

BACKGROUND INFORMATION
ON
SHORT TERM RENTALS

Part I – Defining the Issue:

Southeastern Council of Governments Memo re: STR

Northwest Connecticut's Regional Planning Organization (NHCOG) Memo on STR

CT Office of Legislative Research Memo on STR

CT Chapter of the American Planning Association Memo on STR

Host Compliance “A Practical Guide to Effectively Regulating Short-term rentals on the Local Government Level”

Excerpt from Rathkopf's The Law of Zoning and Planning

Part II – News Articles re: STR and Communities' responses

Part III – Samples of Adopted or Drafted Regulations

Simsbury

Greenwich

Chester

Part IV – Guilford's Invitation to use STR

Short Term Rental Regulation in Connecticut

Prepared by Justin LaFountain, CZEO, Planner II

September, 2019

Short term rentals, or STRs, (known colloquially by their brand names such as 'Airbnbs' and 'VRBOs,' short for 'Vacation Rental By Owners') are currently a growing segment of the travel market. Locally, Connecticut has seen a significant increase in the number of hosts of STRs in the past several years. Per the Hartford Business Journal, Airbnb alone had nearly 6,000 hosts in Connecticut between Memorial Day and Labor Day of 2019, hosting approximately 93,300 guest stays in that period (20,400 of which were in New London County).¹ That represents a significant increase since 2016, when 1,600 hosts were registered statewide.² These figures, while notable, are just a small piece of the global supply of short term rental units:

*"The sharing economy, including short-term accommodations, is growing fast. Already, Booking Homes (part of the Booking Holdings Group) has over 5.6 million listings in 227 countries, with an average of 1.5 million room nights booked daily; Airbnb has over 5 million listings in 191 countries, with 400 million cumulative guest arrivals."*³

It appears that, while people of all ages utilize STRs, the accelerating popularity of such rentals is fueled by younger travelers, and millennials in particular. According to *Conde Naste Traveler*, seven in ten millennial business travelers express interest in staying in short term, locally hosted rentals.⁴ The continuing growth of this market presents distinct challenges and possibilities for municipalities within Connecticut.

Short Term Rental Challenges

There are common concerns that are associated with the presence of STRs within communities. Some residents and local governments become concerned that the character of residential neighborhoods will change dramatically with the spread of STRs due to an increase in traffic and

¹ Hartford Business Journal. "Airbnb: CT Hosts Earn Record \$27M in Summer Rentals." September 2019. <https://www.hartfordbusiness.com/article/airbnb-ct-hosts-earn-record-27m-in-summer-rentals>

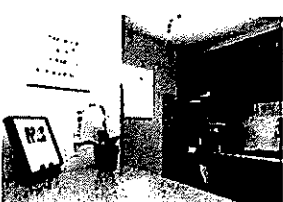
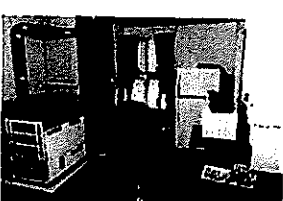
² Hartford Courant. "Airbnb Brings Connecticut Millions in Tax Revenue, But This Town Is Saying 'No.'" August 2018. <https://www.courant.com/news/connecticut/hc-news-airbnb-tax-revenue-20180807-story.html>

³ The Wharton School of the University of Pennsylvania. "How the Sharing Economy Is Transforming the Short-term Rental Industry." February 2019. <https://knowledge.wharton.upenn.edu/article/short-term-rentals-the-transformation-in-real-estate-and-travel-set-to-check-in/>

⁴ Conde Naste Traveler. "What Millennials Can Teach Us About Business Travel." March 2017. <https://www.cntraveler.com/story/what-millennials-can-teach-us-about-business-travel>

parking issues. Noise concerns are also common, as neighbors can become anxious that STRs will turn into loud houses where parties are routinely held by visiting renters. There are also wider concerns that STRs may not be safe for visitors if the renters are packed into areas that would not otherwise be suitable for overnight habitation, especially since STRs are not inspected in the same way as officially designated motels and hotels. Particularly in areas with housing shortages, there are worries that STRs will further decrease the number of housing units available for long term residents.

Places to stay in Lisbon

 ENTIRE CABIN · 1 BED Vinola-Lakeside Cabin on Beach Pond with Sauna \$98/night ★★★★★ 265 · Superhost · Details	 ENTIRE CABIN · 6 BEDS Ellis-Lakeside Cabin on Beach Pond with Sauna \$98/night ★★★★★ 290 · Superhost · Details	 TINY HOUSE · 1 BED Water Forest Retreat-Tiny house \$104/night ★★★★★ 153 · Superhost · Details	 ENTIRE VILLA · 2 BEDS Peaceful Spa Escape near Mohegan Sun Casino! \$89/night ★★★★★ 127 · Superhost · Details
 ENTIRE GUESTHOUSE · 1 BED Ashwillett Gardens Studio \$90/night ★★★★★ 347 · Superhost · Details	 ENTIRE HOUSE · 4 BEDS Minutes to casinos, HOT TUB. Amazing views. \$88/night ★★★★★ 132 · Superhost · Details	 ENTIRE HOUSE · 12 BEDS Unique Historic Mansion near Casinos \$900/night ★★★★★ 62 · Superhost · Details	 ENTIRE APARTMENT · 1 BED Quaint apt 5 miles to Mohegan sun 10 to \$30/night ★★★★★ 52 · Superhost · Details

A search for short term rentals in Lisbon, CT reveals numerous houses, apartments, and other accommodations near the town shown in this screenshot from <https://www.airbnb.com/s/Lisbon--CT>. Taken on August 30, 2019.

Benefits of Short Term Rentals for Municipalities

Based on the potential for issues arising, some municipalities may be tempted to prohibit short term rentals entirely, but many potential neighborhood issues could be addressed with the preparation of regulations or ordinances (indeed, noise concerns are likely already addressed in municipal noise ordinances). Safety concerns can also be addressed with a rental inspection program and specific requirements for rentable rooms.

There are benefits, primarily economic in nature, which can be attained by communities that have regulations or ordinances permitting STRs. The Wharton School of the University of Pennsylvania notes that “governments that look ahead and adapt to these developments [short

term rentals] will derive substantial benefits for their economies and their communities.”⁵ By permitting STRs, communities that have limited or no conventional lodging can open themselves up to tourism dollars that would not otherwise be available. Municipalities that do have conventional lodging stand to gain from visitors who are looking for a more personalized travel experience. Additionally, by hosting a short term rental, permanent residents can supplement their income and consequently be in a better financial position to maintain and improve their home. Between Memorial Day and Labor Day in 2019, Airbnb hosts in Connecticut earned a collective \$27 million, a 30.4% increase from the same timeframe in 2018.⁶

Current Short Term Rental Law in Connecticut

At this time, the State of Connecticut has no legislation in place regulating short term rentals statewide (other than a room occupancy tax rate of 15 percent⁷). While bills containing rules and regulations for STRs was proposed during the 2019 Legislative Session (House Bill 6937 and 7177), it died in committee. It is not inconceivable that the State Legislature will introduce relevant bills in future legislative sessions, but it is currently left to individual municipalities to decide how best to regulate (or not regulate) these types of rentals. This provides local governments with the opportunity to tailor STR laws to their unique community concerns and goals. There are generally three options municipalities utilize to address STRs: regulation through local zoning regulations, regulation through municipal ordinances, or by maintaining a status quo without establishing any new STR-specific laws. Each of these options presents distinct benefits and challenges, and are outlined briefly in the following sections.

Short Term Rental Regulation via Zoning Regulations

Several municipalities in Connecticut have chosen to regulate short term rentals through their local zoning codes (these municipalities include Hartford and Preston). Zoning regulations have the ability to allow STRs in certain zones only, and can also allow the Planning and/or Zoning Commission to review site plans for the proposed use to ensure adequate parking and other site improvements are in place which the Commission has deemed necessary. Approvals through zoning would run with the land, until the use is expressly discontinued/abandoned by the property owner. There are certain characteristics of zoning that could limit the ability to effectively govern STRs:

- Zoning regulations are enforced by local zoning enforcement officers, who routinely work at most a Monday-Friday basis and rarely at night, when most noise and parking complaints would occur.
- In some cases, properties have been rented out as STRs by owners for decades. This can create an issue of legal non-conformities where new regulations would not apply to homes that have been rented for many years.

⁵ The Wharton School of the University of Pennsylvania. “How the Sharing Economy Is Transforming the Short-term Rental Industry.” February 2019. <https://knowledge.wharton.upenn.edu/article/short-term-rentals-the-transformation-in-real-estate-and-travel-set-to-check-in/>

⁶ Hartford Business Journal. “Airbnb: CT Hosts Earn Record \$27M in Summer Rentals.” September 2019. <https://www.hartfordbusiness.com/article/airbnb-ct-hosts-earn-record-27m-in-summer-rentals>

⁷ CT Dept. of Revenue Services. Policy Statement: Room Occupancy Tax on Short-Term Rentals. 2017. <https://portal.ct.gov/-/media/DRS/Publications/pubsp/2017/PS20173pdf.pdf?la=en>

Short Term Rental Regulation via Municipal Ordinance

The legislative body of a municipality could choose to adopt an ordinance pertaining to STRs, which could require an owner/operator to obtain a license and follow certain criteria. This process would have several distinct advantages over zoning. Complaints could be addressed to local law enforcement who would be able to respond on weekends and off-hours. Additionally, by requiring a licensing process, renewals could be required, and a new license would be required for new property owners. This would eliminate any 'grandfathering' issues that could arise through zoning. However, local Planning and/or Zoning Commissions would not be involved in approving site plans to ensure parking and other site requirements are being reviewed by the Commission with that expertise.

Maintaining Status Quo

Some municipalities have chosen, at least temporarily, not to update any regulations or ordinances and instead to classify STRs as traditional bed and breakfasts or boarding houses and regulate them as such. In some cases, this requires special permit or site plan approval from the Planning and/or Zoning Commission. Other municipalities have chosen not to regulate STRs at all, continuing a tradition in those communities of unregulated short term rental. Still others have taken the position that as STRs are not expressly permitted in their zoning regulations, they are prohibited. These solutions all come with their own challenges and benefits. While it is easier not to draft and approve any new standards for STRs, current regulations and standards rarely address the issues inherent in these uses. STRs are not exactly like traditional bed and breakfast establishments or boarding houses, and as such new regulation is likely warranted. Additionally, if the anticipated continued growth in STRs does indeed come to pass, municipalities would most likely want to have some safeguards in place to ensure smooth operation.

Conclusions and Future Actions

Of the options outlined above, regulation of STRs through a municipal ordinance seems to present the greatest number of benefits with the fewest drawbacks. It would allow for more effective enforcement, and also eliminates any issues of grandfathering that may arise from zoning regulations. While the Planning and/or Zoning Commission would likely not have a chance to review the site, specific site criteria could still be built in to the ordinance which would prevent people from obtaining a license to operate an STR if the site requirements are not met.

For the foreseeable future, STRs will be present and likely growing in number and popularity. This expansion will impact municipalities nationwide and in Connecticut. It is therefore important for southeastern Connecticut municipalities to determine if and how to best regulate STRs locally, sooner rather than later.

Regulating Short Term Rentals
Research by Jocelyn Ayer, NHCOC
 August 2017

What is a short-term rental?

A short-term rental refers to a room or housing unit that is rented to a person or group for a short period of time, typically under 30 nights.¹

Short-term rentals are not new but new(er) platforms like Airbnb, VRBO, and HomeAway have made it much easier to match renters with hosts so the number of short-term rentals has risen dramatically in many of our NWCT towns, especially those with many "weekender" or second homes.

What issues arise with short term rentals and how can they be regulated?

There is no one-size-fits-all short term rental regulation. Each town should consider its objectives and its ability to enforce a new regulation, and include resident stakeholders in the discussion of possible regulatory solutions.

The Short-Term Rental Debate

Why Restrict?

- Increased noise and traffic
- Reduced housing stock for those who live and work in a community
- Unfair competition with licensed establishments

Impact of Restrictions

- Infringes upon property rights
- Reduces the pool of buyers able to purchase in high-demand vacation areas
- Diminishes the value of investment property

Benefits of Short-Term Rentals

- Promotes tourism
- Defrays costs of a vacation/second home
- Generates revenue for community

OBJECTIVE	EXAMPLE REGULATORY APPROACH
Housing Availability	Only allow permanent ¹¹ residents to operate short term rentals. Disallow rentals in subsidized housing.
Neighborhood Preservation	Set a limit on the number of short term rentals per neighborhood or cap the number of nights per year a unit can be rented. Ban signs.
Protect Quality of Life	Require adequate parking and garbage disposal. Require hosts to post noise ordinance. Require a local contact person.
Safety	Require hosts to apply basic safety precautions such as working smoke detectors in every bedroom, a carbon monoxide detector, and an evacuation plan that identifies all exits.

Source: Adapted from "Addressing the Growth of Short-Term Rentals" National APA conference presentation.

If towns are considering regulating short-term rentals we would encourage them to consider regulating them through a municipal ordinance rather than through the town's zoning regulations. "Many municipal codes prohibit residents from hosting short-term guests in exchange for payment unless residents comply with all regulations applicable to commercial hotels and bed & breakfasts. Such regulations can (if enforced) effectively ban short-term rentals. A growing number of cities and counties have crafted local ordinances that both legalize some form of short-term rentals and impose limitations and regulatory processes that protect public interests."ⁱⁱⁱ

What's happening in other Connecticut Towns?

Within NHCOG towns:

Warren- concerns about second homeowners buying up available properties and using them as income properties by renting them as short term rentals, year around, and short term renters using resident amenities (access to Town Beach, etc); currently allow B&Bs by special permit so any property that is listed on Airbnb that says it serves breakfast or is available for events must apply for a special permit.

Norfolk- concerns from local inn about competition; due to having Yale School of Music students coming to Norfolk in the summers, the town has long allowed renting up to two bedrooms in an owner occupied dwelling; not sure how to best deal with non-owner occupied dwellings being rented, not a big issue at the moment

Salisbury- resident/neighbor complaints about noise, trash, other nuisances

Cornwall- concerns from local inn about competition; PZC studied this issue in depth and determined that they do not have the budgetary and staff resources to monitor and enforce a short term rental zoning regulation.

Falls Village- concerns from local inn about competition

Outside NHCOG (as of April 2017):

Woodstock, CT - treating short term rentals the same as a Bed & Breakfast, require home occupation permit for this.

Newington, CT - treating short term rentals the same as a Bed & Breakfast, Bed & Breakfasts are not allowed in residential zones.

Ridgefield, CT- treating short term rentals the same as a Bed & Breakfast which requires a Special Permit.

Canton, CT- treating short term rentals the same as a Bed & Breakfast which are permitted as of right in residential districts.

Stonington, CT- Planning & Zoning Commission decided that the town's zoning code does not regulate short term rentals. "The town attorney's opinion is that the tenure and duration of the use of single family residences would overstep the zoning authority," the Town Planner (Vincent) said. "The zoning regulations don't include the regulation of tenure and duration of use for single family dwellings."

Vincent said his analysis showed an ordinance would be the most effective way to manage short-term rentals because zoning only assigns permits to the land but not to the operator of a business. The town's economic development commission will work with the P&Z to draft an ordinance.^{iv}

Are short term rentals subject to the state's room occupancy tax (like hotels)?

In June 2016, the state reached a deal with Airbnb so that the company now collects the state's 15% room occupancy tax on stays of 30 days or less booked through Airbnb^v.

Conclusions

Zoning regulations are not a good tool for dealing with short term rentals. Therefore, NHCOC member towns may want to consider proposing a town ordinance to address short term rentals. Many other municipalities in other parts of the country have adopted these types of ordinances. Two examples are attached for your information.

"Regulating Short-term Rentals: A guidebook for equitable policy" suggests the following be addressed in an ordinance:

- Set clear definitions of short-term rentals, hotels, and vacation rentals (example definitions below)
- Require registration and recordkeeping from short-term rental property owners
- Institute a cap on rental nights per year to reduce the conversion of residential housing to transient use.
- Limit short term rentals to primary residences
- Establish protections and complaint procedures for guests and neighbors
- Limit crowding, noise, and parking strains^{vi}

EXAMPLE Definitionsⁱ:

Short-Term Rental- the rental of a primary residence or portion thereof for a period of less than 30 nights, for which the guest compensates an owner or lessee of the unit.

Primary Residence- A housing unit in which an owner or lessee resides for the majority of the year.

Vacation Rental- an entire residential unit that is not a primary residence and is rented to guests on a short-term basis, typically under 30 nights.

ATTACHED:

- Ordinance: Town of Oxford, Maryland "Short-term Rentals"
- Ordinance: Georgetown, Colorado "Concerning Short Term Rental of Residential Structures"

ⁱ Source: "Regulating Short-term Rentals: A guidebook for equitable policy" (March 2016) Sustainable Economies Law Center

ⁱⁱ A "permanent" resident is often defined as one who lives in the dwelling unit for more than 9 months per year.

ⁱⁱⁱ Source: "Regulating Short-term Rentals: A guidebook for equitable policy" (March 2016) Sustainable Economies Law Center

^{iv} The Westerly Sun (February 13, 2017) "*Short term rental ordinance appears likely in Stonington*"

^v "Room Occupancy Tax on Airbnb" (November 22, 2016) Office of Legislative Research

^{vi} Adapted from: "Regulating Short-term Rentals: A guidebook for equitable policy" (March 2016) Sustainable Economies Law Center

Regulating Airbnb Rentals through Zoning in Connecticut

By: Julia Singer Bansal, Associate Analyst
September 28, 2018 | 2018-R-0200

Issue

In the context of zoning regulations, do Airbnb rentals differ from traditional bed and breakfasts? Provide examples of how Connecticut municipalities are regulating Airbnb rentals.

