

TOWN OF CHESTER, VERMONT

ORDINANCE TO REGULATE THE OPERATION OF SHORT-TERM RENTALS

SECTION 1. AUTHORITY. Under authority granted in 24 V.S.A. § 2291(29) and 24 V.S.A. § 1971 *et seq.*, the Selectboard of the Town of Chester hereby adopts the following civil Short-term rentals ordinance (“Ordinance”) requiring the annual registration of all short-term rentals operating within the Town of Chester as well as compliance with all provisions of the Ordinance by all Operators of Short-term rentals of Dwelling Units.

SECTION 2. PURPOSE. The purpose of this Ordinance is to promote and protect the public health, safety, welfare, and convenience of the Town of Chester and its residents and visitors, to preserve residents’ rights to quiet enjoyment of homes and properties, and to ensure the safety of occupants of Short-term rentals.

SECTION 3. DEFINITIONS.

- A. “Operator” means a person or other entity who operates or manages a Short-term rental. The Operator may be the property owner, a tenant of the property owner, or a designated agent identified by a property owner pursuant to Section 4 (C)(4) .
- B. “Short-term rental” or “STR” means a Dwelling unit rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year, and is either a:
 1. “Hosted STR” meaning a room or group of rooms located within an Operator’s primary residence or an accessory dwelling or cabin on the premises of the Operator’s primary residence; or
 2. “Non-hosted STR” meaning a furnished house, condominium, apartment, or an accessory dwelling or cabin that is not the Operator’s primary residence or located on the premises or property of the Operator’s primary residence.
- C. “Tourist Lodging” as defined under the Chester Unified Development Bylaws as amended is not a Short-term rental and is not regulated under this Ordinance.
- D. “Dwelling unit” means a furnished house, condominium, apartment, room or group of rooms, or accessory building or cabin used as living quarters within the Town of Chester.
- E. “STR Administrator” means a person or persons designated by the Selectboard of the Town of Chester to administer and enforce this Ordinance.

SECTION 4. SHORT-TERM RENTAL REGISTRATION.

- A. The Short-term rental of a Dwelling unit requires the annual issuance of a Short-Term Rental Registration Certificate from the STR Administrator. A person or Operator shall not commence the use of a Dwelling unit as a Short-term rental in any given calendar year without first obtaining from the STR Administrator the requisite Short-Term Rental Registration Certificate.
- B. The Dwelling unit capacity of a Short-term rental shall be a maximum of two occupants for every bedroom plus an additional two occupants. For example, a three-bedroom Dwelling

unit shall have a Dwelling unit capacity of eight persons ((3 bedrooms X 2) + 2) when used as a Short-term rental.

- C. An operator shall annually provide the following information in an application for Short-Term Rental Registration for dwelling units with an occupancy of 8 or less, on a form provided by the Town of Chester:
1. The number of bedrooms to be rented and the requested dwelling unit capacity to be approved in the Short-Term Rental Registration.
 2. The Operator's name, mailing address, email, and a cell phone number or other number (such as a property management company) that will be answered 24 hours a day during the time that the Short-term rental unit is being rented.
 3. The property owner's and, if applicable, tenant's name, address, phone number, email, date of birth, driver's license and license state, and military status (active or not), and if the owner is a corporation, partnership, or other legal entity, the name and address and contact information of the registered agent and principal owner as well as proof that said entity is duly registered as a business within the State of Vermont with the Vermont Secretary of State.
 4. Property owners who do not live within Windsor or Windham County, Vermont shall designate and provide the name and contact information of a designated agent located in Windsor or Windham Counties, Vermont who shall be responsible for responding to emergency or compliance situations occurring at the Short-term rental Dwelling unit.
 5. The Posting of Contact Information required by 18 V.S.A. § 4467 within the Short-term rental dwelling unit.
 6. The education materials required by 18 V.S.A. § 4468(a), including without limitation the self-certification form pertaining to health and safety precautions that Operators must take into consideration prior to renting a dwelling unit required by 18 V.S.A. § 4468(b).
 7. Confirmation that the Operator has in place during all Short-term rentals a policy of liability insurance of not less than \$1,000,000 per occurrence to cover each Short-term rental, unless such Short-term rental is offered through a hosting platform that maintains equal or greater coverage, and that the liability insurance policy that covers the Dwelling unit extends to and covers bodily injury and property damage that occurs during or as a result of the use of the Dwelling unit as a Short-term rental.
 8. Proof, satisfactory to the town, that the Operator has obtained and performed all necessary licensing and registrations with the State of Vermont Department of Health, Division of Fire Safety and Department of Taxes necessary to operate a Short-term rental.

