

CITY OF BANGOR SHORT-TERM RENTAL REGULATIONS
PROPOSED AMENDMENTS TO THE CITY CODE

(DRAFT 07-18-2023)

Chapter 254 Short-Term Rental Licenses

§ 254-1 Statement of Purpose

It is the purpose and intent of this chapter to authorize and require the licensing and inspection of short-term rentals, as defined in § 254-3, in order to:

- A. Ensure the safety of the occupants of short-term rental units;
- B. Minimize the adverse impacts, including nuisance impacts, of short-term rental uses on surrounding neighborhood; and
- C. Provide a licensing program that enables the City to monitor short-term rental uses and impacts within its geographic boundary.

The City recognizes that the operation of short-term rentals and the revenue it can make available to property owners may help make the City affordable for persons on fixed or limited incomes, and may enhance and diversify the accommodations available to visitors and tourist. This chapter attempts to strike a balance between the desire of property owners to use their properties for short-term rental use and the desire of the City's residents to preserve the peaceful and quiet enjoyment of their neighborhoods.

§ 254-2 Applicability

- A. **Applicability.** This chapter shall apply to any person intending to operate a short-term rental, as that term is defined in § 254-3.
- B. **Prohibited Short-Term Rentals.** Notwithstanding anything to the contrary in this chapter, the following structures and uses shall not be operated as a short-term rental, as that term is defined in § 254-3: Travel trailers, vehicles, tents, lean-tos, dormitories, fraternity houses, sorority houses, and other similar group quarters.
- C. **Exempt Activities.** Notwithstanding anything to the contrary in this chapter, the following structures and uses are exempt from the licensing requirements in § 254-4: Boardinghouses, rooming houses, bed-and-breakfasts, hotels or inns, motels, or tourist cabins, as those terms are defined in § 165-13; lodging houses, as that term is defined in 30-A M.R.S.A. § 3801(3); or similar commercial lodging establishments that are subject to the business licensing requirements of Chapter 85 of this Code.

§ 254-3 Definitions

For the purpose of interpreting this chapter, the following terms, phrases, words and their derivations shall have the meanings given herein. Terms not defined shall have the meanings ascribed to them in § 165-13 or, if undefined therein, their customary dictionary meaning.

OPERATE or OPERATION

To advertise, offer for rent, let, lease, use, control, manage, or otherwise operate a short-term rental.

PERSON

A natural person or a firm, association, organization, partnership, trust, company, corporation, joint venture, or other legal entity.

REVIEWING AUTHORITY

The Director of the City's code enforcement office, or the Director's designee.

RESIDENCE

The dwelling where a natural person (i) registers as their address for tax and government identification purposes, and (ii) resides for more than half of the calendar year or is a member of the armed forces who is on active duty. The City assessor's determination that a property is entitled to a Maine resident homestead property tax exemption pursuant to 36 M.R.S.A. §§ 682-686 is *prima facie* evidence of residency for purposes of this chapter.

SHORT-TERM RENTAL

The operation of a short-term rental unit for dwelling, sleeping, or lodging purposes, for a period of less than 28 consecutive days to the same person or persons, in exchange for direct or indirect compensation. For purposes of this definition, a "short-term rental unit" is (i) a one-family dwelling or mobile home; (ii) a dwelling unit within a two-family dwelling, three-family dwelling, four-family dwelling, apartment building, multiple-unit housing, attached residential building, or mixed residential and commercial building; (iii) an accessory dwelling unit (ADU); or (iv) any one or two bedrooms within any such short-term rental unit. A short-term rental unit does not include a lodging house, as that term is defined in 30-A M.R.S.A. § 3801(3); a boardinghouse, rooming house, or bed-and-breakfast, hotel or inn, motel, travel trailer, vehicle, tent, lean-to, dormitory, fraternity house, sorority house, or tourist cabin; or any dwelling unit therein. Short-term rentals are classified as either hosted short-term rentals or non-hosted short term rentals, as those terms are defined in this chapter.

SHORT-TERM RENTAL, HOSTED

A short-term rental where the owner or operator resides on the premises where the short-term rental unit is located during any period when the short-term rental unit is occupied. For purposes of this definition, "resides on the premises" means uses, as the owner's or operator's residence, (i) a portion of the building within which the short-term rental unit is located; (ii) a dwelling unit located on the same lot as an accessory dwelling unit (ADU) if the ADU is the short-term rental unit; or (iii) an ADU located on the same lot as a dwelling unit if the dwelling unit is the short-term rental unit.

