



Short Term Rental Working Group

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Short Term Rental Working Group Public Meeting

Select Board Meeting Room, Town Hall

May 28, 2024 – 4:30PM

AGENDA

PUBLIC COMMENT: For items not listed on this agenda

DISCUSSION

- How are other towns regulating short-term rentals?
- Falmouth Zoning Bylaw Review
 - Commercial Accommodations: [Section 240-9.4](#)
- Local reaction heard to date

MINUTES: April 23, 2024

NEXT MEETING – June 18, 2024

ADJOURN

General notes: most include rules about having parking, guests visiting the STR, trash management, requirements for a local contact person (someone who can be reached at any time if there are problems, rules about managing noise, etc. Some also have a provision that states anyone found operating an STR in violation of the rules faces a temporary ban on being able to pull a permit to operate one (up to 2 years). Others include language that goes so far as to give a sheriff permission to enforce regulations.

All communities do a combination of taxing the rentals (at varying rates) and requiring yearly registration fees. Most do both.

Community	Regulation type	Description	Outcomes	Demographics	Sources
Falmouth				Population: 32,694 Population density: 742.1 people/mi ²	
Provincetown	Registration required Per Owner Cap	STR must register with the state and the town Tax structure is the same as Falmouth All “professionally-managed units” must pay additional 3% tax (anyone who owns multiple units that they rent short term) Yearly fee collected (\$750) Launched Lease to Locals incentive program in March 2024 - funded by money gathered from STR fees and tax	Unavailable Incentive program does not have results yet	Population: 3,318 # of housing units: 4,722 Population density: 377 people/mi ²	Town Website Article 12 from October town meeting - STR restrictions Lease to Locals program News article about Lease to Locals launch

		<p>Track rentals using Granicus - 3rd party</p> <p>An owner may operate only 2 STRs</p> <p>No corporate ownership, but an LLC can own STRs (must be able to prove that all LLC entities are actual people)</p> <p>These regulations were approved by the AG on April 22nd</p>			Demographics
Yarmouth	<p>Registration required</p> <p>\$80 fee/year</p>	<p>STR Zoning Bylaw has a sunset clause that expires November 13, 2024</p>		<p>Population: 25,017</p> <p>Population density: 1,035.6 people/mi²</p>	STR Zoning Bylaw
Barnstable	<p>Registration required</p> <p>No further restrictions</p>	<p>STRs must register with the state</p> <p>Yearly fee (\$90)</p> <p>In 2020, they considered ordinances that would pertain to STRs specifically; one was an ordinance about registration and the other would recognize STRs are a permitted use in a residential dwelling; the Town Council voted to withdraw both items later that year</p>	Unavailable	<p>Population: 49,532</p> <p># of housing units: unavailable (19,574 households reported)</p> <p>Population density: 816.2 people/mi²</p>	Town Bylaw Town Website Demographics

		Tax structure similar to Falmouth			
Truro	Registration required Per Owner Cap	Yearly fee (\$450) Same tax structure as Falmouth Bylaw restricts individual STR ownership to 2 per individual; those operating more would have to choose which 2 to operate Proposed bylaw would also prohibit corporate ownership of STRs; LLCs are okay if they can show each person is real Proposed bylaw would ban fractional ownership (text is nearly identical to Provincetown and Eastham)	Unavailable	Population: 2,454 # of housing units: 3,001 Population density: 116 people/mi ²	News article about proposed changes Spring 2024 Town Meeting articles- see articles 32-34 Demographics STR restrictions passed May 5 2024
Mashpee				Population: 15,144 Population density: 647.3 people/mi ²	BOH STR Regs
Eastham	Registration required Per Owner Cap	Same tax structure as Falmouth Yearly fee (\$75) set to increase to \$350 in 2025; will generate extra income to pay for more oversight Bylaw would restricts individual STR	Unavailable - too early to tell	Population: 5,822 # of housing units: Unavailable (# of households reported is 2,724)	News article - fee increase Proposed bylaw - will be considered at May 6 town