Summary

Airbnb is a platform that allows property owners to rent out rooms, suites, or entire dwellings, generally on a short-term basis (i.e., for fewer than 30 days). According to slides from a 2017 Connecticut Bar Association presentation, municipalities across the country use a variety of techniques to control Airbnb rentals, including:

1. durational caps on rentals;
2. caps on the number of days property may be rented during the year;
3. density controls;
4. special permit requirements;
5. parking requirements;
6. neighbor notification;
7. owner-occupancy requirements; and
8. distinguishing between single-family, multifamily, and mixed-use neighborhoods (*Id.* at slide 69).

To research how Airbnb rentals are regulated in Connecticut, we reviewed information available through the Connecticut Planning Professionals listserv, a UConn-managed discussion forum for land use professionals. We also directly contacted certain municipalities for more information.

We identified only one Connecticut municipality, Hartford, that adopted a zoning regulation specifically regulating short-term rentals like Airbnb rentals. We provide a summary of the city's regulation below.

In other municipalities, hosted Airbnb rentals are often treated like bed and breakfasts (e.g., Canton, Kent, Newington, and Woodstock) or boarding houses (e.g., Canton and Kent). We found that zoning regulations generally did not address unhosted rentals (i.e., renting an entire property to guests); (but Hartford's regulation applies to hosted and unhosted rentals). Below, in Table 1, we provide (1) six examples of how zoning regulations apply to Airbnb rentals in Connecticut municipalities and (2) the municipality's definition of bed and breakfast, if one exists.

Hartford's Short-Term Rental Regulation

Hartford's short-term rental regulation requires operators to obtain a zoning permit before offering short-term rentals and establishes limitations related to (1) rental frequency and rental length, (2) owner-occupancy, (3) maximum number of guests, and (4) rentals that become a nuisance to neighbors. The regulation defines short-term rentals as "[t]he temporary rental of part or all of a property to any temporary renters for no more than 21 cumulative days during any 6 month period, with no property being used for such temporary rental more than 3 times during any 6 month period."

Under the regulation, no more than four adults, in addition to related minor children, may use a single dwelling unit as a short-term rental at the same time. The regulation sets minimum usable floor area requirements of 70 square feet for one person and 50 square feet for each additional person, including children age one or older. The property owner must host any short-term rentals operated on a lot with only a single-family home or in a single-family home district.

The regulation specifies that short-term rental operators must obtain a zoning permit from the city; permits are valid for three years. A special permit from the zoning commission is required if an operator seeks to exceed the regulation's default frequency and cumulative rental period limits. The city's zoning administrator may revoke a zoning permit or special permit if he or she learns that the rental has become a nuisance to neighbors (Hartford Zoning Regs § 3.5.1(E)).

Regulation of Airbnb Rentals in Select Municipalities

Table 1: Select Municipalities' Definition of "Bed and Breakfast" and Regulation of Airbnb Rentals

Canton	<i>Bed and Breakfast, as Defined in Zoning Regulations</i>	<i>Regulation of Airbnb Rentals</i>
	"Overnight accommodations and a morning meal in a dwelling unit (B & B) provided to transients for compensation" (two types: minor and major) <u>Regs § 2.2</u> Minor (permitted as of right in residential zones): owner lives on the lot; limited to threeguests; rented rooms must be accessed from within the structure; structure must meet lot area and dimensional requirements for the district; rented rooms cannot have cooking facilities <u>Regs § 3.3.B</u> Major (permitted with zoning commission's site plan and special permit approval): operator lives on the lot; structure must meet lot area and dimensional requirements for the district; rented rooms cannot have cooking facilities; adequate water and sewage disposal; compatible with the character of the surrounding area; complies with any parking screening requirements; structure is approved by Fire Marshal and Building Official; may provide other services (e.g., banquet facilities, massages, restaurant) <u>Regs § 3.3.D</u>	According to the Planning and Community Development Department, Airbnb rentals generally are regulated as bed and breakfasts or boarding houses A boarding house is permitted with the zoning commission's site plan and special permit approval in residential districts; defined as "[a]n owner occupied dwelling that provides for the renting of rooms or board to not more than three (3) paying guests, other than members of the owner's family" <u>Regs § 2.2</u> Bed and breakfasts require a zoning enforcement official-issued permit and zoning commission's site plan approval in business and industrial districts <u>Regs § 4.1.B.5</u>
Hartford	"A facility providing temporary lodging to the general public consisting of no more than 6 sleeping rooms with daily room cleaning services, without in-room kitchen facilities, in either an owner-occupied principal structure or in a principal structure on the same lot of an owner-occupied accessory structure" <u>Regs § 3.3.1(B)</u> Among other requirements, a bed and breakfast must be located in a structure that is at least 75 years old, serve breakfast, and give guests access to guestrooms via a common space, not a separate exterior entrance <u>Regs § 3.3.1(B)</u>	Airbnb rentals are generally regulated under the city's short-term rental provision, summarized above
Fairfield	None	Regulations allow property owners in most residential districts to take on up to two boarders, but lease period must be at least 30 days (in one residential district, a special permit is required before boarders can be taken on) <u>Regs §§ 31.2.19, 5.1.2, 10.4, 11.1.2</u>

Table 1 (continued)

	<i>Bed and Breakfast, as Defined in Zoning Regulations</i>	<i>Regulation of Airbnb Rentals</i>
Kent	"A single-family dwelling in which the owner resides and in which sleeping accommodations and breakfast (but no other meals) may be provided to guests for compensation" <u>Regs § 2200</u> Depending on the zone, bed and breakfasts may have a maximum of three to six guest rooms; sanitarian or sewer commission must certify that water and sewerage systems are adequate; screening may be required to create a buffer from neighboring uses <u>Regs § 6300</u>	According to the Land Use Department, Airbnb rentals are not regulated if they are unhosted rentals; if the rental is hosted and breakfast is served, a special permit for a bed and breakfast is required; a special permit for a boarding house is required for other hosted rentals A boarding house is "[a] single-family dwelling in which the owner resides and in which rooms may be let and board may be furnished to not more than six individuals in addition to the owner's family" <u>Regs § 2200</u>
Newington	None	According to the Town Planner's Office, neither bed and breakfasts nor Airbnb rentals are permitted in residential zones
Woodstock	"[A] dwelling, in which lodging and meals are offered or provided for compensation to one to twelve persons for limited periods of time not exceeding 30 consecutive days; the owner shall live on the property" <u>Regs Art. II, Definitions</u>	According to the Town Zoning Office, Airbnb rentals are considered to be bed and breakfasts and thus must obtain a zoning (home occupation) permit Requirements for home occupations include: (1) no more than half of the finished floor area of a dwelling unit may be used for the occupation and (2) the occupation is incidental and secondary to the residential use of the lot <u>Regs Art. VI, § E</u>

JSB:cmg

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Under the regulation, no more than four adults, in addition to related minor children, may use a single dwelling unit as a short-term rental at the same time. The regulation sets minimum usable floor area requirements of 70 square feet for one person and 50 square feet for each additional person, including children age one or older. The property owner must host any short-term rentals operated on a lot with only a single-family home or in a single-family home district.

The regulation specifies that short-term rental operators must obtain a zoning permit from the city; permits are valid for three years. A special permit from the zoning commission is required if an operator seeks to exceed the regulation's default frequency and cumulative rental period limits. The city's zoning administrator may revoke a zoning permit or special permit if he or she learns that the rental has become a nuisance to neighbors (Hartford Zoning Regs § 3.5.1(E)).

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Table 1 (continued)

	<i>Bed and Breakfast, as Defined in Zoning Regulations</i>	<i>Regulation of Airbnb Rentals</i>
Kent	"A single-family dwelling in which the owner resides and in which sleeping accommodations and breakfast (but no other meals) may be provided to guests for compensation" <u>Regs § 2200</u> Depending on the zone, bed and breakfasts may have a maximum of three to six guest rooms; sanitarian or sewer commission must certify that water and sewerage systems are adequate; screening may be required to create a buffer from neighboring uses <u>Regs § 6300</u>	According to the Land Use Department, Airbnb rentals are not regulated if they are unhosted rentals; if the rental is hosted and breakfast is served, a special permit for a bed and breakfast is required; a special permit for a boarding house is required for other hosted rentals A boarding house is "[a] single-family dwelling in which the owner resides and in which rooms may be let and board may be furnished to not more than six individuals in addition to the owner's family" <u>Regs § 2200</u>
Newington	None	According to the Town Planner's Office, neither bed and breakfasts nor Airbnb rentals are permitted in residential zones
Woodstock	"[A] dwelling, in which lodging and meals are offered or provided for compensation to one to twelve persons for limited periods of time not exceeding 30 consecutive days; the owner shall live on the property" <u>Regs Art. II, Definitions</u>	According to the Town Zoning Office, Airbnb rentals are considered to be bed and breakfasts and thus must obtain a zoning (home occupation) permit Requirements for home occupations include: (1) no more than half of the finished floor area of a dwelling unit may be used for the occupation and (2) the occupation is incidental and secondary to the residential use of the lot <u>Regs Art. VI, § E</u>

JSB:cmg



Making Great Communities Happen

Connecticut Chapter of the American Planning Association

**Testimony regarding
Proposed H.B. No. 6937-- AN ACT REGULATING SHORT TERM RENTALS**

In 2017, the Town of Stonington Planning Department prepared a report summarizing options to regulate short-term rentals based on their research of the issues and public outreach to local residents. This report is attached as background information for the Committee's use. In summary, the planning department in that community concluded that a municipal ordinance regulating such rentals would be a more effective mechanism than zoning. The municipal ordinance approach has the following benefits:

- Eliminates potential of existing properties to claim grandfathered rights to operate short term rentals
- License would be granted to operator instead of to property
- Stronger enforcement options (potential for police enforcement instead of relying on availability of zoning enforcement officer).

In addition, we would add that land use regulations regarding short-term rentals are more appropriately determined by individual municipalities rather than the State. As the report notes, towns like Stonington, which are located in tourist destinations, have a history of seasonal, monthly, or weekly rentals that have economic benefits to these communities and to local property owners.

WHO WE ARE

The Connecticut Chapter of the American Planning Association (CCAPA) has over 420 members who are governmental and consulting planners, land use attorneys, citizen planners, and other professionals engaged in planning and managing land use, economic development, housing, transportation, and conservation for local, regional, and State governments, private businesses and other entities. CCAPA has long been committed to assisting the legislature and State agencies with developing and furthering responsible growth management principles. The APA is an independent, not-for-profit, national educational organization that provides leadership in the development of vital communities.

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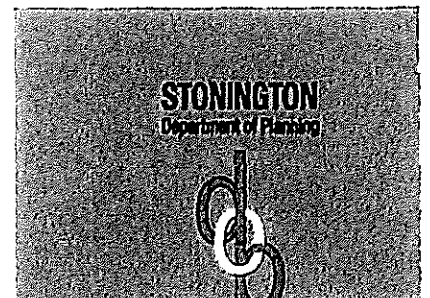
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2017 Short-term Rentals Report



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Report issued to:
Stonington Planning and Zoning Commission

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Curtis Lynch, Vice Chair
Frances Hoffman, Secretary
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Report prepared by:
Stonington Department of Planning

January 13, 2017

About the Department of Planning

The Stonington Department of Planning is a Town Charter-established agency that works under the direction of the First Selectman of the Town of Stonington. The team is comprised of land use and community development professionals, that work to implement recommendations in the Town's Plan of Conservation and Development, review land use applications, and enforce land use regulations.

Jason Vincent, AICP – Director of Planning
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BACKGROUND

Short-term rentals (STR) are dwelling units, or portions thereof, that are temporarily rented. In recent years, technology has made it easier to rent bedrooms and houses. The industry is thriving. Stonington is an attractive place to visit and the demand for rentals is high.

In the summer of 2015, the Stonington Department of Planning received a complaint regarding the activity of an AirBnB operation in the village of Mystic. After reviewing the Town Zoning Regulations, the Department's enforcement team made a determination that AirBnB is not a permitted use in a residential zoning district because short-term rentals (less than 30 days) are not a permitted use.

Since that time, the Department has continued to approach AirBnb as an activity that is not allowed in the Town. In 2016, a Vacation Rental By Owner (VRBO) complaint was received by the Department. Again, the enforcement team evaluated Town regulations, and past enforcement actions, including the AirBnB issue and determined that this activity was not permitted in the Stonington.

Both the AirBnb and VRBO are activities that can be classified as short-term (transient) rentals. In the past, many short-term rental opportunities that occurred in Stonington were as a result of long-term relationships that renters had with the property owner, or sourced via print media. The advent of the internet has enabled new tools to connect property owners to potential renters.

TYPES OF SHORT-TERM RENTALS

TYPE	ACCESSORY STR	PRINCIPAL STR
DETAILS	• Are owner-occupied or associated with an owner-occupied principal dwelling unit. • Include the rental of an entire dwelling unit, or if only part of the unit, include at a minimum a sleeping room (with shared full bathroom), is limited to a single party of individuals, and the owner is generally present during the rental	• Are not owner-occupied or associated with an owner-occupied principal dwelling unit • Include rental of an entire dwelling unit
TYPICAL TERMS	• Room for rent • AirBnb	• House for rent • Cottage for rent • VRBO • AirBnb • Homeaway

AirBnB - a peer-to-peer online marketplace and homestay network enabling people to list or rent short-term lodging in residential properties, with the cost of such accommodation set by the property owner. The company receives percentage service fees from both guests and hosts in conjunction with every booking.

VRBO -- Vacation Rental By Owner - short-term and long-term rentals

Homeaway - a vacation rental marketplace with more than 1,000,000 vacation (short-term) rentals

SHORT-TERM RENTAL CONCERNS

- Expansive growth of STRs
- Safety of visitors and neighbors
- Neighborhood character
- Enforcement / regulation
- Problem operators
- Impact to residential areas
- Impact to long-term rental market
- Impact to housing affordability
- Impact on the hospitality industry

PUBLIC INPUT

In October of 2016, the Stonington Economic Development Commission became aware of the enforcement issue. They worked to evaluate the economic impact of short-term rentals and requested that the Planning and Zoning Commission conduct a forum on the topic. On December 20, 2016, the Planning and Zoning Commission conducted a public hearing. A summary of what we heard during that meeting:

REQUIRES BALANCE			
ECONOMIC VALUE	RISKS	OPPORTUNITIES	MANAGEMENT
• Enables vibrant villages • Visitors are an economic multiplier -- bring wealth • Tourism is a valuable cluster	• Neighborhood quality (e.g., village character, traffic) • Adverse property value impact • Bad behavior	• Visitor experience • Technology provides resources • National shift towards sharing economy	• Need standards (e.g., parking, occupancy) • May not fit everywhere, let neighborhoods decide • Communication tools are needed

ALTERNATIVES ANALYSIS

Moving forward, the Commission has several options when it comes to addressing short-term rentals. They range from a very passive approach, keeping things the same, to more aggressive approaches (e.g., changing regulations, new regulations, no regulations)

This report provides the follow alternatives for the Planning and Zoning Commission to consider:

DO NOTHING	NOT REGULATE	REGULATE
• Confirm the Department of Planning interpretation that short-term rentals are not allowed in Stonington – continue to prohibit short-term rentals in Stonington	• Determine that short-term rentals are not regulated by zoning and are therefore allowed and not regulated	• Recognize that short-term rentals are regulated (not allowed), but should be allowed; • Establish zoning regulations for the allowance of short-term rentals

The following pages explore these options in some detail.

DO NOTHING	NOT REGULATE	REGULATE
------------	--------------	----------

Every project includes a “do nothing” option. The status quo is that short-term rentals are **not allowed** in Stonington. However, what is a short-term rental? Since zoning does not concern itself with tenure, and transient is not defined, short-term rentals have been aligned with the Connecticut Building Code occupancy standard, which is 30 days (see “transient” term in sidebar).

The Department of Planning’s interpretation of the zoning regulations is that transient rentals (less than 30 days) are not listed as a permitted use in residential zones; therefore, it is not allowed. This applies to the AirBnb and VRBO-type programs.

Doing nothing will provide the Department of Planning with direction that any future short-term rental violations should be resolved via the zoning enforcement process.

DO NOTHING	NOT REGULATE	REGULATE
------------	--------------	----------

Stonington, like many other communities, has zoning regulations that are not as black and white as they are perceived. The regulations are one-third of any overall regulatory framework which includes the enabling legislation (Connecticut General Statutes Chapter 124) and legal determinations made via the judicial system (i.e., Connecticut and Federal courts). As enforcement agents, it is critical to understand all three of these elements.

Of note is that tenure (see sidebar on page 3) is not regulated by zoning. Who owns, or occupies a particular property is not a factor in the permit or enforcement process.

The question then becomes, does time of occupancy change this fact? Stonington does define a residence (see sidebar on page 4) as “...dwelling units for permanent occupancy...,” which could be interpreted as a statement about the principal land use, rather than any activities conducted on the property.

TERMS

TENURE – The financial arrangements under which someone has the right to occupy a dwelling unit (e.g., house, apartment). The most frequent forms are tenancy (rent is paid to a landlord) and owner-occupancy.

TRANSIENT - Occupancy of a dwelling unit or sleeping unit for not more than 30 days. (CT Building Code). Term is used three times in Stonington Zoning Regulations (ZR): 1.2.2 Hotel; 1.2.2 Tourist Home; and 6.6.17 Bed and Breakfast; However, it is not defined

STONINGTON ZONING DEFINITIONS

DWELLING UNIT - A structure, or part thereof, containing complete housekeeping facilities limited to use by one (1) family).

FAMILY – One or more persons who live together and maintain a common household, related by blood, marriage, or adoption. A group of not more than four (4) persons who need not be related who are living together in a single dwelling unit and maintaining a household shall also be considered a family. A roomer, boarder or lodger shall not be considered a member of the family, and no roomer, boarder or lodger shall be permitted where the family is defined as a group of unrelated persons.

TERMS

TOURIST HOME – A dwelling unit in which sleeping accommodations for more than two (2) but less than five (5) bedrooms are rented out for transient occupancy.

