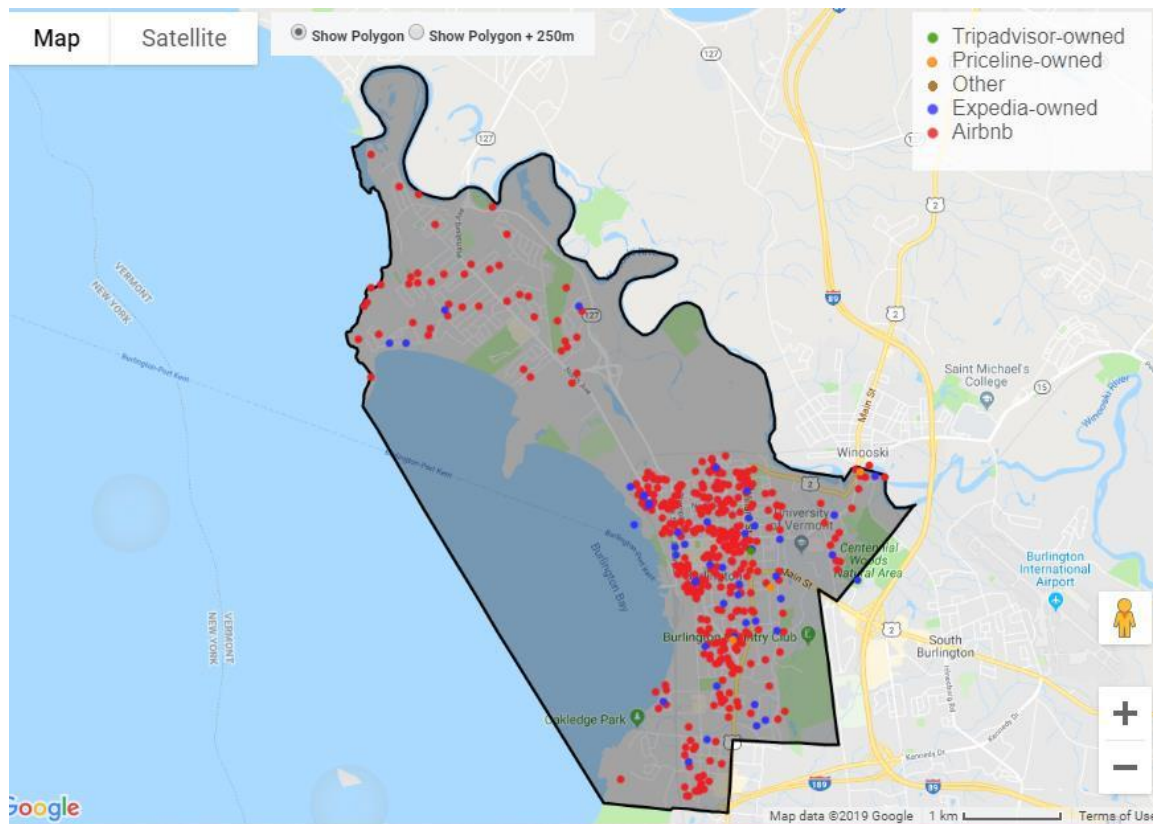
City of Burlington
Permitting & Inspections

645 Pine Street,
Burlington VT

TEL: 802-865-7188
WWW.BURLINGTONVT.GOV/PZ

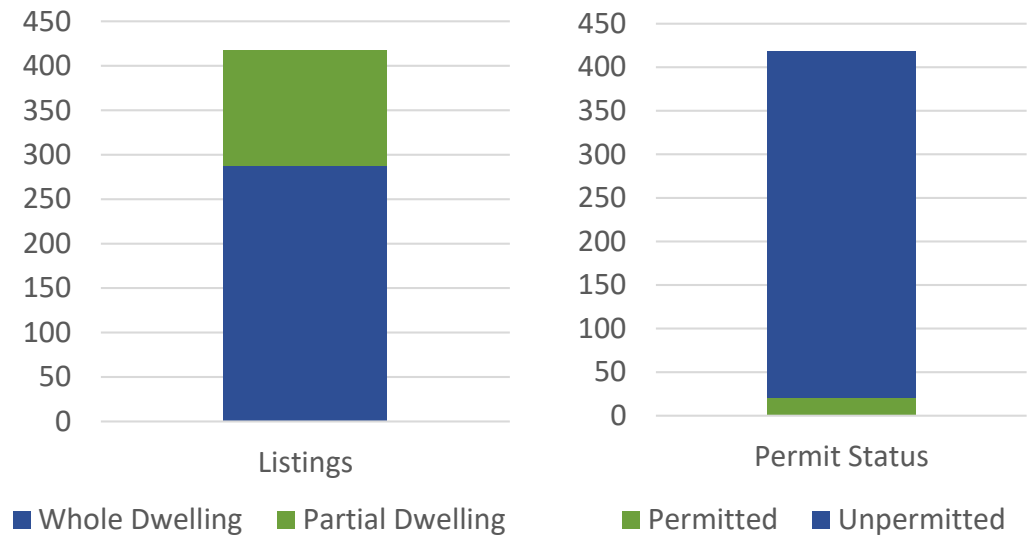
This notice shall be displayed on the subject premises and shall be clearly visible from a public way. Notice shall be displayed at the time of application and shall not be removed until after the appeal expiration date, and the permit has been picked up.

Background on STR's in Burlington



Short-term rentals are dwelling units rented in whole or part to guests for stays of 30 days or less.

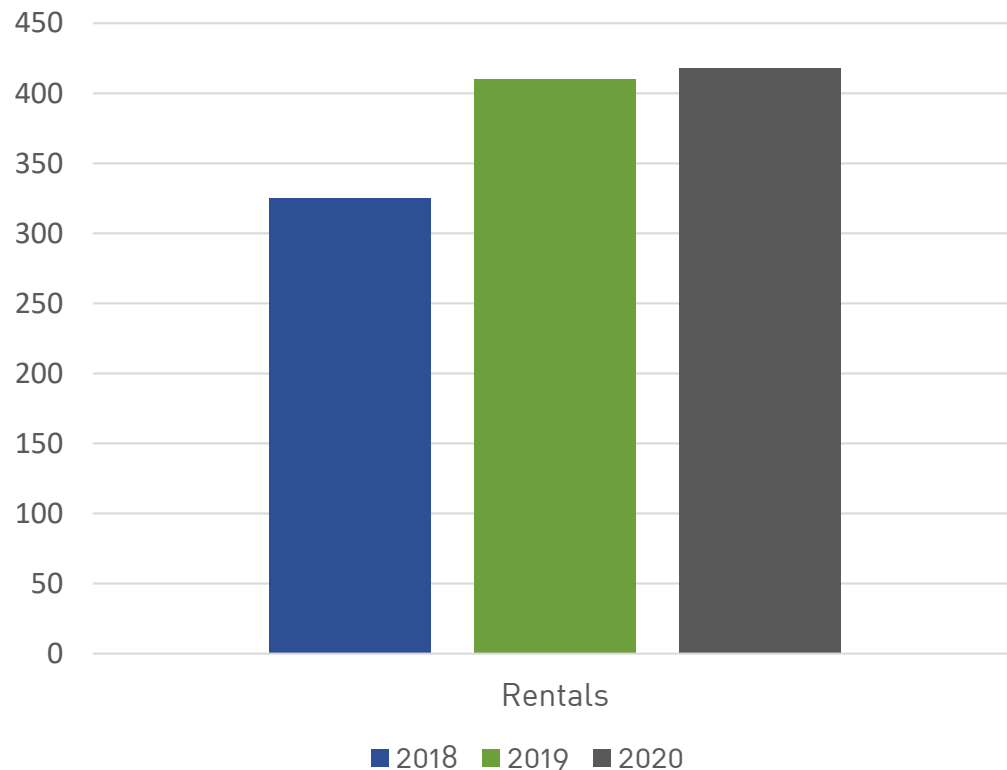
Short-Term Rentals, Burlington *July 2020*



Map and data on number of STR's in Burlington provided by HostCompliance. Data on number of permits issued provided by Department of Permitting & Inspections.

Background on STR's in Burlington

Growth in STR Listings in Burlington



Data in charts/graphics on slide provided by Host Compliance. Total listings has varied from 405 to 420 listings between June – Sept. 2020

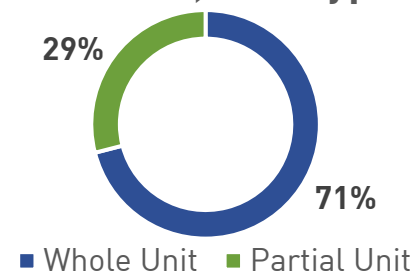
2019 report by AirBnB:

- Burlington was #1 destination in VT, summer 2019
- Avg. monthly revenue for a STR in Burlington was \$2,700 in 2019.

Sept 2020 Data from Host Compliance:

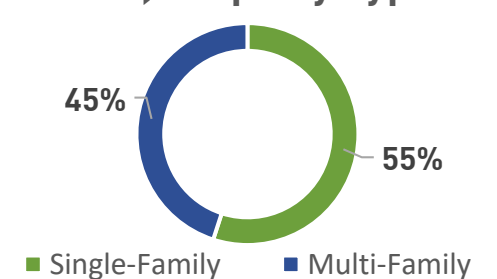
- Median Nightly Rate in BTV is \$129, from \$119 in July 2019

% of STRs, Unit Type



Update: Whole Unit STR's increased from 67% to 71% in the last year.

% STRs, Property Type



Update: Single-Family properties decreased from 58% to 55% in July.

