

Agenda
Warren Selectboard
July 13, 2021
Warren Municipal Building
6:00 PM

- ✓ 5:30 PM – Road Access Site Visit – Dotty Kyle, 136 West Hill Extension
- ✓ 6:00 PM – Public Comment
- ✓ 6:02 PM – Dog Issue Michele Bennett's Dog – West Hill Road
- ✓ 6:10 PM – Warren Fire Department Check In – Jeff Campbell
- ✓ 6:25 PM – MRV Housing Coalition – Bob Ackland
- 6:45 PM – Approval of Minutes of June 22, 2021, June 6, 2021
Grand Fondo Bike Race August 7, 2021
- ✓ 6:50 PM – Global Partners LP – New owners of Mac's Convince Store – Second Class & Tabaco Liquor Licenses
Approval SK Club 10, First + Third Class
- ✓ 6:55 PM – Sugarbush Mt. Resort Inc, - The General Store 2nd Class Liquor License Approval

✓ 6:46 PM – Approval of Accounts Payable and Payroll Warrants

7:00 PM – Other Business

134,456.66 + 25,791.50
Steward MRV Authorization For Trash Receipts by Skateboard Park
Adventure Cycling Association - Rest Stop - Band Stand
****Agenda Subject to Change****

Weekly: [https://us04web.zoom.us/meeting/join/456874542](https://us04web.zoom.us/join/456874542)
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Meeting ID: 456 874 542

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Minutes of July 13, 2021
Warren Selectboard
VIA Zoom & In person
Warren Municipal Building
5:30 PM

5:30 PM – Site Visit- Dotty Kyle 136 West Hill Extension – Members present: Andrew Cunningham, Chair, Luke Youmell, Vice Chair & Devin Klein Corrigan. Others Present: Cindi Jones & Ruth Robbins, Zoning Administrator.

Ms. Robbins presented to the board the original filed recorded subdivision map showing the property and driveway. Ms. Kyle and Mr. Brattstrom have constructed another driveway access that was not permitted and according to decision they can only have one driveway. Mr. Cunningham walked the distance and it is boarder line on site distance requirements. Ms. Robbins, commented that they can abandon the illegal drive and let the new owners deal with creating a new one down through the property by the sheds to conform to the decision made by the DRB and the recorded Platt dated February 9, 2007. Ms. Kyle nor Mr. Brattstrom were present but the members of the board have seen the site and conditions. The site visit ended at 5:45PM and the members proceeded back to the Municipal Building to reconvene.

Members Present: Andrew Cunningham, Bob Ackland, Luke Youmell, Camilla Behn, Devin Klein Corrigan.

Others Present: Pam Lerner, Stephen Willis, Joyce Crabtree, Todd Warnock, Michele Bennett, Rob (TV44/45), and Sharon Claflin (Global Partners, Regional Manager).

6:00 PM – Public Comment – The board wanted to recognize the passing of long time Warren resident Lenord Robinson. Mr. Robinson had served on many of the volunteer boards in Warren over his life time. He will be missed by all who knew him in Warren. There is a service planned and pot luck on August 1st at the Warren Town Hall.

6:05 PM – Dog Issue: Michele Bennett's Dog – Mr. Cunningham first let the neighbors speak on the issue. Ms. Lerner commented that she has seen "Madison" running all the way down by the intersection of Lincoln Gap and West Hill. They have called and texted Ms. Bennett many times to tell her that her dog is running wild among the neighborhood. The neighbors just don't want it to get run over but also would like Ms. Bennett to confine her dog to her own property. The neighbors have been respectful in calling and returning Madison to Ms. Bennett on several repeated occasions. They are requesting that the Selectboard do something to strengthen the ordinance. Mr. Willis stated the Warren Dog Ordinance states that the dog must be on a leash under the owner's guidance when off the premises. Ms. Lerner stated that Mr. Bifano, Dog Warden, Chad Barrett, from Fish and Wildlife have spoken to Ms. Bennett about her dog running and have left the Dog Ordinance as well.

Ms. Bennett explained that she is new to the area and has made efforts over the past weeks to keep Madison home. She commented that she trusts her dogs' instincts about cars and that he has a GPS tracker that she can track her. She felt that this is Vermont and sometimes dogs do get away and there are others running as well in Warren.

