

**CITY OF RUTLAND, VERMONT**  
**Development Review Board Minutes**  
**Wednesday October 17, 2018**

Development Review Board Members: Stephanie A. Lorentz, Al Paul, Jim Pell, Steve Wilk and Mike McClallen.

Members present: McClallen (Chair), Paul, Pell and Wilk. Also present, Zoning Administrator Tara Kelly.

At 6:03 PM Chair McClallen called to order the Public Hearing to consider a Conditional Use application for 18 Stone Ridge Drive for short-term rentals to host overnight guests.

Chair McClallen explained the DRB hearing process and that participation in the hearing was a prerequisite to the right to appeal. Anyone wishing to participate in the hearing was given a chance to swear in. In attendance for this hearing were:

- Christopher Williams and Amy Rankin of 18 Stone Ridge Drive (applicants)
- Mike Blow of 44 Stone Ridge Drive
- Sheri Burgess of 51 Stone Ridge Drive
- Brian and Karen Pariseau of 20 Stone Ridge Drive
- Eddie Ryan of 36 Stone Ridge Drive
- Mark Peters of 28 Stone Ridge Drive
- James Mongeon of 56 Stone Ridge Drive
- Bernie Buteau of 23 Stone Ridge Drive
- Melanie Reedy of 66 Stone Ridge Drive
- Gordon Dritschilo of the Rutland Herald

Chair McClallen then asked the applicant, Christopher Williams, to explain his request. Mr. Williams passed out a package to each of the DRB members. This contained his talking points, 2 months of Green Mountain Power bills, and information from the AirBnB website about how prospective renters are screened (source: <https://www.airbnb.com/trust>). Mr. Williams then verbally presented the talking points. He gave examples of the people they had hosted (prior to realizing they needed a permit). He stated he works from home and is on site when guests arrive.

He then reviewed the Conditional Use criteria and offered the following testimony:

- They would only be hosting one guest at a time in the second floor guest room. As such, it would not have any greater impact on the existing or planned community facilities than having a friend visit for a night.
- The character of the area would not be affected. He noted that when he delivered the hearing notices, only one of the five neighbors being notified had noticed he had been having guests.
- Traffic on the roads and highways in the vicinity would be minimal since it would only add one car to the road. Cars going to his house would only pass five other homes on the way to his.
- With respect to utilization of renewable energy sources, he noted that their home has solar panels and offered copies of bills during the time that they had been hosting guests.

- He noted that there were not any specific standards for conditional uses in this district. However, he then went on to describe the standards Airbnb has in place to help ensure guest and host safety. He shared a paper titled “Airbnb Trust & Safety Overview” that described screening and background checks that are performed by the company. He noted every guest must provide their full name, date of birth, photo, phone number, email address, and payment before booking. Home hosts have the option to further require guests to provide Airbnb with a government ID. And, hosts have the option to decline a request to stay with them.

DRB Member Paul asked about the logistics of how the applicant finds guests. Mr. Williams described he has a listing on the Airbnb website with specific details about the space and the house rules. Potential guests review the profiles and send a message to people they would like to stay with. DRB member Wilk asked what the typical length of stay is for paying guests. Mr. Williams said that so far people have stayed 1-2 nights. Mr. Pell asked what would happen if someone wanted to stay longer. Mr. Williams said that a person could request longer and it would be up to him to decide.

Chair McClallen asked about the risk policies and how they work. Mr. Williams described Airbnb does some matching to be sure the guest is suitable for the type of host site and vice versa. A guest pays online with a credit card prior to the reservation being confirmed. Chair McClallen asked what the host sees/knows about the guests prior to booking. Mr. Williams described that the potential guest sends a message to the host requesting to stay and some details of the profile collected by Airbnb are visible to the host at that point. The host has the option to accept or not. They then negotiate arrival time and other details. In general, people have been very quiet and private. Chair McClallen asked if confirmed guests are allowed to bring other people with them. Mr. Williams does not allow more than one guest. If there was a violation of the house rules, Airbnb can prevent a person from renting through Airbnb in the future.

Chair McClallen noted that Mr. Williams’ listing specifically says no parties or events are allowed at his house. He asked about the one guest policy. Mr. Williams stated this is their current policy. Chair McClallen asked about how the website further screens potential guests. Mr. Williams described the mechanism by which past guests are reviewed by their hosts (and vice versa). He noted that in a few circumstances he has seen negative reviews of a guest by other previous hosts and therefore declined to host them.

Chair McClallen asked about parking. Mr. Williams and his wife have 2 cars and he said they have a spacious driveway. With a paying guest, they would have 3 cars maximum.

DRB member Wilk asked about the one guest policy versus couples or people with kids. Mr. Williams explained this is the choice of him and his wife to host only one person at a time. He said they could consider a couple in the future. But, they wanted to keep this easy. He noted that the space is relatively basic and not likely to attract anyone looking to stay for a longer period of time.