Background on STR's in Burlington

Listings:

- All rental advertisements that are available across all platforms
- May duplicate portion(s) of other listings

Unique Properties:

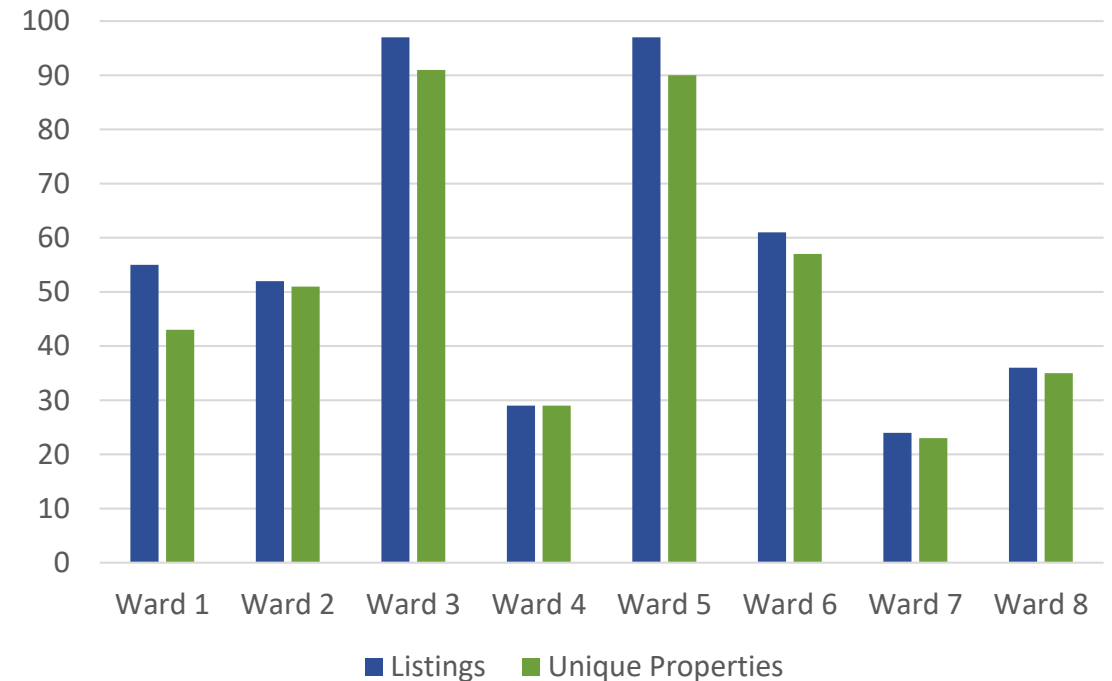
- Controls for duplicate listings

Active Listings

- STR's currently being advertised for rent, whether booked or available.

Varying approaches to renting in 2020 may impact ongoing variation in "active" listings, frequency of rentals

Short-Term Rentals by Ward *Jan. 2020*



Map and data on number of STR's in Burlington provided by HostCompliance.

Additional Data on STR's

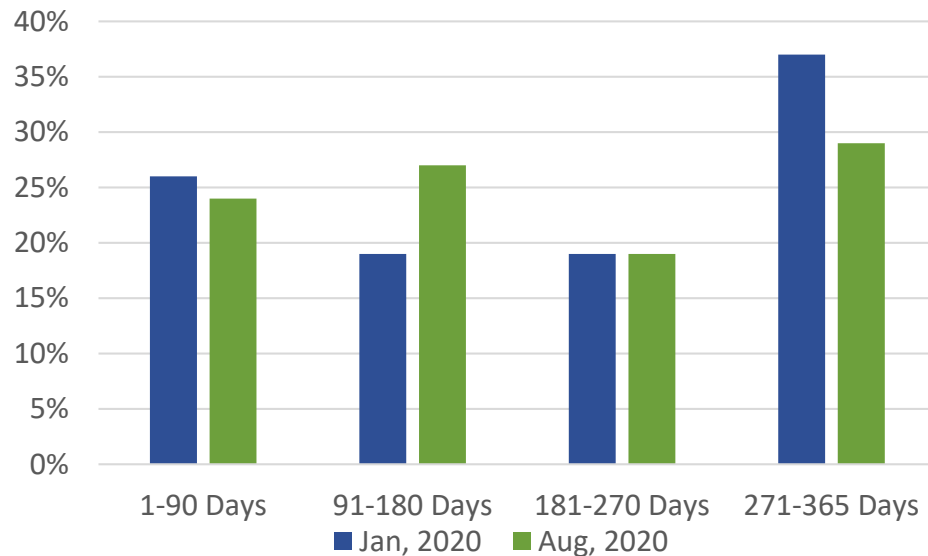
Additional stats are included on following slides regarding the number, type, and frequency of short-term rentals in Burlington.

- 25% increase in number of STRs 2018-2019, doubled 2016-2019. Not much change in total listings in 2020; unclear what long-term COVID-19 impacts will be.
- There is some, but not dramatic, seasonal variation in the number of STR's. During 2020 Stay Home Stay Safe Order, all STRs were prohibited, and AirBnB disabled renting. Aug 2019- Aug 2020 data shows impact of COVID-19 in shift in number of nights rented (slide 13).
- In Nov 2020, AirDNA estimated that 74% of active STRs are efficiency, one-bedroom, or two-bedroom units
- In FY2019, City collected ~\$121,000 in Rooms & Meals taxes attributable to STRs, for ~\$6.05M in host income. This is 12.4% of R&M Tax collected in 2019.
- In FY2020, City collected ~\$103,715 in Rooms & Meals taxes attributable to STRs, for ~\$5.2M in host income. This is 13% of RMT collected in FY20, and 14% less than FY 19

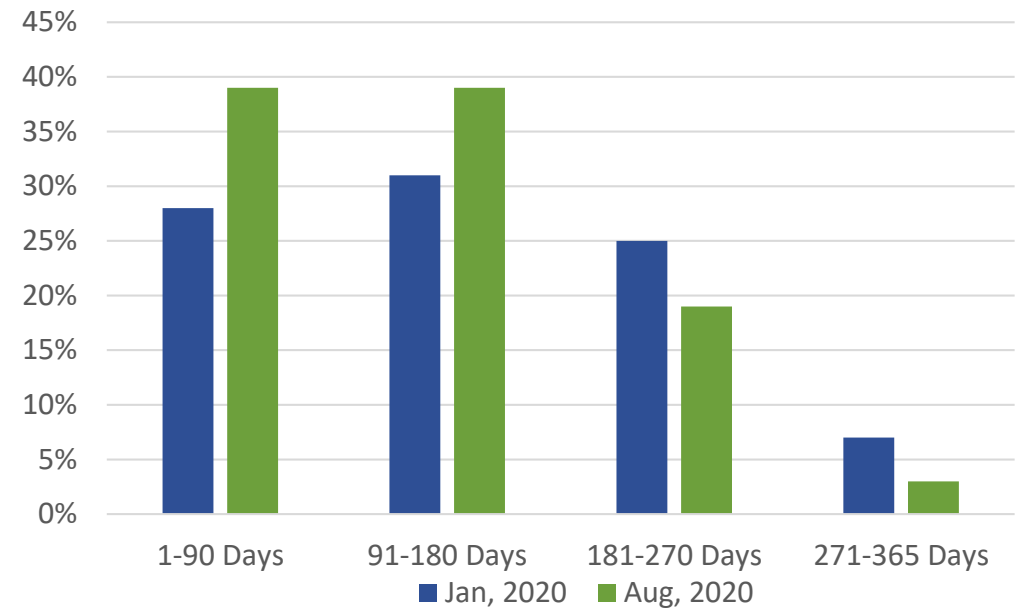
Additional Data on STR's

AirDNA reports that over the past year, almost half of STR's were listed available for more than 180 days, but nearly 80% were rented less for less than 180 days.

Nights BTV STR's listed "available"



Nights BTV STR's booked



Update: Data in these charts is from AirDNA and reflects listing and booking activity in the year preceding the date noted in the chart. Therefore, "Jan 2020" represents activity primarily from 2019, where "Aug 2020" represents activity primarily from July 2019 to July 2020

Intermittent STR → Full-time STR

Additional Data on STR's

Additional information regarding hosts (provided by AirBnb in late 2019):

- 63% of Burlington hosts self-identify as women
- 31% self-identify as 60+ years of age
- 55% of hosts reported that hosting has helped them afford their home
- From Memorial – Labor Day 2019, 35,000+ guests in Chittenden County
- During same time period, \$20.4M in host income in Vermont, with \$5.1M in Chittenden County

STR “Scenarios”

How does this proposal acknowledge “one size does not fit all”?

Type of Unit

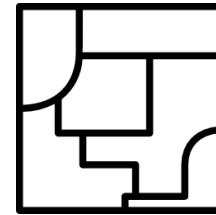


Renting room(s)
within a house or
apartment



Renting an entire
house or
apartment(s)

