



**Short Term Rental Ordinance- DRAFT**

DRAFT

**Town of Castleton  
263 Route 30N  
Bomoseen, VT 05732**

### **Section 1. Authority**

This Ordinance is adopted pursuant to 24 V.S.A. §1971 and §2291(29). This Ordinance is designated a civil ordinance under 24 V.S.A. §1971(b).

### **Section 2. Purpose**

The Town of Castleton is regulating short-term rentals to reduce or eliminate negative secondary effects it may have on residential areas. Adverse effects may be noticed in parking, garbage, noise, and outdoor / nighttime activities. These conditions, left unregulated, could injure, and degrade the community and constitute a public nuisance for its residents.

The purpose of this Ordinance is to:

1. Promote the public health, safety and welfare of the Town, its residents, and visitors.
2. Balance the desire of property owners to rent their residential properties to short term rental guests with the desire of residents to preserve the traditional peace and quiet of their residential neighborhoods.
3. Preserve and protect residential neighborhood character and livability from the impacts that are often associated with short term rentals.
4. Limit long-term rentals from being replaced with short term rentals.
5. Ensure the safety of occupants of short-term rentals and the well-being of the community / neighborhood.
6. Preserve the character of the neighborhood, guests shall not have an adverse effect on the character of the neighborhood the property is located in.

### **Section 3. Definitions**

**Bedroom** - A room in a Dwelling Unit planned and intended for sleeping and is separable from other rooms by a door. An area open to other parts of the Dwelling Unit, such as a Loft, may be used as a Bedroom provided it is clearly marked on all plans and statements. A Loft used as a Bedroom shall count toward total Dwelling Unit Capacity.

**Dwelling Unit** - Any Structure or portion thereof used by one Family and providing housekeeping facilities for that Family.

**Dwelling Unit Capacity** - The number of Bedrooms in a Dwelling Unit shall determine the Dwelling Unit Capacity. A Dwelling Unit shall have one Bedroom for every two occupants for which the Dwelling Unit is intended to provide accommodations. For example, a three-bedroom Dwelling Unit shall have a Dwelling Unit Capacity of six persons. Dwelling Unit Capacity shall be stated in both number of Bedrooms and in number of occupants and labeled as such on documentation related to the Short-Term Rental.

NOTE: If there is a state or local wastewater permit which requires a different Dwelling Unit Capacity, then that permit shall determine the capacity of the Dwelling Unit. "Clean Slate" Permit Exemptions

only pertain to wastewater systems constructed prior to July 1, 2007, that do not have either a local or state wastewater permit. Existing municipal wastewater permits issued prior to July 1, 2007, remain in effect.

When used as a Short-Term Rental, the Dwelling Unit Capacity shall be increased by 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. A Dwelling Unit subject to a Vermont Land Use (Act 250) Permit shall be limited to the Dwelling Unit Capacity stated on that permit and shall not be increased by an additional two occupants when used as a Short-Term Rental.

**Occupant** – A person authorized to use the property for overnight accommodation pursuant to the Short-Term Rental permit.

**Public Building** – Shall have the meaning set forth in 20 V.S.A. § 2730 (1)(D). A building in which people rent accommodations, whether overnight or for a longer term.

**Short-Term Rental** – Shall have the meaning set forth in 18 V.S.A. § 4301 (a)(14). A furnished house, condominium, or other dwelling room or self-contained 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. An “accessory dwelling unit” as defined in 24 V.S.A.

§4412(1)(E) qualifies as a self-contained dwelling unit.

**Compliance Officer / Issuing Municipal Official** - A person or persons designated by the Select Board to administer and enforce this Ordinance.

#### **Section 4. Short Term Rental Registration and Fees**

On or before January 1st of each year:

1. The owner of property proposed for use as a Short-Term Rental shall annually complete and submit a Short-Term Rental Registration form. Said form shall be approved by the Select Board and may be modified as needed.
2. Upon transfer of ownership of any property on the Short-Term Rental Registration, the new owner shall complete a new Short Term Rental Registration form with updated information and any prior Short Term Rental authorization shall be null and void.
3. Any owner of a Short-Term Rental property who fails or refuses to complete a Short-Term Rental Registration form as provided herein shall be in violation of this Ordinance.
4. Upon complete and proper submission of all required information, as determined by the Short-Term Rental Compliance Officer, the Compliance Officer shall issue a Short-Term Rental Authorization and Registration Number authorizing lawful rental of the Short-Term Rental property.
5. All Short-Term Rental Authorizations and Registration Numbers shall expire on December 31st of each year, with registration renewal forms submitted no later than January 1st of each year.
6. All applicants shall pay a fee with their registration. The fee schedule is as follows.

a. The base fee for all applications is \$100.

b. There will be an additional \$100 fee per bedroom.

