

**TOWN OF MORRIS, CT
PLANNING & ZONING COMMISSION**

Memorandum regarding Short-Term Rentals (STRs) (eg Airbnb, VRBO)

Prepared by Janell Mullen, Planning Consultant

Adapted from memorandum first issued June 2023 and updated for workshop meeting on August 21st, 2024

Survey questions added for discussion on September 18, 2024

BACKGROUND:

Short-term rental uses (STRs), as an alternative to traditional lodging (ie hotels, motels, & inns), have been a growing segment of the travel market. STRs are commonly referred to colloquially by their brand name, such as “Airbnb” or “VRBO” and are increasingly accessible and utilized. According to Hartford Business Journal, Airbnb had over 6,000 listings in the State of Connecticut between Memorial Day and Labor Day in 2023 and earned a collective \$27M.

The positive attributes of short-term rentals include providing flexible housing options for short-term workers (such as medical workers completing their residencies at the Sharon Hospital), providing supplemental income to property owners so that they can maintain and stay in their homes, and providing alternative options for travelers in lieu of a hotel or inn.

The drawbacks related to STRs may include increased traffic and parking of vehicles, detrimental impacts to residential neighborhoods such as noise disturbances, safety issues, and the general lack of community and social capital that more readily results from longer-term residents. Some speculate that the availability of short-term rentals can lead to elevated housing prices and further constrains the already limited long-term affordable rental options for locals. (See Norwalk Article: Are Airbnbs taking a bite out of CT's housing supply?)

ORDINANCE VS ZONING REGULATION:

Until recently, The State of Connecticut had no legislation in place to enable the regulation of short-term rentals (other than imposing a room occupancy tax rate of 15%). In 2019, proposed bills (House Bill 6937 and 7177) died in committee during the Legislative Session. During the February Session of this year, the raised Senate Bill No. 335 gained traction. It enables any municipality to adopt an ordinance requiring the licensure of short-term rentals and allowing for the regulation of the use of such properties.

The bill states that short-term rentals are residential units and not hotels, bed & breakfast establishments, motels, motor inns, and/or tourist courts. This bill will be effective as of October 1, 2024. Language in the bill notes the potential cost to individual towns for hiring consultants to draft ordinances and create a tracking system for short-term rental registration and regulation.

With this new law in place, local governments retain the opportunity to tailor local laws to their unique community concerns and goals. Municipalities can address STRs by **regulating their use through zoning, regulation through municipal ordinances** (as emphasized in Bill 335), and/or **a combination of both** (eg Ledyard, CT). There is always an option to **maintain the status quo**. Each of these options presents distinct benefits and challenges.

With all instances of amending zoning regulations comes the concept of pre-existing nonconforming uses (aka “the grandfathering issue”). Nonconformities are uses that existed prior to the time that they were regulated by zoning. These uses are legally allowed to continue but cannot be further expanded or intensified.

Some towns have taken the stance that STRs are not expressly allowed in their zoning regulations, and therefore, prohibited.

Some towns prefer to approach regulating STRs with zoning regulations because they can allow specific uses in certain zones or limit them from overlay areas (such as prohibiting them in a local historic district and/or allowing them in a destination lake district). Regulations also allow the P&Z Commissioners and trained land use professionals to review site plans associated with applications. This review can ensure that adequate off-street parking, safe roadway access, and other site improvements are in place to ensure general public health, safety, and welfare.

Should the Town of Morris P&Z wish to move forward with regulating by means of zoning regulation amendment, I would urge the Land-use Office and/or its consultant to develop a running list of the properties that are used as short-term rentals. It would be prudent to require periodic renewals (with fees) as well as work closely with the Torrington Area Health District (TAHD) to make sure that residential uses aren't exceeding their sanitary system capacity (in accordance with the number of bedrooms).

It is important to note that approvals through zoning run with the land and are not tied to a particular property owner, although renewal conditions can be required.

Conversely, a town ordinance would eliminate the possibility of pre-existing nonconforming situations and would need to be adopted by the Board of Selectmen (the legislative body of the Town) and then put to vote at a Town Meeting. Enforcement authorities should be designated within the ordinance.

A quick Google Search on July 29, 2024 indicated that about ten (10) properties are listed as Airbnb's in Morris, CT with a majority of them within close proximity to Bantam Lake. Their prices range from \$607 to \$4,629 for five (5) nights or about \$120.00 to \$925.00 per night.