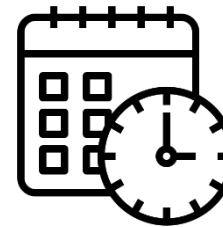
Applicable Regulations & Standards



Zoning



Property Tax Assessment



Length of rental period;
total days/year



Minimum Housing



Fees & Taxes

Flexibility for host More permissive

Limit Conversion More restrictive

Short Term Rental Scenarios & Proposed Regulatory Framework for Joint Cmte Discussion- Updated August 2020										
	Scenario 1: Renting my own home occasionally as an STR		Scenario 2: Renting my own home for several months at a time	Scenario 3: Renting bedroom(s) as STR within the home I live in		Scenario 4: Renting an ADU or 1/2 of a duplex, I live in the other unit		Scenario 5: Renting some unit(s) in a building with 3+ units when I live on the property		Scenario 6: Renting all unit(s) in building with 3+ units as STRs
Zoning For all scenarios: - Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year - Parking space(s) not required <u>for any STR type</u> in new parking district <u>anticipated</u> per ZA-20-04	 Whole Unit STR	1 parking space per rented unit	If rental "term" 30+ days, it is NOT considered an STR. Simply renting a housing unit does not require a Zoning Permit.	 Partial Unit STR (Bed & Breakfast) For 2+ rooms, 1 parking space per rented room	Permitted Use: - Up to 2 rooms in any residential zone - Up to 5 rooms in mixed use zones	Conditional Use: - 3 rooms in RL zones - 3-5 rooms in residential & institutional zones	 Whole Unit STR 1 parking space per rented unit	 Whole Unit STR 1 parking space per rented unit	 <u>Lodging Hotel/Motel</u>	
	Permitted Use in :	Conditional Use: <u>Not Permitted:</u>					Permitted Use:	Conditional Use:	Permitted Use:	# of STR in Bldg:
	N/A <u>In all zoning districts when host's primary residence</u>	<u>In all zoning districts</u>					N/A	<u>In all zoning districts</u>	In mixed use districts; <u>and in residential districts when host on-site</u>	- 1 STR in Bldgs up to 3 units - 2 STR in Bldgs up to 5 units - 3 STR in Bldgs w/ 6+ units
								Conditional Use: In residential districts <u>when host lives off-site</u>		
Rental Duration Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	- Individual rental "terms" are less than 30 days - No limit to number of nights rented as STR as long as continues to be host's primary residence		Individual rental "terms" are more than 30 days	- Individual rental "terms" are less than 30 days - No limit to number of nights rented as STR as long as continues to be host's primary residence		- Individual rental "terms" are less than 30 days - No limit to number of nights rented as STR as long as host's primary residence		- Individual rental "terms" are less than 30 days - No limit to number of nights rented as STR <u>as long as host's primary residence</u> - STR units may be operated by an off-site host, per above scenarios		- Individual rental "terms" are less than 30 days - No limit to number of nights rented - By nature, lodging not required to be host's primary residence
Housing Code Requirements	- Register annually as a rental - Meet basic Life Safety Standards in Chapter 18		- Register annually as a rental - Meet basic Life Safety Standards in Chapter 18	- Register annually as a rental - Meet basic Life Safety Standards in Chapter 18 - Owner-occupied homes with 1 or 2 rented rooms are exempt from rental registration & annual housing inspection		- Register annually as a rental - Meet basic Life Safety Standards in Chapter 18		- Register annually as a rental - Meet basic Life Safety Standards in Chapter 18		"Minimum Housing" and rental registration not applicable because not "residential" - Building code requirements will depend on number of occupants in building
Taxes & Fees	- NOT required to pay Housing Replacement Fee - Register as a business - Pay Burlington & VT Rooms & Meals Taxes, <u>including additional rate benefitting Housing Trust Fund (HTF)?</u>		- NOT required to pay Housing Replacement Fee - Not required to register as a business - Not required to pay Burlington & VT Rooms & Meals Taxes	- NOT required to pay Housing Replacement Fee - Register as a business - Pay Burlington & VT Rooms & Meals Taxes, <u>including additional rate benefitting Housing Trust Fund (HTF)?</u>		- Register as a business - Pay Burlington & VT Rooms & Meals Taxes - Housing Replacement Fee if STR is replacing a long-term housing unit <u>and/or additional rate benefitting Housing Trust Fund (HTF)?</u> - Not required to pay Housing Replacement if building a new unit for use as an STR		- Register as a business - Pay Burlington & VT Rooms & Meals Taxes, <u>including additional rate benefitting the HTF</u> - Housing Replacement Fee if STR is replacing a long-term housing unit		- Register as a business - Pay Burlington & VT Rooms & Meals Taxes - Housing Replacement Fee req. if replacing long-term housing unit(s)
Property Assessment	- Likely assessed as "residential" - Report any rental use to State of VT for Homestead Declaration		- Likely assessed as "residential" - Report any rental use to State of VT Homestead Declaration	- Some configurations may be assessed as "commercial" with 120% commercial value factor - Report any rental use to State of VT for Homestead Declaration		- Likely assessed as "residential" - Report any rental use to State of VT Homestead Declaration		- Some configurations may be assessed as "commercial" with 120% commercial value factor - Report any rental use to State of VT for Homestead Declaration		- Considered "commercial" by Assessor, with 120% commercial value factor - Considered "commercial" for purpose of State of VT Homestead Declaration

Slides have previously been presented to Joint Committee in meetings throughout 2020. Some slides may not be current based on changes to the proposal. These slides are being shared for reference, and most current proposal can be found in upcoming Planning Commission agenda.

Scenario 1

Flexibility for Host Most Permissive

“I want to rent my own home as a short-term rental for part(s) of the year, but it will still be my primary residence.” (i.e. a single-family home)

Zoning	
For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	 Whole Unit STR No pkg space req. in addition to what is provided for the primary home
Permitted Use in: All zoning districts	
Rental Duration	
Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	Limit to less than 180 nights rented as STR in order to maintain host's primary residence
Housing Code Requirements	
• Register annually as a rental • Meet basic Life Safety Standards in Ch. 18	
Taxes & Fees	
• STR's are currently req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT) regardless of type. • Potential for additional fee to support Housing Trust Fund	

Approach:

- Provides flexibility for the host to use own property for STRs
- Most permissive of the scenarios as long host lives on site

Reference in Amendment Language:

- See Table 5.4.14-1
- See exemption from parking for Whole Unit STR in Table 8.1.8-1

Reminder: Scenario 2 from STR Matrix is NOT an STR. It was added to the table to illustrate difference between short-term and long-term rentals in response to frequently asked questions.

Scenario 3

Flexibility for Host More Permissive

“I want to rent bedrooms as short-term rentals within my home.”

Zoning	
For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	 Partial Unit STR 1 space per room rented, minus one
	Permitted Use: - Up to 2 rooms in res. & institutional zones - Up to 5 rooms in mixed use zones Conditional Use: - 3 rooms in RL zone - 3 to 5 rooms in other residential & institutional zones
Rental Duration	
Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	No limit to number of nights the rooms are rented as STR, as long as continues to be host's primary residence
Housing Code Requirements	
	• Register annually as a rental • Meet basic Life Safety Standards in Ch. 18 • Continue current exemption from registration & inspections for owner-occupied homes with 1 or 2 rented rooms
Taxes & Fees	
	• STR's are currently req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT) regardless of type. • Potential for additional fee to support Housing Trust Fund

Approach:

- Provides flexibility for the host to use own property for STRs
- Requires host to live on site (same as current Bed & Breakfast standards)

Reference in Amendment Language:

- See Table 5.4.14-1
- See parking for Partial Unit STR in Table 8.1.8-1

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Scenario 4

Limit Conversion
More Restrictive

“I own a duplex/single-family home with an ADU. I want to live in one unit and use the other as a short-term rental.”

Zoning For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	 Whole Unit STR 1 parking space per unit Permitted Use in: All zoning districts
Rental Duration Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	No limit to number of nights rented as STR Property continues to be host's primary residence
Housing Code Requirements	• Register annually as a rental • Meet basic Life Safety Standards in Ch. 18
Taxes & Fees	• STR's are currently req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT) regardless of type. • Potential for additional fee to support Housing Trust Fund

Approach:

- Enables STRs in these building types if host lives on site
- Requires parking space for an ADU, that is not otherwise required if used for long-term housing

Reference in Amendment Language:

- See Table 5.4.14-1
- See parking for Whole Unit STR in Table 8.1.8-1

Scenario 5a

Limit Conversion
More Restrictive

“I own and live in, or rent in a multi-unit building, and want to rent some of the units as short-term rentals.”

Zoning For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	Whole Unit STR 1 parking space per unit Permitted Use in: All zoning districts Limit to # STR in Bldg: - 1 STR in Bldgs of 3 to 4 units - 2 STR in Bldgs of 5-6 units - 3 STR in Bldgs 7+ units
Rental Duration Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	No limit to number of nights rented as STR
Housing Code Requirements	• Register annually as a rental • Meet basic Life Safety Standards in Ch. 18
Taxes & Fees	• STR's are currently req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT) regardless of type. • Potential for additional fee to support Housing Trust Fund

Approach:

- Lower the limit on number of STRs allowed in each building, so always less than half of total units
- Allow in all districts, based on host residing on site
- Any property which exceeds these thresholds is considered "lodging" (i.e. Scenario 6)

Reference in Amendment Language:

- See Table 5.4.14-1, including note about limit on lots and threshold for lodging
- See parking for Whole Unit STR in Table 8.1.8-1

Slides have previously been presented to Joint Committee in meetings throughout 2020. Some slides may not be current based on changes to the proposal. These slides are being shared for reference, and most current proposal can be found in upcoming Planning Commission agenda.

Scenario 5b

Limit Conversion
More Restrictive

**“I own a multi-unit building, and want to rent some of the units as short-term rentals.
I don’t live on the property”**

Zoning For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	 Whole Unit STR 1 parking space per unit Permitted Use in: Mixed Use districts Conditional Use in: Residential & Institutional zones Limit to # STR in Bldg: - 1 STR in Bldgs of 3 to 4 units - 2 STR in Bldgs of 5-6 units - 3 STR in Bldgs 7+ units
Rental Duration Host’s “primary residence” means that the host lives in/at the unit/property for at least half the year	No limit to number of nights rented as STR
Housing Code Requirements	• Register annually as a rental • Meet basic Life Safety Standards in Ch. 18
Taxes & Fees	• STR’s are currently req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT) regardless of type. • Potential for additional fee to support Housing Trust Fund

Approach:

- Lower the limit on number of STRs allowed in each building, so always less than half of total units
- Permit in mixed use districts, but conditional use in residential districts
- Any property which exceeds these thresholds is considered “lodging” (i.e. Scenario 6)

Reference in Amendment Language:

- See Table 5.4.14-1, including note about limit on lots and threshold for lodging
- See parking for Whole Unit STR in Table 8.1.8-1

Scenario 6

Limit Conversion Most Restrictive

“I own a multi-unit building, and want to rent all the units as short-term rentals.”

<u>Zoning</u> For all scenarios: • Zoning Permit is required if STR rented 10+ consecutive days, or 30+ total days/year • Parking space(s) not required if located in Multimodal Mixed-Use District	 Lodging 1 parking space per room/unit Permitted Use in: Mixed Use districts, with no limit on # STR units Prohibited Use: Residential districts
<u>Rental Duration</u> Host's "primary residence" means that the host lives in/at the unit/property for at least half the year	No limit to number of nights rented Not required to be host primary residence
<u>Housing Code Requirements</u>	• Housing Code & Rental Registration not applicable because not considered a "residential" use • Building code req. will depend on # occupants in Bldg.
<u>Taxes & Fees</u>	• Pay Housing Replacement Fee per unit for converted housing units • Would still be req. by state & city to register as a biz and pay Rooms & Meals Taxes (RMT)

Approach:

- Should be limited and most restrictive.
- Housing Replacement should apply in scenario.
- Considering this scenario as "lodging" (i.e. hotel/motel) achieves both of the above objectives
- No limit on number of STRs, but not allowed in any residential districts

Applies to situations between Scenario 5 and 6:

- Exceeding the STR limits outlined in any scenario for any property type, for example:
 - I.e. renting a third STR in a building with 6 dwelling units
 - I.e. renting both sides of a duplex as an STR

Previous Committee Topics

The Committee and public shared the following questions/issues for discussion in prior meetings:

- **Why require a property to be a Host's Primary Residence? Should some scenarios allow off-site host?**
- **What is amount and purpose of Housing Replacement Fees? Any alternatives?**
- **How does a new policy get implemented?**
- **Can existing STR's be allowed to continue, despite changes to the ordinance?**
- **Can permits for STR's be revoked if too many are created?**

Residency Requirement for STR

Considerations for Discussion:

- Original framework required Host Primary Residence in most situations
- A small number of STR's have been permitted to-date as hotel/motel with off-site host
- Hotel/motel is not a permitted use in residential zones

Original Proposed Framework:

Host Residency:

- Owner- Occupied STRs: Allowed
- Tenant- Occupied STRs: Allowed
- Off-Site Host STRs: Prohibited unless a hotel/motel

For Units that have Host Residency:

- Partial Unit STRs may be rented any amount of time
- An STR unit in a Duplex or ADU, or within a property with 3+ units may be rented any amount of time
- A Single-Family home rented as an STR requires that host live on site at least ½ the year (to maintain host's primary residence)

Residency Requirement for STR

What is the primary objective for requiring host-residency?