		<p>ownership to 2 per individual; those operating more would have to choose which 2 to operate</p> <p>Proposed bylaw would also prohibit corporate ownership of STRs; LLCs are okay if they can show each person is real</p> <p>Proposed bylaw would ban fractional ownership (text is nearly identical to Provincetown and Truro)</p>		<p>Population density: 411.8 people/mi²</p>	<p>meeting</p> <p>Demographics</p> <p>STR restrictions passed May 4 2024</p>
Great Barrington	<p>Registration required</p> <p>Per Owner Cap</p> <p>Limit on # of nights per year</p>	<p>Unlimited nights allowed if owner lives on premises, only 150 nights per year if owner does not</p> <p>Owner may only have 1 STR</p> <p>No corporate ownership, LLCs are okay (but have to be real people)</p> <p>Yearly registration fee (\$200)</p> <p>Similar tax structure</p>	<p>Unclear</p> <p>Spoke on phone with individual managing the registration in January and he was uncertain about the outcomes. He was new on the job and said it was too early to tell</p>	<p>Population: 7,214</p> <p># of housing units: Unavailable (2,987 households reported)</p> <p>Population density: 160 people/mi²</p>	<p>Town Bylaw</p> <p>News article about open meeting violation - cautionary tale</p>
Nantucket	<p>Registration required</p> <p>No further restrictions</p>	<p>Yearly registration fee of \$250</p> <p>Similar tax structure as Falmouth</p> <p>In November 2023, residents voted against an article that would restrict the</p>	<p>Lease to Locals program has housed 53 people in 21 units since launching Fall 2023 (this program is privately funded)</p>	<p>Population: 14,444</p> <p># of housing units: 12,664</p>	<p>2022 Town Bylaw</p> <p>News article about November</p>

	<p><i>No corporate ownership in the works</i></p>	<p>number of STRs an individual could own; it would also have banned corporate ownership of STRs</p> <p>Participates in Lease to Locals incentive program</p> <p>Partners with GovOS to monitor STR registration</p> <p>In March 2024, Judge rules against Town in STR Court Challenge article here</p> <p><i>At most recent town meeting, members voted to:</i></p> <ul style="list-style-type: none"> - <i>Prohibit corporate ownership of STRs</i> - <i>Struck down a zoning change that would make STRs a legal primary use</i> 		<p>Population density: 308.6 people/mi²</p>	<p>2023 vote</p> <p>Nantucket Lease to Locals page</p> <p>Nantucket demographics</p> <p>Newspaper article about May Town Meeting</p> <p>Newspaper article on banning corporate ownership</p> <p>Newspaper article: The Copley Group Lists Its Short-Term Rental Properties For Sale After Town Meeting Votes</p>
Charleston, SC	Limit by	Breaks STRs into two types (residential	Newspaper article	Population:	City Ordinance

	<p>capacity</p> <p>Zoning</p>	<p>and commercial). Residential if the owner also lives on the property, commercial if they do not</p> <p>No more than 4 unrelated guests at a time or 1 family</p> <p>Individuals can only operate 1 residential STR</p> <p>Residential STRs are given different categories based on location (some have to be within the home, others can be accessory dwellings)</p> <p>Commercial STRs have to be in commercial zone</p> <p>Yearly fee to apply (\$345); 14% tax</p>	<p>estimates that 300 homes have been returned to housing stock over 2 years</p>	<p>153,672</p> <p># of housing units: unavailable</p> <p>Population density: 1,309 people/mi²</p>	<p>Outcomes</p> <p>Demographics</p>
<p>El Dorado County, CA</p>	<p>Limited number of STR permits</p>	<p>County can only have 900 STR units</p> <p>STR permit does not transfer upon sale</p> <p>Waitlist for people who want to operate STRs</p> <p>No permit for STRs located within 500 feet of another STR - to prevent "clustering"</p> <p>STR operators must have a business</p>	<p>Report from March 2024 indicates that the cap has yet to be successful and argues that there is insufficient enforcement of the rules</p> <p>The report suggests further lowering the cap to 600 units</p>	<p>Population: 192,215</p> <p># of housing units: 94,837</p> <p>Population density: 111.9 people/mi²</p>	<p>County Ordinance</p> <p>Outcomes - report from March 2024</p> <p>Demographics</p>