- D. An application for Short-Term Rental Registration, for dwelling units with a capacity of greater than 8 occupants, shall require compliance with subsection C above, plus the following:
1. Confirmation that the sewer or septic capacity is at least equal to the requested Short-term rental Dwelling unit capacity as approved on a Town of Chester Sewer Connection Permit, OR, a State of Vermont Wastewater and Water Supply Permit for the property for dwelling units or wastewater and water supply systems constructed, modified or occupied after June 30, 2007, OR, the local zoning or septic permit for dwelling units constructed before July 1, 2007, OR, by the number of bedrooms indicated in the listers property database if a local zoning or septic permit does not exist for dwelling units constructed before July 1, 2007.
 2. An inspection report with occupancy approved from the State of Vermont Division of Fire Safety for the requested Short-term rental Dwelling unit capacity.
- E. No registration or Certificate for the Short-term rental of a Dwelling unit shall be issued unless the Operator has complied with subsection C above (for dwelling units with an occupancy of 8 or less) or has complied with subsection D above (for dwelling units with a capacity of greater than 8 occupants).
- F. Short-Term Rental Registrations shall expire on December 31 of each year and require renewal to continue use of a Dwelling unit as a Short-term rental.
- G. The number of lessees, guests, or other persons using a Dwelling unit pursuant to the Short-term rental lease or other agreement with the Operator shall not exceed the approved Dwelling unit capacity on the Short-Term Rental Registration Certificate.
- H. The use of a Dwelling unit as a Short-term rental without an annual Certificate or by a number of lessees, guests, or other persons in excess of the approved dwelling unit capacity on the Short-Term Rental Registration Certificate shall constitute a violation of this Ordinance.

SECTION 5. SHORT-TERM RENTAL REQUIREMENTS

- A. **Waiting Period.** Any property that has changed ownership or been transferred after the effective date of this Ordinance shall not be qualified to apply for and receive a Short-Term Rental Registration Certificate for a minimum period of one (1) year following the date of transfer of ownership of the property in question.
- B. **Registration Cap.** The maximum number of Short-Term Rental Registration Certificates allowed annually in the Town of Chester shall be limited to sixty-five (65) per year. When the number of Short-Term Rental Registration Certificates reaches 65, new Short-Term Rental Registration applications shall be placed on a waiting list.
- C. **Owner Limit.** A person, Operator or other entity may only register up to two (2) Short-term rental Dwelling units in the Town of Chester in any calendar year. For purposes of this section, Short-term rental Dwelling units registered by an entity in which the registrant has an ownership interest shall be counted toward this limit.

SECTION 6. FEES. A fee shall be paid to the Town of Chester with the submission of any Short-Term Rental Registration application or annual renewal. The fee shall be in the amount of \$150 per calendar year per Hosted STR and \$600 per calendar year per Non-hosted STR regardless of date of registration. The Selectboard may, from time to time, modify this fee and may establish and adopt other fees related to the administration and enforcement of this Ordinance, and may incorporate all such fees into a duly adopted fee schedule.

SECTION 7. ENFORCEMENT. Any person who violates a provision of this Ordinance shall be subject to a civil penalty of up to \$800 per day for each day that a violation continues. Each day the violation continues shall constitute a separate offense. The STR Administrator, Chester Police Officers, the Chester Zoning Administrator, and the Chester Town Manager shall all be designated and authorized to act as Issuing Municipal Officials to issue and pursue complaints before the Judicial Bureau, or other court having jurisdiction.