- **Limiting the conversion of properties from long-term housing to 100% short-term rental use**
- Enable flexibility for residents to use their own homes to generate income
- May be some benefit from a neighborhood impact perspective, but not primary driver

Residency Standards:

Owner-occupied

- The property owner lives onsite for at least half of the year

Primary residence of the host

- Enables either an owner or a tenant to operate an STR within their home or on the property containing their primary residence (meaning they live there at least half the year)

“Domicile” as defined in VT statutes

- Alternative standard that enables flexibility to account for extended leaves such as military service or sabbatical

Residency Requirement for STR

Considerations for Discussion:

- Despite some positive progress, **BTV's apartment vacancy rate continues to be less than 2%.**
 - 1.6% in July 2019, compared to 2.5% in Chittenden County
 - 60% of new housing growth in 2019 was in suburban Chittenden County
- **75% of STRs in Burlington are studio, one and two bedroom units.**
 - Allen & Brooks 2019 report indicated 25-34 yr old & 65+ renters are largest projected population growth.
- Census Tracts 3, 4, 5 and 10 make up the bulk of the **downtown, Old North End, and portions of Wards 5 and 8** immediately around downtown. In these areas:
 - 48% of Burlington's STR's
 - STRs represent 2.5-3% of housing stock*
 - 61% of the households are renters
 - Census Tracts have lowest median household income

**Represents all STRs, including Partial Unit and Whole Unit.*
- STRs can be **both generate income for hosts** to afford homes as well as **create additional demand for existing housing units**

Residency Requirement for STR

Are there some scenarios wherein an off-site host would be acceptable? Potential framework:

(i.e. a single-family/duplex vs. a unit in a multi-family building)

When Host does not live on Property:	Residential & Institutional Districts	Mixed Use Districts	Notes
Single Family Home	Not Permitted	Not Permitted	Does not prohibit host from renting own home (primary residence)
Duplex OR SF Home w/ ADU* <i>*By definition, ADUs are only permitted on owner-occupied properties.</i>	Not Permitted	Not Permitted	In all scenarios, not required that host physically be present during guest stay
Multiple Dwelling Unit building - 1 STR in Bldg up to 3 units - 2 STR in Bldg up to 5 units - 3 STR in 6+ unit Bldg	Conditional Use	Permitted Use	
Hotel/Motel/Hostel** <i>**By definition, does not require host to reside on property</i>	Not Permitted	Permitted	Need to revise definitions to eliminate inconsistencies and make uniquely different from STRs; perhaps as more general "Lodging" not to include STR's

Housing Replacement Fee

Considerations for Discussion:

- Flexible nature of an STR means a unit can be STR & long-term housing in the same year.

Turning a housing unit into an STR is not the same as physical change to a café, for example

- Housing Replacement may remove the incentive for an owner to reconvert a unit to long-term housing due to need to recoup upfront cost.
- Some have suggested as an alternative a special registration fee or tax (annual or on-going) related to duration of actual STR use

Supporting housing affordability still important given many STRs are utilizing existing housing units.

Why {did} some scenarios require Housing Replacement Fee?

- Housing Replacement Ordinance is an existing standard, that applies when a housing unit is converted to a commercial use.
- Fees benefit the Housing Trust Fund

How much are the Fees?

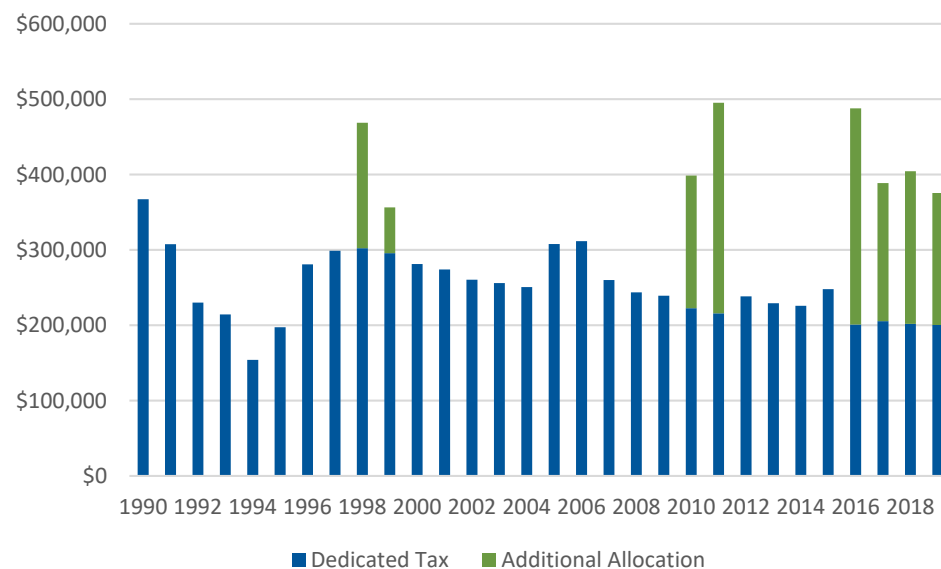
Fees are set each year, based on the cost of subsidizing an housing unit of a similar size to be affordable at 65% AMI. In 2019 these rates were:

- Studio: \$1,700
- 1 Bedroom: \$7,930
- 2 Bedroom: \$19,015
- 3 Bedroom: \$42,950

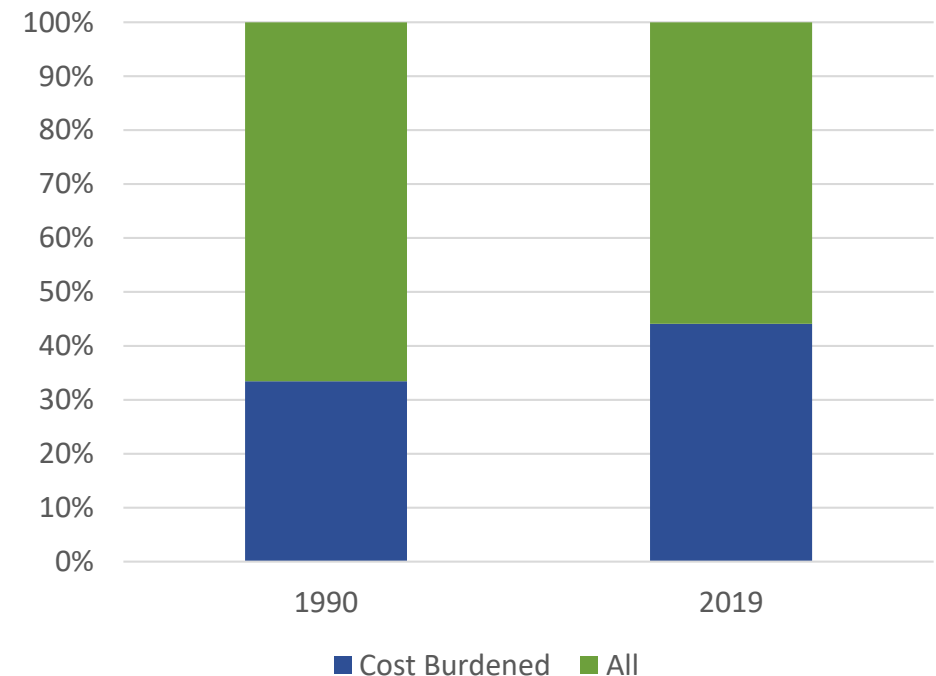
Burlington's Housing Trust Fund

Dedicated tax of ½ penny/\$100 assessed value contributes \$200k/year to Housing Trust Fund.
Since 1990, \$6.9M has been invested to create 1,800 affordable homes & beds.

Historic Contribution to Housing Trust Fund
Adjusted for Inflation to 2019 Dollar



Low Income Households with Cost Burden



Implementing Zoning Requirements

In considering a transition to a new regulatory framework:

- **One Year Grace Period before active zoning enforcement of STR's begins**
 - Operators who apply for permits will not be subject to zoning violations, apply penalty-free
 - Other Applicable Fees apply (i.e. Rental Registration, Housing Replacement, etc)
- **Create a User Guide/FAQ's**
 - Similar to content of these presentations (zoning, codes, taxation, assessment, etc)
- **Establish contract with HostCompliance for monitoring/enforcement**

Existing STRs without Zoning Permits

Can the City allow existing STR's that do not have a zoning permit to be granted a nonconforming status, or be written into the bylaws to enable them to continue?

- **Short term rentals that have received a zoning permit under the present standards will be considered legal nonconformities**
- **Nonconforming status is predicated on a use/structure:**
 - being legal and/or permitted at the time it started or was created
 - the standards for what is legal changes after the use/structure was permitted
- **CDO includes a few provisions to allow something that would otherwise not be permitted, but:**
 - Applicability is predicated on the use/structure having legally existed
 - Additionally, this approach is not advisable because:
 - creates precedent for automatically making violations legal, rather than creating a policy that intentionally and explicitly allows them
 - unfair to STR's that have been subject to violation/enforcement action, particularly those discontinued

Revoking Zoning Permits

Can zoning permits be revoked or phased out if too many STRs are created in the city?

