

FAQ for Proposed Short-Term Rental Registry Ordinance

What does this Ordinance do?

This Ordinance requires owners of most short-term rentals to register their short-term rental annually with the Town and comply with basic health, safety, and welfare requirements.

What is a short-term rental?

Short-term rentals are dwelling units (for example, a house or apartment) or portions of a dwelling unit (for example, a bedroom or den) rented for periods of fewer than 30 consecutive days. Most short-term rentals are rented for periods of days or weeks.

Note: A house with an accessory dwelling unit (ADU) has two dwelling units. A duplex has two dwelling units. A triplex has three dwelling units. A house that has been modified to create four apartments has four dwelling units, etc.

Are there any short-term or other rentals that are not regulated by this Ordinance?

Yes, the following rentals are not regulated by this Ordinance:

- Rental of something for a total of 14 or fewer days per calendar year (this limitation is established by state law)
- Rental of something for more than 30 consecutive days (for example, long-term rentals that have year leases and rentals with shorter term leases that are over 30 days such as renting a house for the winter season or to a traveling nurse for a multi-month period) (this limitation is established by state law)
- Rental activity covered by a lodging license with the Vermont Department of Health (this license is required when renting three or more bedrooms in the *same dwelling unit*, renting three or more dwelling units on the same property, or if serving prepared food to guests)
- Rental of up to two bedrooms in the *same dwelling unit* that an owner, or tenant who rents long-term, lives in

What is the goal of the Ordinance?

The goal of the Ordinance is to balance the well-established practice of renting dwelling units for tourism with the needs of ensuring an adequate supply of long-term housing, preserving the character of residential neighborhoods, and otherwise protecting the public health, safety, welfare, and convenience of visitors and residents. The registration of short-term rentals will provide the Selectboard, Planning Commission, and public with valuable information on the prevalence and use of short-term rentals in Montgomery.

Other than registration what are the other requirements for owners of short-term rentals under the Ordinance?

Owners who live more than 25 miles driving distance from any of their short-term rentals have to identify a designated local agent who can respond to inquiries by the Town when the owner is not available and act as an emergency contact for guests.

Owners must also carry insurance; display their registration number and contact information for themselves and any designated local agents; provide guests with fire and other safety information; comply with all applicable building, health, and fire safety laws; provide off-street parking and prohibit guests from parking on neighboring properties and in the road; ensure occupancy limits are not exceeded for the short-term rental; and, if pets are allowed, require guests to provide proof of valid rabies vaccination.

The specific requirements are in Section 5.

What are the proposed fees for registration?

The initial registration fee is \$300 per dwelling unit and annual renewal fee is \$150. If bedrooms in the same dwelling unit are rented separately, only one application, fee, and registration number is required for the dwelling unit.

How will the Ordinance be enforced?

The Ordinance is principally enforced through municipal ticketing, the process for which is similar to the process for traffic tickets, including appeal to the judicial bureau of the superior court. This is how ordinances are typically enforced by municipalities.

What are the penalties for non-compliance?

The penalty amounts are listed in Section 6.7 and range from \$200 to \$800. Municipal tickets will be issued for these amounts. The failure to timely resolve a violation can result in multiple tickets. In appropriate circumstances, the designated Town officer can issue a written warning for the first offense in lieu of a ticket.

A registration will be automatically revoked or suspended under specific, limited circumstances including multiple, repeat violations.

Will the guests at a short-term rental be responsible for complying with the Ordinance?

The owner of the short-term rental is ultimately responsible for ensuring their guests comply with portions of this Ordinance pertaining to guests by establishing appropriate policies for use of the rentals.

Do I need to register my short-term rental and otherwise comply with Ordinance if I have a conditional use permit or zoning permit for the dwelling unit?

Yes, you will need to register your short-term rental and comply with the Ordinance. Zoning regulations and permits regulate where particular uses are appropriate to locate in a municipality whereas ordinances establish health, safety, and welfare requirements.

If I currently operate a short-term rental, what process will I follow to obtain a registration?

If the Ordinance is adopted, once the program is established, application materials will be provided. If you currently operate a short-term rental you will have 60 days after the effective date of the ordinance to submit a complete registration application. If you have good cause to request an extension, you will be able to request an additional 30 days to submit a complete application. Provided you timely submit all of the required information, you can continue to operate your short-term rental while the designated Town officer is reviewing your application.

How long is a registration good for?

In general registrations are good for a year – May 1 to April 30. The initial registration for an existing short-term rental will likely be longer as the registration will run until April 30 after the year obtained.