

# TOWN OF STONINGTON

## Short-term Rental Ordinance

This certifies to the municipal clerk of Stonington that the within ordinance is a true copy of an ordinance entitled Short-term Rental to be acted upon by the voters at a town meeting to be held on March 6, 2023.

Dated: February 27, 2023

Municipal Officers of Stonington:

John Albino

Erin D. [unclear]

Richard [unclear]

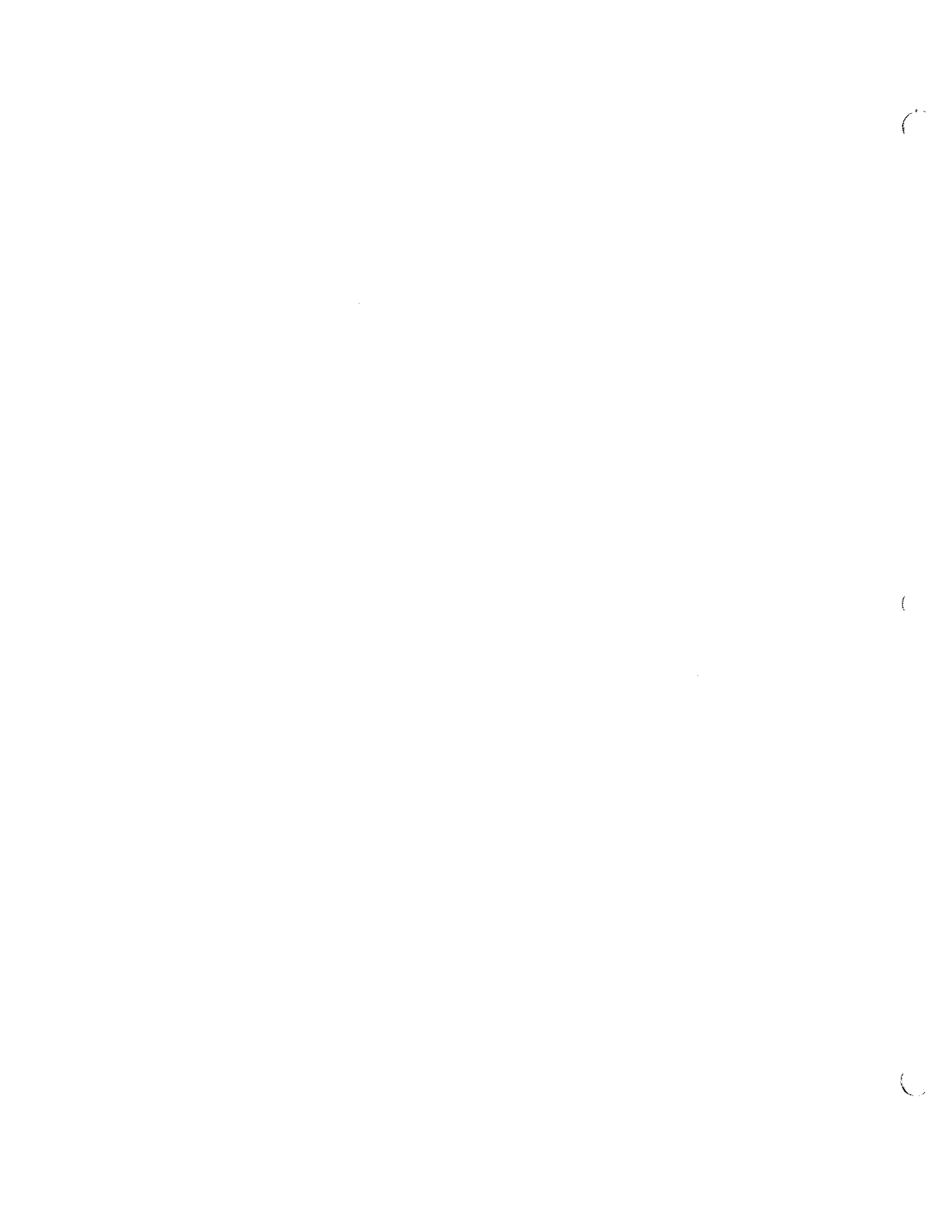
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Attest: True Copy:

Town Clerk:

May C. Roche



## **Short Term Rental Registration Ordinance 2023**

### **Summary**

The vision of the Town of Stonington is that everyone who works here, grew up here, and wants to stay here has a reasonable opportunity to live and work here – and that we remain a locally controlled, resilient year-round economy with access for all to our primary economic engine of fishing and other marine-related activities, schools, health care, the trades and arts and cultural opportunities.