- **Zoning permit runs with the land and is valid as long as a use is established, continued**
 - Ordinance requires work/action associated with a permit to commence within one year
 - Additionally, Ordinance establishes timelines for “discontinuance” for nonconformities
- **Provision of state statute that allowed for amortization of zoning permits has been revoked.**
- **For consideration:**
 - add permit condition to Zoning Permit requiring maintenance of Rental Housing Permit in order for zoning permit to be valid

Housing Summit 2019 Recap

Organized by Mayor Weinberger in July & September 2019 to:

- Look at chronic housing challenges, progress in since 2012
- Bring renewed energy, attention to work of 2015 Housing Action Plan
- Identify a list of actionable policy changes to pursue in 2019-2020
- Set the table for additional housing work in the future



2015 Housing Action Plan

- **Expand municipal resources to support new low- and moderate-income housing creation, assist those ineligible for subsidy**
- **Consider land use reforms to address regulatory barriers and disincentives to housing production**
- **Pursue strategies for housing college students, improving quality of life and housing cost in historic neighborhoods**
- **Identify new approaches to homelessness in our community**
- **Provide appropriate housing options for an aging population**

2019 Housing Summit Reforms

- Updating standards for energy efficiency in rental housing- *in progress*
- Making it easier to build Accessory Dwelling Units- *adopted*
- Implementing regulations for short-term rental- *in progress*
- Reforming requirements for building new parking- *adopted*
- Restoring the level of funding for the City's Housing Trust Fund- *approved by voters, but postponed in 2020*

Current draft STR Proposal

Staff has updated corresponding elements to reflect Committee input. Framework includes changes to several city ordinances/policies:

- **Proposed zoning amendments to the *Burlington Comprehensive Development Ordinance***
 - Following discussion, recommend warning for a public hearing
- **Proposed amendments to *Chapter 18 of the Code of Ordinances* regarding “Minimum Housing Standards”**
 - Typically not within the purview of the Planning Commission, but included for discussion
- **Proposed Council Action to impose an additional tax or fee on nights or revenue**
 - Not included in packet, would be recommended when transmitting proposal to Council

STR Discussion Recap

Per Oct 2019 Council Resolution, a framework that “creates tiers for different types of [STRs] and disincentivizes the most impactful uses...by:

- *limiting the number of housing units that can be converted for [STR] purposes and*
- *ensuring that those conversions are contributing to the city's efforts to preserve and expand permanently affordable housing, while also*
- *preserving some flexibility and ability to earn greater income for Burlington homeowners, and*
- *recognizing that some supply of [STRs] benefits the Burlington economy...”*

Original proposal included three strategies to limit conversion:

- Tiered limit to number of STRs based on units on a property
- Host residency required in all scenarios
- Some STR's considered commercial use, and/or conditional use

STR Discussion Recap

Per Oct 2019 Council Resolution, a framework that “creates tiers for different types of [STRs] and disincentivizes the most impactful uses...by:

- *limiting the number of housing units that can be converted for [STR] purposes and*
- *ensuring that those conversions are contributing to the city's efforts to preserve and expand permanently affordable housing, while also*
- *preserving some flexibility and ability to earn greater income for Burlington homeowners, and*
- *recognizing that some supply of [STRs] benefits the Burlington economy...”*

Joint Committee has discussed this proposal in 7 meetings in 2020, providing feedback that has led to changes to:

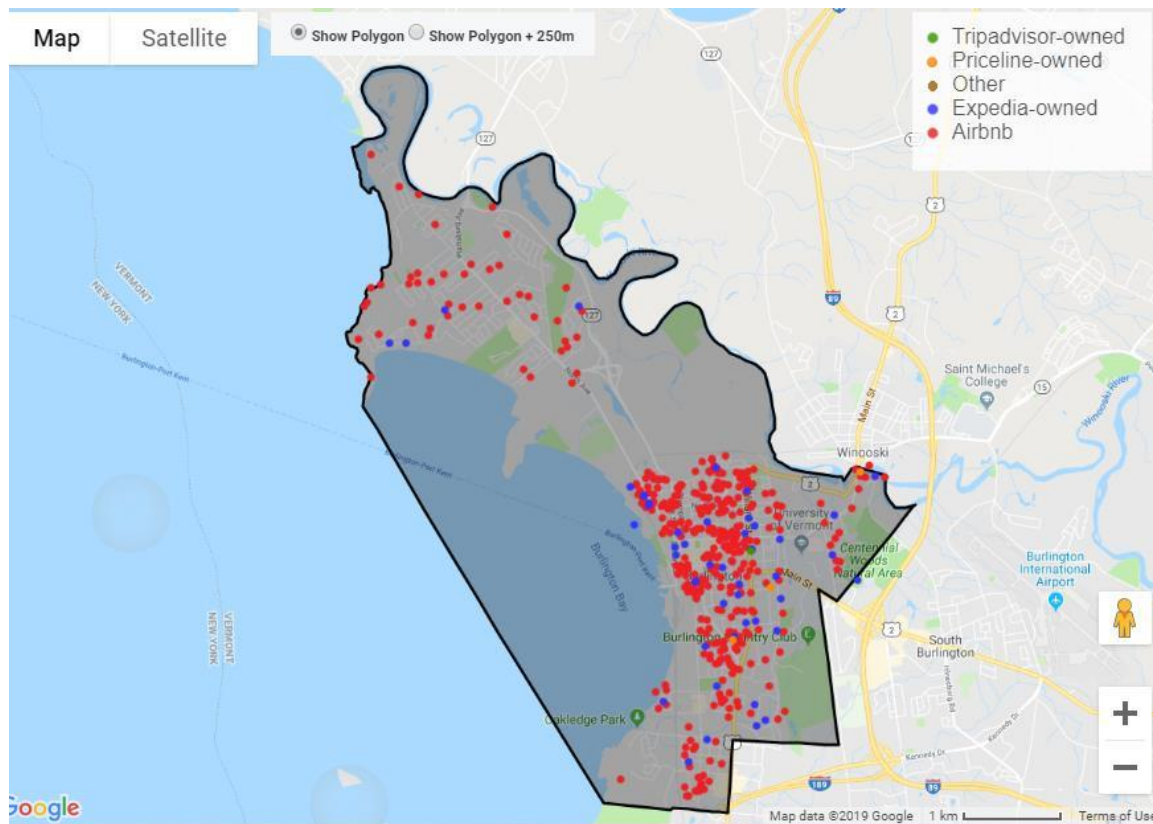
- number of STRs allowed in multi-unit buildings
- when host is required on-site
- STRs as special residential use (changes applicability of housing replacement)
- fewer scenarios as conditional use

Key Policy Questions

We are looking for consensus from Committee on the following issues:

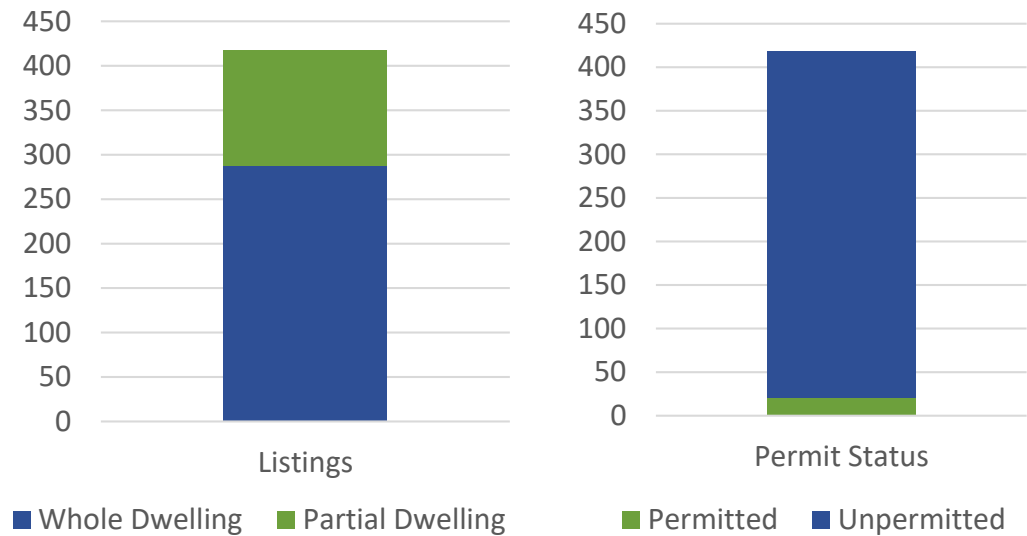
- Scenarios that allow for off-site host
- Whether hosts must be an owner
- Proposed limits on the number of STR's by property type
- Policy objective behind a nightly fee for STR use
- Others?

Background on STR's in Burlington



Short-term rentals are dwelling units rented in whole or part to guests for stays of 30 days or less.

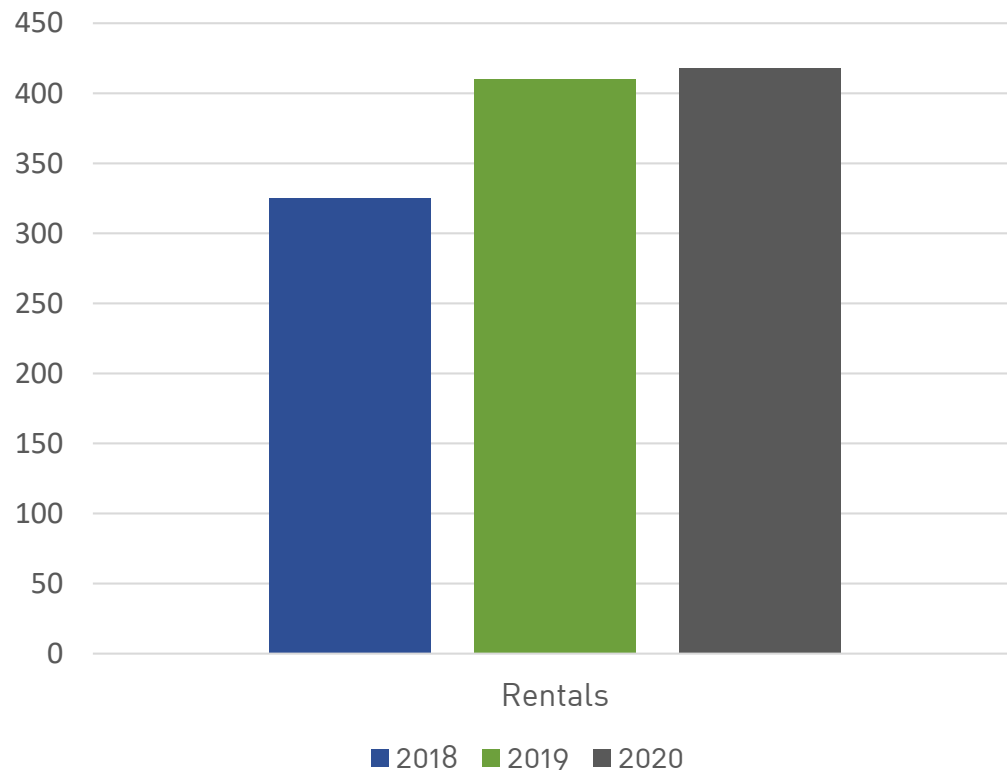
Short-Term Rentals, Burlington *July 2020*



Map and data on number of STR's in Burlington provided by HostCompliance. Data on number of permits issued provided by Department of Permitting & Inspections.