Funding could also come from the ARPA funds that each Town is receiving as Towns can give this money to an Affordable Housing Group to use for leveraging funds as well.

Ms. Behn asked what are the Housing Coalitions expectations from the board. Mr. Ackland asked the question: is this the right approach, too bold, too crazy of an idea to pursue? Mr. Ackland commented that this is a pretty bold step for the Valley and would hope the Valley would get behind this proposed housing idea. Ms. Klein Corrigan commented that she thought that the numbers were low given building and construction currently in the Valley and is it bold enough to have teeth. Ms. Behn commented that she didn't want this to get a false start where something starts to happen and then it sits. This problem is already hitting the States out west and it will be interesting given the labor shortage to see how it all shakes out and what drives it. Ms. Behn also commented that the 20 and 30 year-olds have a different mentality today. If the MRV Housing Coalition is going to ask for money from the towns, the proposal has to have teeth to it. Mr. Ackland asked the board if they would support moving ahead in this direction on this proposal? Ms. Klein Corrigan and Mr. Youmell commented they would. Mr. Cunningham commented he would like to see an income stream approach, with which the rest of the board agreed. The Warren Selectboard was the first stop for comments, ideas and questions. The board thanked Mr. Ackland for doing the presentation. (The more comprehensive Report is attached)

7:40 PM – Vermont Gran Fondo – Todd Warnock – Mr. Warnock presented to the board a letter asking permission to use the roads in Warren for the Gran Fondo Bicycle Race, August 7, 2021. They have presented two plans based on the resurfacing of RT 17. There are no changes from the previous years to the course as it travels through 10 towns.

Motion by Mr. Ackland to approve the Festival Application for the Gran Fondo, for August 7, 2021, seconded by Ms. Behn. All in Favor: VOTE: 5-0.

7:45 PM – Approval of Third-Class Liquor License for Global Partners LP – Sharon Claflin, Regional Manager, for Global Partners who are in the processing of purchasing Mac's Convenience Store and are applying for a Class 2 Liquor License and Tobacco. Mr. Ackland asked about their business. Ms. Claflin commented that they own over 270 plus Jiffy Marts. They are planning to upgrade the equipment in the deli to expand the food offering to go. Mr. Cunningham asked if they are continuing with selling Citgo fuel and Ms. Sharon commented that they intend to.

On another note, Mr. Cunningham asked if Global would allow the Path to cross the back property as currently Mac's has closed that section of the Path off. Ms. Sharon commented that she did not think that would be a problem since it was just a green walking path but could not answer 100% as she is just the representative for Global Partners but she will ask them to do so.

Motion by Mr. Youmell to approve the Third Class Liquor License and Tobacco License, seconded by Ms. Behn. All in Favor: VOTE: 5-0.

7:40 PM – Approval of Ski Club 10 - First Class & Third-Class Liquor License – Motion by Mr. Ackland to approve the First- & Third Class Liquor License for Ski Club 10, seconded by Mr. Youmell. All in Favor: VOTE: 5-0.

8:46 PM – Motion by Mr. Youmell to adjourn, seconded by Mr. Ackland. All in Favor: VOTE: 5-0.

Minutes Respectfully Submitted by,
Cindi Jones, Warren Town Administrator

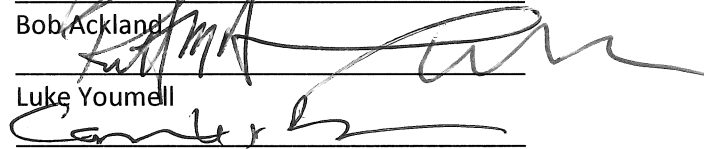
The Warren Selectboard



Andrew Cunningham, Chair



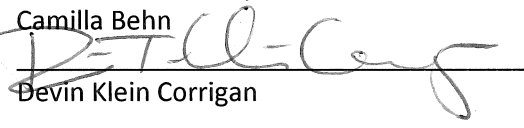
Bob Ackland



Luke Youmell



Camilla Behn



Devin Klein Corrigan

MRV HOUSING

Why this discussion?