**With 55% of downtown Stonington and 80% of our shoreline owned by non-residents, we have lost and continue to lose local control of our most valuable assets: our property.**

**The Town is annually exceeding its occupancy, drinking water, parking, and year-round housing capacities.**

This ordinance supports our year-round residents and property owners and is part of a multi-part strategy to achieve our year-round housing goals by continuing to implement the recommendations of the 2018 Comprehensive Plan.

### **The ordinance supports year-round residents and property owners by:**

- Grandfathering Short Term Rentals that have been in operation for a minimum of one year prior to December 31, 2022.
- Emphasizing the need for local control by creating two rental categories: those owned and/or occupied by year-round residents and non-resident owned and occupied.
- Creating a registration system for all rentals to support year-round housing incentives and encourage longer-term, better rental practices for all.
- Establishing definitions and limits to protect our shared resources, particularly water.
- Highlighting the need for basic life and resource safety standards in all rentals, including requirements for year-round oversight and local contact information, appropriate 911 addressing, and fire safety standards (similar to the need for obtaining burn permits in helping the fire department effectively perform its job).

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**Article I: Purpose**

The Town of Stonington recognizes and protects the desire of some property owners to participate in the island's legacy of seasonal visitors and rent their legal residential unit(s) as short-term rentals. At the same time, the Town is annually exceeding its occupancy, drinking water, parking, and year-round housing capacities. Property owners, including those hosting short-term rentals, have raised legitimate concerns about life safety and quality of life issues, as well as the long-term viability of Stonington's year-round workforce and community, due to the inherently transient nature of short-term rentals. It is the intent of this Ordinance to allow and to prioritize the continued, reasonable short-term rental of legal residential properties in the Town of Stonington by its year round residents, while minimizing the negative impacts said short-term rentals generate upon local ownership, control, and economics; natural resources; and abutting and neighboring residential properties, with the goal of achieving a balance between the competing interests represented by a Town that is both a desirable tourist Town and one that values its neighborhoods and its year-round economy and community.

**Article 2: Definitions**

1. This ordinance references the following definitions:

- a. **Owner Occupied or Stonington Resident-owned Short-Term Rental (STR) Property:** A Dwelling Unit(s) or Residential Structure which, at the time of the Short-Term Rental, is occupied by the owner or the owner occupies another Building on the same or Abutting Property or the owner is a legal, year-round resident of Stonington. The owner shall be the person who owns the real property or is the beneficiary of a revocable living trust that owns the property.
  
- b. **Legal, year-round resident of Stonington** is defined as an individual who has three or more of the following: is registered to vote in Stonington (ME); registers one or more motor vehicles at a Stonington (ME) address; is licensed to operate a motor vehicle at a Stonington (ME) address; has a current income tax return showing residency at a Stonington (ME) address; or has a Homestead Exemption on a Stonington (ME) property.
  - b. **Non-Owner-Occupied Short-Term Rental (STR) Property:** A Short-Term Rental of a Dwelling Unit(s) or Residential Structure which is not an Owner Occupied or Stonington Resident-owned Short-Term Rental Property.
  
- c. **Short-Term Rental (STR)** means the rental of a Dwelling Unit(s) or portion of a dwelling unit with a rental duration of less than thirty (30) days for each such rental.

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d. **Year-Round Rental (YRR)** means the rental of a Dwelling Unit(s) or portion of a dwelling unit that is Leased for a rental duration of no less than 12 months.

e. **Accessory Dwelling Units (ADU)** means a self-contained dwelling unit located within, attached to or detached from a single-family dwelling unit located on the same parcel of land.

2. The following shall be added to the Building Permits and Site Review Ordinances:

In addition, the Code Enforcement Officer, Fire Chief or their designee(s) shall have the authority to inspect any **Non-Owner Occupied Short-Term Rental Property**.

