DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY

# MAINE LAND USE PLANNING COMMISSION

# Proposed Chapter 2 and Chapter 10 Rule Revisions: Short-Term Rentals

March 12, 2025 – Draft

The following amendments propose changes to Chapter 10, *Land Use Districts and Standards for Areas within the Jurisdiction of the Maine Land Use Planning Commission*. This document only includes relevant sections of Chapter 10 and indicates additions in <u>underline</u>, deletions with a <del>strikethrough</del>, and relocated text in double <u>underline</u> and double <del>strikethrough</del>. Most revisions are self-evident. Where necessary, further explanations of some changes have been included in [brackets]. These explanatory notes would not be included in the final rule.

## **Rulemaking Introduction and Overview**

#### What are the goals of this rulemaking?

- Respond to public comments heard during community meetings on short-term rentals by initiating a phased approach that begins with providing best practice information and a notice requirement;
- Use the notice as one way to communicate best practice information to property owners; and
- Allow the Commission to collect data on short-term rental activity in the LUPC service area to determine if additional standards are necessary to ensure adequate protection of neighboring uses and resources.

#### Why make these rule changes now?

Seasonal and short-term rentals have a long history in rural Maine, including within the Land Use Planning Commission's service area. In recent years, short-term rental use has become more intensive (i.e., more guests per dwelling, more frequent rental activity, and more rental density), and the number of complaints has risen. Many towns and cities are enacting rules regarding shortterm rentals, and the Commission believes it is appropriate and timely to adopt minimum standards for short-term rental activities within the Commission's service area.

#### How are the rules changing?

- A definition of short-term rental will be included in Chapter 2 and a few other related definitions will be refined as needed.
- Short-term rentals will be allowed with notice in zones that allow residential dwellings.
- An activity-specific standard will be added requiring written notice for new and existing short-term rentals.

#### How will the notice be administered?

If the Commission adopts the following revisions, a notice form will be developed that can be completed online or submitted on paper. The form would require basic information and include best practice information for short-term rentals. The owner would then self-verify the information by signing the notice.

# **Chapter 2 - Definitions**

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[**Revision notes:** The following proposed terms and definitions, and amendments to current definitions, serve to define or clarify land use activities related to a "short-term rental". Condominium lots are proposed to be treated differently because other than lot ownership, individual condominium units are considered the same as single dwelling units in terms of minimum lot size, shoreline frontage, and road frontage requirements.]

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## 41. Commercial Use:

The use of lands, buildings or structures the intent or result of which is the production of income from the buying or selling of goods or services. <u>Commercial use includes the short-term rental of more than one of the following on a single lot, unless the lot is part of a condominium where the dwelling units are individually owned: a dwelling unit; a portion of a dwelling unit; or a residential campsite. Commercial use does not include:</u>

- a. a home-based business;
- **b.** or the rental of a single dwelling unit on a single lot for 30 days or more; or
- **c.** -incidental sales of goods or services as may be allowed by permit or standard within a recreational lodging facility or forest management activities where such activities are otherwise exempt from review.
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# 65. Dwelling Unit:

"Any part of a structure which, through sale or lease, is intended for human habitation, including single-family and multifamily housing, condominiums, time-share units, and apartments." 12 M.R.S. § 682(11). A structure or any part thereof that is intended for use or is used for human habitation, dwelling unit may consisting of a room or group of rooms designed and equipped for use primarily as living quarters, including any minor home occupations, for one family. Accessory structures intended for human habitation that have plumbing for internal living spaces, such as kitchens or bathrooms, are considered separate dwelling units. Dwelling units do not include buildings or parts of buildings used as a hotel, motel, commercial sporting camp, outpost cabin, or other similar facility which is rented or leased on a relatively short term basis. Staff housing in such facilities is not considered to be a dwelling unit, unless specifically regulated as such as part of the permit approval. However, the term shall include accommodations utilized by guests for transient occupancy that qualifies as a home occupation.

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# 198. Rental Unit:

A structure or any part thereof that is intended for use or is used for human habitation, consisting of a room or group of rooms designed and equipped for use primarily as living quarters for a single party, and which is rented or leased on a relatively short termregular or recurring basis.