Chair McClallen asked if it would agreeable if the permit restricted the rental to one paying guest at a time. Mr. Williams said yes. Chair McClallen asked if it would be agreeable if the permit restricted the rental to no more than two consecutive nights per paying guest. Mr. Williams said yes.

Chair McClallen then opened the floor to members of the public wishing to raise questions or offer comments. He went around the room asking each person if they wished to speak.

Brian Pariseau of 20 Stone Ridge Drive asked if a permit is issued with conditions, who is responsible for monitoring for compliance and enforcement. ZA Kelly responded that she is responsible for enforcement and is bound by a process outlined in State Statute in terms of steps to take. She would likely be responding to complaints versus proactively monitoring on a daily or weekly basis. Mr. Pariseau then spoke of a concern that if one permit of this type is issued it opens the door to other permits being issued in the future because it would be more difficult to deny them. Chair McClallen responded that if another person in the neighborhood wanted to operate an Airbnb or other type of short-term rental they would also be subject to Conditional Use review. ZA Kelly added that the purpose of a Conditional Use Review is to review the facts of a particular application against 6 criteria that take into account the specific type of operation and the current context of the neighborhood. The DRB considers each Conditional Use application on its own unique merits and the circumstances of its location in the neighborhood etc. Mr. Pariseau asked Mr. Williams to further describe how they market their property and accept or reject potential guests. Mr. Williams emphasized there is more opportunity to screen guests than typical Bed and Breakfasts or other hotels. As hosts, they have reviewed the profiles of potential guests in the past and found some negative reviews. They chose not to rent to those people. In general, guests have been low-key and are choosing to use Airbnb for the personalized experience. Mr. Pariseau then asked about how any damages by guests are handled. Mr. Williams said that Airbnb takes responsibility for any damages caused by guests. Mr. Pariseau asked if Mr. Williams plans to continue using Airbnb. He said likely, yes. Mr. Pariseau asked if the city has researched the impact to property values. ZA Kelly responded that the impact to property values is not a proper factor to be considered in Zoning decisions and as such she has not researched that point.

Mark Peters of 28 Stone Ridge Drive asked if an Airbnb operation is considered a business. He wondered how a business could be allowed in a Single Family Residential zone. Chair McClallen and ZA Kelly explained how zoning districts work and the difference between permitted versus conditional uses. They further explained that home-based businesses are allowed in Single Family Residential district if they meet the criteria outlined in the Zoning Ordinance. Mr. Peters stated that allowing the requested Airbnb would radically change the face of the community. He cited hypothetical examples of home-based businesses that could be set up and why that was, in his opinion, the wrong idea. He then asked Mr. Williams what rate he is charging per night. Mr. Williams says he earns \$45 per night plus a \$10 cleaning fee and there are additional charges added on by Air Bnb. Mr. Peters wondered if this low cost would encourage the wrong type of people to stay there. Chair McClallen stopped this line of questioning as the issue of screening guests was already discussed. Mr. Peters wondered that while guests are screened, perhaps a person could be intentionally misleading and hide a nefarious intent. Chair McClallen referred back to the testimony already provided about the screening process. Mr. Williams further referred to the Airbnb materials about the level of documentation required by Airbnb for someone to verify their identity, including background checks. He referred people wanting more details to go to the website [www.airbnb.com/trust](http://www.airbnb.com/trust). In closing, Mr. Peters warned the board that if they were to issue a decision in favor of this Conditional Use they would be radically changing one of the few truly residential areas in the city.

Sherri Burgess of 51 Stone Ridge Drive stated that though she isn't a direct abutter to the property, she feels the operation of the Airbnb would have a substantial impact on the entire neighborhood. She drives past Mr. Williams' and Ms. Rankin's house every day. She worried about guests parking on the street where she walks her dogs. She has lived in the neighborhood for a year and feels it is quiet and would be impacted by the Airbnb use. When she saw the permit sign she was surprised by the request. She went to the Airbnb website and saw a statement to potential hosts that they need to check with local zoning regulations to see if this use is allowed. She wondered why Mr. Williams and Ms. Rankin

had failed to do so. She wondered how they were allowed to operate and why a permit was being required now. Mr. Williams responded by saying someone complained to the Zoning office and he was then contacted by the Zoning office at which point he stopped operation. Mr. Williams said none of his guests have ever parked on the street.

