

**TOWN OF ORONO
COUNCIL COMMITTEE MEETING
COMP PLAN IMPLEMENTATION**

**MONDAY, MARCH 4, 2019 AT 6:00 P.M.
COUNCIL CHAMBER – MUNICIPAL BUILDING**

MINUTES

1. Roll Call

Present: Councilors Sam Kunz, Cindy Mehnert, Cheryl Robertson, Laurie Osher, Meghan Gardner, Town Manager Sophie Wilson and Town Planner Kyle Drexler.

2. Continued Discussion of Rental Classifications (Short Term Rentals)

Town Planner Kyle Drexler provided a presentation on short term rental regulations (*see slides attached*). The Committee discussed what type of regulation would make sense. The point was made that the Town often regulates health and safety issues. Given the regulation of long-term rentals, hotels, B&B's, and homestays, it would make sense that the Town would regulate short-term rentals in some fashion; and that short-term rentals are business activities. Councilors expressed that there would be value in collecting data and gaining a better understanding of the activity. Also, the Committee discussed the potential of educating homeowners about the need to provide safe rental properties. The Committee suggested focusing on registering rental properties, as opposed to regulating.

Staff distributed current bills pending in the State Legislature related to the regulation of Short Term Rentals (*see attached*). The Committee briefly discussed, and appeared to reach consensus, that it was important to have awareness of the legislative environment; however, at this point, the Town has home rule authority to determine whether to address or regulate short term rental properties.

The Committee requested staff draft language to allow for short and long term rentals with commentary about the pros and cons from the Office of Community Development.

3. Brief Town Manager's Report

Town Manager provided a brief update on the following topics:

- Preparation for Maine Day
- Staff Committee to examine event safety and pre-planning
- Snow removal parking ban
- RSU Board/Town Council Joint Meeting (4/23 from 5-7PM)
- Kids Night at Council (3/11 5:30-6:30 PM)
- 3/25 Workshop and the need for Councilors to share items ASAP as it is a full agenda
- State Tax Board Mediation 3/29 for CD Park 7 2018 Tax Appeal

- Tax Abatement deadline; 2 applications received
- Staff tracking LD 1041 (Related to Public Sector Collective Bargaining)
- OMS Chess Team - 1st Place in State
- Update on PW/WPCF Staffing - minor departmental restructuring
- Request that Councilors refer the public to the department head or Town Manager with operational issues or concerns

4. Adjourn at 7:50 p.m.

Motion to adjourn made at 7:50 p.m. by Councilor Kunz, seconded by Councilor Robertson, and passed unanimously.

Respectfully submitted,

Sophia L. Wilson
Town Manager

Short-term Rentals in Orono

Comp Plan Implem Comm.
Presentation 3/4/2019

Why Register/Regulate STR?

- Easy to monitor impact STR are having on long-term rental and housing stock
- Keep track if certain residential neighborhoods are becoming less residential and more commercial
- Formally allow and acknowledge new types of STR to provide additional lodging opportunities for property owners and visitors in town

Relevant Comp Plan Topics

- Integration of off-campus student housing into Town while stabilizing existing single-family neighborhoods
 - Limit conversions of owner-occupied homes to rentals in established neighborhoods
- “Recognize that rental units in owner-occupied situations are a positive way to integrate student and other rentals into neighborhoods.”
- Several mentions of utilizing natural resources (river, lake, trails) to benefit local economy and attract visitors
- “Take advantage of tourism/visitor opportunities typical of a University town.”
 - Allow a variety of lodging opportunities in appropriate zoning districts

Orono Housing Statistics

- 1,878 registered rental units
- 56 seasonal or occasionally used units

	Orono	Penobscot County	US
Vacancy Rates			
Homeowner	2%	1.6%	1.7%
Renter	7.8%	7%	6.1%
Units in Structure			
1-unit	52.6%	65.9%	68.9%
2-or-more-unit	46.1%	21.8%	25.4%

Current Orono STR Overview

- AirBnB Listings (estimate taken from several date periods)
 - Orono: 9 to 12
 - Bangor: 13 to 15
 - Old Town: 0 to 1
 - Veazie: 2 to 4
 - Brewer: 4 to 5
 - Durham, NH: 7 to 8

STR In Comparable Communities

- Farmington, ME
 - No mention of STR
- Presque Isle
 - B&Bs only mention of temporary lodging, no regulation of STR
- Portsmouth, NH
 - Community interest in looking into topic, City currently discussing
- Durham, NH
 - Similar to Orono
 - Allowed in owner-occupied with no cooking facilities for under 2 weeks

Types of Short-term Rentals

- Single-family
 - Room in owner-occupied (currently allowed via Homestay definition)
 - Entire home (currently acknowledged as “seasonal dwelling”, but not an allowable use)
- Two-family
 - Entire unit, other unit is owner-occupied (currently not allowed)
 - Entire unit, other unit is non-owner occupied (currently not allowed)
- Multi-family
 - Entire unit (currently not allowed)
- Should there be any restrictions on the types of short-term rentals allowed, or should all of the above be allowable?