This term <u>includes short-term rentals and recreational lodging facilities but</u> does not include outpost cabins or remote rental cabins.

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### **##. Short-term Rental:**

A legally existing dwelling unit, portion of a dwelling unit, or single residential campsite that is rented for a fee or other compensation to a person or group for a period of tenancy of less than 30 consecutive calendar days. The term excludes land use activities regulated as other use listings, such as, but not limited to recreational lodging facilities, home-based businesses, and commercial uses.

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## **##. Use Notification:**

<u>A written or digital submission provided to the Commission pursuant to Chapter 4 Section</u> <u>4.05(C) or other applicable requirements, providing notification or self-verification that a</u> <u>specific use, activity, or development will be conducted in compliance with applicable standards.</u>

# Chapter 10 – Land Use Districts and Standards

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# **10.21 DEVELOPMENT SUBDISTRICTS**

Pursuant to 12 M.R.S. §685-A and consistent with the Commission's Comprehensive Land Use Plan, the following development subdistricts are established:

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[**Revision notes:** The following revisions would add "short-term rental" as a use allowed without a permit subject to standards and would add "short-term rental" as a use allowed by permit in cases where the standards would not be met. The edits illustrated below for Section 10.21,C are also proposed for the following development, management, and protection subdistricts:

- Extended Settlement subdistrict (D-ES) Section 10.21,B
- Community Center Development subdistrict (D-GN2) Section 10.21,D
- Rural Settlement Development subdistrict (D-GN3) Section 10.21,E
- Low Density Development subdistrict (D-LD) Section 10.21,F
- Maritime Development subdistrict (D-MT) Section 10.21,G
- Rural Business Development subdistrict (D-RB) Section 10.21, J
- Residential Development subdistrict (D-RS) Section 10.21,M
- Community Residential Development subdistrict (D-RS2) Section 10.21,N
- Residential Recreation Development subdistrict (D-RS3) Section 10.21, O
- General Management subdistrict (M-GN) Section 10.22,A
- Highly Productive Management subdistrict (M-HP) Section 10.22,B
- Accessible Lake Protection subdistrict (P-AL) Section 10.23,A
- Aquifer Protection subdistrict (P-AR) Section 10.23,B
- Flood Prone Area Protection subdistrict (P-FP) Section 10.23,C
- Fish and Wildlife Protection subdistrict (P-FW) Section 10.23,D
- Great Pond Protection subdistrict (P-GP) Section 10.23,E
- Semi-remote Lake Protection Subdistrict (P-GP2) Section 10.23,F
- Special River Transition Protection subdistrict (P-RT) Section 10.23,J
- Shoreland Protection subdistrict (P-SL) Section 10.34,L
- Unusual Area Protection subdistrict (P-UA) Section 10.21,M

In all cases, subsequent use listings in each subdistrict will be renumbered accordingly.]

### C. GENERAL DEVELOPMENT SUBDISTRICT (D-GN)

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3. Land Uses

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#### b. Uses Allowed Without a Permit Subject to Standards

The following uses are allowed without a permit from the Commission within D-GN subdistricts subject to the applicable requirements set forth in Sub-Chapter III:

(#) Short-term rentals, in conformance with the standards of Section 10.27,T;

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# **10.27 ACTIVITY-SPECIFIC STANDARDS**

The documents referenced within this section may be obtained from the Commission's office in Augusta, or any of its regional offices.

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# T. SHORT-TERM RENTALS

Short-term rentals allowed in a subdistrict without a permit must comply with the following standards. Short-term rental activities within legally existing dwelling units and residential campsites in D-PD or P-RP subdistricts must comply with the following standards.

All existing or new short-term rentals allowed without a permit subject to standards must meet the following standards and conditions:

#### **<u>1. Written Notice Required.</u>**

Notice pursuant to Chapter 4, Section 4.05,C must be completed prior to the commencement of short-term rental activities. Notice must include self-verification by the landowner that the information submitted is factual. For short-term rentals in existence prior to [insert the effective date], written notice must be submitted within 180 days of [insert the effective date]. Such notice must conform to the requirements of Chapter 4, Section 4.05,C.