James Mongeon of 56 Stone Ridge Drive said he can see Mr. Williams' driveway from his own driveway. He said he has looked at the driveway closely and it is on a fairly steep hill and is not paved. He expressed concerns about weather-related difficulties with respect to heavy rains or snow. He said it is "basically" a single width driveway. He noted that Mr. Williams and Ms. Rankin park at the top of the driveway side by side. He suggested the shed at the top of the driveway would need to be moved in order to allow for guest parking. He stated there will be insufficient parking and hypothesized that parking by guests would need to be on the street. He suggested the driveway needs to be expanded and paved to accommodate guests. He suggested DRB members look at the circumstances of the driveway to see the steepness of it. He noted that there is a City-wide overnight parking ban in the winter months in which case on-street parking would not be available. He pointed out the driveway width means cars would likely need to be parked one behind the other. Mr. Mongeon also asked if a sign would be erected so that guests can find the house. Mr. Williams said the address is communicated to guests but he does not intend to have any signs. Mr. Mongeon suggested this could pose a problem at night, especially with the early evening winter darkness. Mr. Williams said his house number is not currently lit, but he could take steps to do so. Mr. Mongeon encouraged the DRB to consider limiting the number of paying guests and number of nights guests are hosted on site. He further stated that he felt the character of the neighborhood would be significantly adversely affected by this use.

Bernie Buteau of 23 Stone Ridge Drive spoke in support of the application. He is in favor of anything that allows young people to purchase a home in the neighborhood. He did not see that the short-term rental, as proposed, would affect the character of the neighborhood in any way. He said if Mr. Williams and Ms. Rankin are able to earn a bit of income that allows them to live in the neighborhood it was good for Rutland and good for the neighborhood.

Mike Blow of 44 Stone Ridge Drive said he spoke with the City Assessor about businesses in the neighborhood. He said the taxes could be affected. He knew of other people who rent out their homes via Airbnb and make a substantial amount of money. He said if the DRB allows this, it could affect the kids in the neighborhood since there are no sidewalks. There is only one road in and one road out. He continued to say that if the Conditional Use under consideration tonight is approved, he plans to move out of his house for a weekend and rent it out for extra income. He feels that other neighborhoods would be better suited for this type of use.

Melanie Reedy of 66 Stone Ridge Drive said she lives directly across from the driveway at 18 Stone Ridge. She said she is not concerned about the driveway issues raised earlier. But, parking on the road would pose an issue. She supports business and hasn't had any issue with the use to date. Her biggest fear is that someone she doesn't know could knock on her door after dark when she is home alone. Chair McClallen asked if Mr. Williams could share a photo of his house with potential guests so they can more easily recognize the house when they arrive. Mr. Williams said this is possible. He doesn't currently do so in order to protect his privacy from anyone viewing the profile. But, he could do so if the DRB required it. Chair McClallen asked if Mr. Williams has a policy that limits people to parking in their driveway. Mr. Williams said he doesn't currently have such a restriction but all of his paying guests have parked in the driveway. Chair McClallen asked Mr. Williams if they have had any issues with their driveway, particularly when 3 cars are parked there. Mr. Williams said they have not. He and Ms.

Rankin have occasionally had a small gathering at their house with up to 6 cars parked in the driveway without an issue. Chair McClallen asked how long they have lived in the home. Mr. Williams said they have been there since April. Chair McClallen asked how they will manage snow removal. Mr. Williams said he plans to shovel the drive, but would hire it out if necessary.

DRB member Paul asked how many times Mr. Williams had rented out the space prior to realizing they needed a permit. Mr. Williams responded approximately 20 times and 98% of the time it has been for one night.

Mr. Pariseau asked Mr. Williams that if there is a statement on the Airbnb website that hosts should check with local zoning regulations, why hadn't Mr. Williams and Ms. Rankin done so. Mr. Williams said he did not see the statement. He added he was never notified in any other manner by Airbnb. Therefore, he was unaware of the need to do so.

Chair McClallen explained the decision and appeal process. He noted everyone in attendance, plus anyone who had been at the previous hearing night but didn't make it tonight, would all receive the written decision in the mail. Ms. Burgess asked if the decision is issued in favor of the applicant, but it is appealed, how does that affect the ability for Mr. Williams and Ms. Rankin to rent out their place. Chair McClallen stated that operations could resume if a DRB decision was issued in favor of the applicant. If an appeal was filed it would be possible the operations needed to cease if the court ruled to overturn the local decision.

Mr. Peters asked for clarification about the Environmental Court and was provided an explanation.

Eddie Ryan of 36 Stone Ridge Drive asked how many permits for short-term rentals have been issued. ZA Kelly said one Conditional Use Permit has been issued in a Single Family Residential district and a handful of Zoning Permits have been issued in other districts.

Someone asked about whether or not taxes are paid by these operations. ZA Kelly noted that the State collects taxes but the City has not yet taken that step.

Mr. Pariseau asked if any letters or other written comments had been received prior to this hearing. ZA Kelly said none except the email from Mr. Pariseau which was part of the DRB packet.

The hearing was adjourned at 7:01 PM.

Respectfully submitted,

**Tara Kelly**

**Development Review Board Clerk**