Village of Trumansburg Short-Term Rental Regulation Frequently Asked Questions

What is a short-term rental?

The Village defines a short-term rental as any dwelling unit or guest room occupied for periods of fewer than 30 consecutive days by someone other than the owner, for which payment is made to the owner. Because traditional Bed and Breakfast Dwellings are already regulated by the State, they are not subject to the Short-Term Rental Law.

Why is the Village considering a short-term rental law?

There is an increasing interest in regulating short-term rentals, driven by the increasing popularity of platforms like Airbnb and VRBO. Short-term rentals bring with them opportunities and risks. The Village is considering a short-term rental law to strike a balance between the positive and negative elements of short-term rentals in the community.

What is the proposed law trying to encourage?

Short-term rentals in the Village of Trumansburg have several positive impacts that are worth acknowledging. These benefits contribute to the overall vitality and economic well-being of the community, and the proposed law looks to encourage these benefits:

- 1. Additional sources of income for homeowners in Trumansburg. Renting out a spare room or an entire property allows residents to generate extra revenue, which can contribute to their financial stability and improve their quality of life.
- 2. Support for the local tourism industry and local businesses. Travelers who stay in short-term rentals are more likely to spend their money at nearby

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- restaurants, shops, and entertainment venues, thereby stimulating the local economy and creating job opportunities.
- Additional accommodation options. Some travelers, especially families who may
 be visiting local relatives, may find short-term rentals more convenient and
 cost-effective compared to traditional hotel accommodations.

What is the proposed law trying to discourage?

While short-term rentals in the Village of Trumansburg bring certain benefits, it is crucial to recognize and address the negative impacts that can arise from their unregulated proliferation. Consideration of these negative aspects is vital to ensure the well-being of the community, and the proposed law looks to discourage these aspects:

- Disruption of residential neighborhoods. Large numbers of transient guests
 may result in increased noise levels, parties, and disturbances that can disrupt
 the daily lives of permanent residents.
- Decrease in the sense of community. Frequent turnover of short-term rental occupants can lead to a diminished sense of community. As short-term guests come and go, there may be a lack of investment in building relationships with neighbors or actively engaging in community activities.
- 3. Removal of long-term housing options. Property owners may prioritize renting their units on a short-term basis rather than providing long-term housing options for residents. This can disrupt the equilibrium of the housing market and limit the availability of permanent housing, particularly for those in need.

What are the major elements being proposed?

Instead of imposing strict limits and requirements upfront, a monitor-and-respond approach was chosen, which allows for a more adaptive and evidence-based regulation. By closely observing the effects of short-term rentals over time, the Village

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can gain a better understanding of the local context and make informed decisions based on actual data and community feedback.

There are four major elements of the proposed law:

- 1. Registration and Permit Requirement: The registration and permits process establishes a system of accountability and oversight. The information provided by property owners allows the Village to keep track of the number and types of rentals, and to monitor the operation of these rentals.
- Revocation of Permit for Non-compliance: This provision acts as a deterrent against improper or irresponsible behavior by property owners, reinforcing the Village's commitment to maintaining a harmonious community and upholding local laws.
- 3. Building and Fire Code Inspections: Periodic inspections ensure the safety and well-being of owners and guests, as well as the community at large.
- 4. Sunset Provision: The current draft prevents the granting of new permits after the law has been in effect for three years. This will allow the Village to assess both the positive and the potentially negative impacts of the law and decide whether to extend or amend it.

What other regulations apply to short-term rentals?

The following Village and County laws work with the proposed short-term rental law, to provide a comprehensive framework for regulating short-term rentals.

1. Vehicle and Traffic Law (including street parking): Requiring short-term rentals to adhere to the local parking law helps address potential challenges associated with increased vehicles in residential areas. Enforcing parking regulations

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- ensures that the operation of short-term rentals does not unduly burden the neighborhood's streets.
- Local Noise Law: The local noise law plays a crucial role in maintaining a
 peaceful and quiet environment for residents. By requiring short-term rentals to
 comply with noise regulations, the Village aims to prevent disturbances and
 ensure that guests are considerate of their neighbors
- Hotel Room Occupancy Tax: The county's hotel room occupancy tax also applies
 to short-term rentals. This tax generates county revenue that can be utilized for
 public services and tourism promotion.
- 4. The Village of Trumansburg Zoning Law. This law includes setback regulations and restrictions on the number and size of dwellings on a lot, effectively limiting the growth of short-term rentals.

What community input has been collected so far?

As part of the comprehensive plan, the community was surveyed on a variety of topics, including the community sentiment on short-term rentals. More than 90% of respondents wanted to see short-term rentals remain legal in the Village. When asked if or how they should be regulated, the top response was no additional regulations beyond the basic building code. A close second was the option to regulate them the same as Traditional BnBs.

What market data has been collected so far?

Tompkins County contracts with Harmari to monitor short-term rentals in the county. Harmari defines an active listing as appearing at least 70% of the time. They also distinguish between residential and non-residential listings such as BnBs, inns, motels, hotels, and the like. During the peak tourism month of August 2023, there were 32

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active, unique, residential listings for an entire unit in the Village. This represents 4.2% of the 767 total units in the village.

What other regulations were considered?

One regulation that was considered was requiring permanent residency or treating permanent residents preferentially. However, this approach raises legal questions and has <u>faced challenges in federal court in recent years</u>. While the goal of promoting permanent residency may be rooted in the desire to maintain the fabric of the community, it is crucial to navigate within the legal framework and respect property owners' rights.

Another regulation that was considered was placing limits on the total number of short-term rentals. However, implementing arbitrary limits on short-term rentals without a thorough analysis of the local short-term rental market can have unintended negative consequences, particularly on tourism. Additionally, such limitations create a situation where only a few property owners are granted permits, while others are left without the opportunity to participate. This selective distribution of permits could be perceived as unjust, as it might favor some property owners over others based on arbitrary criteria.

A final regulation that was considered was requiring short-term rentals to be hosted, meaning that the property owner or a designated host must be present during the guest's stay, to be available in case of problems or emergencies. Unfortunately, this approach limits the flexibility of property owners to rent out their homes when they are away. It also limits tourism opportunities, as many vacationers, particularly families with young kids, prefer unhosted stays. In any case, the off-site owner or a remote manager can easily resolve any problems that arise.

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