

Short-Term Rental Licensing Ordinance

Discussion Draft

I. Purpose

The Town of Mount Desert recognizes the desire of some property owners to rent their legal residential unit(s) as short-term rentals. The Town of Mount Desert also recognizes that the ability for some property owners to rent their residential dwelling unit and/or their accessory dwelling unit as a short-term rental has contributed to their ability to remain as a year-round resident of the Town of Mount Desert. At the same time, there are legitimate concerns about the increase in number of short-term rentals and the undue impacts they can have on the quality of life and quiet enjoyment of properties within the vicinity of short-term rentals. It is the intent of this ordinance to allow the continued reasonable short-term rental of legal residential properties in the Town of Mount Desert, while minimizing the negative impacts said short-term rentals could generate. This will be accomplished by a licensing program that enables the Town to monitor and track the number of short-term rentals within its borders and includes modest performance standards intended to protect property owners, renters, and neighbors.

II. Applicability

- A. Permitted short-term rentals. Legally existing residential dwelling units may be used as short-term rentals upon the issuance of a short-term rental license for the premises in accordance with the requirements of this ordinance.
- B. Prohibited short-term rentals. No person may offer for rent, operate, or otherwise use any residential dwelling unit in the Town of Mount Desert for short-term rentals if such person has not secured and maintained a valid short-term rental license for the premises.
- C. Lodging establishments exempt. The following lodging establishment uses are exempt from the licensing requirements and standards of this chapter: hotels, motels, bed-and-breakfasts, boarding houses, and inns.
- D. Hosted home stays exempt. Hosted home stays are exempt from the licensing requirements and standards of this chapter.

III. Validity and Severability

If any section, subsection, clause or phrase of this chapter shall be found to be invalid or unconstitutional, such invalidity shall not affect the remaining provisions of this chapter and, to that end, the provisions of this chapter are hereby declared severable.

IV. Definitions

As used in this chapter, the following terms shall have the meanings indicated:

HOSTED HOME STAY – A residential dwelling unit that is occupied, including overnight, by the Owner during the short-term rental period. In the case of a one-family residential dwelling with a legally permitted accessory residential dwelling unit, the owner shall reside in either unit during the short-term rental period. There is no minimum night stay required for hosted home stay short-term rentals.

OWNER — An individual person or persons or an entity that is the owner of record of real property as documented by deed or other document evidencing ownership recorded at the Hancock County Registry of Deeds or Registry of Probate.

RESIDENTIAL DWELLING UNIT — As defined in the Town of Mount Desert Land Use Zoning Ordinance.

SHORT-TERM RENTAL — The use, control, management or operation of a legally existing dwelling unit offered, in whole or in part, for rent for transient occupancy for dwelling, sleeping or lodging purposes for fewer than 28 consecutive nights, for compensation, directly or indirectly, excluding motels, hotels, bed-and-breakfasts, boarding houses, inns, and hosted home stays. A short-term rental does not include: legally existing dwelling units that are rented no more than twice per calendar year and for less than a total of 14 days in a calendar year; or when relatives and friends stay for no monetary compensation.

SHORT-TERM RENTAL GUEST — Any person who rents, licenses, occupies or has the right to occupy a dwelling unit pursuant to a short-term rental.

V. Requirements

- A. License required. No short-term rental shall be advertised, rented, or operated without first obtaining a short-term rental license. A short-term rental license shall be valid for the calendar year for which the license is issued. The property must remain in compliance with the requirements of this ordinance.
- B. Registration Procedure.
 1. All applications, and associated fees, for short-term rental licenses shall be filed with the Town on forms provided for this purpose.
 2. The applicant shall provide all the information requested on the short-term rental registration application form, including, the following information: owner or owner's representative contact information, property information, number of short-term rental guests allowed, and emergency contact information.
 3. A proposed short-term rental may only be registered by the legal owner of the proposed short-term rental unit or an authorized representative.
 4. Non-refundable fees for a short-term rental registration/renewal shall be as adopted, by order of the Board of Selectmen for the Town of Mount Desert, and may be amended from time to time. Such fee must be submitted with the registration form at the time of registration and/or renewal.