Background on STR's in Burlington

Growth in STR Listings in Burlington



Data in charts/graphics on slide provided by Host Compliance. Total listings has varied from 405 to 420 listings between June – Sept. 2020

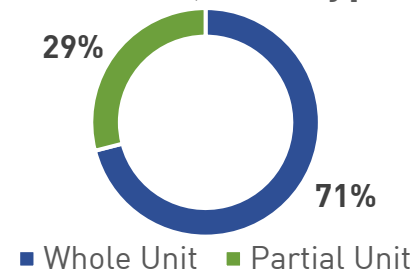
2019 report by AirBnB:

- Burlington was #1 destination in VT, summer 2019
- Avg. monthly revenue for a STR in Burlington was \$2,700 in 2019.

Sept 2020 Data from Host Compliance:

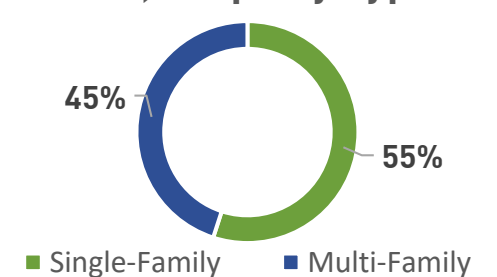
- Median Nightly Rate in BTV is \$129, from \$119 in July 2019

% of STRs, Unit Type



Update: Whole Unit STR's increased from 67% to 71% in the last year.

% STRs, Property Type



Update: Single-Family properties decreased from 58% to 55% in July.

Background on STR's in Burlington

Listings:

- All rental advertisements that are available across all platforms
- May duplicate portion(s) of other listings

Unique Properties:

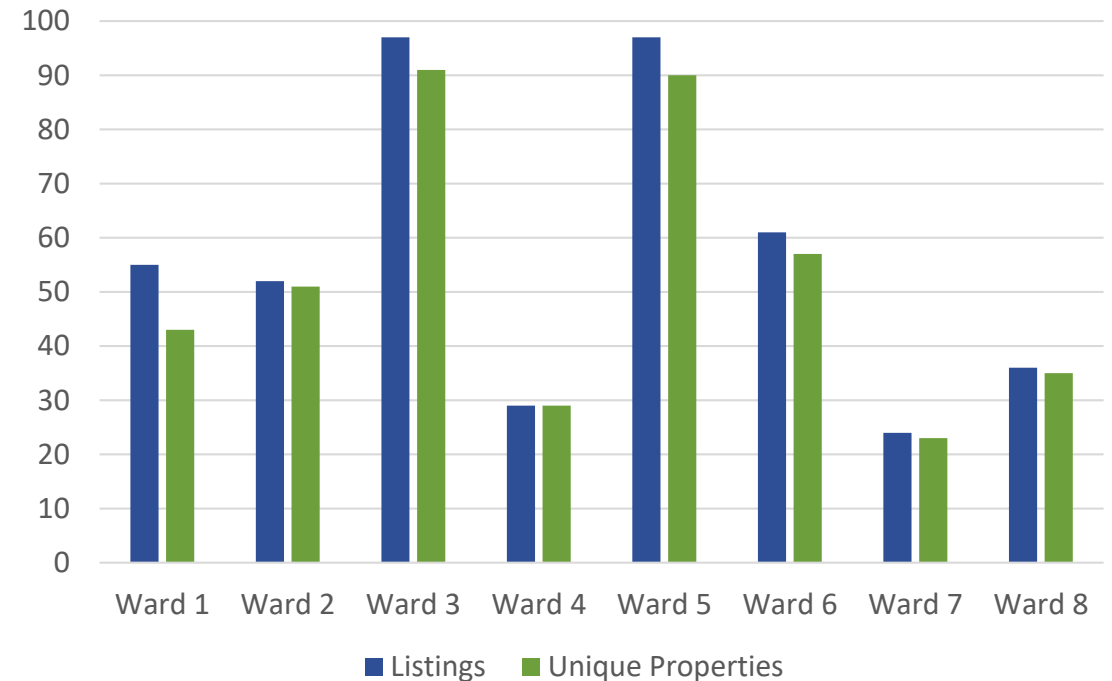
- Controls for duplicate listings

Active Listings

- STR's currently being advertised for rent, whether booked or available.

Varying approaches to renting in 2020 may impact ongoing variation in "active" listings, frequency of rentals

Short-Term Rentals by Ward Jan. 2020



Map and data on number of STR's in Burlington provided by HostCompliance.

Additional Data on STR's

Additional stats are included on following slides regarding the number, type, and frequency of short-term rentals in Burlington.

- 25% increase in number of STRs 2018-2019, doubled 2016-2019. Not much change in total listings in 2020; unclear what long-term COVID-19 impacts will be.
- There is some, but not dramatic, seasonal variation in the number of STR's. During 2020 Stay Home Stay Safe Order, all STRs were prohibited, and AirBnB disabled renting. Aug 2019- Aug 2020 data shows impact of COVID-19 in shift in number of nights rented (slide 13).
- In Nov 2020, AirDNA estimated that 74% of active STRs are efficiency, one-bedroom, or two-bedroom units
- In FY2019, City collected ~\$121,000 in RMT taxes attributable to STRs, for ~\$6.05M in host income. This is 12.4% of RMT collected in 2019.
- In FY2020, City collected ~\$103,715 in RMT taxes attributable to STRs, for ~\$5.2M in host income. This is 13% of RMT collected in FY20, and 14% less than FY 19

Housing Characteristics

There are approximately 17,000 housing units in Burlington, 60% of which are renter-occupied.

Type of Structure	% of All Occupied Units
Single Unit Detached Dwelling	30%
Single Unit Attached (i.e. townhomes)	5.5%
2 Units	13%
3 or more Units	50.3%
Mobile home or other type	1.2%

- Single-unit properties (attached and detached):
 - 35.5% of total housing stock, but
 - 80% of all owner-occupied housing units
- Duplex (2-unit) properties:
 - 13% of total housing stock
 - 5.5% of all owner-occupied units, 17% of all renter-occupied units
- Multi-unit properties:
 - 50.3% of total housing stock, and
 - 73% of all rental housing units

Housing & Vacancy Trends

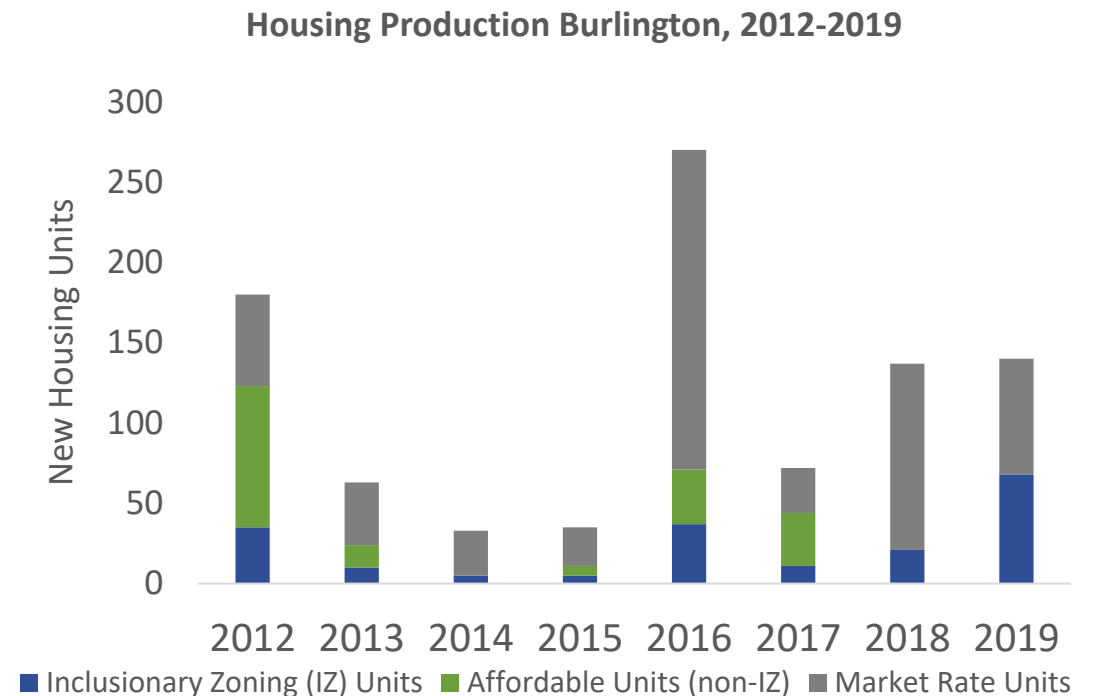
Despite some positive progress, **BTV's apartment vacancy rate continues to be less than 2%.**

According to Allen, Brooks & Minor:

- 1.6% in July 2019, compared to 2.5% in Chittenden County
- Average annual vacancy rate in Burlington was:
 - 0.7% from 2006-2011
 - 1.5% from 2012-2018

Housing Growth

- Approx. 930 new housing units 2012-Sept 2019
- Vast majority have been in multi-unit, rental developments
- According to ABM, 60% of new housing growth in 2019 was in suburban Chittenden County



Source: CEDO IZ Reports, AMANDA

Housing & Vacancy Trends

Most of the recent and anticipated **housing growth is in multi-unit developments.**

According to Allen, Brooks & Minor:

- 1.6% in July 2019, compared to 2.5% in Chittenden County
- Average annual vacancy rate in Burlington was:
 - 0.7% from 2006-2011
 - 1.5% from 2012-2018

Housing Growth

- Approx. 930 new housing units 2012-Sept 2019
- Vast majority have been in multi-unit, rental developments
- According to ABM, 60% of new housing growth in 2019 was in suburban Chittenden County