RESIDENCE – One or more dwelling units for permanent occupancy located in a permanent structure or building.

DO NOTHING	NOT REGULATE	REGULATE
------------	--------------	----------

Nationally, municipalities regulate short-term transient rentals in one of two ways: zoning or town ordinance.

ZONING	TOWN ORDINANCE
• can specify which zoning districts allow short-term rentals and can require special use permits and site plan review for certain levels of activity (e.g., number of bedrooms) • permit is issued to the property, not the operator • enforcement through zoning official / Department of Planning, at the direction of the Planning and Zoning Commission	• can manage this activity via a licensing process • no vested rights, no non-conformities • license is issued to operator, not the property • enforcement agent(s) designated by ordinance

Most communities are regulating short-term rentals via ordinance because the approval is issued to the operator, and updates to the law (which occur from time-to-time) and binding on all operators.

Ordinances can only be adopted by the town's legislative body, the Town Meeting.

REGULATION OF SHORT-TERM RENTALS MIGHT INCLUDE:

- Posting or availability at the town hall of local contact(s) responsible for handling problems.
- Off-street parking standards.
- Noise and nuisance provisions.
- Garbage collection requirements.
- Spacing requirements between short-term rentals. A distance from one STR to another may be required to assure that an entire block does not turn into a short-term rental district.
- Reinforcement of the normal occupancy limits (i.e., number of persons who may live in the home).
- Proof of code compliance, fire safety measures, adequate water and sewer service, or other utilities or infrastructure that may be of particular concern.
- Requirements for notifying neighbors.
- Limitations on turnover. There may be a minimum stay or a maximum number of days that the STR operates.
- Limitations on particular areas where short-term rentals are not allowed or are not regulated.
- Imposition of a special use permit requirement, allowing for scrutiny of the particular facts of a site before allowing such a use.

ENFORCEMENT CHALLENGES

- Does zoning regulate whether an occupant is a transient (see sidebar on page 3), or has a long-term interest in the property? The answer, via the zoning regulations, could be interpreted to be “it depends,” with the factor for consideration being the principal use of the property. It could be argued that an owner-occupied dwelling unit, in which one bedroom is rented to a transient occupant, still satisfies the principal use of a dwelling unit. Under the definition of Family (ZR 1.2.2, see sidebar on page 3), one to three unrelated persons can occupy a single dwelling unit with the property owner, and remain in compliance with the Zoning Regulations.
- How can the town enforce a minimum duration requirement when it is not defined in the regulations? It could be argued that the short-term rental of one bedroom is not a regulated activity in any of the commercial and residential zones. The tourist home use involves two to four bedrooms (see sidebar on page 4), Bed and Breakfasts (ZR 6.6.17) involve an intentionally commercial operation.

Some could also argue that the historic precedent of short-term rentals in the community, notably on Lord’s Point and Latimer Point, and lack of enforcement for these activities, resulted from a past interpretation that these activities were not regulated by zoning.

ZONING IS A BLUNT TOOL

If zoning is the preferred method to regulate this activity, it will do so in a blunt manner:

- It travels with the land, not the operator;
- It creates nonconformities and vested rights; future rule changes will become *challenging to enforce*;
- It is not highly-valued; there are too few resources to administer compliance

ENFORCEMENT AVOIDANCE

Enforcement of short-term rentals will prove to be difficult if transient (not more than 30 days) is the factor for enforcement.

A simple method of avoiding a violation would be for both parties to enter into a 31-day lease, and allow that lease to be terminated at the conclusion of the visit.

Documentation of a lease of 31 or more days would satisfy the transient component, and eliminate the zoning violation.

DIRECTION REQUIRED

The Department of Planning is seeking direction from the Commission.

As your administrative agent, responsible for enforcing the zoning regulations, it is important that we are taking an action that is supported by the Commission.

Are Short-term Rentals Currently Regulated by Zoning?

CHECK ONE

YES ☐

NO ☐

Should Short-term Rentals be Regulated via Zoning?

CHECK ONE

YES ☐

NO ☐

IF YES, Should the Planning and Zoning Commission work to develop Zoning Regulations for Short-term Rentals?

CHECK ONE

YES ☐

NO ☐

The Department of Planning's Role Regarding Short-term Rentals

- Administer and enforce regulations assigned to the Department via public policy decision-makers (e.g., Planning and Zoning Commission, Board of Selectmen, Town Meeting).
- Provide technical assistance as needed.

A PRACTICAL GUIDE TO EFFECTIVELY REGULATING SHORT-TERM RENTALS ON THE LOCAL GOVERNMENT LEVEL

Ulrik Binzer, Founder & CEO Host Compliance LLC

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Introduction: The meteoric rise of “home-sharing” and short-term rentals

Sharing our homes has been commonplace for as long as there have been spare rooms and comfortable couches. Whether through word of mouth, ads in newspapers or flyers on community bulletin boards, renters and homeowners alike have always managed to rent out or share rooms in their living spaces. Traditionally these transactions were decidedly analog, local and limited in nature, but with advance of the internet and websites such as Airbnb.com and HomeAway.com it has suddenly become possible for people to advertise and rent out their homes and spare bedrooms to complete strangers from far-away with a few mouse-clicks or taps on a smartphone screen. As a result, the number of homes listed for short-term rent has grown to about 4 million, a 10 fold increase over the last 5 years. With this rapid growth, many communities across the country are for the first time experiencing the many positive and negative consequences of an increased volume of “strangers” in residential communities. While some of these consequences are arguably positive (increased business for local merchants catering to the tourists etc.) there are also many potential issues and negative side-effects that local government leaders may want to try to mitigate by adopting sensible and enforceable regulation.

How to effectively regulate home-sharing and short-term rentals has therefore suddenly become one of the hottest topics among local government leaders across the country. In fact, at the recent National League of Cities conference in Nashville, TN, there were more presentations and work sessions dedicated to this topic than to any other topic. Yet, despite more than 32,000 news articles written on the topic in recent years¹, surprisingly little has been written on how to implement simple, sensible and enforceable local policies that appropriately balances the rights of homeowners with the interests of neighbors and other community members who may only experience the negative side-effects associated with people renting out their homes on a short-term basis. This guide seeks to address this knowledge gap and offer practical advice and concrete examples of short-term rental regulation that actually works.

Why regulate home-sharing and short-term rentals in the first place?

There are many good reasons why local government leaders are focused on finding ways to manage the rapid growth of home-sharing and short-term rental properties in their communities. To name a few:

1. Increased tourist traffic from short-term renters has the potential to slowly transform peaceful residential communities into “communities of transients” where people are less interested in investing in one another’s lives, be it in the form of informal friend groups or church, school and other community based organizations.



2. Short-term renters may not always know (or follow) local rules, resulting in public safety risks, noise issues, trash and parking problems for nearby residents.
3. So-called "party houses" i.e. homes that are continuously rented to larger groups of people with the intent to party can severely impact neighbors and drive down nearby home values.
4. Conversion of residential units into short-term rentals can result in less availability of affordable housing options and higher rents for long-term renters in the community.
5. Local service jobs can be jeopardized as unfair competition from unregulated and untaxed short-term rentals reduces demand for local bed & breakfasts, hotels and motels.
6. Towns often lose out on tax revenue (most often referred to as Transient Occupancy Tax / Hotel Tax / Bed Tax or Transaction Privilege Tax) as most short-term landlords fail to remit those taxes even if it is required by law.
7. Lack of proper regulation or limited enforcement of existing ordinances may cause tension or hostility between short-term landlords and their neighbors
8. The existence of "pseudo hotels" in residential neighborhoods (often in violation of local zoning ordinances etc.) may lead to disillusionment with local government officials who may be perceived as ineffective in protecting the interests of local tax-paying citizens.

In short, while it may be very lucrative for private citizens to become part-time innkeepers, most of the negative externalities are borne by the neighbors and surrounding community who may not be getting much in return. The big question is therefore not whether it makes sense to regulate short-term rentals, but how to do it to preserve as many of the benefits as possible without turning neighbors and other local community members into "innocent bystanders". In the next sections we will explore how to actually do this in practice.

Effective short-term rentals regulation starts with explicit policy objectives and a clear understanding of what regulatory requirements can be enforced

As with most regulation enacted on the local level, there is no "one size fits all" regulatory approach that will work for all communities. Instead local regulation should be adapted to fit the local circumstances and policy objectives while explicitly factoring in that any regulation is only worth the paper it is written on if it can be enforced in a practical and cost-effective manner.

Start with explicit policy objectives!

As famously stated in Alice in Wonderland: *"If you don't know where you are going, any road will get you there."* The same can be said about short-term rental regulation, and unfortunately many town and city councils end up regulating the practice without first thinking through the community's larger strategic objectives and exactly which of the potential negative side effects



associated with short-term rentals that the regulation should try to address. As an example, the Town of Tiburon in California recently passed a total ban of short-term rentals without thinking through the severely negative impact of such regulation on its stated strategic policy objective of revitalizing its downtown. Likewise the City of Mill Valley, California recently adopted an ordinance requiring short-term landlords to register with the city, while failing to put in place an effective mechanism to shut-down "party-houses" although there had been several complaints about such properties in the past. Such oversight was clearly unintentional but highlights the fact that the topic of regulating short-term rentals is extremely complicated and it is easy to miss the forest for the trees when it comes time to actually writing the local code. To avoid this pitfall, local government leaders should therefore first agree on a specific list of goals that the new short-term rental regulation should accomplish *before* discussing any of the technical details of how to write and implement the new regulation. Any draft regulation should be evaluated against these specific goals and only code requirements that are specifically designed to address any of those concrete goals should be included in the final ordinance. Below are a few concrete examples of what such lists of concrete policy objective could look like for various types of communities:

Example A: List of short-term rental policy objectives for an affluent residential community in attractive location

- Ensure that traditional residential neighborhoods are not turned into tourist areas to the detriment of long-time residents
- Ensure any regulation of short-term rentals does not negatively affect property values (and property tax revenue)
- Ensure that homes are not turned into pseudo hotels or "party houses"
- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Give permanent residents the option to occasionally utilize their properties to generate extra income from short-term rentals as long as all of the above mentioned policy objectives are met

Example B: List of short-term rental policy objectives for an urban community with a shortage of affordable housing

- Maximize the availability of affordable housing options by ensuring that no long-term rental properties are converted into short-term rentals
- Ensure that short-term rentals are taxed in the same way as traditional lodging providers to ensure a level playing field and maintain local service jobs
- Ensure that the city does not lose out on hotel tax revenue that could be invested in much needed services for permanent residents

- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Give citizens the option to utilize their properties to generate extra income from short-term rentals as long as all of the above mentioned policy objectives are met

Example C: List of short-term rental policy objectives for a working-class suburban community with ample housing availability and a struggling downtown

- Give property owners the option to utilize their properties as short-term rentals to help them make ends meet
- Encourage additional tourism to drive more business to downtown stores and restaurants
- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Ensure that the city does not lose out on tax revenue that could be invested in much needed services for permanent residents

Example D: List of short-term rental policy objectives for beach town with a large stock of traditional vacation rentals

- Ensure any regulation of short-term rentals does not negatively affect the value of second homes (and thereby property tax revenue)
- Encourage increased visitation to local stores and restaurants to increase the overall availability of services and maximize sales tax collections
- Minimize public safety risks and the noise, trash and parking problems associated with existing short-term rentals without creating additional work for the local police department

Once clear and concrete policy objectives have been formulated the next step is to understand what information can be used for code enforcement purposes, so that the adopted short-term rental regulation can be enforced in a cost-effective manner.

Only adopt policy requirements that can and will be enforced!

While it may seem obvious that *only enforceable legislation should be adopted*, it is mind-boggling how often this simple principle is ignored. To give a few examples, the two California towns previously mentioned not only failed to adopt regulation consistent with their overall strategic policy objectives, but also ended up adopting completely unenforceable rules. In the case of Tiburon, the town council instituted a complete ban of all short-term rentals within its jurisdiction, but not only failed to allocate any budget to enforce it, but also failed put in place

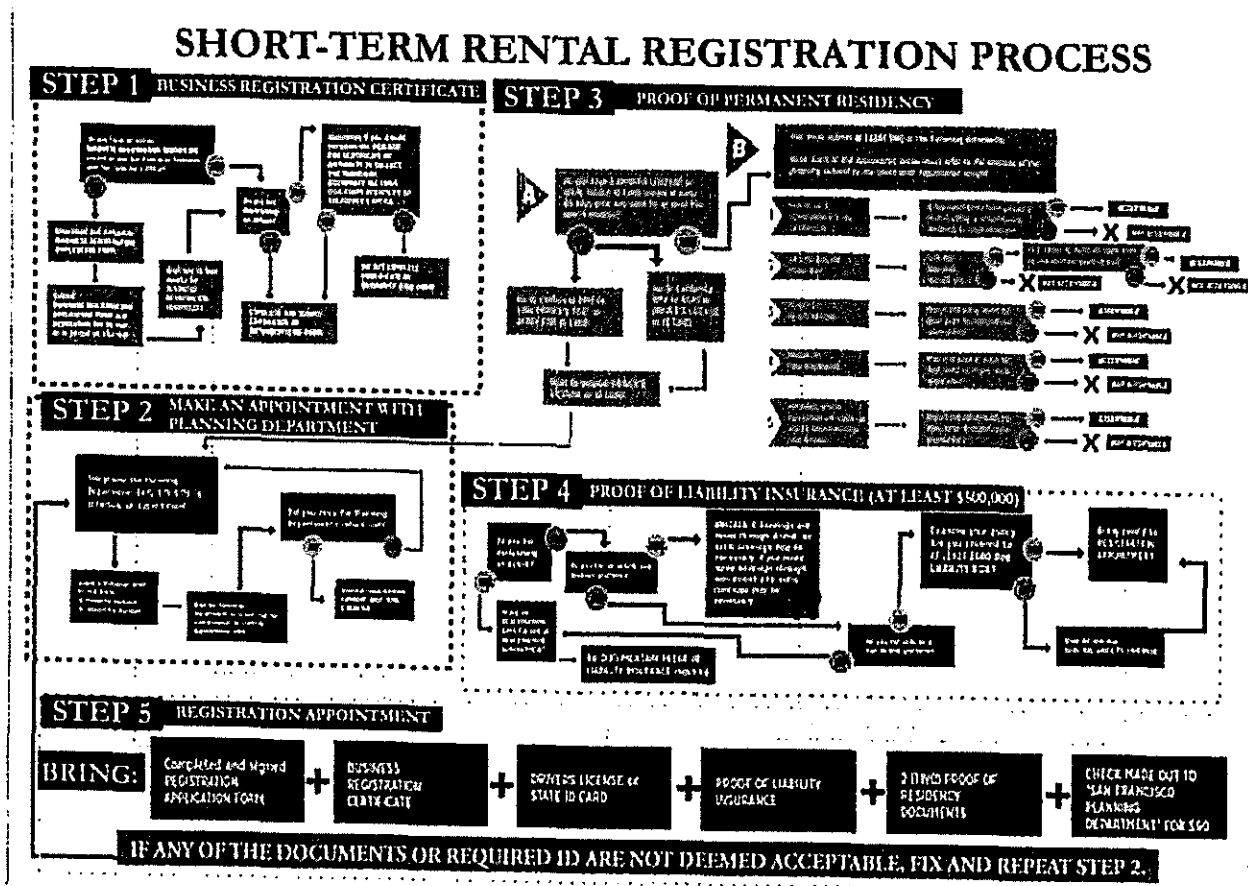
ines large enough to deter any violation of the ban. As a result, the number of properties listed for rent has remained virtually unchanged before and after the ban.

In the case of Mill Valley, the town's registration requirement turned out to be completely unenforceable as the town's personnel had neither the technical expertise, time nor budget to track down short-term landlords that failed to register. As a result, the town has had to rely exclusively on self-reporting, and unsurprisingly the compliance rate has been less than 5%.

As for local governments that require short-term rental property owners to pay tax to the local jurisdiction without allocating budget to enforcing such rules, they have found themselves in similar situations, with compliance rates in the 5% range.

Keep it simple!

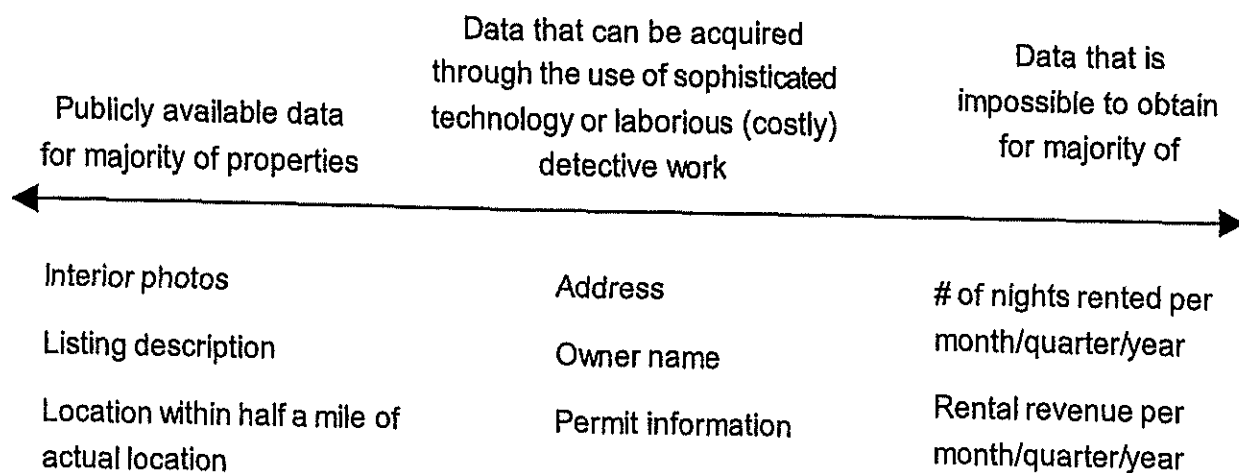
Another common mistake is for cities to adopt complicated rules that are hard for citizens to understand and follow and that require large investments in enforcement. As an example, despite setting up a dedicated department to enforce its short-term rental regulation, the City of San Francisco has only achieve a 10-15% compliance rate as its regulation is so complicated and its registration process so agonizing that most people give up before even trying to follow the rules. Below is flow-chart that illustrates San Francisco's cumbersome short-term rental registration process.