One of the to dos from the Tri-Town Selectboard meeting Nov 2020 – recommendations for a Valley wide trust fund

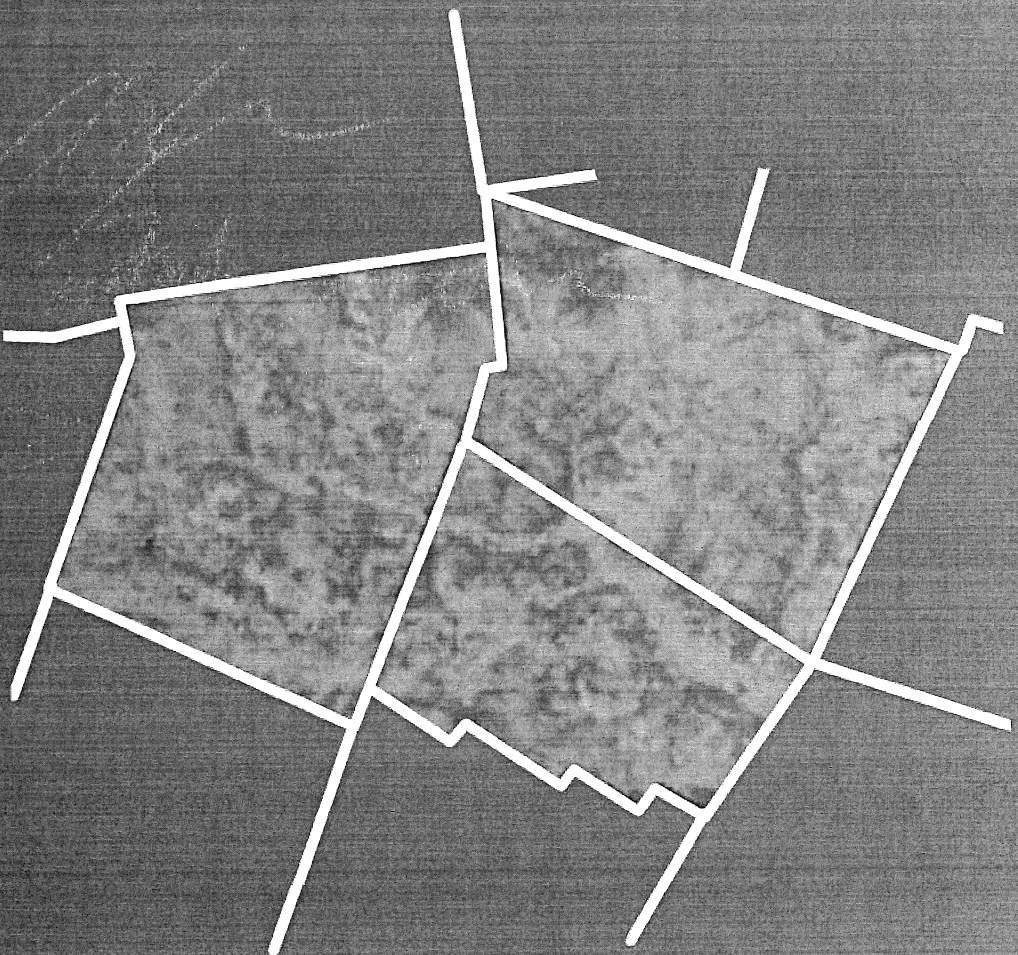
Why was that a request of the selectboards?

Kennedy Report Conclusion

- ❖ Supply of safe, stable, affordable housing in the MRV does not meet the demand.
- ❖ To maintain its low to middle-income, working-class population, specifically those between the ages of 35 and 64, steps need to be taken
- ❖ Infrastructure are needed to ensure development is focused in community identified locations.
- ❖ Modifying *existing* housing stock will help to increase housing options in the short-term.
- ❖ For the Mad River Valley community to thrive, bold steps must be taken to provide more housing options.

