



Regulating Short Term Rentals

Today's Goals:

Introductions

Overview of rental information

Determine meeting schedule

Timeline

Next Steps

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Committee members

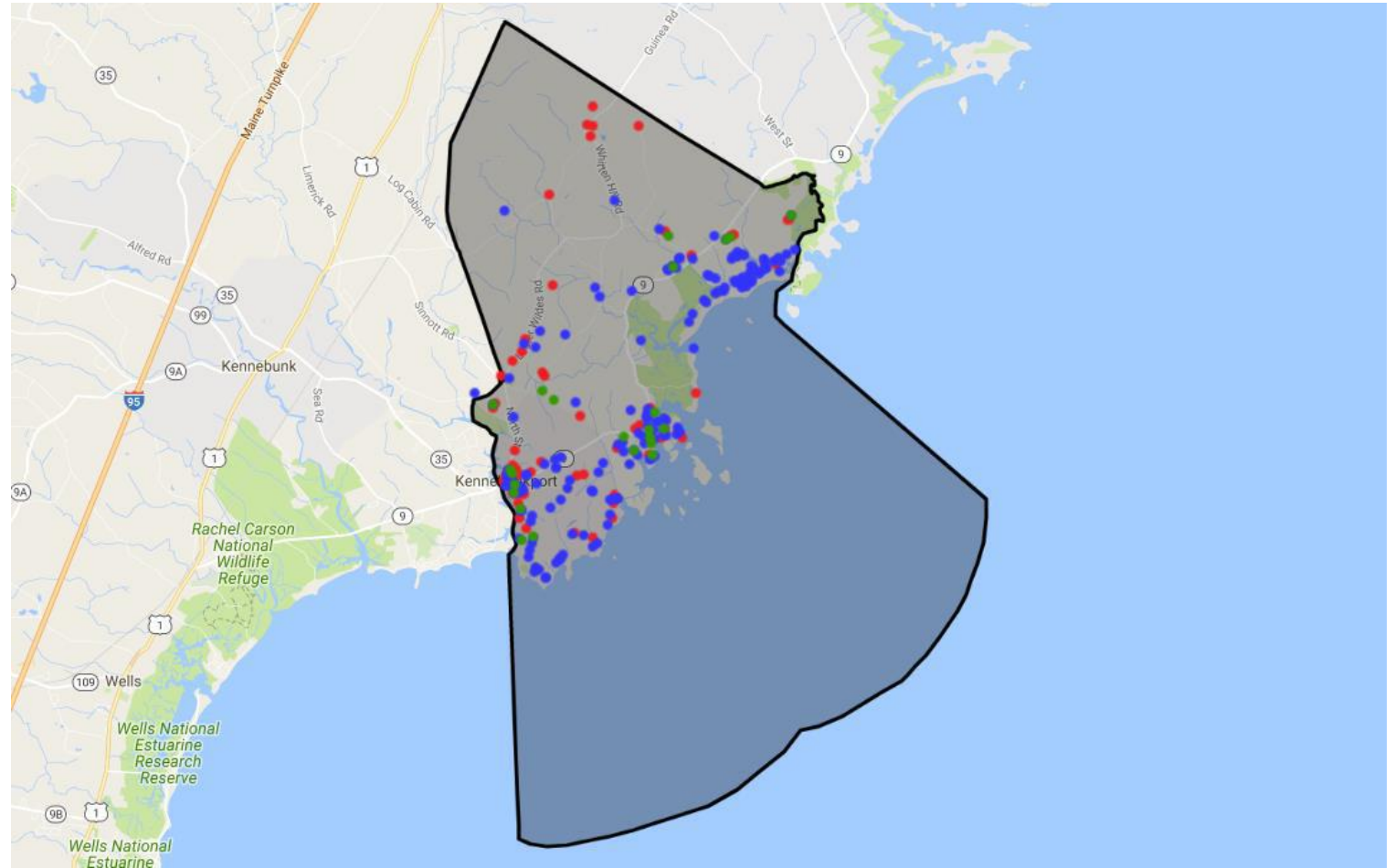
A (Sort of) New Economy

- What do we mean when we say “short term”?
 - Shorter periods than your average residential rental
 - Catering to transient / tourist population
 - Marketed either owner-to-consumer, or through agencies
- Stats for Maine - Just on AirBnb (2017)
 - \$43 million revenue
 - Average annual income \$6,900 per owner
 - 282,000 visitors (up 62% from 2016)
 - Average listing occupied 30 nights during year
 - Average stay: 2.7 nights
 - 100% increase in listings 2015-2016

