# MUNICIPAL AUTHORITIES RELATED TO SHORT TERM RENTALS

GARRETT BAXTER, SENIOR STAFF ATTORNEY VLCT MUNICIPAL ASSISTANCE CENTER



#### **STR REGULATORY AUTHORITY**

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

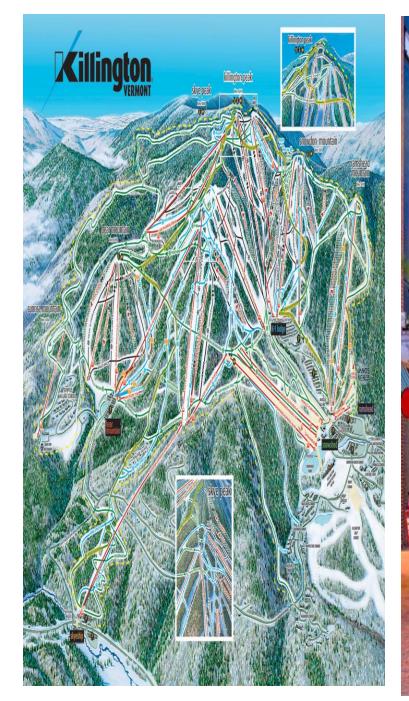
To regulate by means of an ordinance or bylaw the operation of short-term rentals within the municipality, provided that the ordinance or bylaw does not adversely impact the availability of long-term rental housing. As used in this subdivision, "short-term rental" means a furnished house, condominium, 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.



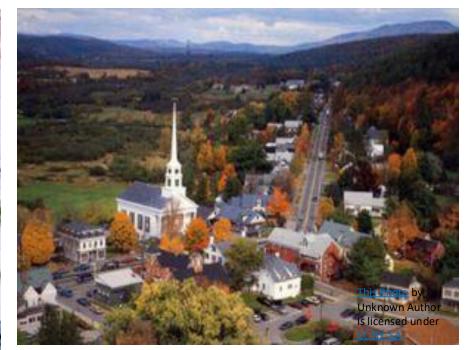
### MUNICIPAL STR AUTHORITIES



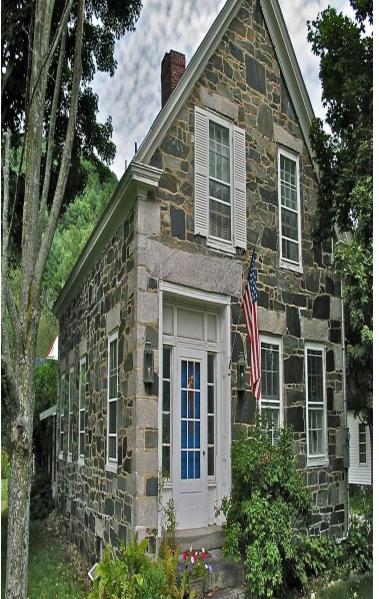
### MUNICIPAL STR AUTHORITIES











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### STR COURT CHALLENGES – ZONING

In re Toor, 192 Vt. 259 (2012)

- The interested-party-adjoining landowners and the Town both make arguments regarding why appellants' use is undesirable particularly when there is no limit on the number and characteristics of the renters. Since we are attempting to construe a municipal ordinance, these arguments are for the municipal governing body rather than the judiciary. We are not the body to resolve the conflicting interests of the landowner, the neighbors of the landowner, and the Town and all its citizens except under ascertainable standards adopted by the Town.
- The Town could clearly prohibit appellants' use, but we cannot read the current bylaws as having done so.
  - VT Supreme Court, Justice Dooley.



### MUNICIPAL STR AUTHORITIES - ORDINANCES

"Every presumption is to be made in favor of the constitutionality of such an ordinance, and it will not be declared unconstitutional without clear and irrefragable evidence that it infringes the paramount law. If, without doing violence to the fair meaning of its language, we can give the ordinance a construction free from the constitutional objection, it will be our duty to do so. The rule is that `every intendment is to be made in favor of . . . municipal power, making regulations to promote the public health and safety, and that it is not the province of the courts, except in clear cases, to interfere with the exercise of the power reposed by law in municipal corporations for the protection of local rights and the health and welfare of the people of the community."

