

Land Use Planning Commission Study of Short-Term Rentals

Public Comment Period and Community and Virtual Meetings 2023

COMMENT SUMMARY

During the summer of 2023, the Land Use Planning Commission (LUPC) gathered information on how short-term rental (STR) activity affects residents and visitors in the area it serves. As part of this process, the Commission sought public comment and feedback on a potential regulatory approach for STRs. Community meetings were held in the Millinocket, Moosehead, and Rangeley regions, as these are areas of significant STR activity. A virtual community meeting was also held to accommodate individuals who were unable to attend meetings in person. See the [project website](#) for more information.

This document summarizes the comments, feedback, and information Commission staff received during this process. The summary is organized in a manner corresponding to the questions asked during the community meetings. It includes the diverse opinions expressed in written comments and phone calls received during the comment period and during the community meetings. Comments not directly related to the questions posed are summarized together at the end of this document.

What are the benefits of STRs in your opinion or experience?

Most of the benefits identified for STRs were economically related. People identified benefits associated with the ability for a property owner to rent their property as a vacation home. Additional income for the owner was the benefit identified most often, specifically as it helps owners continue to afford and maintain their property as well as pay taxes. This could be especially true for individuals with a fixed income. Benefits to the local and state economies were noted often, including the creation of jobs and increased business for local vendors, restaurants, and businesses, especially in areas with little economic opportunity. Cleaning, landscaping, and property management services were noted in particular. Commenters identified that STRs help address a shortage of beds available through more formal lodging facilities like hotels, motels, inns, and campgrounds, particularly in the Greenville and Rangely regions. Several people cited Maine's state lodging tax, collected by online STR platforms, as an economic boost for the state and local communities. Community benefits were also identified by commenters. It was noted that STRs provide an opportunity for a diversity of visitors to enjoy Maine and can attract new residents. STRs may be more accommodating for families than hotels, motels, and inns, making them more likely to visit a particular area. One commenter felt that STR owners were well positioned to invest back into the community as well as the rental property. Some commenters stated there are no benefits to STRs.

What are the challenges or issues with STRs in your opinion or experience?

Comments regarding challenges and issues related to STRs primarily fell into three broad categories: 1) Impacts on Neighbors and the Community; 2) Health, Safety, and Environmental Impacts; and 3) Impacts to Public Services.

1) Impacts on Neighbors and Community

Commenters reported nuisance issues with neighboring STRs in terms of noise, loud parties, trespassing, traffic/road damage, trash/litter, outdoor lighting, outdoor fires, fireworks, unmanaged pets, improper use

of ATVs, boats, and snowmobiles, and inappropriate parking of vehicles. For some commenters, these issues were compounded by a high turnover of guests and a lack of communication channels to owners. Some commenters also noted that owners did not care about complaints. Concerns about the loss of community and neighborhood character were expressed by multiple commenters, with some considering relocating or already having done so. Some commenters expressed concerns about property values increasing because of STRs, while others worried that their property values were decreasing due to unruly STRs on neighboring lots. Concern about the impact on the availability of long-term housing was mentioned by commenters due to an increasing number of residential properties being used as STRs.

2) Health, Safety, and Environmental Impacts

By far, the most common issue reported was concern about occupancy and septic system capacity and the potential water quality impacts that result from the failure or overuse of septic systems. Commenters expressed concern that properties are currently rented to a number of guests exceeding the design capacity of the septic system. Additionally, commenters brought up fire and well safety concerns for properties that are not owner-occupied. Regular well tests and fire safety inspections were recommended. Concerns about impacts to the shoreline from overuse of pathways and cutting of trees for firewood were also expressed. An increase in litter on or near STR properties was noted by several commenters. Some people mentioned changes in wildlife behavior and an increase in invasive plants once properties were converted to STRs.

3) Impacts to Public Services

Commenters reported situations where inappropriate parking made road passage difficult or blocked emergency vehicle access. Long response times for emergency service calls was noted by several participants. Others reported that they hesitate to call to report nuisance issues since they feel that first responders are busy with other emergencies. Commenters expressed that there has been an increase in calls for first responders/emergency services, though this was not identified as an issue by participating law enforcement representatives.

Other impacts to public services identified include impacts to roads and trails due to an increase in vehicular traffic including ATVs and snowmobiles and an increase in solid waste handling and disposal costs. Several commenters noted that though STRs generate lodging tax for the State of Maine, that tax is not sent back to the location where it is generated to be used to help address these impacts.

A few commenters stated there are no issues or challenges with STRs.

