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TO: Burlington City Council
 Mayor Miro Weinberger
FROM: Meagan Tuttle, AICP, Director
 Scott Gustin, AICP, Zoning Manager, Dept. of Permitting & Inspections
DATE: July 27, 2022
RE: Proposed CDO Amendment ZA-20-08: Short Term Rentals

This amendment has been under development since the 2019 Housing Summit and the subsequent Council Resolution in October 2019, which directed a Joint Committee to create a regulatory framework for short-term rentals that created tiers and disincentivizes the most impactful uses. Formerly recommended by the Commission as ZA-20-05, the proposed CDO amendments expired in April when the accompanying changes to *Ch. 18- Minimum Housing* were vetoed by the Mayor earlier this year.

Modified changes to the CDO and *Ch. 18 amendments* were subsequently reintroduced by the Council. At the [June 27 meeting](#), Council adopted the *Ch. 18* portion of this overall framework as well as an amendment to *Ch. 21* regarding the local tax rate for STRs. At the same time, Council referred the enclosed CDO amendments to the Commission to hold a public hearing, make technical corrections, and provide any recommendations per the process outlined in 24 VSA 4441 (g). Therefore, the Commission is recommended to approve the enclosed Municipal Bylaw Amendment Report and warn the amendment for public hearing. Some technical corrections to the use table for Article 14 are anticipated to follow the public hearing, before referring to City Council for hearing and adoption.

Proposed Amendment

Amendment Type

Text Amendment	Map Amendment	Text & Map Amendment
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Purpose Statement

The proposed amendment defines short-term rentals (STRs), allows STRs where residential uses are permitted, and exempts STRs from requiring a zoning permit. The amendment also streamlines various lodging types into a single lodging definition and makes associated changes to the use tables and off-street parking requirements. This amendment is a complement to the broader regulatory framework for STRs within *Ch. 18: Minimum Housing Standards* in the Burlington Code of Ordinances.

Proposed Amendments

The following changes to the *Burlington Comprehensive Development Ordinance* are proposed:

1. Amend Article 13 Definitions to define “short term rental”, modify “lodging” definitions, and eliminate “bed and breakfast” definition

Define short term rental as a type of dwelling unit and refer to standards in *Ch.18*. The STR definition largely reflects the state’s definition of an STR with regard to length of rental and refers to the Vermont rooms and meals tax. Additionally, the definitions of Hotel/Motel and Hostel are streamlined to a general “Lodging” definition, and “Bed and Breakfast” is removed to reduce redundancy and inconsistencies in how various traditional lodging uses are permitted.

2. Add STRs as a “special residential use” to Appendix A- Use Table and in Article 14- Downtown Code

This will establish that short term rentals are the use of a dwelling unit, allowed anywhere that residential uses are allowed, and will refer to *Ch. 18* for specific standards.

Relationship to planBTV

This following discussion of conformance with the goals and policies of planBTV is prepared in accordance with the provisions of 24 V.S.A. §4441(c).

Compatibility with Proposed Future Land Use & Density

The proposed changes largely amount to technical corrections to ensure that the zoning ordinance refers to applicable standards for STRs in *Ch. 18- Minimum Housing standards*. The standards included in *Ch. 18* were adopted to protect existing housing from unlimited conversion to STR use by establishing narrow parameters for allowing short-term rentals. It also reduces inconsistencies among various lodging types presently allowed within the city.

Impact on Safe & Affordable Housing

The proposal will have no impact on the intensity or density of future land use. Short term rentals will be allowed wherever residential uses are allowed. However, *Ch. 18* limits to being in a host's own primary residence, within an owner-occupied building, within Seasonal Homes that are not suitable for long-term housing purposes, or within non-owner occupied properties that host an affordable housing unit. This limits range of housing units within the city that are able to be converted from long-term housing for STR purposes. Additionally, *Ch. 21* establishes that local taxes collected on STRs contribute to the City's Housing Trust Fund, which is used to create and preserve permanently affordable housing.

Planned Community Facilities

This amendment has no impact on any planned community facilities.

Process Overview

The following chart summarizes the current stage in the zoning amendment process, and identifies any recommended actions:

Planning Commission Process				
Draft Amendment referred by: City Council	Presentation & discussion: 6/28/22	Approve for Public Hearing 6/28/22	Public Hearing & Technical Corrections 7/26/22	Approved & forward to Council 7/26/22
City Council Process				
First Read & Referral to Ordinance Cmte 4/11/22	Ordinance Committee discussion & recommendation 5/31/22	Council 2 nd Read 6/27/22	Public Hearing 9/12/22	Approval & Adoption
				Rejected