Age of the Internet

- Increased use of Online rental opportunities allows for many existing homes to become considered short term rentals.
- Landlord tenant issues have property owners reluctant to have longer term tenants.
- Summer communities have historically had vacation rentals, Internet has made their presence extremely transparent.
- Sites such as VRBO take local rental agent out of the equation, who often police behavior issues and pre-approve summer tenants.

Within or near the borders of Kennebunkport we have identified 290 listings and 270 unique short-term rental properties



Why Regulate Now?

- Short-term rentals have always been available
- Difference:
 - Ease of access via web
 - Comfort level of hosts and guests
 - Perceived value as compared to traditional lodging
 - Attractive for the types of tourists who visit Maine
 - Family groups
 - Weddings
 - Reunions

Why Regulate Now?

- Protect community feel
- Preserve long-term rentals for long-term residents
- Ensure safety
- Protect against nuisances – trash, noise, parking
- Maintain balance with traditional hospitality industry
- Provide some form of revenue to offset community impact

Community-Specific Goals

- Preserve residential character
- Protect property values
- Restrict use for large events, concerts, parties
- Allow flexibility for property owners needing the income
- Preserve long-term rental stock
- Address safety concerns
- Noise; trash; parking issues

Regulation by Zoning Ordinance

- Consider – Is this really a zone-dependent issue?
- Planning Board must be involved
- Compatibility with comp. plan may actually be a problem
- Is relying on standard enforcement processes feasible?

Regulation by Non-Zoning Ordinance

- Concerns are often town-wide, so may make sense
- More flexible, more easily amendable
- Can set standards for duration of rent, inspection requirement, permitting, fire safety, etc.

Regulation by Licensing

- Create a registry of licensed rentals
- Can be revenue generating through annual licenses
- Easy way to impose numerical limits on STRs
- Gives opportunity to inspect
- Flexible enforcement; past failure to comply is grounds for denial of license

Can We Just Ban Them?

- Constitutional concerns
- Enforcement concerns
- Failure to balance the positives

Others' Experience with Bans

- Tiburon, CA
 - Immediate public outcry
 - Reversal of decision and re-start of process
 - Enforcement problems – Even the mayor!
 - No change in # of listings or compliance rate
- South Portland, ME
 - Ban on non-hosted rentals throughout residential districts
 - Immediate public outcry & referendum petition
 - Now on public hearing #7

Make it Enforceable

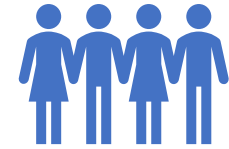
- Rely on complaints, or put burden on CEO?
- Are penalties enough to really deter?
- Some limitations are hard to enforce – e.g. length of stay, number of guests
- Consider publishing registry of compliant properties
- No remedy against website operators

Kennebunkport Residential Rental Accommodations

- Develop a Purpose Statement
- Reasonable Performance Standards limit number of rooms, parking requirements, property owner responsibilities
- Clear Approval Process
- Site Inspection
- Issued to current property owner, expires upon change in ownership
- Process took over a year of public meetings, discussions debate, revisions.

Schedule

- Our goal is to have a recommendation to Selectmen by October
- 5 months, 2 meetings a month, 10 meetings
- 2 meetings in a public televised forum, with Selectmen
- Meeting times? During the day or evening?



Next Steps?

- Do we regulate?
- Review other communities efforts
- Clear understanding of expectations
- Costs associated with implementation
- Development of process /standards
- Public input