

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS hundreds of Burlington residents rent their homes on a short term basis to earn additional income to pay for essential needs and expenses; and

WHEREAS, the availability of short term rentals has benefitted Burlington as a tourist destination; and

WHEREAS, short term rentals have also existed in the Burlington for purposes beyond leisure travel, including, but not limited to, visiting family members, stays related to receiving medical care, temporary housing solutions for traveling healthcare workers, and remote workers, among other uses; and

WHEREAS, Burlington visitors who stay in short term rentals generate millions of dollars for the local economy, including for, but not limited to, workers who provide services for short term rentals; and

WHEREAS, the City Council also recognizes a present need to address a housing supply shortage and to improve housing affordability; and

WHEREAS, an over-abundance of short term rentals in a community promotes a commercial element over the benefits of more residential uses; and

WHEREAS, as the popularity of short term rentals has grown, it is necessary for Burlington to establish a framework of regulations that appropriately balance the advantages and disadvantages of short term rentals; and

WHEREAS, short term rental hosts should be held accountable for maintaining standards for public safety and general welfare; and

WHEREAS, the establishment of a framework of regulations which shall govern the operation of short term rentals within Burlington shall not supersede existing private agreements, leases, or covenants such as condominium association rules should such agreements prohibit the operation of short term rentals.

NOW, THEREFORE, IT IS HEREBY ORDAINED by the City Council of the City of Burlington as follows:

SECTION 1

That Chapter 18, Housing, of the Code of Ordinances of the City of Burlington be and hereby is amended to read as follows:

ARTICLE I. IN GENERAL

18-1 Short title.

As written.

18-2 Definitions.

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

Guest means a person who, in exchange for compensation, rents a short term rental.

Host means a person who operates a short term rental (whole or partial unit). The host is the primary contact for guests to make reservations and to contact during their stay. The host oversees compliance of the short term rental with all applicable rules and regulations, receives guests' payment for short term rental stays, and is responsible for remitting all taxes imposed on a guest's occupancy. The host may be the short term rental owner or tenant.

Hotel or motel means an establishment which holds itself out to the public by offering temporary (less than 30 days) sleeping accommodations for compensation ~~consideration~~ and is subject to the Vermont rooms and meals tax. Hotel or motel is defined as lodging in the Comprehensive Development Ordinance. Hotel or motel does not include short term rental.

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

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

Roominghouse shall mean any dwelling or that part thereof containing one or more rooming units in which space is let to three (3) or more persons for thirty (30) consecutive days or more. *Rooming unit* shall mean any room or group of rooms forming a single habitable unit used or intended to be used for living and sleeping, but not for cooking or eating purposes. A rooming unit does not include short term rental.

Short term rental (STR) shall mean a dwelling unit that is rented to guests for less than thirty (30) consecutive days and for more than 14 days per calendar year, is subject to the Vermont rooms and meals tax, and is either a:

(a) Partial Unit, meaning a room located within a host's primary residence that is used primarily for sleeping purposes by human occupants and that contains at least seventy (70) square feet of floor area; or

(b) Whole Unit, meaning an entire dwelling unit.

Target housing means any dwelling constructed prior to 1978, except any zero (0) bedroom dwelling or any dwelling located in multiple-unit buildings or projects reserved for the exclusive use of the elderly or persons with disabilities, unless a child six (6) years of age or younger resides in or is expected to reside in that dwelling. "Target housing" does not include units in a

hotel, motel, or other lodging, including condominiums that are rented for transient occupancy for less than thirty (30) days ~~or less~~.

18-3 – 18-14 Reserved.

ARTICLE II. ADMINISTRATION AND ENFORCEMENT

DIVISION 1. GENERALLY

18-15 Registration required.

(a) The owners of all rental units subject to inspection pursuant to Section 18-16 and the hosts of all short term rentals shall be required to annually file a registration application and fee with the enforcement agency, which shall be due annually on or before April 1. Additional requirements pertaining only to short term rentals are listed in subsection (f).

The owners or hosts must complete a rental property information form to be provided by the enforcement agency which contains the following information:

- (1) The address of the property.
- (2) The number of dwelling units at that address.
- (3) The number of rental units at that address.
- ~~(4) The maximum number of residents in each rental unit.~~
- ~~(5)~~ (4) The number of sleeping rooms in each rental unit.

~~(6) The number of families living in each rental unit.~~

~~(7) The number of unrelated adults in each rental unit.~~

~~(85)~~ The number of ~~vehicles owned or used by residents of the premises and the number of~~ parking spaces that are dedicated for the rental units at the property.

~~(96)~~ The name, address, phone number, email address, date of birth, drivers license and state and military status (active or not) of the property owner, and if the owner is a corporation, the registered corporate agent and the president of the corporation and ~~their~~his/her name and address, and if the owner is a partnership, the registered partnership agent, and the names and addresses of the general partners.

