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To: Paul A. Croce, Chairman  
Planning Board members

From: Anita Guo, Principal Planner

Date: March 1, 2023

Re: Town Council Request for Short-Term Rental Research

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On January 3, 2023, the Town Council voted to request that the Planning Board assist with the research on the impact of short-term rental (STR) properties on Middletown's housing stock for year-round residents, and compile examples of regulatory approaches from other communities. to research the impact of short-term rentals in Middletown. Specifically, the motion approved by the Town Council is as follows: *"To direct the Planning Board to research other communities affected by short-term rentals, identify actions taken by them to proactively manage short-term rental growth in their community and also to research any impact short-term rentals may have on the availability of housing in Middletown for full time residents."*

With the assistance of the Building/Zoning Department, which is responsible for STR registration, a report on approved STR permits from February 1, 2022 to January 31, 2023 was obtained from the permitting system. With that data, staff was able to capture the current number of permitted STRs in Town. In addition, applicants had self-reported the property owner's address which allowed staff to determine the number and location of STRs that are owned by Middletown residents and non-Middletown residents. Owner-occupancy information was also self-reported and analyzed. STRs could either be owner-occupied—when the property owner lives at the location while renting out the unit or bedroom, or be absentee-owner—when the property owner does not live at the location. Staff was then able to map the locations of the STRs by owner residency and owner occupancy. The impact of STRs on Middletown's housing stock for full-time residents was then explored by calculating the percentage of absentee-owner STRs units out of the total number of housing units in Town.

Staff also obtained STR data from the Rhode Island's Department of Business Regulation to look at the number of STRs by municipality.

Lastly, a summary comparison table of STR regulations for six municipalities in Rhode Island, including Middletown, and three elsewhere in the country were compiled and attached for your review. The RI municipalities were selected based on their implementing of STR regulations. The other three examples were identified in peer-reviewed literature and were selected to highlight different STR approaches. The following four main groups of regulations were compared for the nine municipalities: registration/fees, operational requirements, locational restrictions, and enforcement.

A presentation on the findings will be given on the March 8<sup>th</sup> Planning Board meeting. Thank you and please contact me with any questions.

<b>Registered Short Term Rentals 2022-2023</b>	<b>Units</b>	<b>%</b>	<b>Bedrooms</b>	<b>%</b>
<b>Middletown Resident</b>	212	55%	611	53%
<b>Non-Middletown Resident</b>	175	45%	540	47%
<b>Owner-Occupant</b>	107	28%	317	22%
<b>Absentee Owner</b>	280	72%	834	78%
<b>Total</b>	<b>387</b>		<b>1164</b>	

Figure 1: Registered STR 2022-2023, Middletown, RI

<b>STR Type</b>	<b>Units</b>	<b>% of Total Housing Units</b>
Owner-Occupant	107	2%
Absentee Owner	280	4%
Total STR Units	387	6%
<b>Total Housing Units in Middletown</b>	<b>7006</b>	

Figure 2: Middletown STR by Occupancy Type

<b>Number of Registered STR in RI as of 1.29.23</b>			
<b>Rank</b>	<b>Municipality</b>	<b>Number</b>	<b>%</b>
1	Narragansett	657	21.0%
2	Middletown	342	11.0%
3	New Shoreham	276	8.8%
4	Newport	273	8.7%
5	Providence	262	8.4%
6	South Kingstown	261	8.4%
7	Westerly	157	5.0%
8	Charlestown	153	4.9%
9	Little Compton	103	3.3%
10	Bristol	95	3.0%
11	Jamestown	93	3.0%
12	Portsmouth	71	2.3%
13	North Kingstown	59	1.9%
14	Tiverton	49	1.6%
15	Warwick	47	1.5%
16	Warren	39	1.2%
17	Cranston	36	1.2%
18	Pawtucket	31	1.0%
19	Barrington	20	0.6%
20	East Providence	19	0.6%
21	Coventry	9	0.3%
22	Hopkinton	8	0.3%
23	North Providence	8	0.3%
24	East Greenwich	7	0.2%
25	Exeter	7	0.2%
26	West Warwick	6	0.2%
27	Richmond	5	0.2%
28	Burrillville	4	0.1%
29	Central Falls	4	0.1%
30	Cumberland	4	0.1%
31	Johnston	4	0.1%
32	Glocester	3	0.1%
33	North Smithfield	3	0.1%
34	Smithfield	3	0.1%
35	Woonsocket	3	0.1%
36	Scituate	2	0.1%
<b>Total</b>		<b>3122</b>	