Selectboards agreed that this was a Valley-wide issue and collectively there needed to be a review of suggested actions

MRV HOUSING TRUST FUND



MIRV HOUSING TRUST FUND

Common Definition:

Housing trust funds are a **flexible source of funding** that can be used to support a variety of affordable housing activities. Because they are created and administered at the city, county, or state level, housing trust funds are not subject to the restrictions of federal subsidy programs and therefore can be **designed to specifically address local priorities and needs**.

General Considerations:

- Revenue Source
- Administration
- Eligible Uses

VT Housing Trust Funds:

Vermont HTFs with dedicated annual sources of funding. There are several more housing dedicated committees or sub-committees of Economic Development Offices which receive annual funding for housing programs.

VT State Fund - <https://www.vhcb.org/our-programs/housing/national-housing-trust-fund>

Burlington - <https://www.burlingtonvt.gov/CEDO/Housing-Trust-Fund-0>

Montpelier - <https://www.montpelier-vt.org/1088/Montpelier-Housing-Trust-Fund>

Charlotte - <https://charlottenc.gov/HNS/Housing/Landlords/Pages/HTF.aspx>

MRV HOUSING TRUST FUND

Common Revenue Sources:

Ideally, funding comes from a dedicated revenue source established with the support and approval of key stakeholders, allowing predictability of funds annually.

Examples of Public Funding: developer fees, permit fees, local options tax, property tax increase, taxes/fees on short term rentals

Private Donations (depending on structure and administration of fund)

MIRV HOUSING TRUST FUND

Administration:

Typically, HTFs are administered by existing public offices such as Housing and Community Development or Housing branches of Economic Development.

A HTF can also be structured so that a partner organization or separate entity is charged solely with managing trust fund operations.

Many cities, towns, and counties choose establishing an advisory body composed of stakeholders from diverse backgrounds to help guide HTF administration and provide program oversight.

MRV HOUSING TRUST FUND

Common Eligible Uses For Funds:

HTFs can be limited to expenditures on one high-priority activity, or they can allow a variety of possible uses to meet the diverse needs of a community.

Subsidies to organizations or individuals developing Affordable Housing

Shared Equity Model financing or grants

Purchase of land for affordable housing

Security deposit assistance for renters

Down payment assistance for homeowners

Closing cost assistance for homeowners

Energy efficient retrofits

Local affordable housing programs

Operational funding for housing related organizations

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Purpose:

Promote access to affordable housing for income eligible households and create new ownership and rental housing opportunities through preservation, construction, or rehabilitation of units.

Goals:

Increase the number of homeownership opportunities in the Mad River Valley for income eligible, primary residents.

Increase the number of year-round rental units in the Mad River Valley rented at the fair market rate or below.

Decrease financial obstacles to obtaining safe and secure housing for income eligible households.

Leverage additional public, private and charitable funds for affordable housing and assure the health and viability of the Housing Trust Fund.

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Objectives:

Establish and implement a Mad River Valley Housing Trust Fund.

Leverage, deposit and use private and public funds to increase affordable housing opportunities in the Mad River Valley.

Make grants or loans to assist prospective developers, buyers, owners, and tenants to access, occupy and create affordable housing units.

Assist income eligible households to secure and occupy an affordable housing unit.
Act as repository for land donations.

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Management:

Advisory Committee – The Mad River Valley Housing Trust Fund will be managed by an advisory committee of up to 9 people.

The Committee shall consist of one (1) member of the Select Board or a person appointed by the Select Board from each of the towns of Warren, Waitsfield and Fayston; one (1) member of the public at large (must be primary resident) from each of the towns of Warren Waitsfield and Fayston; and three (3) individuals from the Mad River Valley Housing Coalition or other affordable housing non-profit.

