

Short Term Rental Regulation Options Landscape

Purpose:

Strike a balance between the following competing goals & objectives

1. Promoting and protecting the public health, safety, and welfare as well as the safety of STR occupants
2. Allowing STR's to provide supplemental income to residents who live and work in the community.
3. Allowing STR's to encourage tourism and support the local business community.
4. Preventing STR's from eroding neighborhood character, straining long term housing stock, and reducing affordability

Short Term Rental Options:

Basic Registration included in adopted STR Ordinance

| Regulation | Description | Impact Assessment |
|------------------------------|---|---|
| Basic Registration | Require annual STR registration and attestation to State of Vermont health and safety regulations | <ul style="list-style-type: none"> • Improved STR transparency & tracking • Improved STR health & safety • Minimal impact to most STR Operators • Straight forward STR Administration |
| Owner Limit | Limit the # of STR registrations for property owners & corporations | <ul style="list-style-type: none"> • Reduce income for STR owners with multiple listings • Discourage Investors & Corporations • More complex STR Administration • |
| Day Limit | Limit the # of days per year a STR can be rented | <ul style="list-style-type: none"> • Reduce income for 2nd homeowners • Discourage Investors & Corporations • More complex STR Administration |
| Residency Requirement | Require minimum residency requirement (days) or require STR be owners' primary residence | <ul style="list-style-type: none"> • Eliminate or reduce STR income for some 2nd homeowners • Eliminate Investors & Corporations • More difficult to enforce |
| STR Unit Limit | Limit the total number of STR's allowed. Implement lottery system or waiting list for granting registrations | <ul style="list-style-type: none"> • Cap the growth of un-hosted STR's • Discourage Investors & Corporations • Feasibility of Lottery System |
| Zoning Limit | Limit which zoning districts STR are allowed or permit as conditional use | <ul style="list-style-type: none"> • Selective geographic impact to existing STR Operators • Reduce total number of STR's |
| STR Waiting Period | Prohibit STR registration within 2 – 3 years of property sale | <ul style="list-style-type: none"> • Discourage property flipping for STR • Discourage Investors & Corporations |
| Fees & Taxes | Increase STR fees and taxes to fund construction of workforce housing | <ul style="list-style-type: none"> • Increase cost to STR Operators |
| Financial Incentives | Financial incentives with rental agreements to build Long Term (LTR) Rentals or convert existing STR to LTR's | <ul style="list-style-type: none"> • Increase Long Term Rental housing stock • Incentives could be funded through a 1% options tax |

Vermont Short Term Rental Regulation Status

| Town | Status | Description | Regulation Option |
|-------------------------|------------|---|----------------------------------|
| Burlington | Enacted | Limited primarily to "Hosted" unless dwelling unit is listed as seasonal | Residency Requirement |
| Dorset | Planning | Currently researching options and recommendations | TBD |
| Greensboro | Planning | Currently researching options and recommendations | TBD |
| Killington | Enacted | Registration and Health & Safety regulations | Basic Registration |
| Londonderry | Planning | Hosted allowed, Un-Hosted limited to 150 days/year | Residency Requirement, Day Limit |
| Ludlow | Evaluating | No clear recommendation has been proposed yet | TBD |
| Manchester | Evaluating | No clear recommendation has been proposed yet | TBD |
| Montgomery | On Hold | Community largely against proposed ordinance of STR as conditional in selected zoning districts | TBD |
| Montpelier | Planning | Currently researching options and recommendations | TBD |
| Morristown | Enacted | Hosted only | Residency Requirement |
| Plymouth | Enacted | Registration and Health & Safety regulations | Basic Registration |
| Pownal | Planning | Currently researching options and recommendations | TBD |
| Rutland | Enacted | Registration and Health & Safety regulations | Basic Registration |
| South Burlington | Planning | Currently researching options and recommendations | TBD |
| Stowe | Planning | Currently researching options and recommendations | TBD |
| Wallingford | Planning | Draft would allow STR as a Conditional Use | Zoning Limit |
| Willmington | Planning | Currently researching options and recommendations | TBD |
| Winhall | Planning | Proposing registration and Health & Safety regulations | Basic Registration |
| Woodstock | Enacted | Permits/Inspections required. Limited to 10 – 15 times per year | Day Limit |

Information above was summarized from the "Vermont Short Term Rental Alliance" website [VSTRA](#)