At the time of drafting this memo, it was unknown if property owners register their short-term rentals with the Assessor in Morris. Some Towns require a registration process and charge a fee (such as the 15% occupancy tax mentioned above).

The Town of Morris P&Z should determine whether they want to consider regulating short-term rentals and what approach should be taken (ordinance vs regulation). If the P&Z decides that working within their authority with a zoning regulation amendment would not be the best approach, a letter/referral to the Town's Ordinance Committee would be recommended to strongly state their position on the topic.

WHAT OTHER TOWNS ARE DOING:

Over the past several years, towns far and wide and of all sizes have been having similar conversations about whether to regulate short-term rentals and if to regulate, how to do it. Internationally cities and towns are disputing how to tackle regulating STRs. There is no perfect solution. **The key may be to capture the benefit of a new source of economic activity and to direct it towards improving the lives of local long-term residents.**

I have collected local newspaper articles from towns as varied as Windham, New York (A mountain town in the Catskills, population 1,677) and Marfa, Texas (a tiny desert town far-out west- population 1,750). These towns are slightly smaller than Morris population-wise (current population 2,256).

The Commonwealth of Massachusetts charges a community impact fee for STRs. It imposes a state room occupancy tax (5.7%) and allows municipalities to impose an additional tax of up to 6% (6.5% for Boston). Municipalities must dedicate at least 35% of their community impact fees to affordable housing or local infrastructure projects. There is a searchable registry of all registered STRs in the state through the revenue department and individual municipalities may enact additional registration requirements.

Large international cities (notably New York and Paris) have recently enacted legislation to outright ban short-term rentals. (Backlash from the ban in NYC has been widely reported: [See NYTimes Article](#)) The ban in New York City has been in effect since September 2023. Hosts who violate could face fines of up to \$5,000 for repeat offenders and the platforms could be fined up to \$1,500 for transactions involving illegal rentals. As of August 2023, the city had received 3,250 registration applications and only 257 had been approved. The Hotel Trades Council is a supporter of this ban. Many New Yorkers that relied on the supplemental income from Airbnb listings are still hoping the ban will be reversed ([see article here](#)). Some say Airbnb opens travel to those that would otherwise not have the opportunity to see various places due to hotel prices and availability.

Some municipalities across the country (many college towns adopted these programs before STRs become so wide stream) employ rental programs for non-owner-occupied properties. Such a program would be applicable to “non-hosted” rentals- where a property owner is not residing on the premises. These programs involve paying a fee, registering with the town, developing a specific parking plan, establishing a local point of contact, as well as other regulatory approvals (such as building code and health code inspections).

Third-party companies are starting to be used by municipalities to handle registration and enforcement responsibilities (Great Barrington, MA hired Gov.os to employ an online registration hub for STRs). In other towns, outside consultants search online databases for advertised STRs as well as manage complaints and enforce possible compliance issues.

In Connecticut, Towns that have adopted ordinances include:

Bozrah: adopted an ordinance that enables a licensing procedure for all STRs in June 2021. The registration process has an annual fee of \$200.00. The STR can be for the entire property or for portions of the property (eg guest house, room). Short-term is defined as twenty-one (21) days or fewer. No more than one license may be obtained by a property owner. The permit applies to the owner and not to the property. The permit must be renewed on an annual basis and will not be issued if the property owner is delinquent on property taxes. The ordinance authorizes the First Selectman and Short-Term Rental Enforcement Officer to issue permits and to enforce the ordinance.

Ledyard: Adopted an ordinance in 2020, which took effect in 2022. The Town of Ledyard P&Z also amended its zoning regulations to allow for hosted short-term rentals in a dwelling unit as an accessory use. The ordinance defines short-term as twenty-one (21) days or fewer and requires a local property representative that can respond to complaints and be on-site within two (2) hours. Designated quiet hours are from 9 PM to 8 AM. The ordinance limits vehicles to one vehicle per bedroom and all parking to be provided off-street.

Simsbury : Adopted an ordinance in November of 2021 that requires the property owner to register if using their property as a STR. The cost of registration is \$200. Short-term is defined as one to twenty-nine (29) days. No owner may rent the property for more than 100 days within a calendar year. Neighborhood notification (those within 100’ of the subject property) is a required step of the application process. An initial

safety inspection is also required. STRs are renewed every two (2) years for a cost of \$135.00, upon the initial application. Renewals are granted for STRs that have not been the source of any complaints.