5. A registration number will be given to each unit registered. Registrations are limited to the dwelling unit for which they are issued and shall not be transferable to a different dwelling unit.
- C. Inspection. Anytime that a short-term rental application is submitted for a property, the short-term rental applicant shall certify on the short-term rental application that the proposed short-term rental property complies with the short-term rental standards in this ordinance and with applicable Building Code requirements. The Code Enforcement Officer may inspect the licensed premises to determine compliance with the short-term standards. However, said inspection shall not be required as a condition of license issuance.
- D. Short-term rental license renewal. Short-term rental licenses shall expire on December 31 of each calendar year. Short-term rental license holders may renew such license by submitting a renewal application, via a renewal process established by the Town. After the effective date of this ordinance, any duly licensed short-term rental may continue operating as long as the license is current and renewed for the current calendar. If the license is not renewed by the expiration date the license expires, and this protection clause no longer applies.
- E. Transferability.
 1. Short term rental licenses issued under this ordinance shall be transferable to a new owner as of the day the new owner acquires possession of the property and shall expire on December 31. A new license shall be required the following year.
- F. Notice. The short-term rental license holder must post in plain sight near the entrance of the dwelling a notice that identifies the short-term rental license number and the name, address, phone number(s), email address of the owner of the short-term rental and/or the owner's local contact person, and the maximum number of short-term rental guests allowed.

VI. Standards

- A. At the time of issuance of a license, and at all times during the continuance of a short-term rental license, the property taxes and any applicable water and/or sewer fees associated with the property to be rented as a short-term rental shall not be in arrears.
- B. Street number per Town 911 standards
- C. Smoke alarms. Smoke alarms shall be installed in each bedroom, outside each separate sleeping area in the immediate vicinity of the bedrooms, and on each additional story of the short-term rental unit (including basements and habitable attics).
- D. Carbon monoxide alarms. If a short-term rental unit has an attached garage or a fuel-fired appliance, a carbon monoxide alarm shall be installed outside each bedroom in the immediate vicinity of the bedrooms.
- E. Gas alarms are required per the applicable rules of the State of Maine.

- F. Portable fire extinguishers. At least one appropriately sized portable fire extinguisher shall be mounted in a prominent location within the short-term rental unit.
- G. Parking. Short-term rental guests and their guests are prohibited from parking in a manner that impedes access by emergency vehicles to the property or any other property in the neighborhood. The owner must provide sufficient off-street parking for all overnight short-term rental guest vehicles. The number of short-term rental guest vehicles allowed at the short-term rental shall be limited to the number of off-site parking spaces designated by the applicant. Garage parking spaces not allowed for short-term rental guest use shall not be used to meet this short-term rental parking requirement.
- H. Trash shall be removed from the short-term rental unit on at least a weekly basis while the property is being rented as a short-term rental.
- I. Occupancy limits. The maximum occupancy of a short-term rental shall be limited to no more than two short-term rental guests per bedroom, plus two additional Short-term rental guests total for the entire dwelling unit. By way of example, the maximum capacity for a three-bedroom dwelling short-term rental is eight short-term rental guests (i.e., three bedrooms multiplied by two short-term rental guests, plus an additional two short-term rental guests, for a total of eight short-term rental guests).

VII. Suspension and Revocation of License

A license for a short-term rental may be conditioned, suspended, or revoked by the Board of Selectmen after a public hearing if the Board of Selectmen determine that a violation of this Ordinance, any applicable statute, ordinance, or regulation, or short-term rental license certification, condition, or criterion has occurred.

- A. Violations of this chapter. Violations of this chapter include, but are not limited to, the following:
 - 1. Providing false or misleading information on an application, or renewal application, for a short-term rental license;
 - 2. Failure to comply with the parking provisions of this ordinance;
 - 3. Failure to acquire and/or display the required short-term rental license number or include the license number in any advertising of the licensed premises;
 - 4. Violation of any short-term rental license certification, condition, or criteria;
 - 5. Violation of any statute, ordinance, or regulation applicable to the short-term rental property.
- B. Complaints concerning short-term rentals. The Town shall establish and maintain a log of all complaints for each short-term rental received and substantiated by the Town. The Town shall seek the correction of all substantiated complaints by the short-term rental license holder.
- C. Suspension or revocation of license. The Board of Selectmen may condition, suspend, or revoke a short-term rental license, following a public hearing, on the basis of the licensee's noncompliance with this chapter, any applicable law, ordinance, or regulation, or short-term rental license certification, condition, or criteria. Registrants who have previously had a registration(s) revoked

pursuant to this Ordinance, shall be allowed to obtain a license for the subject property in the future only by order of the Board of Selectmen.

- D. Penalties. Any person, including but not limited to a landowner, a landowner's agent or a contractor or firm, or corporation, who violates any provision or requirement of this Ordinance, or disobeys, refuses to comply with, or resists the enforcement of, any provision of this ordinance or who starts construction or under-takes a land use activity without a required permit, shall be penalized in accordance with 30-A M.R.S.A. Section 4452.
- E. Appeal. A decision by the Board of Selectmen to proceed against an alleged violator for violations of this Ordinance is not appealable to the Zoning Board of Appeals.

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