While hindsight is 20/20, it is worth noting that the registration requirements were probably well-intended and made logical sense to the council members and staff that adopted them. The problem was therefore not ill-will but a lack of understanding of the practical details as to how the various short-term rental websites actual work. As an example, San Francisco's short-term rental regulation require that property owner's display their permit number on any advertising (including online listings) whereas Airbnb's website has built-in functionality that specifically prevents short-term landlords from doing so and automatically deletes all "permit sounding" information from the listings in most locations. Likewise, San Francisco's legislation bans anyone for renting their homes for more than 90 days per calendar year, while none of the home-sharing websites give code enforcement officers the ability to collect the data necessary to enforce that rule. To make matters worse, the listing websites have refused to share any property specific data with the local authorities and have even gone as far as suing the cities that have been asking for such detailed data. Local government officials should therefore not assume that the listing websites will be collaborative when it comes to sharing data that will make it possible for local code enforcement officers to monitor compliance with complicated short-term rental regulation on the property level. Instead, local government leaders should seek to carefully understand the data limitations before adopting regulation that cannot be practically enforced. To get a quick overview of what information that can be relied on for short-term rental compliance monitoring and enforcement purposes, please see the diagram below that shows which:

1. data is publicly available on the various home-sharing websites
2. information that can be uncovered through the deployment of sophisticated "big data" technology and trained experts (or time-consuming and therefore costly detective work conducted by a town's own staff)
3. property specific details that are practically impossible to obtain despite significant investment of time and money



So where does that leave local government leaders who want to put in place enforceable short-term rental regulation? In the next section we will explore, describe, and assess the viable regulatory tools available for local government leaders to effectively address the key issues related to taxation, regulation, social equity and economic development.

Viable regulatory approaches to managing short-term rentals

As mentioned earlier, the first step to creating effective short-term rental regulation is to document and get agreement on a set of clear and concrete policy objectives. Once this has been accomplished, putting together the actual regulatory requirements can be simplified by referring to the "cheat sheet" below, which lists the regulatory levers that can be pulled to accomplish those goals in a practical and cost-effective manner while factoring in the data limitations highlighted in the previous section.

Short-term Rental Policy Objectives and the Associated Viable Regulatory Approaches		
Policy Objective	Viable Regulatory Approach(es)	Unviable Regulatory Approach(es)
Give <i>law abiding and respectful</i> citizens the option to utilize their homes as short-term rentals	Adopt a formal annual permitting requirement and a process for revoking permits from "trouble properties". As an example a local government can adopt a "3 strikes rule" whereby a permit is automatically revoked for a number of years in the event the local government receives 3 (substantiated) complaints about a property within a certain time frame (i.e. a 24 month period). Alternatively, a local government can adopt a rule by which a permit is automatically revoked in the event the town receives conclusive evidence (police report, video evidence etc.) that a city ordinance has been violated.	Failing to clearly specify what rules law abiding and respectful short-term landlords and their renters must comply with. Adopting regulation that does not clearly define the criteria and process for revoking a short-term rental permit.
Ensure that speculators do not buy up homes to turn them into pseudo hotels while still giving <i>permanent</i>	Adopt a formal permit requirement and make it a condition that the permit holder verifies residency on an annual	Adopting a permitting process that does <u>not</u> formally require short-term rental permit

residents the option to utilize their homes to generate extra income from short-term rentals	basis by submitting the same documentation as is required to verify residency for public school attendance purposes	holders to verify that they are permanent residents of the permitted property
Ensure that homes are only occasionally used as short-term rentals (and not continuously rented out to new people on a short term basis)	It is unfortunately not practically possible to enforce any formal limits on the number of times or number of days that a particular property is rented on an annual/quarterly/monthly basis, but adopting a permanent residency requirement for short-term rental permit holders (see above) can ensure that there is a practical upper limit to how often most properties are rented out each year (most people can only take a few weeks of vacation each year and they are therefore practically restricted to rent out their homes for those few weeks). There is unfortunately no easy way to deal with the tiny minority of homes where the "permanent resident" owners have the ability to take extended vacations and rent out their home continuously. That said, if the above mentioned "permanent residency requirement" is combined with rules to mitigate noise, parking and trash related issues, the potential problems associated with these few homes should be manageable. Adopting a "permanent residency requirement" also comes with the additional side benefit that most people don't want to rent out their primary residence to people who may trash it or be a nuisance to the neighbors. The "permanent residency requirement" can therefore also help minimize noise, parking and trash related issues.	A formal limit on the number of times or number of days each property can be rented on an annual/quarterly/monthly basis is not enforceable as occupancy data is simply not available without doing a formal audit of each and every property.

Ensure homes are not turned into "party houses"	Adopt a formal permit requirement and put in place a specific limit on the number of people that are allowed to stay on the property at any given time. The "people limit" can be the same for all permitted properties (i.e. a max of 10 people) or be correlated with the number of bedrooms. In addition, the regulation should formally specify that any advertisement of the property (offline or online) and all rental contracts must contain language that specifies the allowed "people limit" to make it clear to (potential) renters that the home cannot be used for large gatherings. While not bullet-proof, adopting these requirements will deter most abuse. In addition it is possible to proactively enforce this rule as all listing websites require (or allow) hosts to indicate their property's maximum occupancy on the listings.	Adopting any regulation that does not clearly define what types of uses are disallowed will be ineffective and likely result in misinterpretation and/or abuse.
Minimize potential parking problems for the neighbors of short-term rental properties	Adopt a formal permit requirement and put in place a specific limit on the number of motor vehicles that short-term renters are allowed to park on/near the property. The "motor vehicle limit" can be the same for all permitted properties (i.e. a max of 2) or be dependent on the number of permanent parking spots available on the property. In addition, the regulation should formally specify that any advertisement of the property (offline or online) and any rental contract must contain language that specifies the allowed "motor vehicle limit" to make it clear to (potential) renters that bringing more cars is disallowed. As with the "people limit" rule mentioned above,	Adopting any regulation that does not clearly define a specific limit on the number of motor vehicles that short-term renters are allowed to park on/near the property.

	adopting these parking disclosure requirements will deter most abuse. In addition it is easy to proactively enforce <i>this rule as most listing websites</i> require or allow their hosts to describe their property's parking situation on the listing.	
Minimize public safety risks and possible noise and trash problems without creating additional work for the local police department and code enforcement personnel	1. Require that all short-term rental contracts include a copy of the local sound/trash/parking ordinances and/or a "Good Neighbor Brochure" that summarizes the local sound/trash/parking ordinances and what is expected of the renter. 2. Require that short-term rental permit holders list a "local contact" that can be reached 24/7 and immediately take corrective action in the event any non-emergency issues are reported (i.e. deal with suspected noise, trash or parking problems) 3. Establish a 24/7 hotline to allow neighbors and other citizens to easily report non-emergency issues without involving local law/code enforcement officers. Once notified of a potential ordinance violation, the hotline personnel will contact the affected property's "local contact", and only involve the local law and/or code enforcement personnel in the event that the "local contact" is unsuccessful in remedying the situation within a reasonable amount of time (i.e. 20-30 minutes).	Adopting any regulation and enforcement processes that do not explicitly specify how non-emergency problems should be reported and addressed.
Ensure that no long-term rental properties are converted to short-term	Adopt a permanent residency requirement for short-term rental permit holders (see above) to	Adopting a permitting process that does not formally require short-

rentals to the detriment of long-term renters in the community	prevent absentee landlords from converting long-term rental properties into short-term rentals.	term rental permit holders to verify that they are permanent residents of the permitted property will be ineffective in preventing absentee landlords from converting their long-term rental properties into short-term rentals.
Ensure that residential neighborhoods are not inadvertently turned into tourist areas to the detriment of permanent residents	Implement one or both of the following regulatory approaches: 1. Adopt a formal permit requirement and set specific quotas on the number of short-term rental permits allowed in any given neighborhood, and/or 2. Adopt the "permanent residency requirement" for short-term rental permit holders (mentioned above) to ensure that there is a practical upper limit to how often any property is rented out each year	Adopting a complete ban on short-term rentals, unless such a ban is heavily enforced.
Ensure any regulation of short-term rentals does not negatively affect property values or create other unexpected negative long-term side-effects	Adopt regulation that automatically expires after a certain amount of time (i.e. 2-5 years) to ensure that the rules and processes that are adopted now are evaluated as the market and technology evolves over time.	Adopt regulation that does not contain a catalyst for evaluating its effectiveness and side-effects down the line.
Ensure the physical safety of short-term renters	Adopt a physical safety inspection requirement as part of the permit approval process. The inspection can be conducted by the municipality's own staff or the local fire/police force and can cover various amounts of potential safety hazards. As a minimum such inspection should ensure that all rentals provide a minimum level of protection to the renters who are sleeping in	Adopting a self-certification process that does not involve an objective 3 rd party.

	unfamiliar surroundings and therefore may be disadvantaged if forced to evacuate the structure in the event of an emergency.	
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In addition to the above targeted regulatory measures, local governments should adopt requirements for short-term rental permit holders to maintain books and records for a minimum of 3 years so that it is possible to obtain the information necessary to conduct inspections or audits as required. Finally, it is imperative that local governments adopt fine structures that adequately incentivizes short-term landlords to comply with the adopted regulation. Ideally the fines should be proportionate to the economic gains that potential violators can realize from breaking the rules, and fines should be ratcheted up for repeat violators. Below is an example of a fine schedule that will work for most jurisdictions:

	1 st violation	2 nd violation	3 rd violation	4 th violation
Fine for advertising a property for short-term rent (online or offline) without first having obtained a permit or complying with local listing requirements	\$200 per day	\$400 per day	\$650 per day	Upon the fourth or subsequent violation in any twenty-four month period, the local government may suspend or revoke any permit. The suspension or revocation can be appealed.
Fine for violating any other requirements of the local government's short-term rental regulation	\$250 per day	\$500 per day	\$750 per day	
Notes: (a) Any person found to be in violation of this regulation in a civil case brought by a law enforcement agency shall be ordered to reimburse the local government and other participating law enforcement agencies their full investigative costs, pay all back-owed taxes, and remit all illegally obtained short-term rental revenue proceeds to the local government (b) Any unpaid fine will be subject to interest from the date on which the fine became due and payable to the local government until the date of payment. (c) The remedies provided for in this fine schedule are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the local government to address any violation or other public nuisance.				

Best Practices for Enforcing Short-term Rental Regulation

To implement any type of effective short-term rental regulation, be it a total ban, a permitting requirement, and/or a tax, local governments must expect to invest some level of staff time and/or other resources in compliance monitoring and enforcement. That said, most local governments are neither technically equipped nor large enough to build the true expertise and

sophisticated software needed to do this cost-effectively. There are several reasons why this is the case:

1. Rental property listings are spread across dozens (or hundreds) of different home sharing websites, with new sites popping up all the time (Airbnb and HomeAway are only a small portion of the total market)
2. Manually monitoring 100s or 1,000s of short-term rental properties within a specific jurisdiction is practically impossible without sophisticated databases as property listings are constantly added, changed or removed
3. Address data is hidden from property listings making it time-consuming or impossible to identify the exact properties and owners based just on the information available on the home-sharing websites
4. The listing websites most often disallow property owners from including permit data on their listings, making it impossible to quickly identify unpermitted properties
5. There is no manual way to find out how often individual properties are rented and for how much, and it is therefore very difficult to precisely calculate the amount of taxes owed by an individual property owner

Luckily, it is possible to cost-effectively outsource most of this work to new innovative companies such as Host Compliance that specialize in this area and have developed sophisticated big data technology and deep domain expertise to bring down the compliance monitoring and code enforcement costs to a minimum. In many situations, these companies can even take on all the work associated with managing the enforcement of the short-term rental regulation in return for a percentage of the incremental permitting fees, tax revenue and fine revenue that they help their local government partners collect. ***Adopting short-term rental regulation and outsourcing the administration and enforcement can therefore be net-revenue positive for the local government, while adding no or little additional work to the plates of internal staff. What's more, getting started generally requires no up-front investment, long-term commitment or complicated IT integration.***

That said, while it is good to know that adopting and enforcing short-term regulation can be net revenue positive if done in partnership with an expert firm, it is important to note that the economic benefits are only a small part of the equation and that local government leaders should also factor in the many non-economic benefits associated with managing and monitoring the rapidly growing short-term rental industry in their local communities. These non-economic benefits are often much more important to the local citizens than the incremental tax revenue, so even if the incremental revenue numbers may not seem material in the context of a local government's overall budget, the problems that unregulated and/or unmonitored short-term rentals can cause for the neighbors and other "innocent bystanders" can be quite material and should therefore not be ignored. Or as Jessica C. Neufeld from Austin, TX who suddenly found herself and her family living next to a "party house" reminds us: *"We did not buy our house to be*



living next to a hotel. Would you buy a home if you knew a hotel like this was operating next door, if you wanted to set your life up and raise a family?"

Conclusion

It is the responsibility of local government leaders to ensure that as few people as possible find themselves in the same unfortunate situation as Jessica and her family. In this white-paper we have outlined how to make it happen - in a revenue positive way. To find out more about how we can help your community implement simple, sensible and enforceable short-term rental regulation, feel free to visit us on www.hostcompliance.com or call us for a free consultation on (415) 715-9280. We would also be more than happy to provide you with a complimentary analysis of the short-term rental landscape in your local government's jurisdiction and put together an estimate of the revenue potential associated with adopting (or more actively enforcing) short-term rental regulation in your community.

About the Author

Ulrik Binzer is the Founder and CEO of Host Compliance LLC, the industry leader in short-term rental compliance monitoring and enforcement solutions for local governments.

Ulrik got the idea to found Host Compliance when he was serving on a committee appointed by his local town council to study possible ways to regulate short-term rentals in the local community. In preparation for his work on the committee, Ulrik spent countless hours researching how other municipalities had approached the regulation of short-term rentals, and it became evident that enforcing the regulations and collecting the appropriate taxes without the support of sophisticated technology was virtually impossible. As a result, Ulrik set out to build those tools and make them available to municipalities of all sizes at a fraction of the cost of what it would cost them to build and run such technology internally.

Prior to founding Host Compliance, Ulrik served as Chief Operating Officer of Work4 Labs - an 80 person Venture Capital backed technology company with offices in Silicon Valley and Europe, and Soligent Distribution LLC - the largest distributor of solar equipment to local governments and businesses in the Americas.

Before assuming executive management roles in technology companies, Ulrik served as Vice President of the private equity firm Golden Gate Capital, as a strategy consultant at McKinsey & Company and as an Officer in the Danish Army where he commanded a 42-person Platoon and graduated first in his class from the Danish Army's Lieutenant School.

Ulrik received his M.B.A. from Harvard Business School where he was as a Baker Scholar (top 5% of his class) and earned his Bachelor of Science degree in International Business from Copenhagen Business School and New York University.



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ⁱ Google News accessed on 1/5/2016

ⁱⁱ New York Times article: "New Worry for Home Buyers: A Party House Next Door", October 10, 2015

5 Rathkopf's The Law of Zoning and Planning § 81:11 (4th ed.)

Rathkopf's The Law of Zoning and Planning November 2020 Update
Arden H. Rathkopf, and Daren A. Rathkopf, Edward H. Ziegler, Jr.

Chapter 81. Residential Uses: Occupancy, Ownership, Rental Conversions, and Rent Control
Sara C. Bronin & Dwight H. Merriam*

I. Regulation of Occupancy or Ownership

§ 81:11. Short term rentals

References

Short-term rentals are becoming more common with the growth in Internet-based "house sharing" companies such as "Airbnb," "VRBO," and "HomeAway," which allow property owners to earn extra income by renting out to short-term tenants. Restrictions on short-term rentals and the house sharing industry are increasingly utilized by municipalities.¹ Such restrictions generally have been upheld where they are found to be substantially related to land use impact on the area. Prohibiting short-term occupancy in single-family areas has been held to be within the lawful scope of the zoning power.² A handful of cases, however, have invalidated regulation of short-term rentals or have subjected such regulations to takings review.³

A California appellate court opinion from 1991 typifies the majority approach. In *Ewing v. Carmel-By-The-Sea*,⁴ the court upheld the validity of a zoning ordinance provision that prohibited rental of residential property for fewer than thirty days. The ordinance in question prohibited "transient commercial use of residential property" defined as:

the commercial use, by any person, of Residential Property for bed and breakfast, hostel, hotel, inn, lodging, motel, resort or other transient lodging uses where the term of occupancy, possession, or tenancy of the property by the person entitled to such occupancy, possession or tenancy is for less than thirty (30) consecutive calendar days.

The ordinance defined “remuneration” as “compensation, money, rent, or other bargained for consideration given in return for occupancy, possession or use of real property.”⁵ The court rejected equal protection, taking, and vagueness constitutional claims and held that the ordinance did not violate any fundamental rights of association or privacy. The court found that the ordinance was supported by the city’s chief purpose in adopting the ordinance—“to provide an appropriately zoned land area within the City for permanent single-family residential uses and structures, and to enhance and maintain the residential character of the City.”⁶ The court stated:

It stands to reason that the ‘residential character’ of a neighborhood is threatened when a significant number of homes—at least 12% in this case, according to the record—are occupied not by permanent residents but by a stream of tenants staying a week-end, a week, or even 29 days. Whether or not transient rentals have the other ‘unmitigatable, adverse impacts’ cited by the Council, such rentals undoubtedly affect the essential character of a neighborhood and the stability of a community. Short-term tenants have little interest in public agencies or in the welfare of the citizenry. They do not participate in local government, coach little league, or join the hospital guild. They do not lead a scout troop, volunteer at the library, or keep an eye on an elderly neighbor. Literally, they are here today and gone tomorrow—without engaging in the sort of activities that weld and strengthen a community.