Stonington: Adopted an ordinance that requires the property owner to provide a welcome packet to the STR guests which includes information about garbage collection, noise & use restrictions, as well as safety information. A hotline has been established for Short-Term Rental complaints. The representative of the property must be able to appear on the premises within sixty (60) minutes of notification from the Town.

Sherman: The Town of Sherman is in the process of drafting an ordinance that bans Short-Term Rentals. Language on their website states: *No one should purchase a home in Sherman with the idea that it will provide short-term rental income. Realtors need to make this clear to their clients to make sure that their buyers have this information. The Town of Sherman does not enforce against short-term rentals.*

Towns that have regulated STRs through amendments to their zoning regulations include:

City of Hartford: Short-Term Rental Regulations have been integrated within the zoning regulations since 2018. They require an “operator” to obtain a zoning permit and limits:

1. Rental frequency and length (“no more than 21 cumulative days during any 6-month period and no more than three times during any 6 month period”)
2. number of guests (no more than four (4) adults)

A Special Permit is required should the operator wish to exceed the limitations and a renewal is required every three (3) years.

STRs are only authorized in single-family residential zones. By restricting STRs to single-family districts, the City of Hartford hoped to avoid apartment buildings being turned into hotels.

Canton regulates hosted Airbnb’s as bed and breakfasts and boarding houses. The Town requires a zoning permit if they are owner-occupied (hosted). A Special Permit (Public hearing process that requires a site plan) is required if they are non-hosted which means that the property owner does not occupy the premises.

Woodstock regulates STRs as home occupations and requires a zoning permit. The requirements for home occupations include:

1. No more than half of the finished floor area of a dwelling unit may be used for STRs
2. Lodging can be provided to 1-12 people provided it does not exceed 30 consecutive days
3. The owner must also occupy the premises

Kent has addressed STRs by including hosted STRs within their definition of bed and breakfasts and boarding houses, like Canton. They are limited to 3-6 guest rooms and may require that a buffer is created from neighboring uses. A Special Permit is required. Non-hosted STRs (eg when entire houses are rented) are not regulated.

Other CT towns that regulate by zoning regulations:

Ashford	Greenwich
Bridgeport	Lyme
Chester	Preston

ITEMS TO CONSIDER:

Should the Town of Morris P&Z attempt to regulate this use through local zoning regulations, two (2) items come up for immediate discussion:

- a. How to define what is considered to be “short-term”? Once defined how does this get verified for enforcement purposes?
- b. How to enforce? Ordinance versus regulation? Who is the issuing authority? Who is enforcement officer? How to monitor for compliance?

Defining short-term is less of an obstacle than discerning how to enforce. Short-term may be defined as a period of time less than one (1) month, six (6) months, and/or twelve (12) months.

How does a Town enforce? Does a designated agent monitor website advertisements? Observe cars parked in driveways? Create a database of the properties advertised as Airbnb’s and require them to register?

POSSIBLE SURVEY QUESTIONS:

1. Should the Town of Morris: (a) regulate short term rentals by means of developing an ordinance? (b) through its zoning regulations (c) both or (d) do nothing – status quo
2. If the Town of Morris Planning & Zoning Commission considers amending its zoning regulations to address short term rentals, should it: (a) expressly prohibit them throughout Town (b) allow for them in very specific and limited zones (such as Residence Districts (40, 60, 80, 160) and the Lake Residential District only)? (c) allow for them in all zones (residential, commercial & industrial)
3. Should the P&Z require all non-hosted (aka non-owner occupied) short-term rentals to obtain a Special Exception? (a) yes (b) no, the P&Z should only require a zoning permit for non-hosted STRs
4. Should the P&Z require any type of permitting process for a hosted STR (the owner is present on the property)? (a) yes, a zoning permit (b) no (c) a Special Exception should be required
5. What should be considered “short-term”? (a) a period of time less than 30 days (b) any period of time less than 6 months (c) a period of time less than two (2) weeks (d) none of the above, other *(please specify time frame)*
6. Should a standard condition on all Special Exceptions granted for STRs be a renewal period of (a) two years or (b) three years (c) no renewal period, the Special Exception should run with the land?

FURTHER SUGGESTIONS:

Should the Town of Morris P&Z consider adopting an amendment to address and regulate short-term rentals as a use, it is suggested that:

- a. Enforcement protocol get developed that is complaint based only (and cannot be anonymous). The Town’s ZEO should not be responsible for town-wide monitoring, website researching, etc.
- b. The Town’s Tax Assessor and Land-Use Department develop a master list of registered and complaint STRs.