SHORT-TERM RENTAL, NON-HOSTED

A short-term rental where neither the owner nor the operator resides on the premises where the short-term rental unit is located as the owner's or operator's residence, whether or not on-site or off-site property management services are provided for the short-term rental unit. For purposes of this definition, "resides on the premises" has the meaning ascribed to it in the definition of "short-term rental, hosted."

§ 254-4 Licensing

- A. **License Required.** Effective ____, 2024, no person shall operate a short-term rental without first obtaining a license pursuant to the requirements of this chapter.
- B. **Licensing Procedure.** All administrative power and authority vested in the City Council to grant or deny a short-term rental license required by this chapter shall be delegated to the reviewing authority.

(1) **Application.** The owner or operator of a proposed short-term rental shall file a license application with the reviewing authority on forms provided by the office of the reviewing authority. The application shall include, at minimum:

(a) **Fee.** A license fee equal to \$___ for each short-term rental unit.

(b) **Contact Information.** The name, address, e-mail address, and phone number of the applicant, and, if different than the applicant, the contact information of the owner of the building in which the short-term rental unit is proposed to be located, along with written permission from said owner to operate the short-term rental unit. If the owner is a legal entity other than a natural person, the name of all natural persons who have an ownership interest in the legal entity that is listed as the record owner of the property and the contact information of at least one of the named individuals.

(c) **Property Location and Short-Term Rental Details.**

[1] The location, including the zoning district and street address, of the building where the short-term rental unit is proposed to be located.

[2] The number of proposed short-term rental units within the building.

[3] Whether the short-term rental is proposed as a hosted or non-hosted short-term rental.

[4] For hosted short-term rentals, documentation demonstrating that the applicant resides on the premises where the short-term rental unit is located as the applicant's residence during any period when the short-term rental unit is occupied.

[5] For non-hosted short-term rentals, the name, phone number, and e-mail address of a natural person who is available 24 hours a day, 7 days a week, to respond within 60 minutes to any on-site emergency at the premises where the short-term rental unit is located during any period when the short-term rental unit is occupied.

[6] For short-term rentals in any three-family dwelling, four-family dwelling, apartment building, multiple-unit housing, attached residential building, or mixed residential and commercial building where all of the dwellings units within the building are under the same ownership or under unified management or control, a written statement from the owner identifying which dwelling units (not to exceed 50%) may be used for short-term rental.

(d) **Proof of Insurance.** A certificate of insurance that expressly states that the building and property may be used for short-term rental purposes and evidencing property insurance and general liability insurance in a sufficient amount to cover liabilities reasonably arising from short-term rental use.

(2) **Completeness Review.** The reviewing authority shall review all licensing applications for completeness in the order that they are received, and shall provide notice to abutting property owners pursuant to § 254-4.B(3). If an application is incomplete, the reviewing authority shall return the application to the applicant and explain the reason for the rejection in writing.

(3) **Notice to Abutting Property Owners.** The reviewing authority shall provide written notice of each complete licensing application to the owners of record of all abutting properties. Such notice shall include the location of the proposed short-term rental unit and a statement that the application is available for public inspection at the office of the reviewing authority. Records of all such notices shall be kept on file with the reviewing authority.

(4) Inspection.

(a) The reviewing authority shall conduct an inspection to determine whether the short-term rental unit and the building where it is located comply with applicable fire and life safety requirements, including but not limited to the following:

[1] **Address.** A building containing a short-term rental unit must have approved, contrasting address numbers placed in a location that is visible from the street.

[2] **Storage and Trash.**

- Stairs hallways and entryways must be clear of any trash or personal belongings.
- Combustible and flammable liquids and gases are not allowed inside the building or short-term rental unit unless they are in listed lockers.
- There must be a container outside of the building for accumulated trash.

[3] **Exits.**

- The building must have two well-lit exits.
- Exits must not be blocked by snow, personal belongings, or in any other fashion.
- Fire escapes, if any, must be in good condition and not blocked.
- The building must comply with applicable fire and life safety codes.

[4] **Electrical.**

- Extension cords are not allowed, except for temporary use (e.g., cleaning, construction).
- Electrical panels must be easily accessed and covered, and fuses/circuits labeled and of the proper type.
- Electrical receptacle boxes must have cover plates.

[5] **Heating Equipment.** Heating equipment must be in good working order with no fuel leaks (this includes oil tanks), properly vented and, in the case of an oil furnace/boiler, have an emergency shut-off switch.