Village of St. Johnsbury v. Aron, 103 Vt. 22, 27 (1930)

### STR COURT CHALLENGES - VERMONT



# 32 Intervale, LLC et al v. City of Burlington, No. 23-CV-02886

- Plaintiffs' claim fails as a matter of law, however, because the City plainly has broad authority to regulate short-term rentals under a different statute, 24 V.S.A. § 2291(29).
- Section 2291(29) clearly authorizes the City to impose durational limits and owner occupancy requirements on short-term rentals.

- Judge Samuel Hoar, Jr.

### STR COURT CHALLENGES - VERMONT



## 32 Intervale, LLC et al v. City of Burlington, No. 23-CV-02886

- (T)he relationship between a lack of available long-term housing and strains on the housing market, with impacts on homelessness, is intuitive, as is the consequent impact on a municipality's general welfare.
- (T)he City's regulation of short-term rentals bears an obvious and rational relation to public welfare, health, and safety.
  - Judge Samuel Hoar, Jr.

### STR COURT CHALLENGES - VERMONT



# 32 Intervale, LLC et al v. City of Burlington, No. 23-CV-02886

The power (police) may lawfully be delegated to municipalities, . . . and, when so delegated, the municipality is clothed with power to act, as full and efficient as that possessed by the Legislature itself. The constitutional argument, even if properly raised, fails.

– Judge Samual Hoar, Jr.

# STR COURT CHALLENGES – VERMONT

32 INTERVALE, LLC ET AL V. CITY OF BURLINGTON, 2025 WL 1621457

Which court (Environmental or Superior) has jurisdiction over Plaintiffs' claim that their rental properties are a legally permitted preexisting nonconforming use under municipal zoning regulations?



### STR COURT CHALLENGES -**VERMONT**

32 INTERVALE, LLC ET AL V. CITY OF **BURLINGTON, 2025 WL 1621457** 

THIS CLAIM FALLS SQUARELY WITHIN THE AMBIT OF CHAPTER 117. . . IT IS THEREFORE A CLAIM OVER WHICH THE **ENVIRONMENTAL DIVISION HAS** EXCLUSIVE JURISDICTION, AND THE CIVIL DIVISION PROPERLY DISMISSED IT ON THAT BASIS.

PLAINTIFFS HAVE NOT YET SOUGHT A PERMIT OR DETERMINATION OF NON-APPLICABILITY FROM THE CITY.

- VT Supreme Court

### **Burlington Short-Term Rental Fight Will Continue in Environmental Court**

A Vermont Supreme Court ruling has slowed a case brought by a group of hosts who argue that they are exempt from a 2022 Burlington ordinance.