		<p>license to operate</p> <p>Only 1 STR permit per parcel</p> <p>Yearly fees: new permit (\$760), renewal (\$380), waitlist (\$190); 10% tax</p> <p>If the owner resides in the home as well, it is not subject to the cap, nor does the owner need a business license</p>			
<p>Lake Placid, NY (part of the Town of North Elba)</p>	<p>Limited number of STR permits</p> <p>Zoning</p>	<p>Limits # of nights an STR can be rented in a year (90 for some areas, 120 for others)</p> <p>If operator has multiple STRs, they must offer 1 LTR for every 2 STRs (if in a building with multiple units)</p> <p>Un-hosted STRs are allowed in certain locations, but not all parts of town</p> <p>Overall cap on number of un-hosted (165) and hosted (48) STRs</p> <p>Yearly fee to apply (range from \$200-\$1200, based on # of bedrooms)</p> <p>5% occupancy tax</p>	unclear	<p>Population: 7,618</p> <p># of housing units: Not available (# of households is 2,871)</p> <p>Population density: 49.3 people/mi²</p>	<p>Local Law</p> <p>Demographics</p>
<p>Breckenridge, CO (part of Summit)</p>	<p>Limited number of</p>	<p>Cap on the number of permits that can be issued</p>	<p>Placemate.com reports 173 housing</p>	<p>Population: 5,078</p>	<p>Town Ordinances</p>

County)	STR permits Zoning	<p>Town is divided into different zones with a different number of STRs allowed in each zone</p> <p>If a zone has no permits available operators can join a waitlist</p> <p>Permits are non transferable between owners, so when a property is sold a new permit must be obtained</p> <p>Yearly fee (\$756 per bedroom)</p> <p>Operates a Lease to Locals incentive program</p>	<p>units transferred from STR to LTR</p> <p>382 people housed</p> <p>Since launch in Fall 2021</p>	<p># of housing units: 7,364</p> <p>Population density: unavailable</p>	<p>Impacts - Placemate.com</p> <p>Demographics</p>
Jackson Hole, WY	Limits on # of nights per year Zoning	<p>To legally operate an STR owners need a business license and a permit</p> <p>There are two zones within the town with slightly different STR regulations for each zone</p> <p>One is in residential areas (has stricter rules)</p> <p>The other is in the downtown area</p>	<p>Only launched January 1, 2024</p> <p>No results as of yet</p>	<p>Population: 10,698</p> <p># of housing units: Unavailable (there are 4,352 reported households)</p> <p>Population density: 3,633.9 people/mi²</p>	<p>Town website with rules</p> <p>Demographics</p>

		<p>Rules for those STRs in the residential areas:</p> <ul style="list-style-type: none"> ■ No more than 3 rental stays per year ■ Limited to 60 calendar days per year (within the 3 stays) ■ Have to renew permits every year 			
Truckee, CA	Limited number of STR permits	<p>Yearly registration required</p> <p>Overall cap at 1,255 units (waitlist is available)</p> <p>Can't apply for a permit within 365 days of purchase</p> <p>The Town Council can withhold some registration certificates from going to people on the waitlist so that they can instead issue certificates to developers of housing for the Truckee workforce</p> <p>Yearly fee (\$381; \$345 registration fee + \$136 annual fire fee)</p>	<p>Placemate.com reports 167 housing units transferred from STR to LTR</p> <p>389 people housed</p> <p>Since launch in October 2020</p>	<p>Population: 16,850</p> <p># of housing units: Unavailable (6,279 households reported)</p> <p>Population density: 517.4</p>	<p>Town Ordinance</p> <p>Impacts - Placemate.com</p>

		Operates a Lease to Locals incentive program			
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*****Lease to Locals:** this is a voluntary incentive program that various communities have adopted. It gives financial incentives to property owners who transition from renting their homes as STRs to renting them as Long Term Rentals. There are usually some requirements that the tenant show that they work in the community, and the property owner has to follow rent caps established based market rates for that community. A partner organization, Placemate, has been contracted by all of the communities profiled to set up and manage this program.