[6] **For short-term rental units located in apartment buildings:**

- Each apartment unit door must be labeled with a uniquely identifying number (e.g., Apartment 1, Apartment 2).
- Electric-powered smoke alarms must be installed inside each bedroom, in the room outside of the bedrooms, and on each level of the building (if applicable). Smoke alarms should be replaced every 10 years.
- At least one carbon monoxide detector (electric powered with battery back-up) must be in the building, located outside of the bedrooms.
- No gasoline or other flammable liquids and gases shall be stored in the apartment building.

[7] Space Heaters Prohibited. Electric space heaters are prohibited in any building containing a short-term rental unit.

(b) The reviewing authority shall document the results of the inspection and shall inform the applicant in writing if the proposed short-term rental unit or the building in which it is located has failed the inspection.

(5) Unit Cap on Certain Short-Term Rentals. In any three-family dwelling, four-family dwelling, apartment building, multiple-unit housing, attached residential building, or mixed residential and commercial building proposed to be used for hosted or non-hosted short-term rental where all of the dwellings units within the building are under the same ownership or under unified management or control, the number of short-term rental units in the building shall not exceed 50% of the total number of dwelling units within such building. The owner or operator of the building shall designate which dwelling units within the building may be used for short-term rental. For purposes of this provision “unified management or control” means a plan or process of ownership, management, or operation that exhibits characteristics of a unified management approach, including without limitation (i) unified management, control, or supervision; (ii) sharing common equipment, labor, services, or amenities; or (iii) common financing.

(6) License. Upon a determination by the reviewing authority that a proposed short-term rental unit and the building in which it is located (i) are permitted uses in the zoning district where they are located; (ii) comply with the basic fire and life safety requirements set forth in § 254-4.B(4); and (iii) do not exceed the unit cap on certain short-term rentals pursuant to § 254-4.B(5), the reviewing authority shall issue a short-term rental license containing a unique license number to the applicant.

C. License Expiration; Renewal; Transferability.

(1) Expiration. All short-term rental licenses required by this chapter shall expire one year from the date when the license number was issued by the reviewing authority, unless revoked or suspended prior to expiration in accordance with § 254-6.

(2) Renewal. Each license holder shall annually submit a license renewal application with the reviewing authority at least 30 days before the expiration of the prior year’s license on forms provided by the office of the reviewing authority.

(a) Renewal Application. The renewal application shall include, at minimum:

[1] A fee as provided in § 254-4.B(1)(a).

[2] Updates to the information submitted on the original license application, or a statement that the information remains accurate.

[3] Proof of insurance as provided in § 254-4.B(1)(d).

(b) Completeness Review. The reviewing authority shall review all license renewal applications for completeness in the order that they are received. If an application is incomplete, the reviewing authority shall return the application to the license holder and explain the reason for the rejection in writing.

(c) Inspection. As part of the review of a renewal application, the reviewing authority shall re-inspect the short-term rental unit and the building where it is located pursuant to § 254-4.B(4).

(d) **Renewal License.** Upon a determination by the reviewing authority that the short-term rental has passed inspection, the reviewing authority shall issue a renewal of the short-term rental license to the license holder. A license renewal, when granted, shall be valid immediately following the issuance of a renewal. A license holder who fails to obtain a renewal license prior to the expiration of the license must cease operating the short-term rental until a renewal license is issued.

(3) **Transferability.** Short-term rental licenses and license numbers issued under this chapter are not transferable to any new owner or operator of a short-term rental, nor shall short-term rental licenses or license numbers be transferable to another location. If a short-term rental is acquired, transferred, or purchased by a new owner or operator, the new owner or operator must file a license transfer application in accordance with the procedure set forth in § 254-4.C(2) for license renewals, and may not operate the short-term rental until the reviewing authority issues a notice of transfer of the short-term rental license to the new owner or operator.

D. **Duty to Update.** It is the responsibility of the license holder to submit updated information to the reviewing authority at any time that any of the information submitted on a license application changes.

E. **Posting Required.** Upon the issuance of a short-term rental license number, the license holder shall post and maintain at each short-term rental unit, in plain sight to occupants, a notice containing the following information:

(1) The license number.

(2) The E-911 address of the premises where the short-term rental unit is located.

(3) The name, phone number, and e-mail address of the license holder.

(4) For non-hosted short-term rentals, the name, phone number, and e-mail address of a natural person who is available 24 hours a day, 7 days a week, to respond within 60 minutes to any on-site emergency at the premises where the short-term rental unit is located during any period when the short-term rental unit is occupied.