Courtney Lamdin June 10, 2025









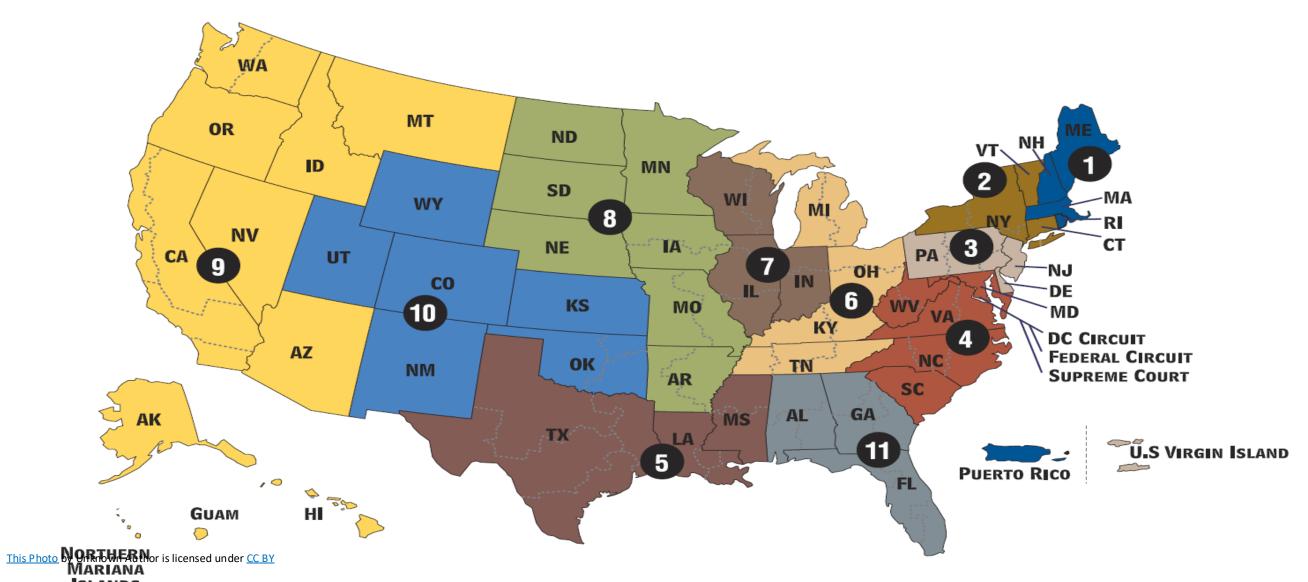




### STR COURT CHALLENGES – FEDERAL CIRCUIT COURTS

#### **Geographic Boundaries**

of United States Courts of Appeals and United States District Courts



### STR COURT CHALLENGES

[S]uch rentals undoubtedly affect the essential character of a neighborhood and the stability of a community. Short-term tenants have little interest in public agencies or in the welfare of the citizenry. They do not participate in local government, coach little league, or join the hospital guild. They do not lead a Scout troop, volunteer at the library, or keep an eye on an elderly neighbor. Literally, they are here today and gone tomorrow—without engaging in the sort of activities that weld and strengthen a community.

Ewing v. City of Carmel-By-The-Sea, 234 Cal.App.3d 1579.

Indeed, Mayor Fulop explained that the point of the ordinance was to permit individuals to make extra income by renting out their apartments; he did not state that the ordinance permitted large-scale short-term rental investments or significant business operations.

Nekrilov v. City of Jersey City, 528 F.Supp.3d 252 (2021).

### VLCT'S MODEL SHORT-TERM RENTAL ORDINANCE



### [INSERT NAME OF MUNICIPALITY] SHORT-TERM RENTAL ORDINANCE

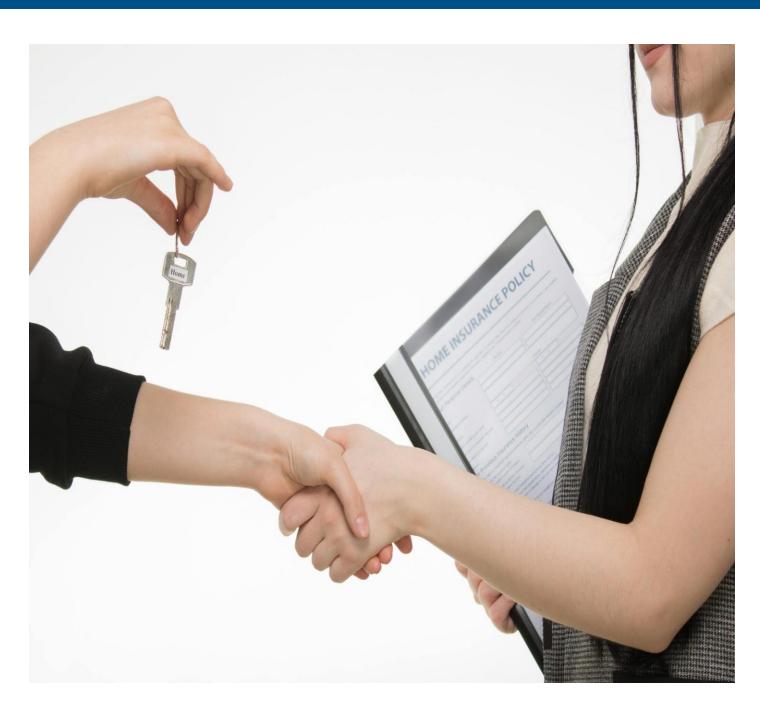
**SECTION 1. AUTHORITY.** This civil ordinance is adopted by the [insert name of legislative body] ("Selectboard") of [insert name of municipality] ("Town") under the authority granted by [insert statutory authority] 24 V.S.A. §§ 2291(15), (29) and 24 V.S.A. Chapter 59.

**SECTION 2. PURPOSE.** The purpose of this Ordinance is to promote and protect the public health, safety welfare, convenience, and peace and quiet of the inhabitants of the Town; enhance and maintain the existing character and density of residential neighborhoods, and to preserve and promote the availability of long-term affordable, residential housing in Town by regulating transient commercial use of residential property and the deleterious secondary effects commonly associated with their operations.