3. The following uses shall be added to the Shoreland Zoning, Building Permits, and Site Review Ordinances:

- a. amended to add **Owner Occupied STR as a Permitted Residential Use**
- b. amended to add **Non-Owner Occupied STR as a Commercial Use, with Conditional Use**

**Article 3: Registration of Short Term Rental Property**

As of September 1, 2023, no person or entity shall operate an Owner Occupied STR or Non-Owner Occupied STR Property in Stonington without annually registering as specified below and obtaining a registration from the Code Enforcement Officer or Town office. The registration shall include, but not be limited to:

- A. A completed registration form that includes the following information:
  - 1. Number of units available for STR;
  - 2. Policy number, insurer and limits of liability available to protect STR renters;
  - 3. Name and complete contact information for the owner, including a 24-hour available telephone number for a responsible agent for all Non-Owner Occupied STRs;
  - 4. Evidence of right, title and interest in the property;
  - 5. Evidence that the Planning Board has approved the operation of the STR as a Conditional Use;

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- B. A non-refundable fee as determined by the Select Board. These fees may be amended from time to time. Such fee(s) must be submitted with the registration form at the time of registration and/or renewal.
- C. A self-compliance affidavit, on a form provided by the Town, signed by the owner under penalty of perjury, that the STR Property complies with state and local building codes, and habitability and life safety requirements for rental properties.
- D. Registration renewal forms must be submitted 30 days prior to the expiration of the existing registration. Provided the owner has not changed any information and is in compliance with all current requirements for the existing STR, the STR may continue operating under the prior registration pending issuance of the renewal registration. The STR owner must promptly respond to any requests for additional information by the Code Enforcement Officer for processing the registration renewal.

#### Article 4: Operating Standards

In addition to the registration requirements set forth in Article 3 of this document, the following operating standards shall apply, and shall constitute violations of this ordinance if not followed:

- (a) Emergency Contact. The owner must identify a registered agent or representative for emergency contact purposes, who may be the owner. The emergency contact person must be able to respond within 60 minutes (24 hours per day) to complaints regarding the condition, safety or operation of the short term rental or the conduct of guests, and must be able to take such remedial action on behalf of the owner, or as otherwise allowed by law, to resolve such complaints.
- (b) Occupancy limits. Guests shall be limited to a maximum of two guests per legally permitted bedroom, plus no more than two additional overnight guests. Limits will be based on the number of bedrooms listed on the building permit, approved septic system design, sewer district connection information, or certificate of occupancy for the property. In the case of a dwelling legally existing without any of the information listed above, the number of bedrooms shall be based upon the historic and traditional use of the structure as represented by the property owner.
- (c) Parking. The owner must provide sufficient off-street parking to meet the occupancy requirements for the dwelling unit(s), as well as sufficient off-street parking for all overnight guest vehicles. The number of overnight guest vehicles allowed shall be restricted to the number of off-street parking spaces provided by the owner. Parking space(s) within a garage may be counted for this purpose. Tenants and guests of short-term rentals are prohibited from parking in a manner that impedes access by emergency vehicles to the property or any other dwelling in the neighborhood. Guest parking on any public street is prohibited between 11pm and 7am.

