

**TOWN OF ORONO**  
**COUNCIL COMP PLAN COMMITTEE VIRTUAL MEETING**  
**MONDAY, MAY 3, 2021 AT 5:00 PM**  
*(The meeting will end before sundown.)*

**WATCH ONLINE AT**  
<https://zoom.us/j/94881283329>

**For Dial in Only call 1-312-626-6799 Webinar ID: 948 8128 3329**

**(LINK ALSO AVAILABLE AT WWW.ORONO.ORG)**

*Comments can be submitted via email prior to the meeting start time at [info@orono.org](mailto:info@orono.org) and during the meeting by using Zoom comment features.*

**MINUTES**

**1. Roll Call**

Present: Meghan Gardner (Comp Plan Chair), Council Chair Tom Perry, Geoffrey Wingard, Laurie Osher, Laura Mitchell, Sophie Wilson.

**2. Aligning the Town's Regulatory Approach to Residential Rental Activity** *(Video record time 00:30 -1:44:55)*

Town Planner Kyle Drexler gave a brief presentation on the Town's regulatory approach to residential rental activity. Mr. Drexler presented information on the Comprehensive Plan's recommendations on long and short term rentals; the current approach on long and short term rentals; agreed upon changes (create a more inclusive short-term rental definition than homestays); regulatory spectrum; staff feedback on long and short term rentals; and regulatory direction for long term and short term rentals, and student homes.

Regarding long-term rentals, the Committee discussed different viewpoints on the information provided. The Committee was interested in hearing more about regulation and being more compliant with the life safety code. Regarding student homes, the Committee agreed they needed more information about regulating it in a particular way. The Committee liked the multi-disciplinary approach to regulation.

Regarding short-term rentals, the Committee discussed having different tier levels for rental activities (i.e. the one time rental or rentals each week). The Committee agreed they should look at a better definition of occupancy for the number of people.

**Staff will bring back more information on long-term rentals and student homes at the next Committee meeting.**

### **3. Brief Town Manager's Report** (*Video record time 1:44:56 -2:03:40*)

Town Manager Sophie Wilson gave a brief update on the following items:

- LD328 to restore Revenue Sharing to communities
- Budget information, overview letter to Council tomorrow.
- Federal Stimulus funds (up to \$1M). Main Street sidewalk project not federally funded.
- No ticket landfill dropoff days, May 14-16. Leaves/brush pickup starts May 4th.
- Report on Maine Day by Police Chief Josh Ewing. The Avenue took effective security steps.
- Street and Stream Cleanup (virtual) held on May 15th.
- Next Council Budget Meetings: May 6 and 13. Council Meeting May 10th.
- UMaine Students to give an Emerald Ash Borer Preparedness and Mapping Presentation at the May 5th Tree Board Meeting, 5PM via Zoom.
- Planning Board Meeting regarding marijuana establishments to be held on May 19th at 6:30pm.
- Ms. Wilson was appointed to MePERS PLD Advisory Committee.

### **4. Adjourn**

Minutes are summary only. A video-recorded version is available on the Town's website at [www.orono.org](http://www.orono.org).

Respectfully submitted,

Nancy W. Ward  
Executive Assistant

# Regulatory Approach to Long-term and Short-term Rentals

Comprehensive Plan Implementation Committee

5.3.2021

# Outline

- Comprehensive Plan
- Current Regulatory Approach
- Regulatory Spectrum
- Regulatory Direction Moving Forward
- Next Steps

# Comprehensive Plan

# Comprehensive Plan - Long-term Rentals

## Issue/Opportunity

- Integration of off-campus student housing into Town while stabilizing existing single-family neighborhoods
- Continue to seek a balance between small-scale student housing integrated into neighborhoods and provision for larger-scale developments on or adjacent to campus, with particular attention to limiting conversions of owner-occupied homes to rentals in established neighborhoods.

## Recommendation

- Enforce existing unrelated people limits
- Define “student homes” as land use and regulate use in some or all residential districts
- Encourage/incentivize rental units in owner-occupied situations
- Improve enforceability of the Disorderly Property Ordinance, and amend ordinance to include “unruly gatherings” provision
- Require owner or property manager to be physically available at the property in a timely manner to respond to any concerns
- Expand fire safety inspections of dwellings in single- and two-family rentals, excluding properties in which the owner resides
- Amend ordinance regarding the maintenance of rental properties in which the property owner does not reside

# Comprehensive Plan - Short-term Rentals

## Issue/Opportunity

- Take advantage of tourism/visitor opportunities typical of a University town
- encourage a stronger visitor economy by allowing a variety of lodging opportunities in appropriate zoning districts

## Recommendation

- Amend the zoning ordinance to recognize a hierarchy of lodging uses suitable for different zoning districts, including “homestays,” “bed and breakfasts,” and “hotels/motels.”