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Funding

Highest Potential for Funding Sources:

Philanthropic donations

“\$0.01 for Housing” added to property tax of three towns, placed in dedicated MRV Housing Trust Fund account ~ approximate funds raised = \$150,000/year

Affordable Housing Fee on short term rentals ~ approximate funds raised = \$72,000/year

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Funding

Initial Funding Priorities:

Homeownership down payment assistance for income qualified households

Tenant based financial assistance to help income qualified households get into rental units

Project based gap funding for housing development or rehabilitation

MRV HOUSING TRUST FUND

MRV Housing Coalition - Housing Trust Fund Proposal

Definitions

Income Eligible Households (Homeownership) - A household whose income does not exceed 120% of the median income for the area, as determined by the United States Department of Housing and Urban Development, with adjustments for smaller and larger families and for areas with unusually high or low incomes

Income Eligible Households (Rental) - A household whose income does not exceed 100% of the median income for the area, as determined by the United States Department of Housing and Urban Development, with adjustments for smaller and larger families and for areas with unusually high or low incomes

Area Median Income (Washington County)

| Household size | 4 | 1 | 2 | 3 |
|----------------|--------|--------|--------|--------|
| 120% median | 96,360 | 67,560 | 77,100 | 86,775 |
| 100% median | 80,300 | 56,300 | 64,250 | 72,310 |

Mad River Valley Housing Trust Proposal for Uses of Funds

According to recently collected data from the MRV Housing Demand and Market Analysis (2019/2020), there is an acute need for rental units affordable to households with a 60-100% Area Median Income (\$48,100-\$80,300 for a family of four); for homeownership opportunities affordable to those making between 120%-140% Area Median Income (\$96,360-\$112,420 for a family of four); and for rental units for seniors who are at a moderate to low-income level. According to anecdotal data, this need has only grown since the report was published in early 2020.

The MRVHC is working on short and long-term strategies to expand housing options such as the creation of more Accessory Dwelling Units and Duplexes; the expansion of infrastructure and promotion of infill in and around our downtowns; and assisting individuals with affordable housing development on personal property.

MRVHC's current approach is targeted at the incremental creation of new units and at the promotion of larger scale systems that could support a more extensive increase of units in the future. To create a comprehensive approach, it is necessary to also directly support the homeowners and year-round renters who already call the MRV home as they attempt to afford existing housing stock in an effort to stay here.

MRVHC has had countless inquiries over the past year regarding availability of affordable rental units and it is nearly impossible for someone currently making the median income in the MRV to buy a home without outside means. Creating a Housing Trust fund targeted toward the priorities listed below would not only hasten the development of new units but would provide immediate opportunity to help get our middle- to low-income community members into existing stable, safe housing that is currently out of their range of affordability.

Initial Funding Priorities (based on need cited in MRVHC Housing Market Demand and Analysis):

Our "Initial Funding Priorities" are based on information from the 2020 MRVHC Housing Market Demand and Analysis. They are also some of the most common uses of funds as determined by our 3 months of case study research in VT and Beyond.

1) Homeownership - Often, upfront costs of homeownership are major barriers to purchasing a home and either end up preventing families from becoming homeowners or necessitate Private Mortgage Insurance payments making the home less affordable through added monthly costs.

- Down Payment assistance in the form of very low interest/flexible term loans for households making up to 120% of the Area Median Income. These loans will be repaid upon default of terms or sale of home.
 - When speaking with other HTFs around VT, most of the families using similar down payment programs purchase the homes as starter homes and re-sell within 5-10 years.

At this point (according to the HTF manager Kevin Casey), the Montpelier Housing Trust Fund's homeownership assistance program is almost self-sustaining using a similar model.

- Closing Cost assistance for income eligible households in the form of grants.
 - These assist the household with standard fees and would likely range from \$1,000-\$3,000

2) Rental Assistance – Upfront costs of rentals are a consistent barrier to tenants getting into safe, stable rental units. Often, tenants are required to pay both first and last month's rent as well as a deposit during the first month. Requirements like these can leave those who do not have savings or outside assistance without a safe or legal living option. Tenant based financial assistance removes this initial barrier and allows a person to get into a unit.

- One time grant for up to 1 month rent that is equal to or less than the HUD fair market rate for households making up to 100% of the area median income. (see Addendum 1 for rents and AMI)
- Unit must be a legal, rental unit permitted by the town and the state

3) Project based gap funding for housing development or rehabilitation – Over the past 1.5 years, we have had 7 individuals reach out to the MRVHC interested in doing affordable development on their own land. Of these, only 2 have moved forward, one using very creative means and modest/tiny homes and another that is still working through feasibility. The fact is that developing homes which can be sold affordably does not pencil out without major federal and state subsidies. These subsidies severely limit who can live in or rent the units (often limiting rentals to 60%AMI). The Federal and State restrictions do not match the local need as determined by the most recent market study.