~~(107)~~ The name, address, ~~and~~ phone number, and email address of:

~~(i)~~ any local (within Chittenden County) managing agent. All owners or hosts who do not live within Chittenden County are required to designate a managing agent located in Chittenden County who is empowered to represent the owner or host in matters concerning compliance with this chapter.

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

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

(8) For rental units rented for thirty (30) days or more (i.e. other than short term rentals):

(i) The maximum number of residents in each rental unit.

(ii) The number of families living in each rental unit.

(iii) The number of unrelated adults in each rental unit.

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

(9) For short term rentals:

(i) The number of whole unit or partial unit short term rentals within the building, or in the case of multiple buildings on a parcel of land, on the entire lot.

(ii) For hosts who are tenants, the name, address, phone number, email address, date of birth, drivers license and state and military status (active or not) of the host, and written permission from the owner of the rental unit that the tenant may register it as a short term rental.

(iii) If applicable, written proof of the host's permanent residence. For hosts who are owners of the short term rental, this shall be proven by a declaration of homestead pursuant to 32 V.S.A. § 5410. For hosts who are tenants, this shall be proven by receipt of a renter credit provided for under 32 V.S.A. § 6066. The enforcement agency may accept other written proof of permanent residency at its discretion, relying on criteria such as the address listed on the host's drivers license, car or voter registration forms, on utility bills or bank accounts, or on the host's individual tax returns.

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

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

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

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

(f) In addition to registration requirements for all rental units noted in (a) – (e) above, all short term rentals shall be subject to the following standards:

(1) A host may register their primary residence as one (1) whole unit short term rental or the host may register up to three (3) rooms within their primary residence as a partial unit short term rentals.

(2) A host may register a dwelling unit within the same building or lot as their primary residence as one (1) whole unit short term rental.

(3) A host may register a dwelling unit that is not within the same building or lot as their primary residence as one (1) whole unit short term rental only if either:

i. the dwelling unit is indicated as a seasonal home by the Burlington Assessor; or

ii. the dwelling unit is within a building with two (2) or more dwelling units and the host rents another dwelling unit within the same building or lot that meets the affordability criteria of Article 9, Inclusionary Zoning, of the Comprehensive Development Ordinance or is rented to a tenant receiving Federal or State rental assistance.

(4) A host may not register more than one (1) whole unit short term rental, unless the short term rental is the host's primary residence, in which case the host may register one (1) additional whole unit short term rental.

18-16 Inspection required.

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

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

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

18-17 – 18-29 As written.

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

(a) - (c) As written.

(d) The provisions of this subsection do not apply to short term rentals, except that if a host terminates an existing tenancy in a rental unit or refuses to renew a written rental agreement for the purpose of converting a rental unit to a short term rental, the host shall be responsible for paying the costs of relocation for the affected tenant, as defined by Sec. 18-28(c), within ten (10) days after the tenant vacates the rental unit, as long as all rent due and payable has been paid by the tenant prior to the date on which the unit is vacated.-

18-30 Fees.

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

****Remainder of Sec. 18-30 as written.*

18-31 – 18-69 As written.

ARTICLE III. MINIMUM STANDARDS

DIVISION 1. GENERALLY

18-70 – 18-112 As written.

18-113 Short Term Rentals

The following additional minimum standards shall apply to short term rentals only:

(a) Hosts shall comply with all applicable State law and regulations regarding short term rentals.

(b) Short term rentals must be serviced and cleaned before each new guest.

(b) Hosts shall provide guests written documentation with the following information:

i. the name, phone number, and email of the host and, if not the host individually, an emergency contact within Chittenden County who is available at all times during a guest's rental.

ii. contact information for the enforcement agency, the State Department of Health, and the State Department of Public Safety's Division of Fire Safety.

iii. written instructions on the location and use of fire extinguishers;

iv. written instructions on emergency shut-off of heating systems and fuel burnings appliances.

v. a diagram identifying emergency egress routes.

vi. a copy of Burlington's Noise Control Ordinance.

18-124—18-129 Reserved.

DIVISION 7. MINIMUM ENERGY EFFICIENCY STANDARDS

18-130 – 18-199 As written.

ARTICLE IV. HOUSING DISCRIMINATION

18-200 – 18-299 As written.

ARTICLE V. REGULATION OF CONVERSION OF RENTAL HOUSING TO CONDOMINIUMS OR COOPERATIVES

18-300 Statement of Purpose.

As written.

18-301 Authority and applicability.

As written.

18-302 Exemptions.

(a) - (b) As written.

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

18-303 – 18-399 As written.

ARTICLE VI. HOUSING TRUST FUND

18-400 – 18-499 As written.

ARTICLE VII. RESERVED

18-500 – 18-512 Reserved.