Housing Units in the queue (all multi-unit)

Permitted

- 113 units received zoning permits in FY20 and so far in FY21; not yet built/have certificate of occupancy

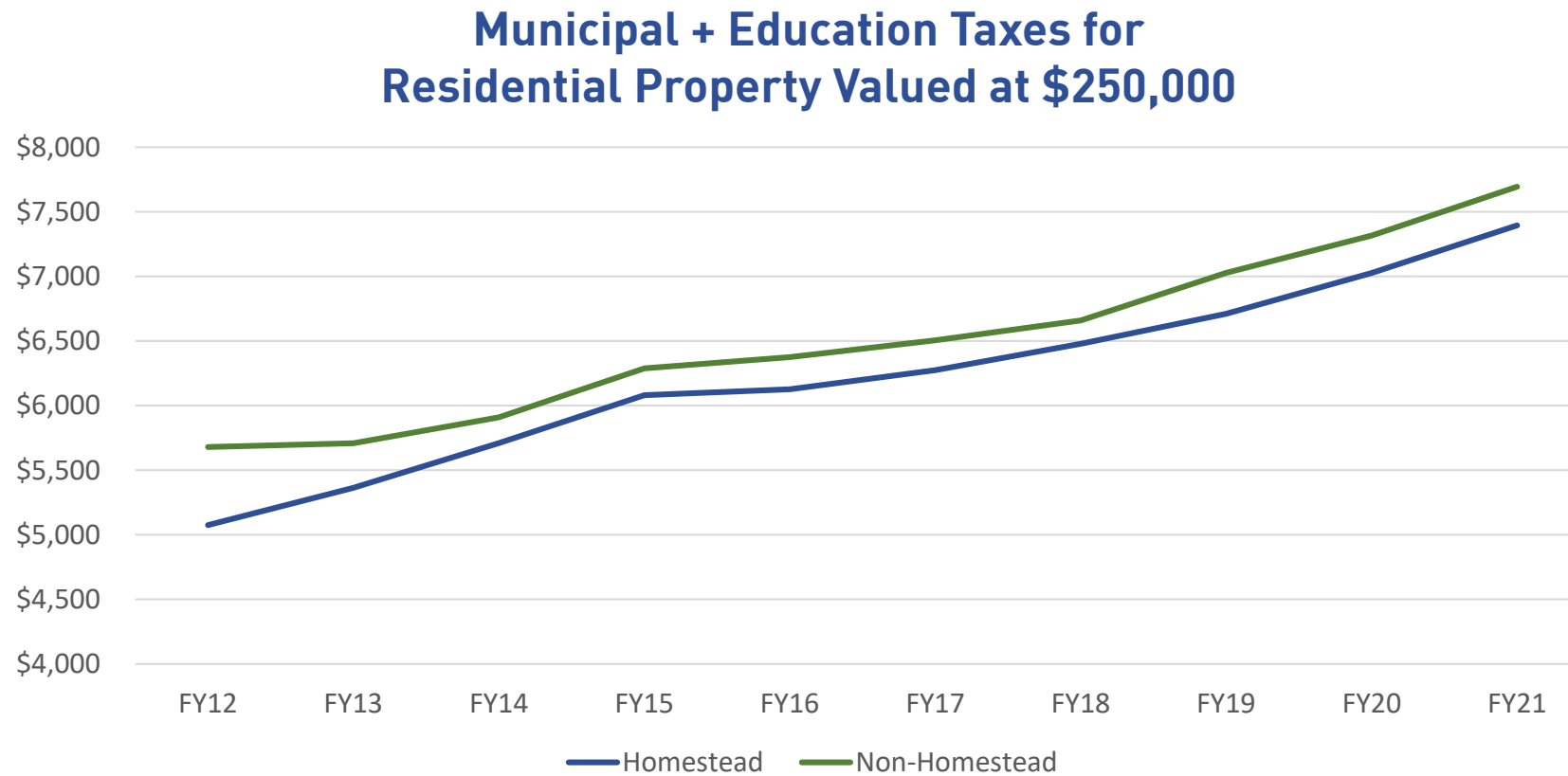
Applications pending

- 64 senior housing units
- ~425 at 75 Cherry Street (City Place)

Conceptual (no application yet)

- ~200 more at Cambrian Rise
- 100+/- in 2 to 3 additional projects

Residential Property Tax Rates



Host Residency on Property

What is the primary objective for requiring host-residency?

- **Limiting the conversion of properties from long-term housing to 100% short-term rental use**
- Enable flexibility for residents to use their own homes to generate income
- May be some benefit from a neighborhood impact perspective, but not primary driver

Considerations:

- STRs can both generate income for hosts to afford homes *and* increase demand for existing housing units
- Original proposal required host on-site in all scenarios; current proposal requires for single-family & duplex properties
- Impact of requiring host on-site varies based on related definition of host
- Property types requiring host on-site relative to share of city's housing stock

Defining STR Host

What is the primary objective for requiring host to be an owner?

- Staff recommendation prioritized host on property, not owner
- Widely believed that few rental property owners will allow tenants to STR
- **Impact of requiring host to be an owner depends on related question of where host is required on-site.**

Residency Standards:

Primary residence of the host- current proposal

- Host is defined as owner or a tenant operating an STR in their home or on the same property as their primary residence
- Primary residence means they live there at least half the year- I.e. “host on-site”
- Required to live on-site for STRs in single-family and duplex, not required on-site for multi-unit

Owner-occupied

- The property owner lives onsite for at least half of the year

Hosting Requirements

Per the current proposal...

Type of Structure	% of All Occupied Units	% of Unit Type Owner-Occupied	% of Unit Type Renter-Occupied
Single Unit Detached Dwelling	30%	88%	12%
Single Unit Attached	5.5%	69%	31%
2 Units	13%	16%	84%
3 or more Units	50.3%	10%	90%
Mobile home or other type	1.2%	23%	77%

Host: owner or tenant

On Site: single-unit, duplex properties

Off Site: multi-unit properties

- Most single-unit properties can host an STR, including small number of rentals if owner allows tenant to host
- Most multi-unit properties can host STR subject to max building limits
- Duplexes can host STR if owner allows tenant to be host

Hosting Requirements

No change to definition of host, but allow off-site hosting for all scenarios...

Type of Structure	% of All Occupied Units	% of Unit Type Owner-Occupied	% of Unit Type Renter-Occupied
Single Unit Detached Dwelling	30%	88%	12%
Single Unit Attached	5.5%	69%	31%
2 Units	13%	16%	84%
3 or more Units	50.3%	10%	90%
Mobile home or other type	1.2%	23%	77%

Host: owner or tenant

On Site:

Off Site: all scenarios

Who the host is and where they live has no bearing on potential for STR:

- Small, but notable opportunity for single-family rental to become STR, potential to create demand for single-unit properties
- No change to STRs in multi-units
- Makes it easier to STR in a duplex

Hosting Requirements

If host is required to be owner, but no change to on-site requirements...

Type of Structure	% of All Occupied Units	% of Unit Type Owner-Occupied	% of Unit Type Renter-Occupied
Single Unit Detached Dwelling	30%	88%	12%
Single Unit Attached	5.5%	69%	31%
2 Units	13%	16%	84%
3 or more Units	50.3%	10%	90%
Mobile home or other type	1.2%	23%	77%

Host: owner

On Site: single-unit, duplex properties

Off Site: multi-unit properties

- Minimal change to circumstances for single-unit, small number no longer have option for tenant to host
- Little change to when an STR could happen in multi-unit, but no longer allows tenant to host
- **Majority of duplexes not able to STR**

Hosting Requirements

If host is required to live on-site in all scenarios, but no change to who is host...

Type of Structure	% of All Occupied Units	% of Unit Type Owner-Occupied	% of Unit Type Renter-Occupied
Single Unit Detached Dwelling	30%	88%	12%
Single Unit Attached	5.5%	69%	31%
2 Units	13%	16%	84%
3 or more Units	50.3%	10%	90%
Mobile home or other type	1.2%	23%	77%

Host: owner or tenant

On Site: all scenarios

Off Site:

- No change from current proposal for single-units
- **May have a significant impact on STRs in multi-unit properties, unless owner allows tenant to host**
- No change from current proposal for duplex

Hosting Requirements

If host is required to be owner, and live on-site in all scenarios...

Type of Structure	% of All Occupied Units	% of Unit Type Owner-Occupied	% of Unit Type Renter-Occupied
Single Unit Detached Dwelling	30%	88%	12%
Single Unit Attached	5.5%	69%	31%
2 Units	13%	16%	84%
3 or more Units	50.3%	10%	90%
Mobile home or other type	1.2%	23%	77%

Host: owner

On Site: all scenarios

Off Site:

- Little change to circumstances for single-unit, small number no longer have option for tenant to host
- **Will prohibit STR in most multi-unit scenarios**
- **Majority of duplexes not able to STR**

Key Host Questions

With that background, we are looking for consensus from Committee on the following issues:

- Should off-site hosting be allowed in all, some, or none of the scenarios?
If some, which ones?
- Should the definition of host be revised to include only property owners?
If so, why?

Proposed STR Limits

Proposed Whole Unit STR Limits

Units in Building	Whole Unit STRs
Single Unit	1
Single Unit w/ADU or Duplex	1
3-4 Units	1
5-6 Units	2
7 or more Units	3

Considerations:

- Looking for committee to confirm support for proposed limits, which have been revised down for multi-unit properties
- Two options for properties that exceed these limits:
 - Treat as “lodging” - a commercial use that’s prohibited in residential areas
 - Don’t allow properties to exceed these limits anywhere in the city

Additional STR Fees

Comparing revenue from Housing Replacement to a “nightly fee” is difficult:

- We know how much revenue the city has earned in the last 2 years from 2% Gross Receipts on STR income, but we don’t yet know long-term impacts of COVID-19 on STRs
- We don’t know how many STRs would have continued if housing replacement were applicable
- We don’t know how many existing STRs would have been exempt from Housing Replacement
- Housing replacement is based on upfront, one-time fee based on number of bedrooms in unit vs. alternatives which could be based on duration of use as an STR, which could be highly variable.

Considerations:

- Looking for committee to confirm what it views the purpose of a fee to be
- Original intent of Housing Replacement was not to generate a defined amount of revenue for the Housing Trust Fund
- A fee that is more equitable, and based on actual use of STR could be a more fair way for STRs to “contribute to the city’s affordable housing efforts”

Housing Replacement Fee

Why {did} some scenarios require Housing Replacement Fee?