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- (d) Evacuation Plans. All property owners are required to create an evacuation plan and post in a visible location in the short-term rental property in case of emergency.
- (e) Life safety. All short-term rental units shall comply with the following requirements:
  - 1) Be properly identified with their legal street number and in accordance with the Town of Stonington 911 Addressing Code.
  - 2) Shall have at least one appropriately sized portable type A/B/C fire extinguisher mounted in a prominent location within the short-term rental.
  - 3) Any dwelling unit(s) constructed on or after December 1, 2010 shall comply with all codes that were effective at such time that a building permit was issued for the unit. In addition, they must also comply with all applicable National Fire Protection Association (NFPA) codes and standards that have been adopted by the Town and State.
  - 4) Short-term rental units contained in structures constructed prior to December 1, 2010 shall comply with the following standards:
    - i) The "2013 Egress Policy" issued by the Office of the State Fire Marshal;
    - ii) State of Maine Title 25, §2464: Smoke detectors;
    - iii) State of Maine Title 25, §2468: Carbon monoxide detectors.
- (f) Solid Waste Disposal. The owner and renters must adhere to the standards of the Stonington Sanitary District and the Stonington Solid Waste Disposal Ordinance. In addition, the property owner shall ensure that solid waste is removed from the property or securely stored prior to new guests entering the property. In no case shall solid waste remain on the property for more than a week after the rental period.
- (g) Insurance. At the time of registration, the owner must provide a certificate of insurance that expressly acknowledges that the property may be used for short-term rental business activity and evidencing general liability insurance appropriate to cover the short-term rental use in the aggregate of not less than \$1 million, or proof that the owner conducts short-term rental transactions through a hosting platform that provides equal or greater coverage. The owner must maintain such insurance coverage while rented.
- (h) Advertising. It shall be prohibited to advertise occupancy or use of a short-term rental that is not legally registered with the Town of Stonington according to the provisions of this Ordinance. For the purposes of this Article, the term "advertise" shall mean any form of communication for marketing that is used to encourage, persuade or manipulate viewers, readers or listeners into contracting for the use of the short-term rental as may be viewed through various media included, but not limited to newspapers, magazines, flyers, television commercials, radio, signage,

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direct mail, websites, online platforms, and/or text messages. The short-term rental advertising shall be consistent with the requirements of this Ordinance, shall include the municipal registration number and clearly note the number of permitted bedrooms for the short-term rental unit. The advertising shall not include offering the property for non-residential uses such as corporate events, large weddings, or other similar events.

- (j) Posting of Short-Term Rental Registration Certificate. The Short-Term Rental Registration Certificate issued by the Town Clerk, must be posted inside the short-term rental unit, in plain sight, near the entrance to the unit.

#### **Article 5: Number of Registrations and Lengths of Stay**

A person or entity may register no more than two (2) STR Properties. In addition, a person or entity may register an additional STR Property for every three (3) non-STR Dwelling Unit(s) or Residential Structures that said person or entity offers for residential year-round lease in Stonington.

Each **Non-Owner Occupied STR** shall be for a minimum of at least four (4) consecutive nights. Guests may stay for less than the minimum stay provided that such STR Property remains vacant until the end of the minimum stay period.

#### **Article 6: Transfer of Registrations**

Registrations are not transferable to a new owner upon sale of the STR Property. Any change in ownership or change in the officers of an owner shall require a new registration. Registrations are limited to the location for which they are issued and shall not be transferable to a different location. However, if an owner dies and leaves the STR Property to a relative(s) through inheritance, the registration shall remain effective as to the new owner of the STR Property for the remainder of the term of the registration.

#### **Article 7: Inspections**

The Code Enforcement Officer may inspect any **Non-Owner Occupied STR Property** with respect to whether:

- A. The number of bedrooms declared in advertising, or are otherwise available for use, is greater than that listed on the registration card issued by the Code Enforcement Officer;



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- B. The number of bedrooms advertised, or otherwise available for use, is greater than the on-site wastewater system or sewer system permitted for that property; or
- C. Information on the relevant registration application has been falsified.

#### **Article 8: Prohibited Activities**

- A. Offering for rent an STR Property prior to the issuance of a registration;
- B. Providing false information on a STR registration application;
- C. Offering STR in a structure not permitted by Stonington Ordinances for human habitation;
- D. Attempting to transfer a registration to a new owner without approval of the Code Enforcement Officer; and
- E. A guest or Non-Owner attempting to sublease or assign any portion of a STR Property to another person during the rental period.

#### **Article 9: Noise and Other Complaints**

- A. Complaints about noise, parking, traffic and rowdy behavior related to a STR shall be directed to the Code Enforcement Officer, Town Manager, or Hancock County Sheriff's Department which shall notify the owner and responsible agent of the STR Property.
- B. Complaints directed to the Hancock County Sheriff's Department shall be conveyed to the Code Enforcement Officer who shall maintain a log of all complaints, seek to correct or resolve such complaints, and consider such complaints in assessing fines pursuant to Article 13 and/or suspending, revoking and non-renewing the registration for the STR Property.