# Current Approach



# Zoning Rental Activity

- Long-term rentals are generally not considered a land use or zoned
  - LTRs, if regulated, more often utilize a registration or licensing system and property or building maintenance standards
  - There is precedent for regulating rentals to students specifically as a land use as it can change the nature of a residential neighborhood
    - Off-campus student housing can lead to:
      - shortage of affordable housing
      - lower home ownership rates
      - incentivize deferred maintenance by landlords
- Short-term rentals are seen more as a commercial use taking place inside a residential structure
  - Different levels of regulation exist depending on the community in question

# Current Approach: Long-term Rentals

- Ch. 8 Buildings and Building Regulations
  - Rental registration
    - Not a license
    - Keeps track of data and can be used to determine proper occupancy is being met
    - Does not apply to transient occupancy
  - Property maintenance standards
- “Student home” is defined but not zoned/regulated

# Current Approach: Short-term Rentals

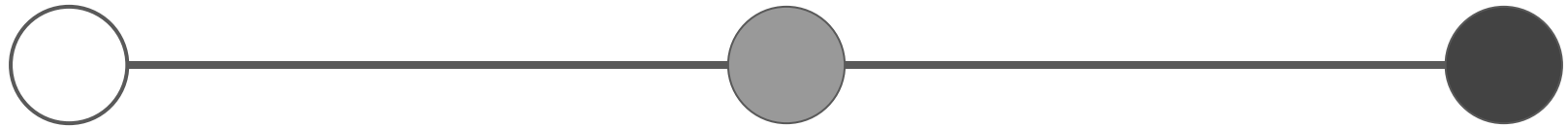
- “Short-term rentals” as a specific term not used in Ordinance
- Ch. 18 Land Use
  - Seasonal dwelling
    - Not regulated, only definition
  - Homestay
    - Requires land use permit
    - Performance standards
      - No more than 2 bedrooms/4 guests in owner-occupied, single-family home
      - No access to kitchen facilities
      - Follows all “home occupation” standards

# Past Discussions and Agreed Upon Changes

- “Homestay” is out-of-date; need to create more inclusive “short-term rental” definition that could include:
  - Non-owner occupied vs owner-occupied STRs
  - STRs in dwelling types other than single-family
- Over or under 30 days seems to be a good mark for determining if a rental is long-term or short-term

# Regulatory Options

# Regulatory Spectrum



No Regulation

Registration

Licensing/Land Use  
Permitting

- Keeps track of trends and data
- Could implement a voluntary inspection program (*not a current practice*)

- Can revoke license
- Required inspections
- Potential zoning/land use standards and review
- More regulatory control; good if identified issues

# Staff Feedback: Long-term Rentals

- More consistent nature of LTRs creates less impact on surrounding area
  - LTRs closer to residential feel, not as transient
- Currently handled through rental registration
- Rental registration is effective and no major issues have been identified
- Only multi-family units are inspected
- Potential improvements:
  - Implement a voluntary inspection program and create a list on website of inspected LTRs available to public
  - Require nearby property owner or property manager to be available
  - Compare different codes and explore different ways of determining maximum occupancy
    - *Make decision whether “family” definition should be amended*

# Staff Feedback: Short-term Rentals

- Changes needed; Ordinance does not capture the entire practice
- STRs are more transient in nature; create a hybrid between residential and commercial use
  - Owner-occupied vs non-owner occupied plays a big role
- STRs have not been a noticed issue so far; however it is difficult to say how widespread the practice is in the community
- Potential improvements
  - Expand definition of Homestay/STRs to include all types
  - Create licensing program (inspections)
  - Have specific land use standards (zoning)



# Staff Feedback: Summary

- Long-term rentals better handled via registration or license; regulation can focus on:
  - Building and property maintenance
  - Behavior
  - Keeping track of data and trends
  - Inspections
  - Owner/property manager contact info and proximity
- Short-term rentals better handled via land use; regulation can focus on:
  - Zoning
  - Impact on neighborhood (traffic, parking, etc)
  - Maximum number of people or bedrooms rented
  - Lower level review for less impactful STR types and Planning Board review for more impactful STR types

# Regulatory Direction

# Regulatory Direction: Long-term Rentals

- Is Council okay with current rental registration process, in general?
- Any interest in expanding to a stricter revocable licensing process and requiring inspections for all LTRs?
  - Requiring inspections for every rental property in Town would be a significant staff undertaking and feasibility would need to be explored
  - Other license requirements for LTRs desired?
- If keeping existing rental registration process, should staff explore idea of voluntary inspections or other smaller changes?
  - This would allow LTR properties to be inspected if desired by property owner and then recorded in some manner on Town website to be used as a resource

# Regulatory Direction: Student Homes

- Does Council have interest in regulating “student homes” further?
  - Zoning to allow only in certain districts
  - Setbacks between identified student homes
- Land Use Ordinance definition:
  - *Student home means a single-family detached, single-family attached, two-family, or multifamily dwelling in which one or more of the dwelling units is occupied by three or more "students," as defined in this ordinance, at least one of whom is paying rent, lease fee, or a similar fee for the right to occupy the dwelling unit or portion thereof, whether or not the "students" are legally related*
- Potential impacts to consider:
  - Would zoning student homes cause students to concentrate in other areas, causing new impacts?
  - What is the practicality? Whether a long-term rental is considered a student home or not could be constantly changing and difficult to track.

# Regulatory Direction: Short-term Rentals

- Does Council wish to further expand and define the concept of STRs under the Land Use Ordinance?
- If so, what level of regulation/standards should be considered?
  - Should zoning for STRs be explored (allow different types in different areas)
  - Limits on occupancy (number of people or bedrooms)
  - Maximum parking spaces for STR
- Does Council wish to create an additional registration or licensing process for STRs?
  - Registration collects data
  - License allows for more regulation
- If licensing is preferred, what are Councils' thoughts on level of regulation?
  - Required inspections
  - Required property manager within certain distance
  - Posted contact information in unit

# Conclusion

- Further discussion or comment from Council
- Develop next steps for staff