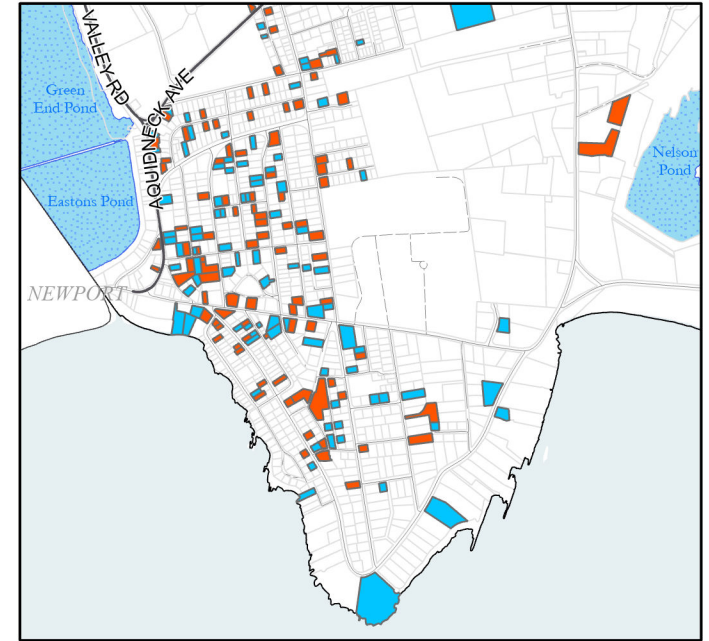
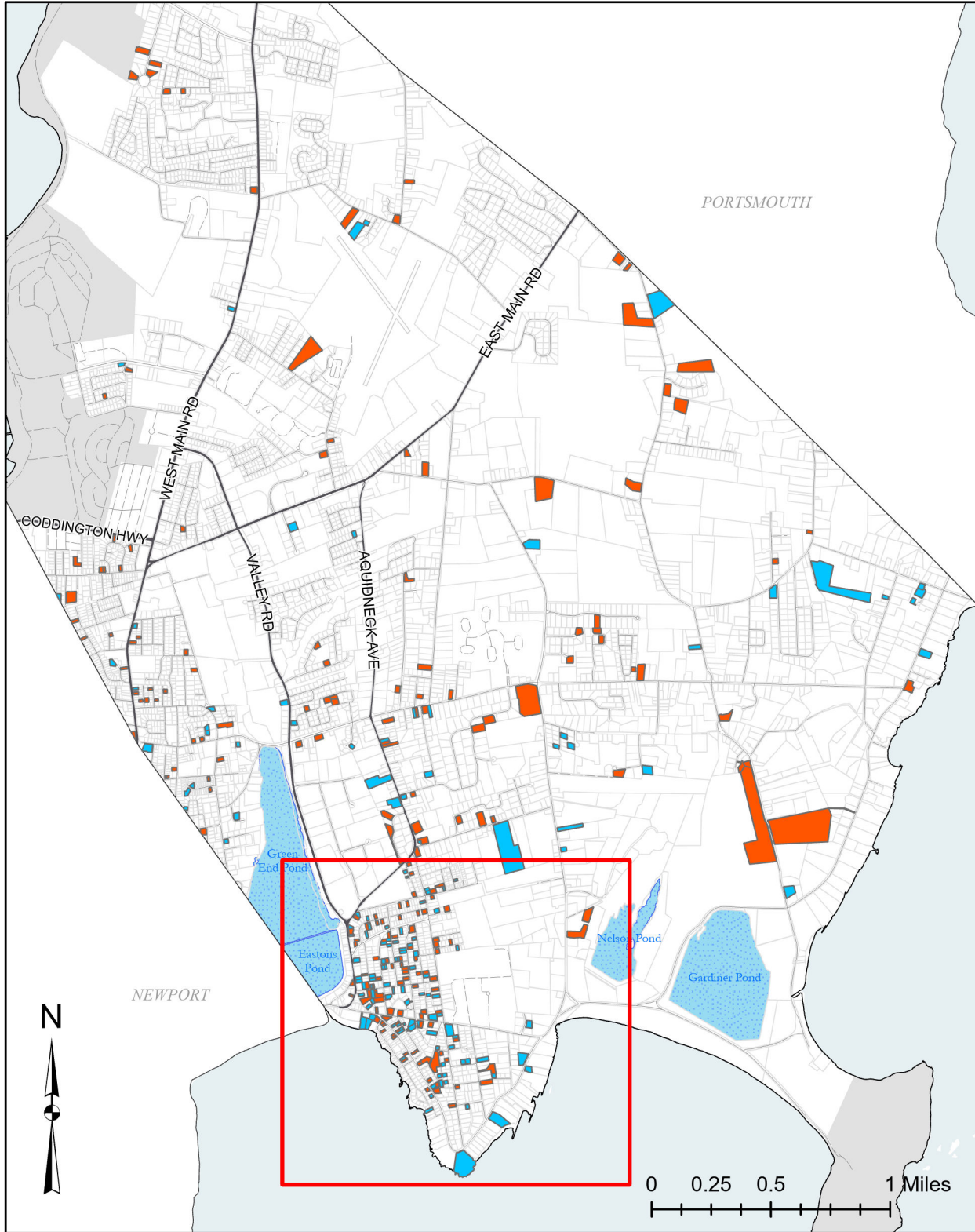
\*Data from RI Department of Business Regulation