Other potentially interesting links:

1. [FEHC Slideshow](#): this slideshow was shown to the Affordable Housing Committee during their February meeting. It outlines some of our research and presents a proposal for a model to tackle STRs in Falmouth
2. [UMASS Amherst Donahue Institute Study](#): this paper is from a group of economists at UMASS Amherst. It outlines possible impacts of various STR restrictions in Provincetown. A key highlight is found on pages 53-54; it summarizes potential outcomes of different management strategies.
3. [Harvard Report - Year Round Housing in Provincetown](#): I received this report from Provincetown’s Town Planner. It provides information about ways to manage year round housing in Provincetown.
4. [HAC on Cape Cod – Housing Assistance Relaunches Rent 365 Program](#): Offers financial incentive to convert a seasonal short-term rental into a year-round rental.
5. [Cape Cod STR map](#): From June 2020 by Mass DOR
6. [MGL Chapter 337](#) – An Act Regulation and Insuring Short-Term Rentals

Court Descisions:

1. [Styller vs Zoning Board of Appeals - decision text](#) (September 2018)

- a. “The SJC reasoned that “short-term rental use of a one family home is inconsistent with the zoning purpose of the single-residence zoning district in which it is situated, i.e., to preserve the residential character of the neighborhood,” which character is compatible with long-term rentals but not short-term rentals. The SJC concluded that the ZBA was within its authority to determine that use of a dwelling in a single-family residential district suggests a measure of permanent residence that is inconsistent with transient uses, such as STRs. The SJC did not demarcate a length of stay that defines a long-term versus a short-term rental.”
 - b. [Law review article about the case](#)
2. [Catherine S Ward vs Town of Nantucket et al - decision text](#) (March 2024)
 - a. “The Land Court’s Judgment rejected the long-held belief in Nantucket that short-term rentals are simply an as-of-right residential use in residential neighborhoods, regardless of whether property owners actually use their homes themselves. If the Court’s Decision is upheld on appeal, those property owners, in order to continue renting their homes, would have to demonstrate that the use of their properties for short-term rentals is accessory to their own primary, personal use of them.”
 - b. [News article about the case](#)
3. [Town of Quincy vs Zheng Liao - text](#)
 - a. “On Sept. 8, **Judge Mark A. Hallal denied the requested injunctive relief** after concluding that the city was unlikely to prevail on the merits of its claim that Liao was in violation of Quincy Municipal Ordinance §196-14. Instead, Hallal found Liao’s use of her property for short-term rentals constitutes a preexisting, nonconforming use as authorized by other provisions of the Quincy Municipal Code.”
 - b. [Law review article about the case](#)

§ 240-9.4. Commercial accommodations

§ 240-9.4A. Cooking and housekeeping facilities

Commercial accommodation units may contain amenities for private cooking and housekeeping only as the Zoning Board of Appeals allows by special permit and upon the Board's determination that the allowed amenities are customary to guest units and will not change the nature of the use as commercial accommodations.

§ 240-9.4B. Dining facilities

Except in Business or Light Industrial Districts, dining facilities accessory to a hotel, inn, or motel shall be integral with the hotel, inn, or motel, unless the dining facilities existed prior to the construction of a new hotel, inn, or motel. The total seating capacity of any new dining facilities or areas shall not exceed twice the total number of guest rooms (units) permitted for the hotel, inn, or motel. In Business or Light Industrial Districts these limitations shall not apply.

§ 240-9.4C. Garage

A special permit shall be required for the construction of a garage as an accessory to a hotel, subject to the provisions of § 240-9.4C. The lot area of the parcel where the garage is located shall be of sufficient size to minimize or prevent any negative impacts from the garage to the those properties in the neighborhood that are "parties in interest."