Plaintiffs attempt to equate this case with *Parr v. Municipal Court*, 3 Cal. 3d 861, 92 Cal. Rptr. 153, 479 P.2d 353 (1971), in which the Supreme Court confronted a Carmel zoning ordinance prohibiting, among other things, sitting or lying upon public lawn. The ordinance was accompanied by a “Declaration of Urgency” explaining that it was geared toward “an extraordinary influx of undesirable and unsanitary visitors to the City, sometimes known as ‘hippies.’” (Id. at p. 863, 92 Cal. Rptr. 153, 479 P.2d 353). The court concluded that the ordinance violated appellant’s right of equal protection by discriminating against a social class. Plaintiffs quote from the concurrence in *Building Industry Assn. v. City of Camarillo*, 41 Cal. 3d 810, 825, 226 Cal. Rptr. 81, 718 P.2d 68 (1986) (implied overruling on other grounds recognized by, *Four Point Entertainment, Inc. v. New World Entertainment, Ltd.*, 60 Cal. App. 4th 79, 70 Cal. Rptr. 2d 82 (2d Dist. 1997)) and (abrogation on other grounds recognized by, *Tudor Ranches, Inc. v. State Comp. Ins. Fund*, 65 Cal. App. 4th 1422, 77 Cal. Rptr. 2d 574, 63 Cal. Comp. Cas. (MB) 1020 (4th Dist. 1998)): “An impermissible elitist concept is invoked when a community constructs a legal moat around its perimeter to exclude all or most outsiders.” Plaintiffs argue that the ordinance challenged in *Parr* and Ordinance No. 89-17 demonstrate Carmel’s desire

to build a legal moat. The ordinance challenged in Parr was struck down; thus, plaintiffs reason, Ordinance No. 89-17 should meet the same fate.

We view the Ordinance here as very different from that in Parr, in which Carmel sought to ban entirely a certain element from the community. By Ordinance No. 89-17, Carmel does not seek entirely to ban short-term visitors. Indeed, we suspect that short-term visitors provide an economic boon that Carmel would be loath to eliminate. Rather, Carmel wishes simply to confine the accommodations for short-term visitors to areas outside the R-1 District—where, according to the record, there are approximately 950 such transient units.

Blessed with unparalleled geography, climate, beauty, and charm, Carmel naturally attracts numerous short-term visitors. Again, it stands to reason that Carmel would wish to preserve an enclave of single-family homes as the heart and soul of the city. We believe that this reason alone is “sufficiently cogent to preclude us from saying, as it must be said before the ordinance can be declared unconstitutional, that such provisions are clearly arbitrary and unreasonable, having no substantial relation to the public health, safety, morals or general welfare.”⁷

Note that absent a clear and unambiguous law prohibiting short-term rentals, such rentals have been allowed in residential areas.⁸ Short-term rentals cannot simply be restricted by claiming they fall under the definition of a similar use.⁹ For example, in *Svekh v. Zoning Hearing Board of Stroud Township*, it was found that the vacation rental of a homeowner’s single-family home did not meet the definition of an unpermitted “tourist home.”¹⁰ The court stated:

AirBnB has expanded the possible uses of a single-family dwelling, and the Township can address these new uses in the Zoning Ordinance. However, amendments cannot be effected by shoe-horning a use that involves renting an entire single-family home to vacationers into the definition of “tourist home.” The Property meets the definition of single-family residence because it has been “*designed for or occupied exclusively for one family.*”

Footnotes

- * Sara C. Bronin is the Thomas F. Gallivan Chair of Real Property Law and the Faculty Director of the Center for Energy & Environmental Law at the University of Connecticut School of Law. Her scholarship, including several books and the forthcoming Fourth Restatement of Property Law, examines property, land use, historic preservation, and sustainable development law. Also an architect, she consults on real estate development and public policy, and she serves as chair of the planning and zoning commission for the City of Hartford.
- Dwight H. Merriam is a land use planner and lawyer in Simsbury, Connecticut, practicing land use, real estate and environmental law. He is a Fellow and Past President of the American Institute of Certified Planners, former chair of the American Bar Association's Section of State and Local Government Law, a member of the American College of Real Estate Lawyers, a Counselor of Real Estate, a member of Owners' Counsel of America, and a member of the Association of Real Property and Infrastructure.
- 1 See ordinances cited at § 33:15.
- 2 See the following cases:
- Alabama.** *Slaby v. Mountain River Estates Residential Ass'n, Inc.*, 2011 WL 4790638 (Ala. Civ. App. 2011) (holding that cabin owners' short-term rental of their property did not violate the terms of the restrictive covenant limiting the use of the property to single-family residential purposes because they rented their property to groups who used the cabin for residential purposes only).
- California.** *Rosenblatt v. City of Santa Monica*, 940 F.3d 439, 445-447, 449, 452 (9th Cir. 2019) (upholding a vacation rental ordinance preventing property rentals for 30 days or less with an exception for rentals where a primary resident remained in the dwelling); *HomeAway.com, Inc. v. City of Santa Monica*, 918 F.3d 676 (9th Cir. 2019) (upholding denial of a preliminary injunction sought by short-term rental platforms Airbnb and HomeAway challenging the City of Santa Monica, California's short-term rental regulations on First Amendment right to freedom of association grounds where the court found the regulation applied to purely non-expressive conduct); *Homeaway.com, Inc. v. City of Santa Monica*, 2018 WL 1281772 (C.D. Cal. 2018) (municipal regulation of short-term rentals, including prohibiting booking transactions for residential properties not listed on the city's registry does not violate the Communications Decency Act; the First, Fourth, and Fourteenth Amendments of the U.S. Constitution; or the Stored Communications Act); *Young v. County of San Mateo*, 2005 WL 3454106 (N.D. Cal. 2005) (upholding validity of ordinance regulating bed and breakfast establishments, which prohibited the hosting of conferences, meetings, or social events); *Whitman v. City of San Buenaventura*, 2019 WL 1292274 (Cal. App. 2d Dist. 2019), unpublished/noncitable (upholding dismissal of challenge to short-term rental regulations as within the scope of proper zoning regulation).
- Florida.** *City of Miami v. AIRBNB, Inc.*, 260 So. 3d 478 (Fla. 3d DCA 2018) (local zoning prohibiting property from being used solely for short-term or vacation rentals not preempted by state law where the local zoning predated prospective state law); *Rollison v. City Of Key West*, 875 So. 2d 659 (Fla. 3d DCA 2004) (holding that owner's use of condominium unit for short-term rentals was a lawful nonconforming use; at time of owner's purchase, city's administration interpreted city's zoning code to allow short-term rental of transient housing if rental occurred less than 50% of year, owner complied with 50% rule and obtained required occupational license, and owner was engaged in short-term rentals prior to changes in zoning code that prohibited such rentals).
- Hawaii.** *Thinh Tran v. Department of Planning for County of Maui*, 2020 WL 3146584 (D. Haw. 2020) (challenge to Department of Planning's issuance of Notice of Violations on several grounds based on short-term rental ordinance turns on questions of state law and warranted Pullman abstention).
- Indiana.** *Siwinski v. Town of Ogden Dunes*, 949 N.E.2d 825 (Ind. 2011) (finding that property owners' short-term rental of their home violated the town ordinance prohibiting commercial use of property).
- Massachusetts.** *Hall v. Zoning Bd. of Appeals of Edgartown*, 28 Mass. App. Ct. 249, 549 N.E.2d 433 (1990) (interpretation of zoning prohibition of "transient residential facilities" based on whether tenants live together as a single housekeeping unit in family-like situation).
- Michigan.** *Reaume v. Township of Spring Lake*, 2019 WL 2195030 (Mich. Ct. App. 2019) (short-term rental neither a permitted use in the zone nor a nonconforming use, and township not equitably estopped to deny approval); *Eager v. Peasley*, 2017 WL 5907310, *11 (Mich. Ct. App. 2017) (holding that lake house owner's short-term rental of her property violated terms of the restrictive covenant limiting the use of the property to "private occupancy only" and "private dwelling" coupled with the prohibition against "commercial use" despite renting her property to groups who used the lake house for residential purposes only).
- New York.** *Airbnb, Inc. v. City of New York*, 373 F. Supp. 3d 467 (S.D. N.Y. 2019) (preliminary injunction granted on Fourth Amendment grounds to stop law from taking effect that would require short-term rental platforms, Airbnb and Homeaway to provide data on the customers using their platforms); *LuxuryBeachfrontGetaway.Com, Inc. v.*

Town of Riverhead, New York, 2018 WL 3617947, *2 (E.D. N.Y. 2018) ("although plaintiffs identify the subject [short-term rental] properties as 'residential houses,' since the function of the subject properties was commercial, and neither plaintiffs nor their potential guests used or intended to use the properties as a residence, [lower court] correctly concluded that the subject properties are not 'dwellings' within the meaning of the" Fair Housing Act) (citations omitted) (internal quotation marks modified); *Credit v. Southold Town Zoning Board of Appeals*, 179 A.D.3d 1058, 117 N.Y.S.3d 675 (2d Dep't 2020) (use of property as a short-term rental in a low-density residential zoning district does not constitute a legal nonconforming use); *Spilka v. Town of Inlet*, 8 A.D.3d 812, 778 N.Y.S.2d 222 (3d Dep't 2004) (amendment to zoning ordinance requiring special use permits for rental of non-owner-occupied dwellings for periods of less than four months not arbitrary or capricious). In *Soule v. Scalci*, 288 A.D.2d 585, 732 N.Y.S.2d 662 (3d Dep't 2001) the court holding that a zoning ordinance provision regulating a "tourist accommodation" as a private residence for "the overnight accommodation of guests" did not apply to an apartment building where separate housekeeping units were used for short-term rentals. The court found that transient rentals did not convert the apartment building into a tourist facility which required the rental of space in a private residence.

And see *Steenrod v. City of Oneonta*, 69 A.D.3d 1030, 892 N.Y.S.2d 649 (3d Dep't 2010) (substantial evidence in the record supported determination of city common council that landlord's proposed special use of rental property that he sought to rent to summer transients on weekly basis was undesirable due to current conditions in neighborhood, warranting judicial deference to council's denial of special use permit; council member cited congestion on the block due to expansion of nearby restaurant, fire department's regular use of street as shortcut, and existing use of other properties for summer transient rentals, provision in landlord's sample rental agreement requiring tenants to pay for on-site parking space permitted conclusion that tenants would choose to park on street to avoid extra expense, and neighbor raised public safety concerns regarding difficulty that emergency vehicles would have in traversing street); *City of New York v. 330 Continental LLC*, 60 A.D.3d 226, 873 N.Y.S.2d 9 (1st Dep't 2009) (finding that city stated claims for alleged violations of zoning regulation and apartment hotels' certificates of occupancy based upon alleged failure to use buildings "primarily" or "as a rule" for permanent occupancy).

Ohio. Kasper Invest. Properties, L.L.C. v. Put-in-Bay Twp. Bd. of Zoning Appeals, 2015-Ohio-4628, 49 N.E.3d 788 (Ohio Ct. App. 6th Dist. Ottawa County 2015) (it was not unreasonable for township board of zoning appeals to deny conditional use permit to investment company for the occasional rental of its home, a converted shiphouse, even assuming it had granted one to owners of neighboring property, where the properties were different in key respects, such as neighboring property was 1,500 square feet, shiphouse was 7,000 square feet, allowing it to be rented by many more people at one time, neighboring property was accessible from a public paved road, whereas the shiphouse was accessible only from a private road, and then only via an easement, and unlike in company's case, there was no evidence put forth that rental of the neighboring property generated complaints of traffic, noise or trash).

Oregon. Cope v. City of Cannon Beach, 317 Or. 339, 855 P.2d 1083 (1993), wherein an ordinance prohibiting the creation of new residential rental units for "transient occupancy" (i.e., rental for less than 14 days), and requiring the amortization of existing transient occupancy uses (except in cases of "hardship") was held not to constitute a taking of property. The court rejected a facial challenge to the ordinance after finding that the law substantially advanced the legitimate state purposes of providing affordable housing for permanent residents and preserving the residential character of certain neighborhoods. The law did not deny property owners all economically viable use of their land, since they could still rent their properties for periods of 14 or more days, or occupy the properties themselves.

Pennsylvania. Slice of Life, LLC v. Hamilton Township Zoning Hearing Board, 207 A.3d 886 (Pa. 2019) (exclusive use of a residence for short-term rental is not a "single-family" use and not permitted in the residential district); *Kintner v. Zoning Hearing Board of Smithfield Township*, 2019 WL 178486 (Pa. Commw. Ct. 2019) (no nonconforming use established where short-term rental tenants were not "family" defined as "as many as six (6) persons living together as a single, permanent and stable nonprofit housekeeping unit" as that term was used in the zoning district limited to "one-family detached dwelling" use); *Pham v. Upper Merion Tp. Zoning Hearing Board*, 113 A.3d 879 (Pa. Commw. Ct. 2015) (held tie-vote adequate for appellate review and that a "more reasonable" use of the property was insufficient to support a use variance to conduct a bed and breakfast).

Texas. Schack v. Property Owners Association of Sunset Bay, 2018 WL 3470647 (Tex. App. Corpus Christi 2018), rule 53.7(f) motion granted, (Aug. 30, 2018) (definition of "family" and other occupancy restrictions in homeowners association covenants did not preclude short-term rentals); compare *Ridgepoint Rentals, LLC v. McGrath*, 2017 WL 6062290 (Tex. App. Beaumont 2017), petition for review filed, (Dec. 18, 2017) (holding that property owner's short-term rental of vacation home violated terms of deed restriction that "[t]he land to be conveyed hereunder shall be used for residential purposes only" and "[t]he term 'residential purposes' as used herein shall be held and construed to exclude hospitals, clinics, duplex houses, apartment houses, boarding houses, hotels, and all other commercial uses and all such uses of said property are hereby expressly prohibited") with *Boatner v. Reitz*, 2017 WL 3902614 (Tex. App. Austin 2017) (holding property owner's short-term rental of property did not violate terms of subdivision deed restriction that "[a]ll tracts shall be used for residence purposes only, and not for business" because such restrictions are ambiguous).

Utah. Brown v. Sandy City Bd. of Adjustment, 957 P.2d 207 (Utah Ct. App. 1998) (dictum) (city has authority to prohibit short-term rentals in single-family neighborhood).

Wisconsin. Forshee v. Neuschwander, 2018 WI 62, 381 Wis. 2d 757, 914 N.W.2d 643 (2018) (ambiguous subdivision

covenant prohibiting commercial activity narrowly interpreted to protect the free use of private property and not prohibit short-term rentals); *Vilas County v. Accola*, 2015 WI App 52, 866 N.W.2d 406 (Wis. Ct. App. 2015) (holding that zoning ordinance permitted short-term rental of single-family detached dwelling units located in a single-family residential district).

3 See *Morgan County v. May*, 305 Ga. 305, 824 S.E.2d 365 (2019) (criminal citation dismissed where short-term rental ordinance was unconstitutionally vague as it applied to rentals of seven nights where property owner had a vested right to continue short-term rentals); *Robert D. Ferris Trust v. Planning Com'n of County of Kauai*, 138 Haw. 307, 378 P.3d 1023 (Ct. App. 2016) (county ordinance which required "owner, operator or proprietor" seeking to operate a single-family transient vacation rental as nonconforming use to have consent of 75% of lot owners, was ambiguous, precluding county planning department from refusing to consider or process trust's application for a non-conforming use certificate on the basis that trust did not have a 75% or more controlling interest in the equitable and legal title of the lot; trust fell within the ordinary meaning of "operator" and "proprietor" based on its operation of its transient vacation rental business); *Repair Master, Inc. v. Borough of Paulsboro*, 352 N.J. Super. 1, 799 A.2d 599 (App. Div. 2002), the court holding that a borough lacked authority under the general police power and under the municipal land use regulatory power to attempt to control the rental occupancy of single-family homes and non-owner occupied duplex units in an effort to manage community dynamics and demographics. The court stated:

We conclude that the Legislature did not imply the power to municipalities to deny or regulate a property owner's right to rent non-owner occupied residential housing in an effort to alter the community's dynamics and demographics, and control the ratio of owners and tenants. This is a power we simply will not infer in light of the evidence and the history of our land use and occupancy jurisprudence. If this power is conferred on municipalities, we think it should be the result of legislative deliberation and evaluation of all the complex considerations, not from a judicially-created attempt to accommodate a single, though doubtlessly sincere, municipal effort. The problem could be compounded if other municipalities were to take this route and seek an arguably more desirable occupancy mix. Specific legislative approval should be a precondition to the exercise of a power we consider a radical regulatory development.

And see *Village of Tiki Island v. Ronquille*, 463 S.W.3d 562 (Tex. App. Houston 1st Dist. 2015) (finding property owner adequately pled that ordinance prohibiting short-term rentals constituted a regulatory taking). But see *Wallace v. Town of Grand Island*, 184 A.D.3d 1088, 126 N.Y.S.3d 270 (4th Dep't 2020) (prohibition on short-term rentals is not a taking when the plaintiff shows only a "mere diminution" in property's value).

4 *Ewing v. City of Carmel-By-The-Sea*, 234 Cal. App. 3d 1579, 286 Cal. Rptr. 382 (6th Dist. 1991).

5 286 Cal. Rptr. at 384–85.

6 *Id.* at 388.