#### **Article 10: Limitations on Non-Owner Occupied STR Property**

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A. A Non-Owner Occupied STR Property may not be located within 1,000 feet of the property line of another Non-Owner Occupied STR Property. Distance is measured as the most direct, level, shorted, without regard to the intervening structures or objects, straight line distance between the property line of the parcels on which a Non-Owner Occupied STR Property is located. A Non-Owner Occupied STR Property may contain up to two STR Rentals on the same parcel or in the same building.

B. The number of Non-Owner Occupied STRs registered in a single calendar year shall not exceed 1.5 times the number of Non-Owner Occupied STRs previously registered and in operation. Non-Owner Occupied STRs previously in operation and registered have priority for purposes of this cap.

#### **Article 11: Denial, Suspension or Revocation of Registration**

A. The Code Enforcement Officer may suspend, decline to issue or renew any registration for any STR Property upon failure of the applicant to meet all the requirements of this or any other relevant Ordinance. In such event, the Code Enforcement Officer shall notify the owner of the STR Property in writing by email and letter within two (2) business days of such decision;

B. If a STR Property is the subject of two (2) or more substantiated violations of any state or local law or ordinance, the Code Enforcement Officer may suspend or revoke the registration for the STR Property. In such event, the Code Enforcement Officer shall notify the owner of the STR Property of such revocation or suspension in writing by email and letter within five (5) business days of the decision; and

C. It shall be the responsibility of the owner of the STR Property to advise renters and any rental agencies, that the STR Property will not be available for rental until the registration is reinstated.

D. Appeal. An appeal to Board of Appeals as an Administrative Appeal may be taken by any person aggrieved by a determination of the Code Enforcement Officer.

#### **Article 12: Owner Occupied, Stonington Resident-Owned, or Non-Owner Occupied STRs Previously in Operation**

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- A. Owner Occupied, Stonington Resident-Owned, or Non-Owner Occupied STRs which were in operation at any time one (1) year before December 31, 2022, do not need Planning Board conditional use approval as a condition of receiving STR registration if: (a) the owner provides evidence sufficient for the Code Enforcement Officer to determine that the property was used for STR purposes at some time during the one (1) years prior to Dec. 31, 2022; (b) the STR Property is in compliance with the parking requirements pursuant to Section 4C of this Ordinance; and (c) the owner submits the required registration form by May 1, 2023.
- B. Such status does not relieve the owner from having to apply annually for registration for STR use.
- C. Planning Board conditional use approval, if applicable, is required upon transfer of the STR Property through a sale, conveyance, or otherwise before the issuance of a new STR Registration. However, if an owner dies and leaves the STR Property to a relative(s) through inheritance, Planning Board approval is not required prior to the issuance of a new registration pursuant to Section 3.5 above.
- D. A Non-Owner Occupied STR that qualifies under this section is not subject to the distance requirements in Section 10(A) of this Ordinance.

#### Article 13: Violations and Penalties

This Ordinance shall be enforced by the Code Enforcement Officer or Town Manager, who may institute any and all actions to be brought in the name of the Town subject to the following provisions:

- A. For operating an STR without a registration pursuant to this Ordinance, the owner of the STR Property shall be penalized \$100 per day for the first offense and \$150 a day for any additional offense for each STR Property which is operated without a registration;
- B. For violation of occupancy limits, the owner of a STR Property shall be fined \$100 per day for the first offense and \$150 per day for any additional offense for each STR Property that exceeds the occupancy limits;
- C. For providing false information in the application for STR Registration, the owner of the STR Property shall be fined \$1000; and

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- D. For failure to comply with any other section of this Ordinance, the owner of the STR Property shall be fined \$100 per day which fine shall be in addition to any applicable fine above.

**Article 14: Severability**

The provisions of this Ordinance are severable, and if any provision shall be declared to be invalid or void, the remaining provisions shall not be affected and shall remain in full force and effect.

**Article 15: Effective Date**

This Ordinance to Regulate Short-Term Rental Property shall become effective immediately upon adoption by Town Meeting. The registration process shall begin within 30 days after adoption by Town Meeting.

**Revision History**

**Adopted March 6, 2023**