Zoning for STR

- Currently Homestays and B&Bs are allowable uses in all districts in Orono
 - Both of these uses are required to be owner-occupied

- Should all types of STR (owner-occupied/non-owner occupied) be allowed in all districts, or should there be limitations?
 - Example: No non-owner occupied, entire home STR in the MDR?
 - This example limitation would potentially keep single-family homes from being taken off the market to be used as STR instead of home ownership.

Length of STR

- Is 30 days a good distinction between a short-term rental and long-term rental?
 - Homestays currently allow for stays of 7 consecutive days while B&Bs allow for stays of 28 days
- Regulation methods to consider:
 - Having maximum total days in a year that can be used for STR
 - Only having 1 STR in consecutive 30-day periods
 - These can be difficult to enforce

Fee

- Currently there is a \$30 fee for a Homestay permit.
- Should different types (room, entire unit, non-owner occupied) have different fees?
 - For instance, Portland's fees to register a unit goes up depending if it is the person's first, second, third, fourth or fifth unit registered ranging from \$100 to \$2,000.

Legislative Update

- LD 209 - This bill prohibits municipalities from prohibiting or restricting the use of short-term rentals except for narrowly tailored regulations to protect the public health and safety.
- LD 522 - A municipality may not adopt an ordinance that regulates the rent that may be charged for a rental property or that requires registration of or imposes fees specific to rental properties.

- Comp Plan Mtg
3/4/2019



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 209

H.P. 172

House of Representatives, January 22, 2019

An Act To Prohibit Municipalities from Prohibiting Short-term Rentals

Reference to the Committee on State and Local Government suggested and ordered printed.

Robert B. Hunt

ROBERT B. HUNT
Clerk

Presented by Representative STROM of Pittsfield.
Cosponsored by Senator CYRWAY of Kennebec and
Representatives: ARATA of New Gloucester, FAULKINGHAM of Winter Harbor, FECTEAU
of Augusta, HANINGTON of Lincoln.



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 522

H.P. 379

House of Representatives, January 31, 2019

**An Act To Prohibit the Imposition by Municipalities of General
Restrictions on Rents and Rental Properties**

Reference to the Committee on Labor and Housing suggested and ordered printed.

Robert B. Hunt

ROBERT B. HUNT
Clerk

Presented by Representative STROM of Pittsfield.
Cosponsored by Senator POULIOT of Kennebec and
Representatives: ARATA of New Gloucester, HANINGTON of Lincoln, WADSWORTH of
Hiram, Senator: FOLEY of York.

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 30-A MRSA §3007, sub-§7 is enacted to read:

3 7. Limitation on rental property regulation. A municipality may not adopt an
4 ordinance that regulates the rent that may be charged for a rental property or that requires
5 registration of or imposes fees specific to rental properties. Effective October 1, 2020, an
6 ordinance adopted in violation of this subsection is void and unenforceable. For the
7 purposes of this subsection, "rental property" means a building or part thereof rented for
8 human habitation, including a mobile home, apartment or other structure, except rental
9 property that is owned, operated, financed or subsidized by the Federal Government or
10 State Government or a subdivision thereof; a federal or state agency; or a federal, state or
11 local housing authority.

12 Sec. 2. 30-A MRSA §7051, sub-§11, as amended by PL 2017, c. 3, §1, is further
13 amended to read:

14 11. Ordinances. Chapter 141, but only with respect to animal control ordinances,
15 subject to Title 7, section 3950, ~~and~~; the sale and use of consumer fireworks within the
16 plantation, subject to Title 8, section 223-A; and the limitation on rental property
17 regulation in section 3007, subsection 7.

18 Sec. 3. 30-A MRSA §7505 is enacted to read:

19 §7505. Limitation on rental property regulation

20 The county commissioners may not adopt an ordinance that regulates the rent that
21 may be charged for a rental property or that requires registration of or imposes fees
22 specific to rental properties in the unorganized territory. Effective October 1, 2020, an
23 ordinance adopted in violation of this section is void and unenforceable. For the purposes
24 of this section, "rental property" means a building or part thereof rented for human
25 habitation, including a mobile home, apartment or other structure, except rental property
26 that is owned, operated, financed or subsidized by the Federal Government or State
27 Government or a subdivision thereof; a federal or state agency; or a federal, state or local
28 housing authority.