§ 254-5 License Denial

The reviewing authority may deny any application for a short-term rental license, renewal, or transfer if the applicant fails to demonstrate compliance with any provision of this chapter.

§ 254-6 Investigations; Violations; License Suspension or Revocation

A. **Violations.** Violations of this chapter include, but are not limited to, the following:

(1) Operating a short-term rental without a valid short-term rental license.

(2) Operating a short-term rental after the short-term rental license has expired or after a license holder has failed to submit a timely renewal or transfer application.

(3) Failure of an owner or operator of a hosted or non-hosted short-term rental to have available, 24 hours a day, 7 days a week, a person to respond to on-site emergencies at the short-term rental.

(4) Providing materially incomplete or false information, including misrepresentations and omissions, in a short-term rental license, renewal, or transfer application.

- (5) Failure, without good cause, to respond within 48 hours to inquiries made by the reviewing authority related to the operation or licensing of a short-term rental.
 - (6) Operating a short-term rental in a manner that endangers or is reasonably likely to endanger the public health, safety, or welfare.
- B. Investigations.** The Director of the City’s code enforcement office, or the Director’s designee, (collectively, the “Code Enforcement Officer”) is responsible for conducting site and building inspections to ensure compliance with this chapter at any time as necessary or appropriate, and shall investigate all complaints of alleged violations of this chapter.
- C. Notices of Violation; Petitions; Judicial Action.**
- (1) **Notice of Violation.** If the Code Enforcement Officer, after investigation, determines that a person is in violation of any provision of this chapter, the Code Enforcement Officer shall issue a notice of violation to the owner or operator of the short-term rental. The notice of violation must state the nature of the violation, the manner and time by which the owner or operator must abate such violation, and the owner or operator’s right of appeal.
 - (2) **Petition to Suspend or Revoke License.** If a person fails to abate or remedy any violation in the time and manner described in the notice of violation or if the Code Enforcement Officer determines that a violation endangers or is reasonably likely to endanger the public health, safety, or welfare, the Code Enforcement Officer shall petition the Board of Appeals to revoke or suspend the owner’s or operator’s short-term rental license.
 - (3) **Judicial Action.** Notwithstanding the Code Enforcement Officer’s right to petition the Board of Appeals pursuant to § 254-6.C(2), the Code Enforcement Officer may at any time institute, in the name of the City, any judicial action or proceeding, including seeking injunctions, temporary restraining orders, and the imposition of fines, including attorney’s fees, that the Code Enforcement Officer determines is appropriate or necessary to prevent, correct, restrain, or abate any violation of this chapter that endangers or is reasonably likely to endanger the public health, safety, or welfare.
- D. Authority to Suspend or Revoke License.** The Board of Appeals may revoke or suspend a short-term rental license at any time upon petition by the Code Enforcement Office pursuant to § 254-6.C(2) if, after notice and a public hearing, the Board of Appeals determines that a license holder has violated this chapter or any other law, ordinance, regulation, license, or permit condition applicable to operating a short-term rental in a manner that endangers or is reasonably likely to endanger the public health, safety, or welfare, including without limitation if the short-term rental unit or the premises where the a short-term rental unit is located is classified as a disruptive property, as defined in § 99-4, in accordance with § 99-8.
- E. Notice of Hearing; Right of License Holder to be Heard.** Prior to ordering the suspension or revocation of a short-term rental license, the Board of Appeals shall provide the license holder, at least seven days prior to the hearing date, notice of the time and place of the hearing at which the license suspension or revocation will be considered. At the hearing, the license holder shall be given an opportunity to hear the evidence in support of the charges against the license holder and to be heard in the license holder’s own defense.
- F. Term of Suspension; New License Required.** The Board of Appeals may suspend a short-term license for any period of time that it determines is necessary or appropriate. When cause for a suspension has

been removed or corrected and after a suspension term has expired, the holder of a suspended license must apply for and receive a new license in accordance with § 254-4.B in order to continue to operate the short-term rental.

§ 254-7 Appeals

Any appeal from a final licensing decision of the reviewing authority or a notice of violation issued pursuant to this chapter may be taken by any aggrieved party to the Board of Appeals pursuant to § 23-3. Further appeals or appeals of a license suspension or revocation by the Board of Appeals made pursuant to this chapter may be taken by any aggrieved party to the Superior Court in accordance with the provisions of Rule 80B of the Maine Rules of Civil Procedure.