§ 240-9.4D. Extended development plan request

- (1) Extended plan - Any petitioner who applies for a special permit under a use listed in special permit sections in Article 6 Use Tables in the Single Residence, General Residence, Public Use, Agriculture, or Business Districts may seek an extended development plan provision to the special permit, under the authority of this section.
- (2) Purpose - The purpose of the provision in § 240-9.4D(1) above is to ensure the long-term development rights of the petitioner.
- (3) Phased growth plan - The petitioner may present a phased growth plan culminating in the normal, detailed plan. The special permit, if granted, shall detail the permitted uses, structures, density, time schedule, etc., at the culmination of the development. The petitioner shall have the right to make changes within the approved time schedule without violating the terms of the special permit. No other changes to the conditions of the special permit may be made except in the discretion of the Zoning Board of Appeals.

§ 240-9.4E. Time-share conversion of existing commercial accommodations

- (1) Special permit - A special permit approved by the Zoning Board of Appeals shall be required for the conversion of a commercial accommodation lawfully in existence and operating as a commercial accommodation as of January 1, 1984. The special permit shall be required whether the conversion is in whole or part of the commercial accommodation.
- (2) Time-share interval ownership - The special permit shall be required for any use functioning

as a time-share interval ownership or similar, whereby unit owners are entitled by deed or other instrument to occupancy of the units for only specified, recurring periods of less than one year during the course of one year.

- (3) Requirements - The Zoning Board of Appeals shall specifically address whether the proposed use is a time-share interval ownership use.
- (4) Minimum lot size requirements - The Zoning Board of Appeals shall determine that the minimum lot size requirements in the table below have been met.

Zoning Districts	Minimum Lot Area Calculation
Business Districts	10,000 square feet/time-share unit
General Residence	10,000 square feet/time-share unit
Light Industrial Districts	10,000 square feet/time-share unit
Residential C	10,000 square feet/time-share unit
Agricultural B	15,000 square feet/time-share unit
Residential B	15,000 square feet/time-share unit
Agricultural A	20,000 square feet/time-share unit
Public Use	20,000 square feet/time-share unit
Residential A	20,000 square feet/time-share unit
Agricultural AA	40,000 square feet/time-share unit
Residential AA	40,000 square feet/time-share unit

- (5) Mixed-uses - Lot size requirements for mixed uses are to be added, i.e., lot requirements for the number of time-shared units plus lot requirements for standard commercial accommodations.

§ 240-9.4F. Time-share construction or conversion of new commercial accommodations

- (1) Special permit - A special permit approved by the Zoning Board shall be required for new construction, or conversion of a commercial accommodation lawfully in existence and operating as a commercial accommodation after January 1, 1984. The special permit shall be required whether the conversion or construction is in whole or part of the commercial accommodation.
- (2) Time-share interval ownership - A special permit shall be required for any use functioning as a time-share interval ownership, or otherwise, whereby unit owners are entitled by deed or other instrument to occupancy of the units for only specified, recurring periods of less than one year during the course of one year.
- (3) Requirements - The Zoning Board of Appeals shall specifically address whether the proposed

use is a time-share interval ownership use.

- (4) Minimum lot size - The Board of Appeals shall determine that the lot(s) on which the construction and/or conversion is proposed equals or exceeds the minimum square footage required by the unit to be time-shared as found in the Time-share Lot Conversion Table in § 240-9E(4).
- (5) Mixed-uses - Lot size requirements for mixed uses are to be totaled, i.e., lot requirements for number of time-shared units plus lot requirements for standard commercial accommodations.

ZONING BYLAW REVIEW

COMMERCIAL ACCOMMODATIONS - PERMITTING

- Listed in most zoning district use tables – not in Marine and Senior Care Retirement Districts
- Typically a Special Permit from the Zoning Board of Appeals (“SP-Z”)

Uses	Standards	AGAA	AGA	AGB		
Commercial Accommodations	See § 240-9.4	SP-Z	SP-Z	SP-Z		
		B-1	B-2	B-3	BR	
		SP-Z	SP-Z	SP-Z	SP-Z	
		LI-A	LI-B	LI-C		
		SP-Z	N	N		
		PU				
		SP-Z				
		SR-AA	SR-A	SR-B	SR-C	GR
		SP-Z	SP-Z	SP-Z	SP-Z	SP-Z