*Figure 3: Number of State-Registered STRs by Municipality*



# TOWN OF MIDDLETOWN

## 2022-2023 Registered Short-Term Rental Properties by Owner Residency



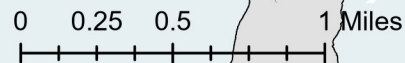
Registered Short Term Rentals 2022-2023	Properties	%	Units	%	Bedrooms	%
<b>Middletown Resident</b>	195	58%	212	55%	611	53%
<b>Non-Middletown Resident</b>	141	42%	175	45%	540	47%
<b>Total</b>	<b>336</b>		<b>387</b>		<b>1164</b>	

### Legend

- Middletown Resident
- Non-Middletown Resident
- Property Lines
- U.S. Gov't Property

The information depicted on this map is for planning purposes only. It is not adequate for legal boundary definition, regulatory interpretation, or parcel-level analysis. Sources: RIGIS, Town of Middletown. Author: AG.

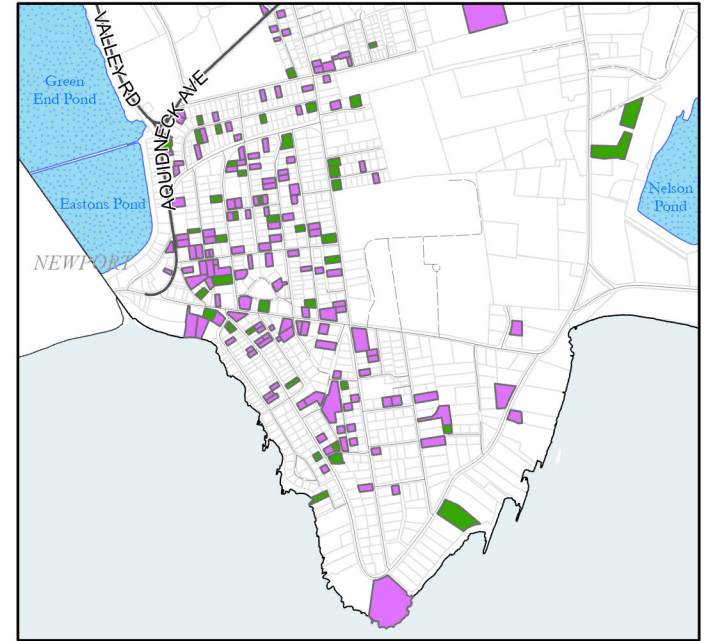
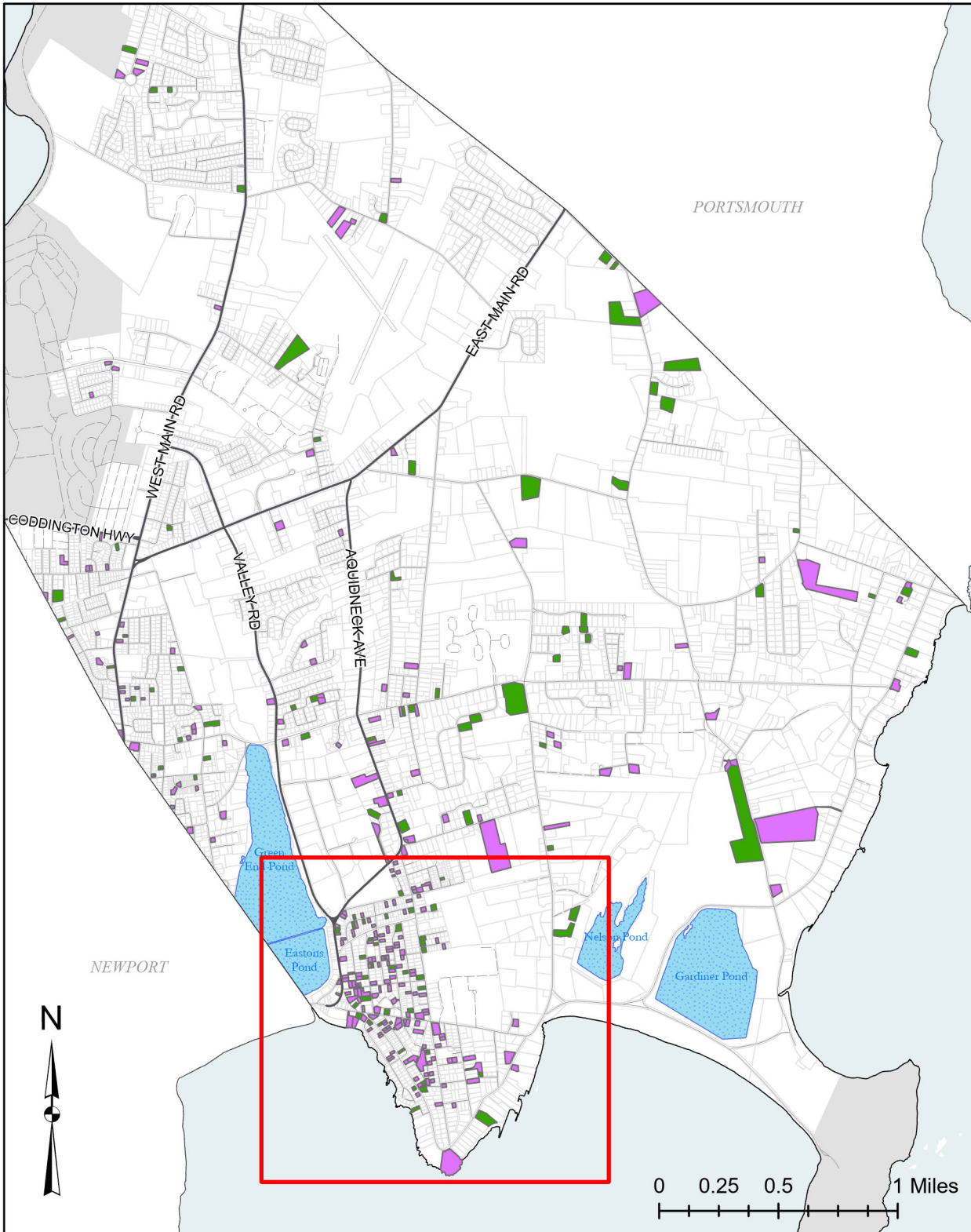
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# TOWN OF MIDDLETOWN

## 2022-2023 Registered Short-Term Rental Properties by Owner Occupancy



Registered Short Term Rentals 2022-2023	Properties	%	Units	%	Bedrooms	%
<b>Owner-Occupant</b>	101	30%	107	28%	317	22%
<b>Absentee Owner</b>	235	70%	280	72%	834	78%
<b>Total</b>	<b>336</b>		<b>387</b>		<b>1164</b>	

### Legend

- Owner-Occupant
- Absentee Owner
- Property Lines
- U.S. Gov't Property

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