Small, per-unit grants from the trust fund would allow small to mid-scale developers to create units that serve our middle-income earners (our teachers, nurses, etc...) without losing money and would leave room for upward financial mobility for both the homeowners and renters by providing them with the opportunity to live safely within their means. Were these grants available, several of the projects mentioned earlier would either have stayed out of the red or turned a very modest profit for the developer making it more likely the individual would have pursued the project.

- Provide grants up to \$10,000 per unit for rental housing affordable to households making 100% Area Median Income or below.
- Provide grants up to \$10,000 per unit for homeownership units affordable to households making 120% of the Area Median Income or below.

Addendum 1: Definitions

Affordable Housing - Affordable housing is housing for which the occupant is paying no more than 30 percent of gross household income for housing costs, including rental utilities or homeownership taxes and insurance.

Area Median Income - The area median income (AMI) is the total household income for the median household in a region/county. It is updated annually by the Department of Housing and Urban Development. For Washington County 2021 AMI levels, please see the below chart:

| Household size | 4 | 1 | 2 | 3 | 4 | 5 | 6 |
|--------------------|--------|--------|--------|--------|--------|---------|---------|
| 120% median | 96,360 | 67,560 | 77,100 | 86,775 | 96,360 | 104,100 | 111,825 |
| housing/month 30% | 2,409 | 1,689 | 1,928 | 2,169 | 2,409 | 2,603 | 2,796 |
| housing/month 35% | 2,811 | 1,971 | 2,249 | 2,531 | 2,811 | 3,036 | 3,262 |

| | | | | | | | |
|--------------------|--------|--------|--------|--------|--------|--------|--------|
| 100% median | 80,300 | 56,300 | 64,250 | 72,313 | 80,300 | 86,750 | 93,188 |
| housing/month 30% | 2,008 | 1,408 | 1,606 | 1,808 | 2,008 | 2,169 | 2,330 |
| hsg @35% | 2,342 | 1,642 | 1,874 | 2,109 | 2,342 | 2,530 | 2,718 |

| | | | | | | | |
|-------------------|--------|--------|--------|--------|--------|--------|--------|
| 80% median | 64,240 | 45,040 | 51,400 | 57,850 | 64,250 | 69,400 | 74,550 |
| housing/month 30% | 1,606 | 1,126 | 1,285 | 1,446 | 1,606 | 1,735 | 1,864 |
| hsg @35% | 1,874 | 1,314 | 1,499 | 1,687 | 1,874 | 2,024 | 2,174 |

| | | | | | | | |
|-------------------|--------|--------|--------|--------|--------|--------|--------|
| 60% median | 48,180 | 33,780 | 38,550 | 43,388 | 48,180 | 52,050 | 55,913 |
| housing/month 30% | 1,205 | 845 | 964 | 1,085 | 1,205 | 1,301 | 1,398 |
| hsg @35% | 1,405 | 985 | 1,124 | 1,265 | 1,405 | 1,518 | 1,631 |

| | | | | | | | |
|-------------------|--------|--------|--------|--------|--------|--------|--------|
| 50% median | 40,150 | 28,150 | 32,125 | 36,156 | 40,150 | 43,375 | 46,594 |
| housing/month 30% | 1,004 | 704 | 803 | 904 | 1,004 | 1,084 | 1,165 |
| housing/month 35% | 1,171 | 821 | 937 | 1,055 | 1,171 | 1,265 | 1,359 |

Income Eligible Households (Homeownership) - A household whose income does not exceed 120% of the median income for the area, as determined by the United States Department of Housing and Urban Development, with adjustments for smaller and larger families and for areas with unusually high or low incomes

Income Eligible Households (Rental) - A household whose income does not exceed 100% of the median income for the area, as determined by the United States Department of Housing and Urban Development, with adjustments for smaller and larger families and for areas with unusually high or low incomes

Fair Market Rent - Fair Market Rent (FMR) is the rent amount, including basic utilities (water, electricity, heating/cooling), to rent existing, decent, safe and sanitary rental housing. This amount is decided by HUD for each county and denotes what the affordable amount is based on the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market.