### **Section 5. Annual Report**

The owner of the Short-Term Rental property shall annually complete and submit a report form to the Town. Said report form shall be approved by the Select Board and may be modified or amended from time to time with the approval of the Select Board. The following information shall be provided by the owner(s) of Short-Term Rental property on the annual report form:

1. Updated owner/on-site manager contact information.
2. Updated property manager contact information, if applicable.
3. Date, duration, and number of guests for each Short-Term Rental period/stay.
4. Photographic proof that the telephone number of the person(s) responsible for the Short-Term Rental and contact information for the Vermont Department of Health and the Vermont Division of Fire Safety is conspicuously posted in each dwelling unit of the Short-Term Rental.
5. Photographic proof that the Vermont Meals and Rooms tax license is conspicuously posted in each dwelling unit of the Short-Term Rental.
6. Copy of last inspection report by the Vermont Division of Fire Safety or its designee.
7. Identification of any municipal complaint tickets issued and/or fines paid in the preceding 12 months in connection with any Short-Term Rental property.

### **Section 6. Regulatory Requirements and Prohibited Activities**

1. Renting, using, or occupying a Short-Term Rental without first obtaining a Short-Term Rental Authorization and Registration Number shall be a violation of this Ordinance.
2. The Short-Term Rental of property that is not in compliance with this Ordinance is prohibited.
3. Providing false or materially misleading information on any Short-Term Rental Registry or Annual Report form shall be a violation of this Ordinance.
4. All Short-Term Rental property in the Town shall be Owner Occupied or, if not Owner Occupied, under the active management and control of a property manager, who shall:
  - a. Be located within a 30-minute drive of the Short-Term Rental property being managed.
  - b. Available and authorized to respond promptly to incidents involving the Short-Term Rental.
  - c. Capable of providing timely access to the Short-Term Rental property, on a 24/7 basis.
5. All Short-Term Rental properties shall conspicuously display within each dwelling unit the current and valid name, address, and phone number of the Short-Term Rental operator (whether the owner, on-site manager, or property manager), the Vermont Department of

Health, and the Vermont Division of Fire Safety. In addition, the contact information of the Town's Short Term Rental Compliance Officer shall be similarly displayed.

6. Advertising any Short-Term Rental without first obtaining a Town-issued Registration Number or not including the Registration Number in the advertisement to demonstrate that the STR is lawful shall be a violation of this Ordinance.
7. Short Term Rental guests shall not sublease, sublicense, or assign all or any portion of the Short-Term Rental to another person during the rental period.
8. Short Term Rental properties shall not exceed the dwelling unit capacity of the property. The number of beds advertised or available in the dwelling unit shall not cause the dwelling unit capacity to be exceeded.
9. Short Term Rental properties shall provide sufficient parking to ensure no vehicles are parked on a Town Highway in violation of the Parking Regulation section of the Town of Castleton Vehicle and Traffic Ordinance. Parked vehicles shall not be on a public or private road where emergency vehicle access may be impaired. \*A sketch depicting onsite parking shall be provided with the permit application.
10. All STR properties shall require an initial inspection by the Division of Fire Safety or licensed Building Inspector. This will include a sewer inspection for those properties not on municipal sewer. The property owner is responsible for coordinating the inspection. The Division of Fire Safety will be contacted for all properties housing 9 guests and above. A licensed building inspector will be contacted for those housing 1-8 guests. Having a completed inspection certifying compliance is a requirement of the application process. Additional inspections will be required if a complaint is filed, the property changes owners, a zoning permit is issued or at the request of the Town Compliance Officer or Issuing Municipal Official.
11. It is recommended property owners notify their insurance carrier they operate a short-term rental property to minimize liability and risk & valid proof of homeowners insurance with a short-term rental endorsement is required with each permit application.

## **Section 7. Enforcement, Penalties, and Other Relief**

1. Any person who violates a provision of this civil ordinance shall be subject to a civil penalty of up to \$800 per day for each day that such violation continues. Each day the violation continues shall constitute a separate offense. The Town of Castleton Compliance Officer, Police Officers, Constables, and Health Officer shall all be designated and authorized to act as Issuing Municipal Officials to issue and pursue before the Judicial Bureau, or other court having jurisdiction, a municipal complaint.
2. Civil Penalties. An Issuing Municipal Official is authorized to recover civil penalties in the following amounts for each violation:
  - a. Operating STR Without Authorization or Registration Number - \$400
  - b. All Other Violations: First Offense - \$400 Second Offense - \$600 Third Offense - \$800

Fourth and Subsequent Offenses - \$800, plus automatic revocation for twelve months before a new Short Term Rental Authorization Application may be submitted.

3. An Issuing Municipal Official shall have authority to issue a written warning for a First Offense violation other than Operating a Short-Term Rental Without Authorization or a Registration Number. In such instances, the written warning shall be counted as the First Offense.

**Section 8. Revocation or Denial of Permit**

1. The Select Board may revoke a permit if the owner of a Short-Term Rental property is issued a ticket or has a fine issued by the Judicial Bureau. A hearing will be held with the Select Board and the property owner. The property owner shall be provided with a written notice of the time, date and place of hearing and the facts of the complaint.
2. The Select Board may deny approval of a permit based on previous violations of this ordinance.

**Section 9. Severability**

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

**Section 10. Adoption and Effective Date**

This Ordinance is hereby adopted by the Castleton Selectboard on this the \_\_\_ day of \_\_\_\_\_ 24., and shall, unless a petition is filed as provided by law, become effective \_\_\_\_\_

Selectboard

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Richard Combs, Chairman

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Robert Spaulding

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Mary Lee Harris

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Rob Steele

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Mark Brown