29 SUMMARY

30 This bill prohibits towns, cities, plantations, village corporations and counties
31 providing municipal services in the unorganized territory of their county from adopting
32 ordinances regulating the rent that may be charged for a rental property, requiring
33 registration of rental properties or imposing fees specific to rental properties.



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 89

H.P. 75

House of Representatives, January 15, 2019

**An Act To Impose Requirements on the Rental of Residential
Property That Has Been Used in the Manufacture of
Methamphetamine**

Reference to the Committee on Labor and Housing suggested and ordered printed.

Handwritten signature of Robert B. Hunt in cursive.

ROBERT B. HUNT
Clerk

Presented by Representative MASTRACCIO of Sanford.
Cosponsored by Senator WOODSOME of York and
Representatives: CARNEY of Cape Elizabeth, FECTEAU of Biddeford, RYKERSON of
Kittery, SCHNECK of Bangor, SYLVESTER of Portland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 14 MRSA §6030-H is enacted to read:**

3 **§6030-H. Properties used in the manufacture of methamphetamine**

4 **1. Decontamination, testing and disclosure required.** A landlord or other person
5 who on behalf of a landlord enters into a lease or tenancy at will agreement for residential
6 property who has knowledge or has reason to have known that a property has been used
7 in the manufacture of methamphetamine, as described in Title 17-A, section 1124, shall,
8 before a tenant or lessee enters into a contract or pays a deposit to rent or lease the
9 property, ensure the following:

10 A. That the property has been decontaminated and that environmental testing has
11 been performed and determined that the property is safe for human habitation, in
12 accordance with the standards established by the United States Environmental
13 Protection Agency's March 2013 revised edition of the Voluntary Guidelines for
14 Methamphetamine Laboratory Cleanup or other standards as established by the rules
15 adopted by the Department of Economic and Community Development under
16 subsection 4; and

17 B. That the prospective tenant or lessee receives a written disclosure describing the
18 decontamination efforts and results of environmental testing undertaken on the
19 property in accordance with this subsection and a description of the rooms or areas of
20 the property used in the manufacture of methamphetamine.

21 For the purposes of this section, a landlord or other person who on behalf of a landlord
22 enters into a lease or tenancy at will agreement for residential property has reason to have
23 known that a property has been used in the manufacture of methamphetamine if criminal
24 charges have been filed against any person under Title 17-A, section 1124 alleging that
25 methamphetamine has been manufactured at the property.

26 **2. Penalty.** A person who violates this section commits a civil violation for which a
27 fine of up to \$500 per violation may be assessed. This subsection is enforceable in either
28 District Court or Superior Court.

29 **3. Breach of implied warranty.** The failure of a landlord or other person who on
30 behalf of a landlord enters into a lease or tenancy at will agreement for a residential
31 building to provide for the decontamination and testing or the notice required under
32 subsection 1 is a breach of the implied warranty of fitness for human habitation in
33 accordance with section 6021.

34 **4. Rulemaking.** The Department of Economic and Community Development may
35 adopt rules to implement this section. Rules adopted pursuant to this subsection are
36 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

37 **SUMMARY**

38 This bill requires that landlords and other persons entering into a lease or tenancy at
39 will agreement for residential property ensure that property used in the manufacture of

1 methamphetamine be decontaminated and tested in accordance with the standards
2 established by the United States Environmental Protection Agency's March 2013 revised
3 edition of the Voluntary Guidelines for Methamphetamine Laboratory Cleanup or other
4 standards established in rule by the Department of Economic and Community
5 Development. The bill also requires that landlords and other persons entering into a lease
6 or tenancy at will agreement disclose to the potential tenant or lessee that a property has
7 been used in the manufacture of methamphetamine. The bill makes violation of these
8 provisions a civil violation, punishable by a fine of up to \$500, and also states that failure
9 to decontaminate or disclose constitutes a breach of the implied warranty of fitness for
10 human habitation. The bill gives the Department of Economic and Community
11 Development authority to adopt rules to implement these provisions.



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 473

H.P. 358

House of Representatives, January 29, 2019

An Act To Allow Flexibility in Residential Rental Agreements

Reference to the Committee on Labor and Housing suggested and ordered printed.

A handwritten signature in cursive script that reads "R B Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ARATA of New Gloucester.

Cosponsored by Representatives: ACKLEY of Monmouth, BRADSTREET of Vassalboro,
COREY of Windham, DOUDERA of Camden, KESCHL of Belgrade, SHEATS of Auburn.