**SECTION 3. DEFINITIONS.** For the purposes of this Ordinance, the following words and/or phrases will be defined as follows:

- A. "Dwelling Unit Capacity" or "DUC" means the total occupancy limit for a short-term rental as determined by the maximum capacity of one of the following:
  - a. the property's wastewater disposal system based upon a State of Vermont Wastewater and Potable Water Supply Permit for the property for dwelling units or wastewater and potable water supply systems constructed, modified, or occupied after June 30, 2007;
  - b. the local zoning or septic permit for dwelling units constructed before July 1, 2007; or
  - 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.
- B. "Enforcement Officer" means any law enforcement officer certified by the Vermont Criminal Justice Training Council, the Short-Term Rental Administrator, or any other person designated as an Enforcement Officer by the Selectboard.

### VLCT'S MODEL SHORT-TERM RENTAL ORDINANCE

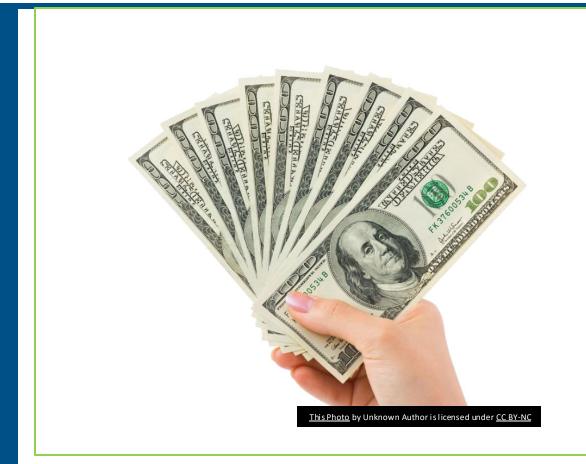


[Optional, See Guidance]: SECTION 5. SHORT-TERM RENTAL LICENSING REQUIREMENTS.

- A. An STR Property Owner cannot lease or rent their property as a short-term rental (STR) without first obtaining an STR License from the Town.
- B. Renting, or offering for rent, an STR without first obtaining an STR License or complying with the licensing requirements as specified in this Ordinance is prohibited.
- C. An STR Property Owner must submit to the Town an STR License application on a form furnished by the Town.
- D. Every License application, including any renewal application, under this Ordinance must be accompanied by a [insert non-refundable or refundable] fee established by the Selectboard and paid to the Town.
- E. An STR License application will not be considered complete and eligible for consideration until all the information in this Section is provided and the associated application fee is paid in full.
- F. A separate application and associated fee are required for each STR offered for rent.
- G. The STR License application must be signed by the Property Owner and contain the following information:
  - a. The physical (E-911) address(es) of the property to be used as an STR.
  - b. The full name, physical address, e-mail address, and telephone number of the Property Owner. If the Property Owner is an entity, then the legal name of the entity, its physical mailing address, its agent, and the agent's telephone number and e-mail address.
  - c. The full name, physical address, e-mail address, and 24-hour telephone number of the STR Operator.
  - d. Proof of insurance. Confirmation of liability insurance of not less than \$1,000,000 in "commercial general liability" insurance per occurrence, combined single limit, for bodily injury, personal injury, and property damage arising in any way from the issuance of an STR License or activities conducted pursuant to the License, for each dwelling unit used as a Short-Term Rental unless such Short-Term Rental is offered through a hosting platform that

VLCT MODEL SHORT-TERM RENTAL (STR) ORDINANCE, 2025

### VLCT'S MODEL SHORT-TERM RENTAL ORDINANCE









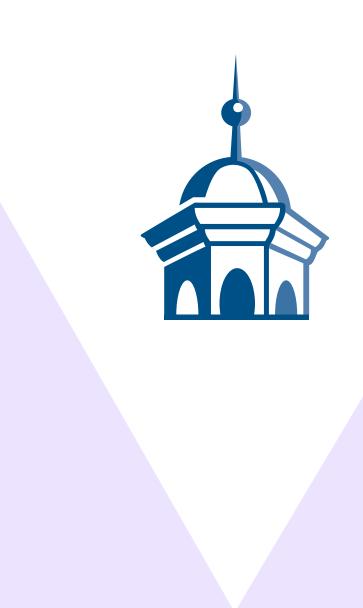


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- askmac@vlct.org
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Vermont League of Cities and Towns