

## Affordability and Rentals

Below are concept and excerpts that are intended to drive a conversation on rental units for Bristol. It is not comprehensive.

### Drivers for Rental Property:

- Short-term - satisfies a need for “destination” need such as tourism, ski areas,
- Moderate term – individual with a need for 1 to 3 years such as relocation before finding more permanent housing, temporary jobs, change in family status
- Long term – no interest in buying/owning/maintaining a house

### Short term vs long term

Excerpts from the VPR program Brave Little State (<https://www.vermontpublic.org/podcast/brave-little-state/2023-03-09/how-many-airbnbs-are-taking-away-from-vermonters-its-complicated>)

Christiana Martin wants to know how much short-term rentals, such as Airbnbs, are exacerbating Vermont’s housing crisis. Brave Little State surveys the data, and finds out how communities across the state are responding to a growing industry.

How many Airbnbs are 'taking away' from Vermonters? It's complicated.

Gorham Drive, in Kirby is a town of about 400 in the Northeast Kingdom, a few miles from Burke Mountain ski resort. Location of an Airbnb:

“It's advertised for 10 people staying there. There's beds packed in the room. It's more than an average number of beds you'd have in a normal house,” Kim Adams says.

“It's like, ‘Oh, must be Friday. I'm expecting at least three more vehicles behind that one to go up. Oh, looks like they're headed down for the ride. That's great. Oh, coming back up. Oh, somebody forgot the beer.’ You know, that's how it goes,” says Susannah Keller. “You know, cars that couldn't make it up the hill at 11 o'clock at night in my driveway with intoxicated people throwing up. Like, that's just a standard experience.”

### Short-term rentals, by the numbers

There’s actually some data to back this up. Demand for Vermont short-term rentals has increased by almost 150% since 2019. This is according to AirDNA, a company that researches vacation rentals. That means, in general, short-term rentals like the one on Gorham Drive are busier than ever.

Over that same timeframe, the total number of short-term rental listings in Vermont has increased by 20%. The Vermont Housing Finance Agency runs a website called

housingdata.org. It shows that in December 2022, what are called “whole home” short-term rentals in Vermont numbered about 10,166.

“It's interesting, because the top 10 towns for short-term rentals are also the top 10 towns for vacation homes in Vermont. And you know, most of those are right next to ski ski resorts,” says Leslie Black-Plumeau, the community relations and research manager at the Vermont Housing Finance Agency.

This gets back to Christiana Martin’s question, about how many short-term rental units are “taking away from locals.” Christiana, I’m sorry to report that no one knows for sure.

“We realized if we didn't know that, our municipalities didn't know that either. And that we wanted our municipalities to take smart, careful action based on what was actually going on in the community, not based on what people guess was going on in the community. So we decided that it was an opportunity for us to provide that by doing this survey.”

The survey results were published earlier this year. And they offer a much more detailed picture of short-term rentals in Lamoille County than the statewide data can give. They also challenge some common narratives about short-term rentals and those who own them.

Like how only 8% of short-term rental owners who responded said their unit was previously a long-term rental occupied by someone else. Over half said their short-term rental was previously their own primary residence, or their own vacation home.

Also surprising? The survey found that short-term rentals are helping many residents afford to live there.

"One of the most interesting questions in the survey was the question of 'what do you do with the income?'" Emily says.

Forty-two percent of respondents said they use the income to supplement the cost of living in Lamoille County. Thirty-nine percent said they use the income for insurance, medical costs or automotive costs.

We can't assume these results would be consistent across the whole state. But statewide data suggests most short-term rental operators are small-scale, rather than people with Airbnb empires. According to Transparent, a vacation rental data company, 93% of short-term rental owners in Vermont operated just one or two listings in January 2023. On the flip side, the other 7% of owners with more than two listings accounted for almost half of all listings in the state.

Julie says there's an important piece of the short-term rental debate that often gets overlooked. She thinks it helps explain where a lot of the anti-Airbnb sentiment is coming from: NIMBY-ism. The idea that those who oppose short-term rentals do so purely because it's inconvenient for them. Or they're biased against “outsiders.”

“NIMBY-ism is alive and well in our communities,” Julie says. “And we just have this long-standing history of being a vacation rental state. You know, we’re second in the nation only to Maine for the highest number of vacation homes in the country. And that is not new. That predates the launch of Airbnb.”

Julie’s right: Vermont has been a vacation destination for a long time. Tourism is a major industry here. And Julie says that short-term rental platforms like Airbnb and VRBO are just the latest innovation in Vermont’s tourism economy.

Leslie Black-Plumeau from the Vermont Housing Finance Agency made a related point: that short-term rentals simply aren’t as prevalent as many people think. For decades, vacation homes have made up around 17% of Vermont’s total housing stock. Short-term rentals don’t come close. They make up just 3%.

There’s a gray area over the scale of that concern. Remember, Vermont has around 10,000 short-term rentals right now that take up an entire home. But Leslie’s focused on a different number. The estimate that Vermont needs to add 30 to 40,000 more year-round homes to make up for years of underbuilding, and to keep up with growing demand of people who want to live here.

“It was a can of worms,” she says. “As soon as I reached out to one town, they said, ‘Oh, you should talk with these towns.’ And a lot of towns were quick to say they didn’t think there was a one-size-fits-all sort of answer to this, because it really depends on what each town wants.”

After years of heated debate in the city council, Burlington passed a new short-term rental ordinance. It created a short-term rental registry. And it set up owner-occupancy requirements — meaning that in most cases, you’ve got to live in the property you rent out. This disqualified up to 80% of the city’s short-term rentals at the time it passed.