- Housing Replacement Ordinance is an existing standard, that applies when a housing unit is converted to a commercial use.
- Fees benefit the Housing Trust Fund

How much are the Fees?

Fees are set each year, based on the cost of subsidizing an housing unit of a similar size to be affordable at 65% AMI. In 2019 these rates were:

- Studio: \$1,700
- 1 Bedroom: \$7,930
- 2 Bedroom: \$19,015
- 3 Bedroom: \$42,950

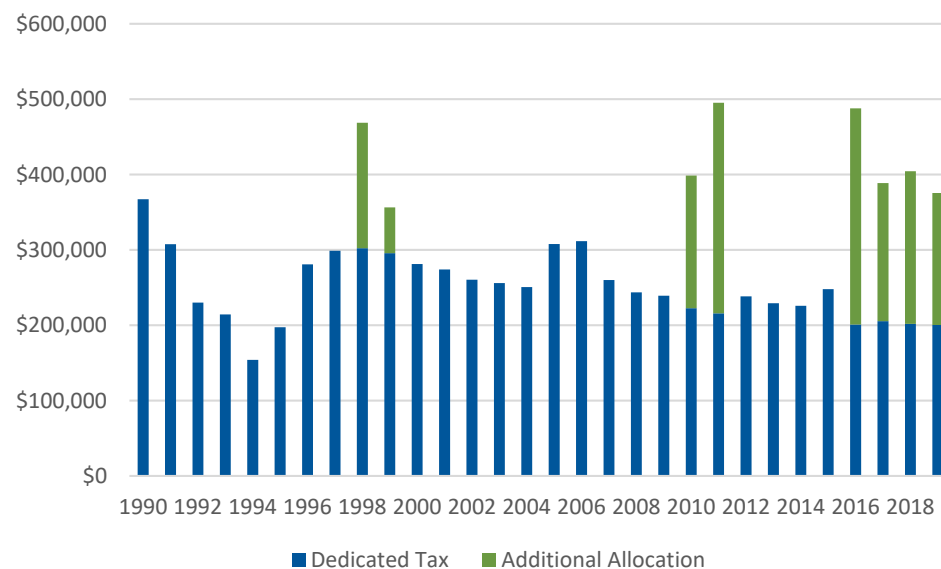
Recap of Committee Discussion:

- Flexible nature of an STR means a unit can be STR & long-term housing in the same year.
Turning a housing unit into an STR is not the same as physical change to a café, for example
- Housing Replacement may remove the incentive for an owner to reconvert a unit to long-term housing due to need to recoup upfront cost.
- Some have suggested as an alternative a special registration fee or tax (annual or on-going) related to duration of actual STR use
Supporting housing affordability still important given many STRs are utilizing existing housing units.

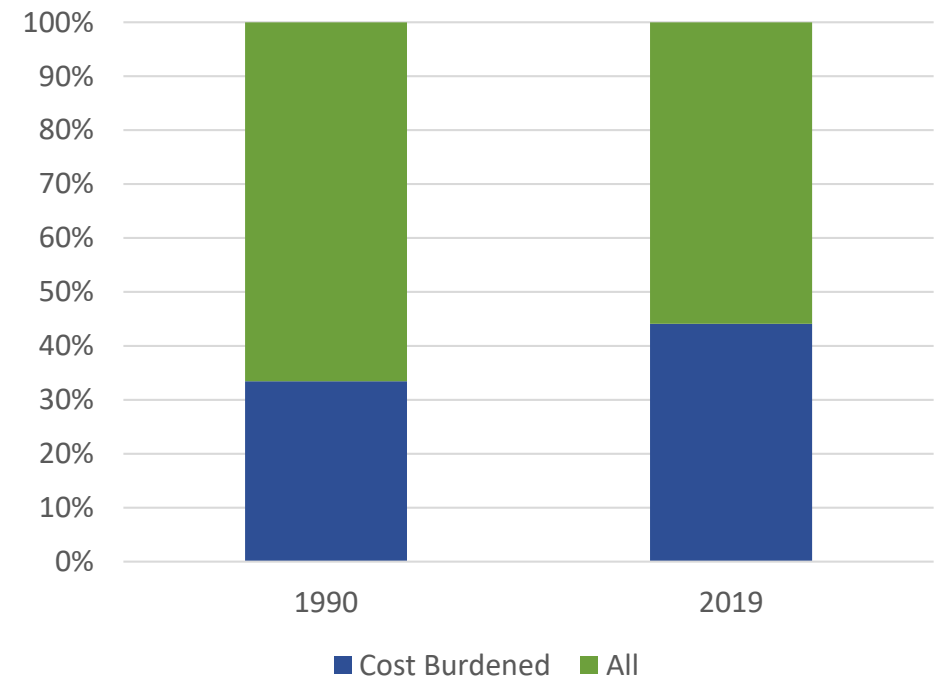
Burlington's Housing Trust Fund

Dedicated tax of ½ penny/\$100 assessed value contributes \$200k/year to Housing Trust Fund.
Since 1990, \$6.9M has been invested to create 1,800 affordable homes & beds.

Historic Contribution to Housing Trust Fund
Adjusted for Inflation to 2019 Dollar



Low Income Households with Cost Burden



Burlington Planning Commission

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Burlington, VT 05401
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Andy Montroll, Chair
Bruce Baker, Vice-Chair
Yves Bradley
Alexander Friend
Emily Lee
Harris Roen
Jennifer Wallace-Brodeur

Burlington Planning Commission

Tuesday, November 24, 2020, 6:45 P.M.

Remote Meeting via Zoom

Minutes

Members Present	A Montroll, A Friend, B Baker, H Roen, E Lee, Y Bradley, C Mason, Z Hightower, J Hanson
Staff Present:	D White, M Tuttle, S Gustin, K Sturtevant
Attendance:	Eric Hanley, Amanda Goossen, Jamie Sharpe, Eric B., J.S., Erhard Mahnke, Dan Goossen, Ken Baldwin, Paul O'Brian, Amy Magyar, Abbott Stark, Gail Rafferty, Kelli Varela, William Gonyaw, Michael Monte, Cheri Campbell, Deb Ward Lyons, Lucas Jenson, Sarah Carpenter

I. Agenda

Call to Order	Time: 6:49pm
Agenda	No Changes

II. Public Forum

Name	Comment
No Comments	

III. Proposed CDO Amendment: Short Term Rentals

Action: Committee will continue discussion to next meeting.		
Motion:	Second:	Vote: N/A
Staff answered committee questions from prior meeting, and provided additional data to support discussion of several key policy questions. Slides are posted at: https://www.burlingtonvt.gov/CityPlan/PC/Agendas		
Committee Discussion: - Several committee members expressed preference to require the STR host to be the property owner who also lives on the property, particularly for single-unit, duplex, and perhaps even triplex properties. - Committee was supportive of tenants having some ability to rent their own housing unit, but concerned about allowing a tenant as a host (as a proxy for an owner) for another unit on a property. - Regarding STR fees, some committee members were supportive of minimal fees for owner-occupants with an STR, or in small buildings, as a way to benefit the Housing Trust Fund, and some also felt that more substantial fees, such as housing replacement, could apply to STRs in larger multi-unit buildings and/or non-owner occupied properties with an STR.		

IV. STR Public Forum

Name	Comment
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The City of Burlington will not tolerate unlawful harassment or discrimination on the basis of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, crime victim status or genetic information. The City is also committed to providing proper access to services, facilities, and employment opportunities. For accessibility information or alternative formats, please contact Human Resources Department at (802) 540-2505.

Tuesday, November 24, 2020

E Hanley	Duplex includes a long-term rental and one STR; don't want to turn the property into a college rental. Hires a super host to clean and manage property. If STRs are shut down, what will the city do about the lost RMT revenue? If owner required to live on property, would lose long-term rental.
J Sharpe	As a host, exhausted and frustrated by repetition of these meetings, specifically related to host on-site and housing replacement fee. Proposal balances committee and host views, and current discussions are backtracking the last year's work. Whole Unit STRs represent 1.6% of housing stock.
A Magyar	Unclear why preventing non-owner-occupied single-unit properties as STRs.
E Mahnke	Housing market has been constrained in Burlington since 1980s and losing any units to STRs hurts the market; however, understand concern to balance with moderate income residents' ability to realize extra income to afford own homes. Propose no STRs in multi-unit buildings of 4 or 5 units or more, which are largely investor owned properties, and require owner occupancy except for small set of circumstances for tenant's own unit. Are non-profit housing developers aware of this policy, how will STRs change assessed value and resale cost. Consider allocating city's RMT to HTF, and/or any other type of assessment/tax on STRs rather than exacting a large fee upfront that is insufficient anyways.
L Jensen	Committee seems to be stepping backwards, which is frustrating to participate in. Still no evidence that STRs are impacting the city's housing stock, and STRs didn't grow this year. Most hosts not doing this to extract money from community, but to make ends meet and put money into subsidizing rent, improving housing, etc. Unclear why a non-owner-occupied duplex is different than a 3-unit property.
P O'Brien	Confusing to follow this discussion, and why it's moving back in this direction. Most hosts are not trying to be a commercial operation, but rather to supplement income. There is a lot of speculation about housing stock and impact of STRs. No speculation about how STR hosts will be impacted by regulations.

V. 2021 Meeting Schedule

Action: Approve 2021 Regular Meeting schedule		
Motion: H Roen	Second: A Friend	Vote: Unanimously Approved
- Meetings will generally take place on the 2 nd and 4 th Tuesdays of the month		

VI. Commissioner Items

Action: N/A		
Motion: NA	Second: NA	Vote: NA
- Next Joint Committee meeting regarding STR's on December 8, 2020 at 6:45pm		

VII. Minutes & Communications

Action: Approved the minutes and accepted the communications		
Motion by: A Friend	Second: H Roen	Vote: Approved Unanimously
- Minutes Approved: November 10, 2020 - Communications filed enclosed in agenda packet		

VIII. Adjourn

Adjournment		Time: 9:07pm
Motion: H Roen	Second: A Friend	Vote: Approved Unanimously



Andy Montroll, Chair

Signed: December 14, 2020

Respectfully submitted by:



Meagan Tuttle, Comprehensive Planner