Proposed Amendments to Chapter 99 Disruptive Property

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§ 99.4 Definitions

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RESIDENTIAL PROPERTY

A. Shall mean:

- (1) Lot(s), plot(s), or parcel(s) of land on which a residential building(s) or a building(s) of mixed occupancy is located; or
- (2) Residential building(s), including one-family dwelling(s), multiple dwellings, and rooming houses or boardinghouses; or
- (3) Residential occupancies in building(s) of mixed occupancy.

B. For the purpose hereof, a “mixed occupancy building” means a building used for any purpose that also contains residential occupancy or a short-term rental, as defined in § 254-3, therein.

Proposed Amendments to Chapter 165 Land Development

§ 165-13 Definitions.

SHORT-TERM RENTAL

See definition of “Short-Term Rental” in § 254-3.

SHORT-TERM RENTAL, HOSTED

See definition of “Short-Term Rental, Hosted” in § 254-3.

SHORT-TERM RENTAL, NON-HOSTED

See definition of “Short-Term Rental, Non-Hosted” in § 254-3.

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Article I General Provisions

§ 165-1-Authority and purpose.

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L. To authorize hosted and non-hosted short-term rentals in certain districts in order to encourage the proliferation of orderly and well-regulated short-term rentals, particularly within walking distance of the City’s downtown area, to supplement but not supplant existing and permitted commercial lodging establishments such as hotels and motels; ensure the safety of the occupants of short-term rentals; and minimize the adverse impacts, including nuisance impacts, of short-term rental uses on surrounding neighborhoods.

...

§ 165-88 Urban Residence 1 District (URD-1)

...

C. Permitted uses. The following uses are permitted in this district:

...

(6) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

~~(76)~~ Accessory uses on the same lot and customarily incidental to and subordinate to the above uses or to an approved conditional use under Subsection D below.

...

§ 165-89 Urban Residence 2 District (URD-2)

...

C. Permitted uses. The following uses are permitted in this district:

...

(5) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

~~(65)~~ Accessory uses on the same lot and customarily incidental to and subordinate to the above uses or to an approved conditional use under Subsection D below.

...

§ 165-90 Multifamily and Service District (M & SD)

...

C. Permitted uses. The following uses are permitted in this district:

...

(6) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

~~(76)~~ Accessory uses on the same lot and customarily incidental to and subordinate to the above uses or to an approved conditional use under Subsection D below.

...

§ 165-91 Neighborhood Service District (NSD)

...

C. Permitted uses. The following uses are permitted in this district:

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(11) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

~~(121)~~ Accessory uses on the same lot and customarily incidental to and subordinate to the above uses.

...

§ 165-92 Urban Service District (USD)

...

C. Permitted uses. The following uses are permitted in this district:

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(16) Hosted short-term rentals in buildings that are permitted for mixed residential and commercial use (subject to the licensing requirements in Chapter 254).

§ 165-93 Downtown Development District (DDD)

...

C. Permitted uses. The following uses are permitted in this district:

...

(19) Hosted short-term rentals and non-hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(2019) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and those approved under Subsection D below.

...

§ 165-94 Waterfront Development District (WDD)

...

C. Permitted uses. The following uses are permitted in this district:

...

(10) Hosted short-term rentals and non-hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(110) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and those permitted as conditional uses in Subsection D below.

...

§ 165-99 Low-Density Residential District (LDR).

...

C. Permitted uses. The following uses are permitted in this district:

...

(7) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(87) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection D below.

...

§ 165-100 High-Density Residential District (HDR).

...

C. Permitted uses. The following uses are permitted in this district:

...

(7) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(87) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection D below.

...

§ 165-101 Shopping and Personal Service District (S & PS).

...

C. Permitted uses. The following uses are permitted in this district:

...

(17) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(187) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection D below.

...

§ 165-102 General Commercial and Service District (GC & S).

...

C. Permitted uses. The following uses are permitted in this district:

...

(12) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(132) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection D below.

...

§ 165-105 Rural Residence and Agricultural District (RR & A).

...

C. Permitted uses. The following uses are permitted in this district:

...

(15) Hosted short-term rentals (subject to the licensing requirements in Chapter 254).

(165) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection D below.

...

§ 165-111 Site developments requiring permit.

- A. Any activity covered under this chapter shall require a land development permit under the following conditions:

...

- (12) Any non-hosted short-term rental, if a land development permit has not been issued for the building containing any non-hosted short-term rental units.