

DRAFT MEMORANDUM

TO: Cape Elizabeth Town Council
FROM: Planning Board
DATE: June 20, 2012
SUBJECT: Short Term Rental Amendments

Introduction

In February, the Town Council forwarded draft amendments to the Zoning Ordinance to regulate short term rentals. The Planning Board held 5 workshops and 2 regular meetings, including one public hearing, on the subject. The Planning Board has made revisions to the original draft, which are further described as follows.

Planning Board Revisions

Highlighted below are the major changes recommended by the Planning Board to the draft Short Term Rental amendments:

| <u>Page/Line</u> | <u>Description</u> |
|------------------|--|
| 1/36 | The Short Term rental definition has been revised to refer to the "use" of a dwelling instead of a "dwelling." The definition specifically excludes motels, and now also hotels and bed and breakfasts. |
| 3/28 | In the residential zoning districts, short term rentals are a permitted use, however they have been moved from the "residential uses" category to the "nonresidential uses" category. |
| 11/29 | The parking requirement for short-term rental has been moved from the "residential" category to the "commercial" category, which is where the parking requirement for Bed and Breakfasts is located. |
| 12/3 | A new Applicability section has been added. This section has a provision that exempts people who rent their home for no more than 14 days a year from getting a permit. It also establishes a minimum rental period of 3 days. |

12/13 During the years when the Code Enforcement Officer does not inspect the Short Term Rental, the language has been changed from the applicant certifying compliance with code requirements to the applicant certifying that there have not been any material changes since the last inspection.

13/12 The section requiring code compliance has been made much more detailed. The Planning Board is recommending that Short Term Rentals provide smoke alarms, carbon monoxide alarms, portable fire extinguishers and lighting for emergency egress. The fire extinguishers and emergency egress lighting is a standard that single family dwellings do not have to comply with, but is a standard that boarding homes, hotels and motels must comply with.

The Planning Board spent some time researching both the International Residential Code (IRC), which applies to 1 and 2 family homes, and the International Building Code (IBC) which applies to everything else. The IRC does not have any requirements for short-term rentals. It does make an exception and create additional requirements for day care homes, where IBC requirements are applied. This exception suggests that, if the Town of Cape Elizabeth wants to reach into the IBC for additional requirements for short-term rentals, there is some precedent for that approach. The Planning Board is recommending supplementing the IRC with IBC requirements for short term rentals.

The Planning Board was sensitive to balancing life safety concerns with cost impacts on property owners. For this reason, the Planning Board reviewed how the proposed building code requirements would apply to a home. The attached plan shows the anticipated smoke alarm and carbon monoxide detector requirements. Further, the Planning Board sought an estimate from a local electrician for the cost to install same, which is estimated at a little over \$1,000.00 dollars. This cost does not include adding 1 fire extinguisher and battery operated lighting, costs of which are basically the purchase of the item. A copy of backup materials is attached.

The Planning Board felt strongly that these life safety code requirements were warranted for short term rentals because

tenants were staying in a home less familiar than their own home and could easily be disoriented during an emergency.

- 13/25 The original draft limited application of the following requirements to lots of less than 30,000 sq.ft. or where the property owner did not live next to the short term rental. The Planning Board eliminated this exemption, strongly preferring to treat all short term rentals the same.
- 13/26 The Planning Board has added a requirement that a building evacuation plan must be prominently posted.
- 13/47 The Planning Board has added to the Rental Agreement Addendum good neighbor guidelines.
- 14/9 The Planning Board has adjusted the limit on rental intensity by decreasing the total number of tenants to 10 and changing the guest limit from one half of the tenant number to 10.

The Planning Board has also deleted the stand-alone enforcement provision in the Short Term Rental Standards. They are recommending that the Zoning Ordinance Enforcement Provisions, which appear on page of this amendment package, applies to the whole Zoning Ordinance. No separate section is needed.

Conclusion

The Planning Board recommendation was reviewed in detail and the final product is a compromise arrived at by a majority of the Planning Board.

In accordance with the recently adopted Town Council/Planning Board communication strategy, a member of the Planning Board will attend the Town Council meeting to answer questions about this recommendation. Further, a Planning Board member will attend the first meeting of the Ordinance Committee where the short term rental amendments are reviewed.