Addendum 2: Kennedy Report Outlook and Conclusion

- **Kennedy Report Outlook**
- While there are many short and long-term strategies to expand housing options, the Housing Demand report provides guidance specific to new housing developments, based on where there is strong market demand.
 - Based on a market demand approach, there is solid demand for a rental project oriented toward households with 60-100%.
 - Based on a market demand approach, there is strong demand for ownership opportunities below \$450,000.
 - Specifically, there is annual demand for 10 to 15 homes priced from \$325,000-\$455,000* among first time buyers with 120-140% AMI. **Number is currently being re-examined*
 - Based on a market demand approach, there is a demand for rental units for Seniors

- Specifically, there is a strong demand for Senior rental units for households with low to moderate income

- **Kennedy Report Conclusion**

- Data indicates that the supply of safe, stable, affordable housing in the Mad River Valley does not meet the demand. This lack of supply is changing the demographics of the MRV community.
- If the MRV wants to maintain its low to middle-income, working-class population, specifically those between the ages of 35 and 64, steps need to be taken to alleviate the shortage of appropriately priced housing.
- While the creation of *new* units is key to solving our housing shortage, preliminary steps that create the necessary infrastructure are needed to ensure development is focused in community identified locations.
- Modifying *existing* housing stock and implementing innovative housing solutions will help to increase housing options in the short-term.
- For the Mad River Valley community to thrive, bold steps must be taken to provide more housing options.

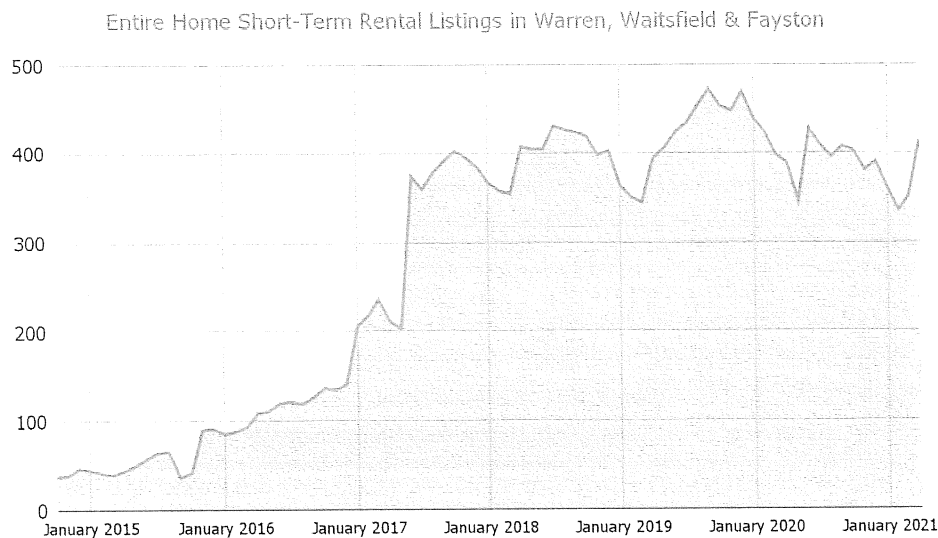


Short-Term Rentals in the Mad River Valley

Context

This document serves to provide an overview of short-term rentals in the MRV and lays out a framework for better understanding and balancing their potential impacts.

MRV community members and municipal leaders work continuously to achieve a balance between being a welcoming year-round destination for visitors, while maintaining a high quality of life for full-time residents. Short-term rentals (STRs), such as AirBnB, highlight where this balance can become markedly more challenging. Given the rise in popularity of online platforms like Airbnb and HomeAway/VRBO, many communities have begun to examine the economic and social impacts of short-term rentals. In 2019, the annual average of entire home STRs (excluding room rentals) in the MRV was 417, representing almost 9% of total housing units and an increase of 261% from 2016¹². The peak number of entire home STRs in 2019 was 472, in September.



STRs provide owners with the opportunity to earn income; in some cases, this additional source of income can help subsidize a cost of living that may otherwise be challenging. They may also benefit the MRV's tourism economy and provide guests with a convenient, and often more affordable, place to stay when traveling.