SECTION 2

That Chapter 21, Offenses and Miscellaneous Provisions, Article I. In General, Section 31 of the Code of Ordinances of the City of Burlington be and hereby is amended to read as follows:

21-31 Restaurant, hotel, amusements and admissions taxes.

(I) GENERAL PROVISIONS:

(A) Title: This section may be cited as the "Restaurant, Hotels, Amusements and Admissions Taxes Ordinance."

(B) Purpose and Authority: This section is enacted to raise revenue for municipal purposes pursuant to the Charter of the City of Burlington, Act No. 298, Acts of 1949, Sections 48III and 48XXIV.

~~The city council originally adopted this tax on January 30, 1986. Included in that ordinance was subsection "XVI Sunset." Subsequent to the adoption of the ordinance, the voters recommended and the Legislature adopted a change to the City Charter (Acts of 1986, M-21) which established a system of tax classification in Burlington.~~

~~That city council and each successor city council has construed the 1986 tax ordinance not to have sunset, to have been in continuous effect, and each has adopted a city budget which collected and expended funds raised by that 1986 ordinance.~~

~~On April 2, 1990, the Superior Court construed the intention of the 1986 enactment of this ordinance to trigger a sunset of it effective June 30, 1987, and declared it no longer effective.~~

~~The city council hereby enacts this ordinance as both a prospective and retroactive curative adoption. The city council views the Superior Court's construction of the intention of our predecessor 1986 city council to be erroneous. Despite the fact that an appeal of that decision is pending at the time of this enactment, the city council finds that prudence further necessitates that this curative action also be taken by us as the local legislative body of the city.~~

~~It is therefore the express legislative purpose of this 1990 enactment of this ordinance to:~~

~~(1) Adopt the "Restaurant, Hotel, Amusements, and Admissions Taxes Ordinance," Code of Ordinances, Section 21-31, without the sunset clause which appeared at subsection XVI of the 1986 enactment, and which gave rise to the Superior Court declaration of defect in the ordinance's continued effectiveness after June 30, 1987; and~~

~~(2) Make this enactment, which has eliminated the former sunset clause altogether, retroactive to the effective date of the original tax ordinance adopted January 30, 1986.~~

(II) TAXES IMPOSED:

(A) Restaurant Tax: There is hereby imposed a business occupation tax upon all persons engaged in the restaurant business of whatever name or character in the City of Burlington. The tax imposed shall be at the rate of two (2) percent of the gross receipts from taxable business, as defined herein, done per monthly period in accordance with the provisions of this section.

(B) Hotel and Motel Tax: There is hereby imposed a business occupation tax upon all persons engaged in the hotel or motel business of whatever name or character within the City of Burlington. The tax imposed shall be at a rate of two (2) percent of gross receipts from taxable business, as herein defined, done per monthly period in accordance with the provisions of this section.

(C) Short Term Rental Tax: There is hereby imposed a business occupation tax upon all persons engaged in operating short term rentals within the City of Burlington. The tax imposed shall be at a rate of five (5) percent of gross receipts from taxable business, as herein defined, done per monthly period in accordance with the provisions of this section and dedicated to the Housing Trust Fund.

~~(DE)~~ Amusements Tax: There is hereby imposed a business occupation tax upon all persons engaged in the business of operating places of amusement, including, but not limited to, pool halls, arcades, bowling alleys, or operating any establishment making available use of amusement devices of whatever name or character within the City of Burlington. The tax imposed shall be at the rate of two (2) percent of taxable business, as defined herein, done per monthly period in accordance with the provisions of this section.

~~(ED)~~ Admissions Tax: There is hereby imposed a tax on admissions to circuses, menageries, carnivals, cinemas, shows of every kind, plays, athletic contests, exhibitions or entertainments for money of whatever name or character except those of educational or nonprofit institutions or organizations or wholly for charitable purposes. The tax imposed shall be at the rate of two (2) percent of the gross receipts from such admissions, as defined herein, done per monthly period in accordance with the provisions of this section.

~~(EE)~~ Compliance Required: It shall be unlawful for any person to transact or carry on any business, occupation or activity subject to the provisions of this section without complying with all applicable provisions herein.

(III) – (XV) As written.

SECTION 3 – ENACTMENT DATE

These provisions shall take effect on the date of the enactment of this Resolution.

If a dwelling unit operated by a host as a short term rental prior to the enactment date is no longer permitted as a short term rental under the provisions of this Resolution, the host may continue to operate their short term rental and accept guest reservations until no later than March 31, 2024, provided that:

1. The host registers their short term rental and pays any registration fee within thirty (30) days following the enactment date of this Resolution; and
2. The host demonstrates to the satisfaction of the enforcement agency that future guest reservations were made for the short term rental prior to May 31, 2022.