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August 5, 2025

Planning Board City Hall Annex 344 Broadway Cambridge, MA 02139

Re: Short-Term Rental Zoning Petition

To the Planning Board:

We received the following questions from a member of the City Council related to the Short-Term Rental Zoning Petition. The Inspectional Services Department (ISD) in coordination with the Law Department would like to share these questions and answers with the Planning Board as this information may assist you in your consideration of the Petition.

QUESTION 1: The interim report we received in October 2024 indicated that at the time there were 168 registered STRs in Cambridge, but online records indicated that there were at least 515 STRs available in Cambridge - meaning that there were 347 unregistered STRs in the city. How do these changes address our ability to regulate those 347 unregistered units?

RESPONSE: Accounting for seasonal variances, as of July 14, 2025, there were **635** short-term rental units in the City. ISD has **175** registered short-term rental units, meaning there are roughly **460** unregistered units. It is important to note that addresses are not advertised on booking websites. As a result, we use Host Compliance to help identify units. Of the 635 units, 66% have been able to have an address identified. To date, ISD has sent **480** violations letters (these include **234** listings that have since become compliant- either have registered, taken down the listing, or have changed to a minimum of 30+ days). The discrepancy between the number of letters and total short-term rentals is the result of the inability to identify all units.

One fundamental change that we are recommending to the Ordinance is a penalty on the Booking Platforms for accepting fees for booking unregistered units thus incentivizing booking platforms to not book unregistered units.

After discussions with AirBnB, VRBO, and Booking.com, we are also reviewing with IT the ability to develop an API to connect with booking platforms with the goal that unregistered rentals will be immediately taken down from sites in real time. We have also had success in removing

ineligible STRs with AirBnB when we have requested and provided documentation about an unregistered STR. We are exploring ways to efficiently remove unregistered units en masse.

QUESTION 2: Question on enforcement - How will these zoning changes be enforced? How will residents be able to report unregistered STRs or STRs that are not legal – for example, an STR that neighbors know are not owner occupied? Will there be a simple process for reporting violations?

RESPONSE: Presently ISD can enforce STR code violations through non-criminal dispositions pursuant to G.L. C. 40, § 21D. However, enforcement through § 21D has proven to be difficult when there is not enough evidence of a violation. Many times, ISD has found individuals ignore the fines. In discussions regarding enforcement, other municipalities have had greater success in enforcement through adoption of <u>G.L. c. 40U</u>, which enables municipalities to place a lien on the property if the owner ignores the fine after a hearing. The City could look into adopting G.L. c. 40U and passing regulations to enforce the STR ordinance under this process.

QUESTION 3: Once these changes pass will the city filter through the 347 unregistered units and send letters to property owners indicating potential violations?

RESPONSE: Yes. ISD will evaluate the next steps for removing all unregistered units. Many of these properties have already received violation letters, but there is a significant amount that simply ignore them. However, with the recommended language that imposes penalties for booking unregistered units on the platform, we hope to see a significant reduction in unregistered and ineligible on the sites.

QUESTION 4: On reporting requirements - STRs are a growing issue for cities worldwide and dozens of cities have actually banned them outright - we need to be sure these changes are having the impact desired. This ordinance should have a yearly reporting requirement so we know 1) number of registered STRs 2) how many enforcement actions were taken 3) how the city monitors compliance – checking number of registered v. unregistered STRs available online.

RESPONSE: There are concerns that a yearly reporting requirement as suggested above would fail to accurately reflect the status of short term rentals in the City. As noted, there is a high degree of seasonal variance when short term rental units are listed, which would not be accurately reflected in an annual report. City code enforcement approaches may vary depending on a variety of factors and owner cooperation, which again may make reporting difficult. An example of this would include a unit cited for code violation but where no enforcement action was ultimately taken due to the unit owner's immediate compliance with ISD's recommendations and rectifying of the issue. The City is also exploring options with AirBnB, VRBO, and Booking.com to capture data in real time to allow for immediate and recurring monitoring of website listings of short term rental units. Such real time reporting would more accurately reflect conditions in the City compared to an annual report, which only shows status at the time of publication. As such, we would recommend not adding language to the ordinance regarding reporting requirements at this time while the City and ISD explore options to gather the data from vendors and through the City's systems. This review would allow ISD to explore ways to effectively report this data in a manner that is accurate and effective.

QUESTION 5: The October 2024 report also notes that all booking agents and websites only post listings that have a valid registration (noting similar agreements in Boston and NYC) - is that addressed anywhere in the ordinance? Or been agreed to by the main booking platforms?

RESPONSE: The largest booking platforms: VRBO, AirBnB and Booking.com have indicated to us that they intend to work with us and are amenable to removing problematic listings.

QUESTION 6: For owner-adjacent rentals, some STRs have been able to flout the ordinance previously by switching their primary residence between units within the same building. Is there anything in the ordinance that prevents that? If not, the ordinance should make the applicant pay the \$500 fee for re-registering their primary address each time they switch their primary residence.

RESPONSE: ISD believes this is in reference to [REDACTED] which is a single family house, therefore they do not have an owner-adjacent rental, but rather are considered operator-occupied. Therefore, the owner is allowed to rent up to 3 individual bedrooms in the unit and the owner uses this to say they are living in one of the bedrooms on the other side of the house. In this scenario, being able to request the transaction logs in accordance with the suggested amendments would be useful so we could see if these listings were booked at the same time for more than 180 days (180 days is the minimum to be considered a primary residence).

The Law Department and ISD will be available to discuss at the Planning Board's hearing.

Very truly yours,

Megan B. Bayer

City Solicitor