7 *Id.* at 388–89 (citing *Miller v. Board of Public Works of City of Los Angeles*, 195 Cal. 477, 234 P. 381, 38 A.L.R. 1479 (1925), the California court further commented:

The California Supreme Court employed language now a bit dated yet plainly relevant to the case at hand: "[W]e think it may be safely and sensibly said that justification for residential zoning may, in the last analysis, be rested upon the protection of the civic and social values of the American home. The establishment of such districts is for the general welfare because it tends to promote and perpetuate the American home. It is axiomatic that the welfare, and indeed the very existence of a nation depends upon the character and caliber of its citizenry. The character and quality of manhood and womanhood are in a large measure the result of home environment. The home and its intrinsic influences are the very foundation of good citizenship, and any factor contributing to the establishment of homes and the fostering of home life doubtless tends to the enhancement not only of community life but of the life of the nation as a whole." (*Miller v. Board of Public Works of City of Los Angeles*, 195 Cal. 477, 234 P. 381, 38 A.L.R. 1479 (1925), error dismissed, 273 U.S. 781, 47 S. Ct. 460, 71 L. Ed. 889 (1927).) The court observed that with home ownership comes stability, increased interest in the promotion of public agencies, such as schools and churches, and "recognition of the individual's responsibility for his share

in the safeguarding of the welfare of the community and increased pride in personal achievement which must come from personal participation in projects looking toward community betterment."

Id. at 388

- 8 See Heef Realty and Investments, LLP v. City of Cedarburg Bd. of Appeals, 2015 WI App 23, 361 Wis. 2d 185, 861 N.W.2d 797 (Ct. App. 2015), review denied, 2015 WI 78, 865 N.W.2d 503 (Wis. 2015), review denied sub nom. Heef Realty & Invs. LLP v. City of Cedarburg Bd. of Appeals, 2015 WI 78, 865 N.W.2d 503 (Wis. 2015) (short-term rental was permitted use in single-family residential district; ordinance did not clearly and unambiguously prohibit such use, nor could the city draw a line requiring a certain time-period of occupancy for property to be considered a dwelling or residence without enacting a law); In re Toor, 192 Vt. 259, 2012 VT 63, 59 A.3d 722 (2012) (holding renting out single-family home for short-term vacations did not constitute a change in use and did not require a permit); Allen v. City of Key West, 59 So. 3d 316 (Fla. 3d DCA 2011) (property owners' use of their properties for short-term rentals was a lawful nonconforming use, where locality attempted to change definition of "transient housing" to include short-term rentals).
- 9 See Fruchter v. Zoning Bd. of Appeals of Town of Hurley, 133 A.D.3d 1174, 20 N.Y.S.3d 701 (3d Dep't 2015) (property owner's renting out of two-bedroom single-family residence did not fit into town code's definitions of bed and breakfast or hotel and was thus not expressly prohibited); Marchenko v. Zoning Hearing Board of Pocono Township, 147 A.3d 947 (Pa. Commw. Ct. 2016) (property owner's short-term rentals in single-family district did not constitute a "lodge").
But see Slice of Life, LLC v. Hamilton Township Zoning Hearing Board, 207 A.3d 886 (Pa. 2019) (exclusive use of a residence for short-term rental is not a "single-family" use and not permitted in the residential district); Jackson & Co. (USA), Inc. v. Town of Avon, 166 P.3d 297 (Colo. App. 2007) (owner's use of duplex for short-term rental constituted a "lodge" that violated subdivision plat and ordinance prohibitions on lodges).
- 10 Shvekh v. Zoning Hearing Board of Stroud Township, 154 A.3d 408 (Pa. Commw. Ct. 2017).

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Ledyard, News

After Two-Year Trial, Ledyard Debates New Approach to Short-Term Rentals

— Brendan Crowley, 1.3.2022



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LEDYARD —The town is debating how to regulate short-term rentals — like those advertised by AirBnB and VRBO — after a two-year



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experimental ordinance fell short of expectations. The ordinance expires at the end of February to widespread agreement that the current rules lack teeth to sufficiently address neighbors' concerns about party rentals and absentee landlords.

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Town Councilor Andra Ingalls said that when the ordinance was implemented, the town council had been studying how other towns were regulating short-term rentals. The professional advice from the town attorney at the time was that it would be better as an ordinance, she said.

"We knew we were on a big learning curve, as was every municipality, so we chose to go forward with an ordinance that includes a sunset clause after two years," Ingalls said. "We did that to force ourselves to look at the lessons learned. So here we are now, trying to figure out the best path forward."

The current debate centers around whether to continue using an ordinance but improve the enforcement mechanism, or opt instead to regulate short-term returns with zoning. The Town Council and Planning and Zoning Commission have until the end of February to make a decision, and members of both bodies expect to discuss the issue at meetings in January.

Mike Cherry, the town's zoning enforcement officer, said that the way the current ordinance is written, property owners advertising short-term rentals are required to have a permit, but there

is no penalty if they fail to comply – a loophole that benefits landlords who fail to comply with the rules.

“If you have a permit, and you violate the noise or parking or subletting – any of the requirements in the ordinance – the permit can be revoked,” Cherry said. “But if you’re running a short term rental without a permit, the only option the ordinance leaves is for the enforcement official to commence legal action.”

According to Cherry, because town officials didn’t foresee anyone operating a short-term rental without a permit, they didn’t create rules that would stop a property owner from operating a rental without one. Under existing rules, property owners are not subject to fines if they lack a permit, and they can’t lose what was never granted.

As of December, the town was aware of 8 homes advertised on AirBNB without a permit, and three with a permit.

Eric Treaster, a member of the Ledyard Zoning Board of Appeals, said that “commencing legal action” against a permitless host would entail a costly legal process for the town.

That enforcement limbo appears to have created a few situations where problem rentals are able to operate unchecked, disturbing neighbors in Ledyard’s quiet, wooded residential communities.

A local resident, David Muolo, told the Planning and Zoning Commission at a recent meeting that a neighboring house had been operating as an unpermitted short-term rental, and has repeatedly violated regulations without any enforcement.

Muolo said that the house has been occupied almost every weekend since April. On Thanksgiving, he said that he counted nine cars staying overnight, and he counted 15 cars on another occasion. Muolo told commission members that renters had been loud and disruptive until 2 or 3 in the morning.

"The town said, 'you can't have a permit,' and he said, 'Okay, I'll just rent it without a permit,'" Muolo said. "And he'll continue to do so until [the town fixes the regulations], because then they'll have some teeth to it."

Pam Bartlett, a resident of the town, said she was worried Ledyard and other small towns would lose a sense of community if neighborhoods are bought by corporations for rentals.

"There's going to be no neighborhoods, there aren't going to be homes available for families that want to live in a neighborhood," Bartlett said. "I don't think this was the intention at all of what AirBNB wanted to be. It was meant to be hosted in small villages where there weren't enough rooms for people to visit a unique place and learn about it, and meet the people who live there and feel like a part of the community. It's

turned into a profit engine and it's just eroding neighborhoods and communities."

Why an ordinance?

Two alternatives to the current rules are under discussion.

One is to continue regulating short-term rentals by ordinance, but add provisions to penalize noncompliance. The other, proposed by Treaster, is to create a new zoning regulation for short-term rentals.

According to Ingalls, for most towns there are three key goals for short-term rental regulations: allowing residential property owners to take advantage of the short-term rental market, reducing the issue of party rentals, and preventing commercial businesses from buying up residential housing stock for short-term rentals.

"So part of the question is, how are we going to enforce it. And the thought a couple of years ago was that the party house problems are going to happen over the weekend when the zoning enforcement officer isn't in the office, so people are going to call the police if there's going to be a disturbance," Ingalls said. "So that was why we were leaning towards an ordinance. But now we're having enforcement issues anyway."

Cherry said the problems with the first ordinance partly come from the lack of guidance that was available on regulating short-term rentals at the

time. They didn't envision people not bothering to get permits, or that people wouldn't strive to comply with regulations after being told they were out of compliance.

If there are issues at a short-term rental that leads the neighbors to complain, Cherry said they try to address it immediately. In some cases, the owner didn't realize there was an ordinance or that they needed a permit. Some of those decided they didn't want to bother with a short-term rental at all when they learned that, but others have been more problematic, Cherry said – especially absentee landlords who don't actually live in the houses.

Could zoning regulations help?

Kevin Dombrowski, chair of the Ledyard Town Council, which has been discussing a revised ordinance in its Administration Committee, said the council was still debating the relative merits of zoning and an ordinance. But Dombrowski said that he has always been in favor of regulating short-term rentals with zoning, and that a consensus appears to be coalescing in that direction.

Although in 2020 the advice of the town attorney was for an ordinance, the new Town Planner Juliet Hodge is now recommending a zoning regulation as easier to enforce.

"It's just a more tried-and-true process," Hodge said. "And if you're going to have the zoning

official be the person enforcing it, it makes sense to enforce it in a way they're used to."

If the Town Council did opt again for an ordinance, she said, the new ordinance would need provisions for enforcement, including fines and citations. Hodge said it might be simpler to regulate short-term rentals by a special zoning permit more enforceable than the current permit.

"If it's in zoning, and they don't have a permit, you can right off the bat issue a cease and desist, and you can also call them into a public hearing and decide whether you should take away their special permit," Hodge said. "So it has that second layer that doesn't involve legal fees to take away the permit."

Hodge said that through zoning the town can add supplemental regulations, like requiring a designated parking space for the renter so nobody is parking along the street, or restricting pets or outdoor music. If the owner or their renter violates a requirement, the town can simply hold a hearing and revoke the special permit, Hodge said.

"If they continue to operate, even though their permit was revoked, you have the traditional zoning route and can get them to court within a couple months — and you can fine them if they continue," Hodge said.

Treaster said one of the benefits of the zoning approach would be that the state would pay the

expenses if a cease-and-desist order was challenged in court.

Ingalls said that whichever approach the town eventually takes, she wanted to make sure that there would be a requirement that the property was that person's primary residence. Hodge agreed that was an important piece of the proposal, given the impact on the town if houses are bought to serve primarily as short-term rentals.

Treaster's proposal would allow only **"hosted" short-term rentals** in residential areas – meaning the owners are still on the property while renting out a room or accessory dwelling unit. If the owner is on-site, Treaster reasoned, the renter would be less likely to throw loud parties or do anything else that would disrupt neighbors or violate town regulations.

"If guests do begin to create a problem, the resident hosts will know immediately and can quickly intervene to maintain order before the neighbors are disturbed," Treaster said at a recent planning and zoning meeting.

Cherry said he has received phone calls from real estate agents who are not local, asking about the rules for short-term rentals in Ledyard. That led him to believe there are people looking to buy single-family homes in Ledyard to use mainly as short-term rentals, he said.

"That's something very different from a next-door neighbor," said Ingalls.

Brendan Crowley ➔

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Further Reading



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LOCAL

'Don't be a nuisance': How Eastern Conn. municipalities are taking on short-term rentals

Matt Grahn The Bulletin

Published 12:34 p.m. ET May 11, 2022

As the summer gets closer and people think about getting away or holding parties short-term rentals have become a popular option. While many are fine, some turn into problems for the rest of the neighborhood, and municipalities are placed in a position to respond.

In 2019, Airbnb reported New London County properties rented through the service had 44,600 guests and \$6 million in total host income, working out to \$134.53 per guest on average. Windham County saw 2,600 guests and \$400,000 in host income, working out to \$153.85 per guest on average. With how lucrative this is, towns and cities are trying to figure out how to approach this industry.

Since the pandemic, the number of short-term rental units increased 2.6% nationally, though bookings dropped significantly from 425.5 million nights in 2019 to 242.7 million nights in 2020. However, 2021 saw a recovery, as the first quarter experienced a 13% increase in bookings compared to 2021, as stated in the Southeastern Connecticut Council of Government's white paper on Short Term Rental Regulation in Connecticut.

Most recently, Griswold has been working on regulations for short-term rental properties. During its June meeting, the Ordinance Committee will discuss and possibly draft an ordinance, which Griswold First Selectman Dana Bennett described as "80% there."

“We’re looking at doing it through ordinance so that we have a better handle on being able to enforce it at some point, and include the people in town who are currently doing it,” Bennett said.

Legalized marijuana: It's the first 4/20 since CT legalized adult-use cannabis. Where does the industry stand?

Griswold Town Planner Mario Tristany said many of the short-term rental complaints he hears are related to a property on Osga Lane, which is a private road that leads right onto the water of the Pachaug Pond. Since last year, it's been known for hosting parties.

“A lot of the neighbors on Osga Lane complain about the number of vehicles that show up for the short-term rental on the weekends,” Tristany said.

With Osga Lane also being a dirt road, Bennett said the excess traffic, which could be as high as 25 cars, can create problems with noise and parking, as well as issues with getting to houses.

Currently, Tristany said it's hard to enforce complaints, as no town staff works on weekends.

Regionally, Justin LaFountain, planner II for the Southeastern Connecticut Council of Governments, said there's been plenty of discussion on the topic, noting the pandemic has increased short-term rental use.

Killingly Board of Education: Resignations, complaints, and an investigation: Killingly school board's troubling year

“People didn't want to stay in hotels,” LaFountain said. “People wanted to stay in somewhere smaller where they could be by themselves without having to interact with other people.”

LaFountain said the way the short-term rental regulations are handled vary, as some have used ordinances and zoning regulations, while others have taken a hands-off approach.

One town in the council's area with regulations is Ledyard. Planner Juliet Hodge said her town instituted an ordinance, which was then replaced with a zoning regulation approved in February. Ledyard's requirements include the owner living at the rented property, having a special permit, having rules written out, and no off-street parking.

"It's typical 'don't be a nuisance' regulations," Hodge said.

Hodge also said the town will discuss loosening regulations to allow people to operate short-term rentals in properties they don't reside in, but live within a half-hour or hour's drive, "so they can get on-site if there's a problem."

"I understand that it's a good opportunity to make a little extra money, but it's a little hard to regulate when the owner isn't on-site, but we're hopeful we can figure it out," Hodge said.

Just ducky: Thousands of rubber duckies will float down the Yantic River June 4. How can you join in?

Hodge noted there were only a couple of "problem parcels" in town, which the town still hasn't heard from yet for permitting, and the town is starting the enforcement process on those places.

"I hope that six months from now, that everybody that wants to do one will have a permit, and everyone else doesn't," Hodge said.

Norwich Mayor Peter Nystrom said the city had been working on a short-term rental ordinance, but that has been set aside until the city resolves legal matters with one owner, Natalie Lee, who has multiple short-term rental properties in town that have received complaints.

"This is a repeating pattern with her," Nystrom said. "She ignores proper zoning wherever she goes, apparently."

However, Nystrom said Norwich should approach a policy that allows for short-term rentals, as it helps property owners pay taxes and maintain properties. The other hosts have been more cooperative.

“They don’t bother the neighbors, they don’t create traffic problems, they don’t block (roads for the fire departments),” Nystrom said. “That’s what we’re most concerned about.”

However, Tristany said short-term rentals go against zoning regulations, and can become problematic over time.

“In my professional opinion, if it’s not permitted, it shouldn’t be there,” Tristany said.



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Hartford, CT enforces regulations on Airbnb and vacation rentals

If you are a host in Hartford, it's time to review the restrictions on your vacation rental business. The City looked to municipalities across the US to determine appropriate regulations for short-term rentals in their community. Currently, the city requires you to secure a zoning permit which is valid for three years while

addressing additional short-term rental concerns with the following restrictions:

Before offering short-term rentals, hosts are required to establish limitations related to (1) rental frequency and rental length, (2) owner-occupancy, (3) a maximum number of guests (no more than four adults), and (4) rentals that become a nuisance to neighbors. The regulation defines short-term rentals as "[t]he temporary rental of part or all of a property to any temporary renters for no more than 21 cumulative days during any 6 month period, with no property being used for such temporary rental more than 3 times during any 6 month period. The property owner must host any short-term rentals operated on a lot with only a single-family home or in single-family home districts.

Cities across the US are seeking common ground regulations, and the same holds true for Hartford. By restricting Airbnb properties to single-family districts, they hope to avoid apartment buildings being turned into de facto hotels and keep their community from being overrun by vacation rental businesses. Currently, there is no requirement for vacation rental insurance in order to obtain the zoning permit.

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**STR
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With the explosive growth of short-term rentals, many communities have insurance requirements for

Do you have proper insurance for your Airbnb?

A top concern many hosts don't consider is proper insurance for their short-term rental. Do you have insurance that covers your vacation rental business? Now's the time to check. Unfortunately, many traditional homeowner's insurance policies exclude coverage for "business activity" (i.e. short-term rental activity). Without this coverage, you may find yourself paying out of pocket for any damage or injury that occurs at your rental.

Many areas require hosts to secure and provide proof of short-term rental insurance, such as San Mateo County, CA. The good news is there are short-term rental insurance policies available on the open market. Proper Insurance offers comprehensive coverage for vacation rental homes in all 50 states with over 50,000 policies written to date. If you're concerned that your current policy doesn't provide the coverage you need, or you would like a comprehensive quote and comparison, call Proper today – **888-631-6680!**

hosts. Click here to learn more about regulations in your area.