In addition to comments received commenters submitted evidence to support their claims including videos of nuisance activity, photographs of environmental effects such as erosion, road activity and an article discussing STR impact on housing.

How would you define short-term rental? Do you consider them residential or commercial and why?

STR definitions provided by participants and commenters were varied (see table below). Commenter definitions of STRs can be categorized as time-based (the length of rental stay by renters), frequency-based (in a twelve-month period), or related to owner occupancy. A few commenters defined STRs as a residential home available for the private use of visitors; or one that involves paying a third party for cleaning or ground maintenance or paying a platform to book stays.

STR Definition Comments

Category	Definition	Options Given
Time Based	Property Rental Duration	A few days 30 days or less 6 months less than one year
Frequency Based	Percentage of Year Property rented	Rented 25% of the year Rented 75% of the year
Owner Occupancy	Owner Occupied during stay Owner Occupied portion of year Owner Unoccupied	25%-75%

Opinions were split on whether STRs are a residential or commercial use, and commenters provided a variety of methods for defining each category. Some commenters believe STRs fit under LUPCs current definition of a commercial use and considering them as residential use is erroneous. Current LUPC definitions and standards for commercial use, residential use, and lodging were cited to support ideas about the definition of STRs.

Commercial Use

- a) Lodging tax paid shows commercial use
- b) Rented a percentage of the year ranging from 25-75%)
- c) Homeowner/management company/LLC with multiple properties
- d) LLC with any number of properties
- e) Any income generation (e.g., home-based business)
- f) Advertising of unit(s)
- g) Paying for services (e.g., cleaning, management, chef on site, dumpster)
- h) Unrelated persons staying at the dwelling

Residential Use

- a) Any STR Activity
- b) Owner Occupancy (some extent - more than rental occupancy)
- c) Homeowner with one unit rented as an STR

Several examples were provided to support commenter definitions, including court cases from the U.S. Supreme Court, Maine, Massachusetts, and Pennsylvania, as well as screenshots of advertising activity, state tax information, homeowners’ association rules, Airbnb statistics, industry definitions for STRs, and articles about STR effects in communities.

What do you think of the LUPC requiring a notice for STRs? What performance standards or other rules specific to STRs should be considered, if any?

Some commenters expressed support for the concept of a notice requirement or permit in the LUPC service area. Conversely, some commenters were opposed to regulation, citing concerns about the impact of regulation on the economy and infringement on property rights.

For those who expressed support for a notice, opinions varied about which STRs this should apply to and what should be included in a notice. Several commenters felt that a notice was not enough and that a

permit would be more effective. Several commenters, especially those who have had negative experiences with STRs in their neighborhood or community, stated that STRs should be restricted to non-residential subdistricts. Some commenters suggested that a permit should be required for all STR properties that make a profit. Other commenters felt that STRs should require notice only if it is considered a commercial or home business.

In terms of standards for STRs, there was broad support for both a standard that required contact information in case of an issue and limiting occupancy based on the capacity of the septic system. A few commenters felt that contact information and notice of STR activity should be distributed to surrounding neighbors. Standards for noise, lighting, trash disposal, parking, and buffering were also supported by some commenters. Other recommendations included adopting similar standards as those for bed and breakfast establishments, limiting the number of STRs in an area or neighborhood, or requiring a water test. One commenter suggested starting with fewer standards and increasing regulations in the future if needed.

Some commenters expressed concern about the LUPC's ability to enforce new regulations on STRs or noted that nuisance complaints may not be something the LUPC has jurisdiction over. Several referred to the use of fines for non-compliance with any new regulations or the loss of the ability to have a short-term rental if there are too many complaints/violations.

An example of a municipal STR ordinance from Cape Elizabeth was submitted by one commenter.

Additional Comments about STRs

Several commenters discussed current strategies for dealing with STR issues in a neighborhood setting. They pointed out that many STR websites provide methods for submitting complaints that reflect on the renters as well as the property owner listing the STR. Some commenters felt that the same issues experienced with STRs were possible with long-term rental and non-rental properties. One STR owner discussed their efforts to prevent nuisance activities and provide best practices to renters in response to problems with neighboring property owners.

Multiple commenters expressed the need for better communication between STR owners/managers and abutting landowners. One commenter who hosts an STR wished for stronger communication as well, and described an experience where they were not notified by law enforcement of nuisance activity that occurred at their property. Others suggested STR owners/managers provide rules and best practices to renters. Some commenters feel that STR complaints come from a vocal minority and that a majority of STRs cause no problem with surrounding landowners.