SECTION 8. WAIVER FEES. An Issuing Municipal Official is authorized to recover waiver fees, in lieu of a civil penalty, in the following amount, for any person who declines to contest a municipal complaint and pays the waiver fee:

	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Waiver fee for advertising a property for Short-term rental (online or offline) without first having obtained a permit or complying with local listing requirements.	\$125 per day	\$250 per day	\$500 per day	\$650 per day plus revocation for twelve months before a new Short-Term Rental Registration application may be submitted. The revocation can be appealed.
Waiver fee for all other violations.	\$150 per day	\$350 per day	\$600 per day	

Offenses for the purpose of calculating waiver fees shall be counted on a calendar year basis. An Issuing Municipal Official shall have authority to issue a written warning, without recovering a waiver fee, for any First Offense violation. In such instance, the written warning shall be counted as a First Offense for calculating annual offenses.

SECTION 9. PENALTIES. An Issuing Municipal Official is authorized to recover civil penalties in the following amounts for each violation:

	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Fine for advertising a property for Short-term rental (online or offline) without first having obtained a permit or complying with local listing requirements.	\$200 per day	\$400 per day	\$650 per day	\$800 per day plus revocation for twelve months before a new Short-Term Rental Registration application may be submitted. The revocation can be appealed.
Fine for all other violations.	\$250 per day	\$500 per day	\$750 per day	

Offenses for the purpose of calculating penalties shall be counted on a calendar year basis. An Issuing Municipal Official shall have authority to issue a written warning, without recovering a civil penalty, for any First Offense violation. In such instance, the written warning shall be counted as a First Offense for calculating annual offenses. Failure to pay a penalty within 30 days upon entry of

SECTION 10. OTHER RELIEF. In addition to the enforcement procedures available under Chapter 59 of Title 24, the Chester Town Manager is authorized to commence civil action in the Criminal Division of the Vermont Superior Court to obtain injunctive and other appropriate relief, to request revocation or suspension of any Short-Term Rental Registration on behalf of the Chester Selectboard, or to pursue any other remedy authorized by law.

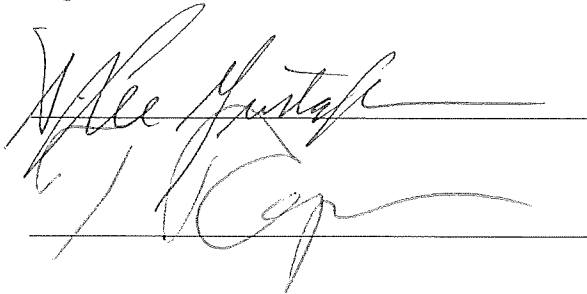
SECTION 11. OTHER AUTHORITIES NOT PREEMPTED. This Ordinance is not intended to preempt or be exclusive with regard to any other permitting or regulatory law or authorities that pertain to the ownership, operation, management or use of property or dwelling units engaged in Short-term rentals.

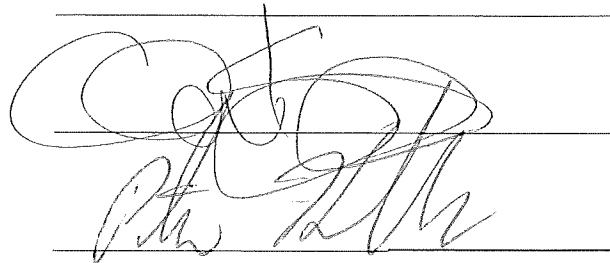
SECTION 12. SEVERABILITY. If any section of this Ordinance is held by a court of competent jurisdiction to be invalid, such finding shall not invalidate any other part of this Ordinance.

SECTION 13. EFFECTIVE DATE. This Ordinance shall become effective 60 days after its adoption by the Selectboard. If a petition is filed under 24 V.S.A. § 1973, that statute shall govern the taking effect of this Ordinance.

Date of adoption by the Select Board: June 19, 2024

Signatures of Select Board members:





Adoption History

1. This Ordinance to Regulate the Adoption of Short-Term Rentals supersedes an Ordinance of the same title adopted on December 7, 2022, and effective February 6, 2023.
2. Posted in public places with notice of adoption and notice of right to petition 6/24/2024
3. Notice of adoption and notice of right to petition published in The Vermont Journal newspaper and The Chester Telegraph online newspaper 6/26/2024
4. With no petition filed the effective date is 8/19/2024