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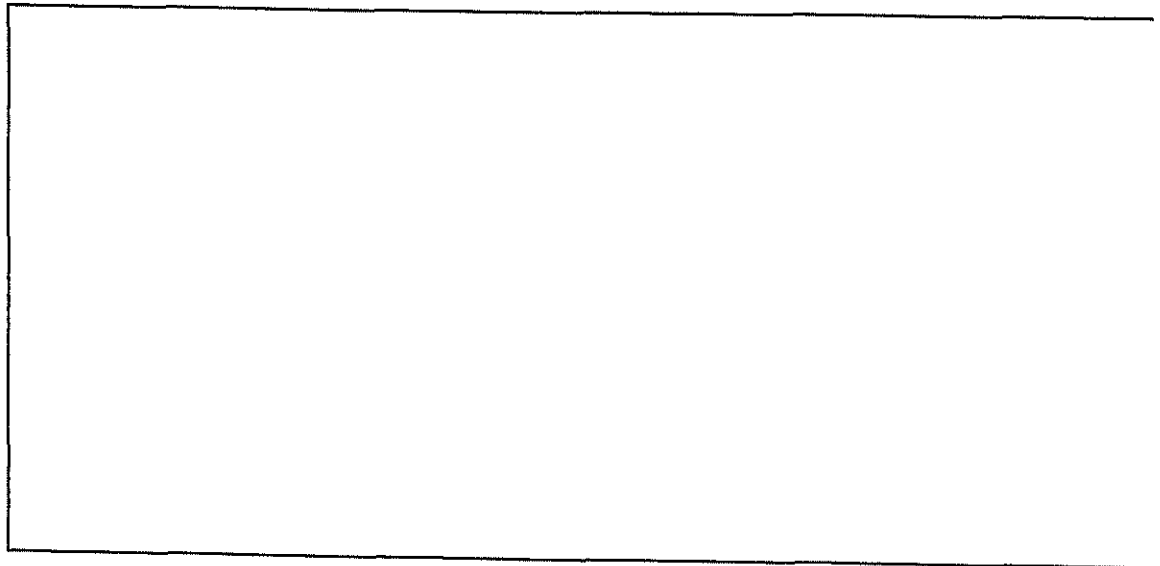
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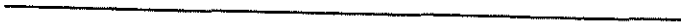


NEWS

Winsted committee may have short-term rental rules by spring

Leslie Hutchison

March 4, 2019





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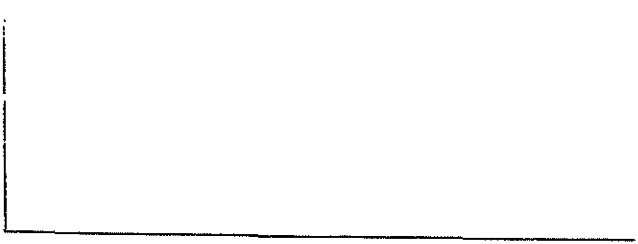
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ACT NOW

WINSTED — It will be spring before members of a planning committee submit their proposal for a new special permit regulation for short-term summer rentals.

For more than a year, the Short-Term Rental Review Committee has worked to draft a regulation to require a special permit for anyone who wants to rent their homes to summer vacationers.

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Article continues on page 10



A vote by the full Planning and Zoning Commission may not happen until May.

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Action on the proposed regulation, which was to have occurred Feb. 25 was tabled due to a full agenda. A working session of the committee now is planned for April 11.

A draft of the proposed regulation notes that it is "intended to balance the economic opportunity created by short-term rentals with the need to maintain the Town of Winchester's housing supply while protecting the rights and safety of owners, guests and neighbors."

The proposed regulation defines a short-term rental as an accommodation that lasts for no more than 30 days and no less than 24 hours.

"From a residential standpoint, will (sho
homeowner's property value?" asked co

"People have an expectation that the ar
added.

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The practice of renting property on the lake for summer vacations has a long history at Winchester Lake, several residents said at a public hearing in July. Supporters of the practice were opposed to new regulations.

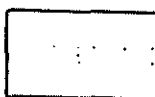
A member of the Highland Lake Watershed Association who asked not to be named said the group was not taking a position on the proposal.

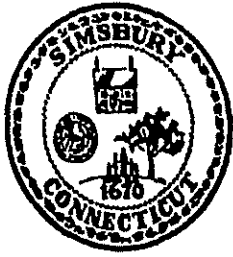
The recent approval of a special permit for The Marina Highland Lake, which will allow overnight moorings, could increase the demand for short-term rentals, Martinez noted.

A Highland Lake homeowner told the committee at public hearing last year that he lives next to a short-term rental property that allowed new tenants nearly every night. Keith Becker, of 523 East Wakefield Blvd., said renters parked in his driveway and walked by his windows.

In response to such concerns, the proposed regulation requires that "the short-term rental must be operated in a way that will prevent unreasonable disturbances to nearby residents. There must be no change in the outside appearance of the building or premises, or visible evidence of the conduct of the short-term rental."

Written By
Leslie Hutchison





Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

TOWN OF SIMSBURY Short-Term Rental Ordinance

Adopted by the Board of Selectmen on [month] [day], [year]

I. Purpose

- A. The purpose of this ordinance is to regulate short term rentals in the Town of Simsbury. By establishing these regulations the Town will be able to monitor short-term rental listings in Simsbury and ensure compliance with Town and State rules, regulations and laws that apply.
- B. This ordinance is adopted pursuant to General Statutes §7-148(b) and §7-148(c)(7).

II. Definitions

- A. **Occupant:** Any person(s), and their guests, who have entered into an agreement with a property owner for the use of the short-term rental.
- B. **Owner:** Any person(s) who holds the legal right to the property or beneficiary of like estate and uses the property as their legal residence.
- C. **Owner's Agent:** Any person who is 18 years or older and has been identified by a property Owner as a local contact. The Owner's Agent is authorized to act for an Owner who cannot be reached, in a reasonable amount of time, through all means of contact identified on their Short-Term Rental Permit.
- D. **Local:** For the purpose of this ordinance local is defined as a straight line distance of 20 miles.
- E. **Owner Occupied:** During the course of the rental period, the owner (as defined above) is present inside the dwelling.
- F. **Primary Residence:** An owner who spends at least 183 days at their property is defined as a primary resident.
- G. **Short-Term Rental:** Any furnished living space rented by a person(s) for a period of one (1) to twenty-nine (29) consecutive days. A short-term rental must have separate sleeping areas established for guests and guests must have at least shared access to one (1) full bathroom and cooking area.
- H. **Sleeping Area:** A sleeping area is defined as a separate space, with a bed provided that the guest(s) of a short term rental have access to. This area must be inside the dwelling and cannot include: tents, outdoor areas, and/or recreational vehicles. A minimum of 75 square feet of sleeping area per guest shall be provided.
- I. **Authorized Enforcement Agency:** Employees or designees of the town as designated by the Town Manager to enforce this ordinance.

- J. **Event:** A gathering of persons that are occupants of the short-term rental and others that are not guests/occupants. Occasions such as weddings, graduation parties, or other gatherings of people would be considered as an event. Events can be either indoor or outdoor for purposes of this regulation.

III. Permit Required

- A. No one shall offer to rent or operate a short-term rental in the Town of Simsbury without a valid short-term rental permit authorized by the Town of Simsbury and issued in accordance with this ordinance. Failure to secure a permit shall be a violation of this ordinance and subject to fines and enforcement as defined hereinafter.
- B. Only the owner(s) of record of the Premises subject to the permit and eighteen (18) years of age or older may apply for and obtain a short term rental permit.

IV. Application Process for a Short-Term Rental Permit

A. Application Process

- i. An application form as issued by the Planning and Land Use Department must be completed.
1. All information entered on the form must be true and accurate to the applicant's knowledge and belief.
 2. The application shall include but not be limited to the following:
 - a. A list of all owner(s) and primary residents of the property, and their contact information.
 - b. Contact information for a Owner's Agent who can be called on in emergency situations if property owner is not responsive.
 - c. The number of separate sleeping spaces made available to guest(s) of the short term rental.
 - d. A signed affidavit attesting to the fact that the Property is in compliance with health and safety rules, zoning and the building and fire safety codes and allowing Town officials the right to perform inspections, both externally and internally, of a short-term rental property when safety violations are suspected.
 - e. [Insert insurance line from CIRMA]
- ii. A new application fee of two hundred dollars (\$200) shall be collected upon the submission of the completed permit application.
- iii. The Director of Planning and Community Development, or his/her designee, shall approve or deny any application for a short-term rental in the Town of Simsbury.
- iv. An initial safety inspection must be completed by a staff member of the Planning or Building Department before a permit may be issued.
- B. An application must be fully complete when being submitted to the Planning and Land Use Department. The Town will not accept incomplete applications.

C. Limit to Amount of Rentals

- i. No owner may rent the property as a short-term rental under the permit for more than one hundred (100) days during any one year period of their short-term rental permit.
- ii. Only one rental permit is permitted per property.
- iii. Only one portion of a residence or accessory dwelling unit can be used at a property.

D. Parking Requirements

- i. The Town shall determine the number of parking spaces required for each property. Each required parking space shall have an area of not less than nine (9) feet by eighteen (18) feet, plus adequate driveways. All required parking spaces shall be located on paved surfaces.
- ii. No renter may park their vehicle on a public street between the hours of 2:00AM and 5:30AM.

E. Neighbor Notification

- i. Within five (5) days after the date of receipt of the application for an initial permit, the applicant shall submit, as part of the application, the name(s) and address(es) of the owner(s) of record of all property abutting or within one hundred (100) feet of the subject property, as listed on the last-completed grand list of the Town of Simsbury.
- ii. Notice of the permit shall be mailed by the applicant to the owner(s) of record of all property within one hundred (100) feet of the subject property not fewer than ten (10) days after application is filed. The applicant shall provide copies of completed certificate of mailings to Planning Department staff for issuance of permit.
- iii. Applications for permit renewals are not required to notify abutting property owner(s) as outlined above.

F. Owner Present During Rental Period

- i. The owner of a property has the option of being present while renting their property or renting their property while not being onsite during the rental period.
- ii. If choosing to be offsite during a rental period the owner must provide their contact information to the renter as well as to the Town on their permit. If the owner is unable to be in the local area while renting their property an owner's agent must be identified to the renter and to the town in case of emergencies or situations that may arise during the rental period.
- iii. Failure to provide proper contact information of either the property owner or owner's agent while the owner is offsite may result in the revocation of the Short-Term Rental Permit.

G. Accessory Dwellings

- i. Accessory dwellings, as defined by the Town of Simsbury Zoning Regulations, either attached or unattached, are permitted to be used as short-term rentals provided that:
 1. They meet the same standards set forth in this ordinance as a traditional single family house;
 2. They have at least 1 full bathroom;
 3. They have proper, functioning heating and cooling;
 4. The unit has received a certificate of zoning compliance from the Zoning Commission.

V. **Expiration and Renewal Process of Permit**

A. **Expiration**

- i. All short-term rental permits are valid for two years from date issued.
- ii. Permits become invalid at 11:59 PM on the listed expiration date of the short-term rental permit.

B. **Renewal Process**

- i. An application for renewal of a short-term rental permit must be submitted to the Planning and Land Use Department at least one (1) month but no more than three (3) months before the expiration date of the current permit.
- ii. Applicants must submit the following forms when applying for a renewal:
 1. The previously approved permit;
 2. An updated application, if any requested information has changed in the past year;
 3. A renewal fee of one hundred thirty dollars (\$130);
 4. Copies of sales tax receipts from the previous rental period.
- iii. The Director of Planning and Community Development, or his/her designee, may authorize a renewal inspection of the property before granting a renewed permit. The Director of Planning and Community Development, or his/her designee, may reject an application for renewal.
- iv. A renewal permit may only be applied for if the owner holds a valid short-term rental permit in the previous two year period that was not revoked by staff. Any permit that has lapsed eight (8) or more months between an expired permit and an application for a renew permit will be treated as a new application for a short-term rental permit and should follow the steps in Section IV, A.

VI. **Non-transferability**

- A. A short-term rental permit is not transferable to another owner or property.

VII. **General Standards**

A. **Maximum Occupancy**

- i. The maximum occupancy for a short-term rental unit shall be 6 persons or two persons per each bedroom in the unit, whichever is less.

B. Safety

- i. A short-term rental property must include:
 1. Working smoke and Carbon Monoxide detectors with placement following town/State building codes;
 2. A working fire extinguisher shall be located in the dwelling at all times when the property is being used as a short-term rental;
 3. A clear path of egress is always visible while the property is available for rent;
 4. Properly functioning windows and doors in all livable spaces of the dwelling;
 5. Sleeping accommodations are to the state building code.
 6. Demonstrate compliance with the Town Zoning Regulations, health and safety codes that may apply as determined by the Farmington Valley Health District, the State Building Code and the State Fire Safety Code.

C. Conduct

- i. Short-term rental guests are subject to all relevant town codes and ordinances. It is up to short-term rental owners to notify their guests of any applicable codes and ordinances and to ensure that they are followed.
- ii. Excessive noise or other disturbances are prohibited.
- iii. No activities in excess of 75 decibels at the property line are allowed.
- iv. Indoor and outdoor events are prohibited.
- v. No guest may spend the night sleeping outdoors.
- vi. Signage advertising the property as a short-term rental is prohibited.

VIII. Enforcement

- A. The authorized enforcement agency, as defined in Section II, has the authority to determine if a violation has occurred and to issue citations to correct any violation found to exist.
- B. Operating a short-term rental without a valid short-term rental permit, as well as using a property as a short-term rental for anything other than the allowed uses stated earlier in this document shall be a violation of this ordinance.
- C. The Authorized Enforcement Agency has the authority to suspend a short-term rental permit until the owner comes into compliance.
 - i. The Authorized Enforcement Agency or his/her designee, shall give the owner up to thirty (30) days to correct the violations.
 - ii. This suspension will not delay the expiration of an owner's short-term rental permit.
 - iii. The Authorized Enforcement Agency, or his/her designee shall have the authority to immediately suspend a short-term rental permit if safety violations are present.
- D. Violations of this ordinance can be assessed fines of up to \$250 in accordance with Section 7-152c of the Connecticut General Statutes.

IX. Revocation Procedure

- A. If any violations found by the authorized enforcement agency, do not get corrected in the allowed timeframe, the Director of Planning and Community Development may revoke an owner's short-term rental permit.
- B. If an owner has their short-term rental permit revoked a new permit may not be granted to that property for 12 months.

X. Appeals

- A. **Permit Appeals.** An appeal must be received in writing and filed with the Town Clerk's Office within ten (10) business days from receipt of the notice of the written decision. For this purpose, notice shall be deemed received three (3) calendar days from the date of the written decision. Hearing on the appeal before the Hearing Officer shall take place at its next meeting, but not to exceed fifteen (15) business days from the date of receipt of the notice of appeal. The decision of the Hearing Officer shall be final. Denial of a Permit Application or of a renewal application is not appealable
- B. **Citation Appeals.** Any person receiving a fine may appeal the determination of the authorized enforcement agency. The notice of appeal must be received in writing and filed with the Town Clerk's Office within ten (10) business days from receipt of the notice of the fine. The appeal shall be deemed received by the Town on the first business day following the day it is filed with and received by the Town Clerk's Office.
- C. Hearing on the appeal before the Hearing Officer shall take place in accordance with General Statutes §7-152c.
- D. The decision of the Hearing Officer may be appealed to Superior Court in accordance with General Statutes §7-152c(g).

Text amendment PLPZ 2021 00513	Text amendment To define and restrict Short term Rentals
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APPLICATION SUMMARY:

Staff is proposing the following amendment to the Building Zone Regulations (Bold to be added):

Section 6-5(43.4) Short term Residential Rental –

The temporary rental of part or all of a residential property for fewer than thirty consecutive nights at a time. This is permitted in all Zones, provided that:

- 1. The Short-term rental is in a structure with a Certificate of Occupancy for a dwelling unit. Short-term rental of accessory units approved under Section 6-99 of the BZR is not permitted.**
- 2. The Short-term rental shall only be used for lodging-type uses. Nonlodging uses, including, but not limited to, parties, receptions, weddings, filming, photo shoots, corporate retreats and fundraisers, shall not be allowed.**

Sec. 6-154. PARKING AND GARAGES FOR RESIDENTIAL PURPOSES. (6/11/86)
On lots used for single-family residence purposes, **Short-term rentals**, or for boarding or rooming houses, sufficient garage space or outdoor parking space shall be provided to accommodate the passenger cars used by the residents of such premises. (6/1/2017)

PURPOSE:

The purpose of this proposal is to define and restrict **Short-term rentals**. It is also to address parking for these uses.

BACKGROUND:

Short term rentals have not previously been limited.

A workshop was held on 9/29/2020 where a multitude of various options on how and why to regulate Short term rentals were discussed.

THE ISSUES:

According to Zoning Enforcement staff, we receive a call every 2 months or so. They focus on the following:

- 1) Increase in traffic, number of parked cars etc., that are associated with additional occupants.
- 2) Renting out of an inappropriate structure; e.g., someone converted a garden shed
- 3) Most calls stem from rentals in multi-family dwellings.

Issues of noise or other disturbance are handled by the Police as they would be for any disturbance. By including Short term rental in Section 6-154, it would now be clear that there must be adequate parking.

HOW MANY UNITS ARE IN TOWN NOW?:

Performing a basic search on AirBnb.com and VRBO.com, it appears there are approximately 300 rental units. There are over 15,000 residential units in Town.

CURRENT REGULATIONS:

There are no regulations that speak specifically to STRs. However, related sections include:

Section 6-95(4) allows: "The keeping of not more than two (2) roomers or boarders by a resident family only in a detached single-family dwelling, exclusive of employees on the premises."

Section 6-5(43) defines a Rooming House as: "Rooming House shall mean a dwelling in which rooms for living purposes are rented for compensation to five (5) or more persons other than the members of the family of the proprietor." This use is permitted by special permit in the R-6 zone only.

OPTIONS:

- 1) Continue to use existing public safety codes, noise ordinance. And zoning regulations (usually for instances of rental of illegal units) to enforce against complaints.
- 2) Municipalities across the country use a variety of techniques to control STRs, including:
 - a. durational caps on rentals;
 - b. caps on the number of days property may be rented during the year;
 - c. density controls;
 - d. special permit requirements;
 - e. parking requirements;
 - f. neighbor notification;
 - g. establishing a registration system;
 - h. owner-occupancy requirements; and
 - i. distinguishing between single-family, multifamily, and mixed-use neighborhoods

COMMENTS:

Several comments were made from members of the public at the workshop. The comments included:

1. Requesting the Commission define Short term rentals, definition of STR;
2. Identify number of days,
3. Requiring an application to the Commission to establish themselves as a viable Short term rental. This would then trigger notifying neighbors

4. Noting that discussing who is in the house is in violation of fair housing laws
5. Private property rights need to be respected too
6. It was noted anecdotally that the existing Short term rentals were good for the Town economically because they provide an option to “expensive hotels” and also allowed people to try out Greenwich during the pandemic. Lastly that they provided additional options for people desirous of additional income such as an elderly person wanting to stay in town with an income source

PLAN OF CONSERVATION AND DEVELOPMENT:

In order to proceed with any regulation change, the Commission must make a finding of conformance to the Plan of Conservation and Development.