However, STRs do not come without potentially negative impacts. Some have the effect of removing dwelling units for long-term occupancy, and may contribute to rising housing costs. Given the high turnover of guests, STRs may bring nuisance impacts to quiet rural neighborhoods. Further, STRs are not

¹ In 2017 AirDNA acquired data from the HomeAway platform.

² Source: AirDNA short-term rental listings, via housingdata.org.

subject to the same health and safety regulations as traditional lodging facilities or rentals, resulting in an uneven playing field with established MRV inns and B&Bs and additional risks posed to visitors and neighbors.

STRs are still relatively new and their impacts on communities are not yet fully understood. As defined by the State of Vermont, a short-term rental (STR) refers to “a furnished home, condominium, or other dwelling 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.”³ Yet they are also uniquely flexible and come in a variety of forms - beyond the major distinction between whole unit and partial unit STRs. Cities and towns have started to address STRs in several ways, though each community’s actions are based on their specific needs and goals.

Why Address Short-Term Rentals?

There are four primary concerns related to STRs in the Mad River Valley: health and safety, availability of year-round housing, community externalities, and local economic impacts.

1. Health & Safety
 - a. Lack of tracking and ability to enforce health & safety regulations poses risks for renters and neighbors (e.g., compliance with the VT Fire & Building Safety Code and the VT Rental Housing Health Code).
2. Year-Round Housing
 - a. Conversion of residential units can further stress an already tight housing market by reducing availability and increasing costs of rental and ownership options. Lack of affordable housing stresses the local employment base, school enrollment, and impacts community vitality.
3. Community Externalities
 - a. Potential impacts on neighborhoods with a high density of STRs (especially those that can accommodate large numbers of guests) include visible trash, increased traffic and parking demands, and excess noise.
 - b. A significant decline in long-term neighbors impacts neighborhood character and value, as well as general investment in the community.
4. Local Economic Impacts
 - a. Established inns and bed & breakfast facilities may be threatened by competition from unregulated short-term rentals.

How Are Short-Term Rentals Currently Being Addressed?

Given the newness and uniqueness of STRs themselves and their impacts on individual communities, approaches to reduce negative impacts in Vermont are limited or non-existent. The State of Vermont has and continues to take steps to address STRs, such as requiring Meals & Rooms tax remittance (2016) and providing municipalities the authority to regulate STRs (2019). The Vermont House and Senate

³ 18 V.S.A. § 4301 (14)

passed S.79 in 2021, which would establish a statewide registry of long and short-term rental units and fund health and safety enforcement, though the bill has not yet become law.

At the local level, efforts to understand STRs in the MRV date back to 2016. In 2020, addressing short-term rentals was identified as a priority during the Tri-Town Leadership Meeting where selectboard members discussed housing needs and solutions; this resulted in MRVPD tasked with exploring potential methods for a Valley-wide approach to STRs. MRV planning commissions have also initiated discussions about how STRs may be regulated through zoning and other mechanisms. Mechanisms to address STRs can generally be categorized as: tracking, regulating, taxation, and licensing/permitting. To date, only a few towns in Vermont have implemented such mechanisms to address STRs, including the destination communities of Killington and Woodstock.

What's Next?

A mechanism for tracking STRs is a foundational step for any additional effort. S.79 would create a rental registry that could check this box, though the bill is still months out from becoming law (and there are also other options for municipalities to create a tracking system). Given the variety of potential concerns and action steps associated with STRs, a greater understanding of the Mad River Valley's primary concerns is needed. For instance, Woodstock's primary concern with STRs is community externalities, whereas the program currently in development for Burlington is year-round housing; both are tailoring their approach based on these needs. Thus, a public engagement process in the MRV would serve to identify priority concerns that the three towns could then use to determine the most appropriate course of action; this would also be a useful action step to complete while S.79 is deliberated.

MRVPD is committed to supporting its member towns in identifying a pathway that balances the needs and opportunities presented by short-term rentals. For more information and to be a part of the solution, contact MRVPD Community Planner Kati Gallagher: kati@mrvpd.org or (802) 496-7179.