Draft Short Term Rental and Related Regulation Amendment

Commission Commentary on the draft Regulations shall be noted by an asterisk and by italics.

SECTION 20 DEFINITIONS

ADD:

TRANSIENT ACCOMMODATIONS. Overnight lodging for persons, with or without meals (See Hotel, Motel, Bed and Breakfast and Short Term Rental).

SHORT TERM RENTAL. A family dwelling unit in which the owner or lessee rents or offers to rent all or a part of the family dwelling unit for overnight lodging for a period of less than 30 days. Short term rentals are a transient accommodation use.

ADD:

Short term rental of a family dwelling unit in which the owner or lessee rents or offers to rent the family dwelling unit for a period of less than 30 days containing three bedrooms or less and meeting the requirements of Section 132 as a General Principal Use in the following Districts:

RESIDENTIAL DISTRICTS R-2, R-1, AND R-1/2
PLANNED RESIDENTIAL DISTRICT (PRD)
CHESTER VILLAGE DISTRICT
COMMERCIAL DISTRICT
CONTROLLED DEVELOPMENT DISTRICT (CDD), WATERFRONT
DESIGN DISTRICT, RESEARCH AND LIGHT MANUFACTURING
DISTRICT (RLM)

** The Commission has included Short Term Rentals as a General Principal Use in this draft in all Districts. The inclusion of Short Term Rentals as a General Principal Use in any District in the draft is not a final decision of the Commission.*

The Commission has the right in its discretion to remove Short Term Rentals as a General Principal Use in any of the above listed Districts in the Regulation it may adopt only after receipt of evidence and comment at the Public Hearing required for adoption of the new Regulations.

ADD:

Short term rental of a family dwelling unit in which the owner or lessee rents or offers to rent the family dwelling unit for a period of less than 30 days containing more than three bedrooms and meeting the requirements of Section 132 in all the above listed Districts.

** The Commission has also included Short Term Rentals as a Special Principal Use in this draft in all Districts.*

The inclusion is not a final decision of the Commission.

The decision as to the Districts in which a Short Term Rental will be allowed as a General Principal Use and/or as a Special Principal Use will be a discretionary decision of the Commission in the Regulation it may adopt, made only after receipt of evidence and comment at the Public Hearing required for the adoption of the new Regulations.

SECTION 132

STANDARDS AND CONDITIONS FOR SHORT TERM RENTAL

132A. GENERAL. A short term rental of a family dwelling unit as defined in Section 20 shall be subject to the following conditions when allowed as a General Principal Use or a Special Principal Use in a District.

**The regulations under Section 132A.2. shall be applicable in those Districts which the Commission in its discretion has determined appropriate for Short Term Rentals to be a General Principal Use.*

The regulations under Section 132A.3. shall be applicable in those Districts which the Commission in its discretion has determined appropriate for Short Term Rentals to be a Special Principal Use authorized by Special Exception.

All discretionary decisions of the Commission identified in the Draft will be made only after receipt of evidence and comment at the Public Hearing required for the adoption of the new Regulations.

132A.1. PURPOSE. The purpose of these regulations is to minimize any adverse effects of recurring transient accommodation use of family dwelling units in the Districts where permitted as a General Principal Use and by Special Exception where permitted as a Special Principal Use by establishing special standards to protect and preserve the character of Chester as described in its Plan of Conservation and Development, its property values and quality of life.

132A.2. GENERAL PRINCIPAL USE. The issuance of a Zoning Permit for short term rental of three bedrooms or less if permitted as a General Principal Use in a District, shall be subject to the following specific Special Standards:

** The Commission has provided a three bedroom limit for a General Principal Use in this draft. The maximum number of bedrooms allowed for a General Principal Use is a discretionary decision of the Commission.*

(A) OCCUPANCY.

1. All of the occupants shall meet the definition of "Family" in Section 20.

2. The number of bedrooms shall be taken from the Assessor Records.

3. The number of occupants for each rental unit shall not exceed two (2) persons per bedroom. A child under the age of one year shall not be considered an occupant for the purpose of this regulation.

**The number is a discretionary decision of the Commission.*

4. The number of short term rentals in any specific time period, or the duration of any short term rental, is not limited by this regulation.

** The Commission has provided for no limitation on the number of rentals, or for the duration of any single rental for a General Principal Use in this draft. The establishment of limits on the number of rentals and/or the duration of any single rental is a discretionary decision of the Commission.*

(B) SPECIAL EVENTS. For the purpose of this regulation, a Special Event will be deemed any use of the property beyond its primary use as a single family dwelling and customary incidental uses, including but not limited to, weddings, banquets, parties, or where the event involves the participation of more than 14 persons on the property at any time during the event. No outdoor Special Events shall be permitted before 9:00 a.m. or after 11:00 p.m.

** The Commission has provided limits for Special Events in this draft. The establishment of limits on the number of participants, the hours of Special Events, the prohibition of outdoor Special Events, or the prohibition of any Special Events is a discretionary decision of the Commission.*

(C) EXCEEDING ESTABLISHED LIMITS. A property owner or lessee may only exceed the limits established under Section 132A.2.4, if any, or the requirements under Section 123.A.2 (B) by issuance of a Special Exception under Section 132A.3, subject to the requirements of Section 132A.3.

** In the event the Commission in its discretion imposes limits on the number and duration of Short Term Rentals, or the conditions for Special Events, the Commission*

may allow those limits to be exceeded by Special Exception under Section 132A.3. as a discretionary decision of the Commission.

132A.3. SPECIAL PRINCIPAL USES. The issuance of a Special Exception for short term rental of more than three bedrooms if permitted as a Special Principal Use in a District, shall be subject to the following specific Special Standards:

A short term rental of a family dwelling unit as defined in Section 20 with more than three bedrooms shall be subject to the requirements of Section 120 and Section 130 when allowed as a Special Principal Use in a District. Where the requirements of this Section differ from the requirements of Section 120 and Section 130, the requirements of this Section 132 shall control.

** The Commission has provided that a short term rental of more than three bedrooms is a Special Principal Use requiring a Special Exception. The number of bedrooms for a Special Principal Use is a discretionary decision of the Commission.*

(A) OCCUPANCY.

1. The number of bedrooms shall be taken from the Assessor Records.
2. The number of occupants for each rental unit shall not exceed two (2) persons per bedroom. A child under the age of one year shall not be considered an occupant for the purpose of this regulation.

**The number is a discretionary decision of the Commission.*

(B) CODE COMPLIANCE. The application for the Special Exception shall be referred to the Building Official, Fire Marshal and Public Health Director or his designee for review and comments.

No Special Exceptions shall be granted unless the Applicant shall provide the Commission with written certification from the Building Official, Fire Marshall and Pubic Health Director or his designee, that there are no outstanding violations of record of the applicable Code relating to the dwelling, or the building in which the dwelling is located, or with respect to the property, nor any pending investigations regarding Code compliance.

(C) SECTION 120 AND SECTION 130 REQUIREMENTS. The Application for a Special Exception under Section 132.A.3. (D) shall meet all the requirements of Section 120 and Section 130 of these Regulations unless the requirement is waived by the Commission.

Dedicated on- site parking for one and one-half vehicles per bedroom (rounded up to the next whole number) shall be provided and demonstrated by the site plan required under Section 120 and Section 130 of these Regulations.

Parking requirements is a discretionary decision of the Commission.

The Commission may determine that the location of the short term rental is unsuitable based upon the standards of Section 120G.

(D) SPECIAL EVENTS. For the purpose of this regulation, a Special Event will be deemed any use of the property beyond its primary use as a single family dwelling and customary incidental uses, including but not limited to, weddings, banquets, parties, or where the event involves the participation of more than 14 persons on the property at any time during the event. No outdoor Special Events shall be permitted before 9:00 a.m. or after 11:00 p.m.

Dedicated on- site parking for one and one-half vehicles per bedroom (rounded up to the next whole number) plus one space for each 2 additional event participants shall be provided and demonstrated by the site plan required under Section 120 and Section 130 of these Regulations.

The issuance of a Special Event Permit shall be by Application for Special Event Permit under Section 132A.3. (C) .The fee for the Special Event Permit shall be established by the Commission.

** The Commission has provided limits for Special Events in this draft. The establishment of limits on the number of participants, the hours of Special Events, the prohibition of outdoor Special Events, or the prohibition of any Special Events is a discretionary decision of the Commission.*

(E) MANAGEMENT.

1. On-site management of the property for the entire duration of the short term rental shall be required, as a condition of the Special Exception, unless the Commission shall authorize "local management", or a combination of both, under Section 132.A.3.2.

For the purposes of this Regulation, "on-site management" means the owner of the property or the person or persons designated by the owner, who shall be full time permanent residents of the property and available and responsible for maintaining the property, the occupancy and the activities thereon in compliance with this Regulation.

The identity of the on-site manager and the contact information shall be part of the information required for the statement of use under Section 120C.3. and shall be continuously updated so as to remain current.

2. For the purposes of this Regulation, "local management" shall mean the person, persons or entity designated by the owner the property who shall be responsible for maintaining the property, the occupancy and the activities thereon in compliance with this Regulation. The person, persons or entity shall be physically located within 15 miles of the dwelling on the subject property, qualified to perform the responsibilities and able to be at the property at all times of short term rental occupancy within 30 minutes the qualifications to perform the responsibilities shall be determined by the Commission, consistent with the character of the use.

The Commission may authorize more limited on-site management, local management or a combination of both, upon request of the Applicant for the Special Exception or for a Special Event Permit, provided the Applicant shall demonstrate that the proposed management meets all the requirements of Section 120G. The Commission may only allow the exception if it determines that the location of the short term rental is suitable based upon the standards of Section 120G.

The identity of the on-site manager and the contact information shall be part of the information required for the statement of use under Section 120C.3. and shall be continuously updated so as to remain current.

3. The Applicant shall be required to provide evidence of general liability insurance for the Short Term Rental use meeting reasonable commercial standards.

(F) PERMIT RENEWAL. The Special Exception Zoning Permit shall be renewed annually and any Special Event Permit may also be renewed annually for a fee established by the Commission.

Substantial noncompliance with the conditions of any special Exception, including any Special Event Permit issued under Section 132A.3(D), shall be grounds for non-renewal. Substantial evidence of illegal activity, including but not limited to one or more breaches of the peace, taking place on or with respect to the property shall be grounds for non-renewal.

Application may be made for reinstatement of a Permit after one year. The Reinstatement Application shall be made under and shall be required to meet the provisions of Section 132A.3.

**The duration of the Permit and the conditions for renewal is a discretionary decision of the Commission.*

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SHORT-TERM RENTALS

(<http://www.visitguilfordct.com>)

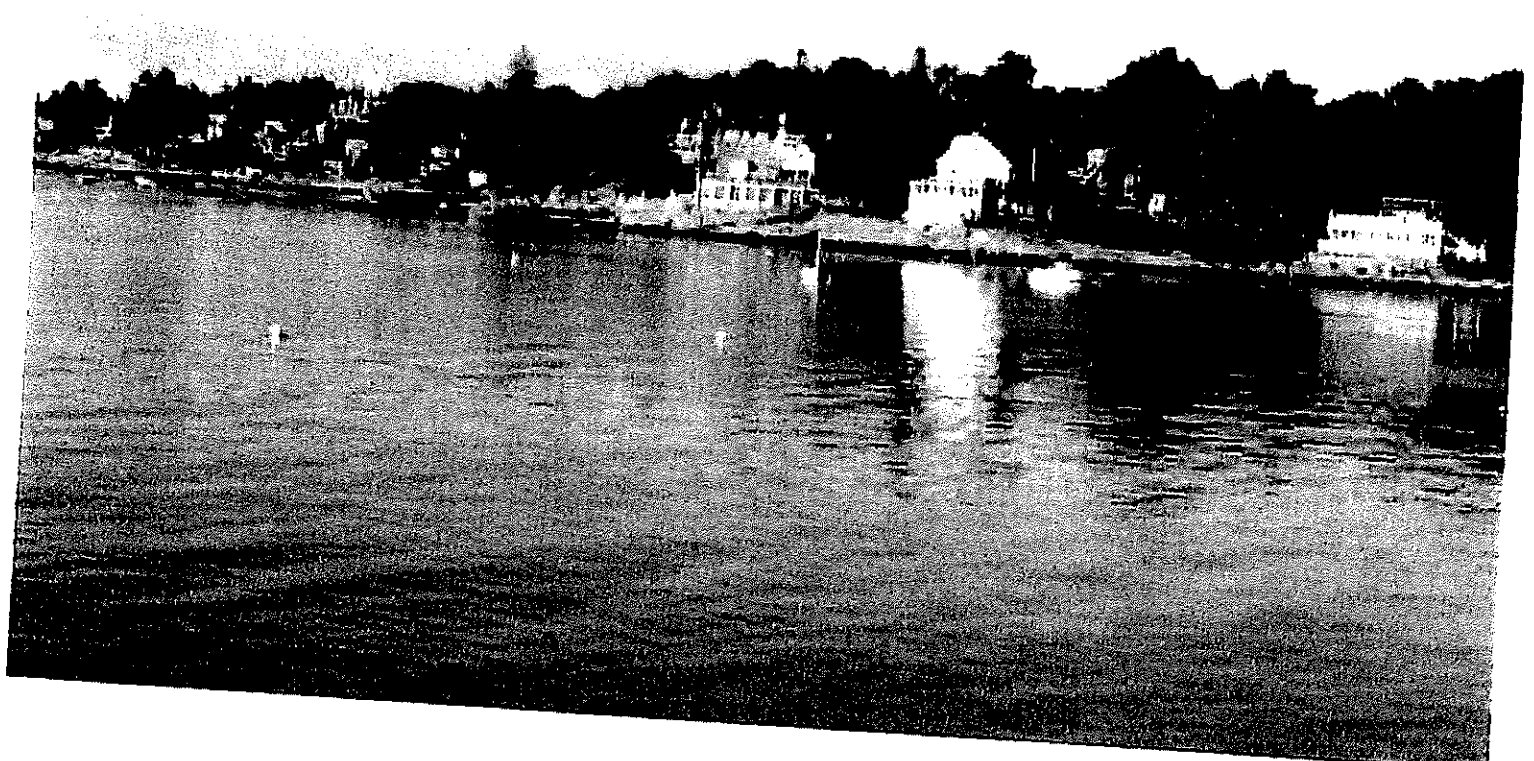
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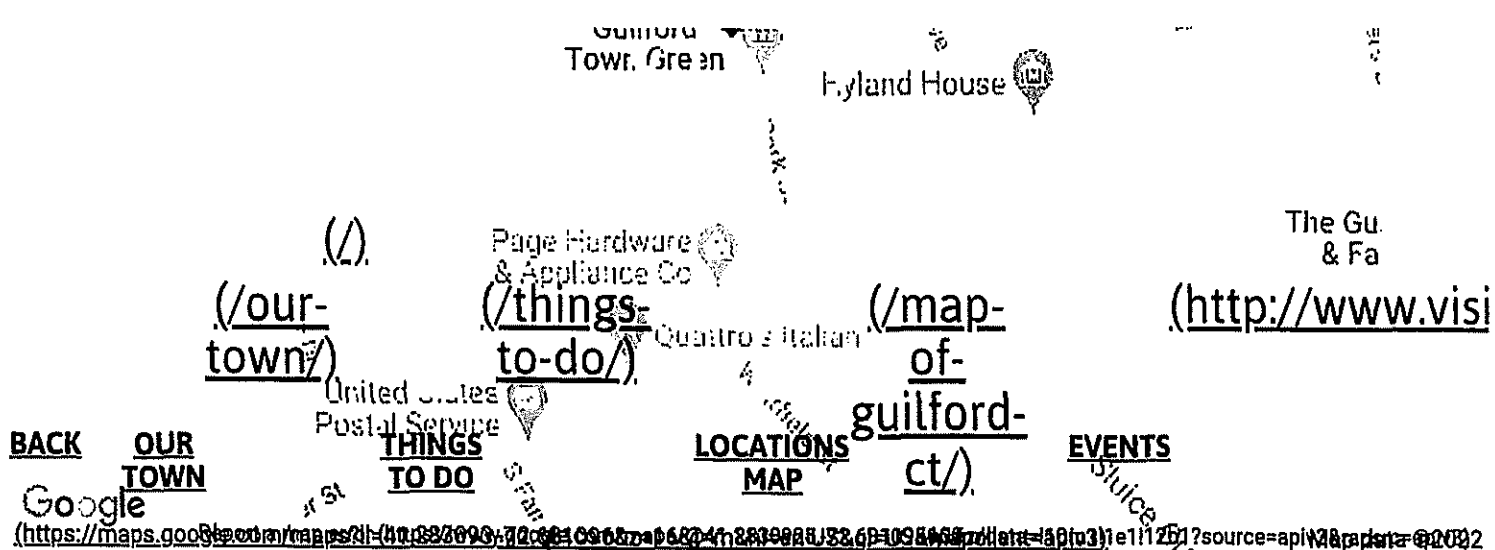
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Blazing Fresh Donuts

Union St

Wes Pl

Broad St Guilford Free Library



Guilford, CT

There are many home-owners in Guilford who rent out space to visitors. Search for your dream short-term rental at one of these sites:

AirBnb at <https://www.airbnb.com> – Guilford, CT (https://www.airbnb.com/s/Guilford--CT?s_tag=10V4kqUA).

Vacation Rental By Owner at <https://www.vrbo.com/vacation-rentals/usa/connecticut/guilford> (<https://www.vrbo.com/vacation-rentals/usa/connecticut/guilford>).