

**Town Council and Planning Board –
Joint Workshop
Wednesday, September 9, 2020 at 5:30 PM**

Note: This workshop to be held remotely,
via video (Zoom), due to COVID-19
(as authorized under MRSA §403-A,
approved by the Legislature via LD 2167)

The Bar Harbor Town Council and Bar Harbor Planning Board will hold a joint workshop on Wednesday, September 9 at 5:30 PM via Zoom webinar (link below).

This workshop will be a discussion of possible changes to the town's vacation rental regulations, part of an ongoing review process.

Specific topics related to vacation rentals that are expected to be discussed include, but are not limited to, transferability of vacation rental licenses/permits, what is an appropriate cap on the number of vacation rentals that are not an owner's primary residence, and how such regulations help meet/further the goals of the town's Housing Policy Framework.

The public is welcome to attend the workshop via the Zoom webinar:
<https://us02web.zoom.us/j/81514399073?pwd=UnZFc0JUVjNUSWJ0UEZad3dlbGxzUT09>.

For additional information, or if there are any questions, please contact Assistant Planner Steve Fuller by calling the Planning Department at 288-3329 or by emailing sfuller@barharbormaine.gov.



Town of Bar Harbor
93 Cottage Street · Bar Harbor · Maine · 04609

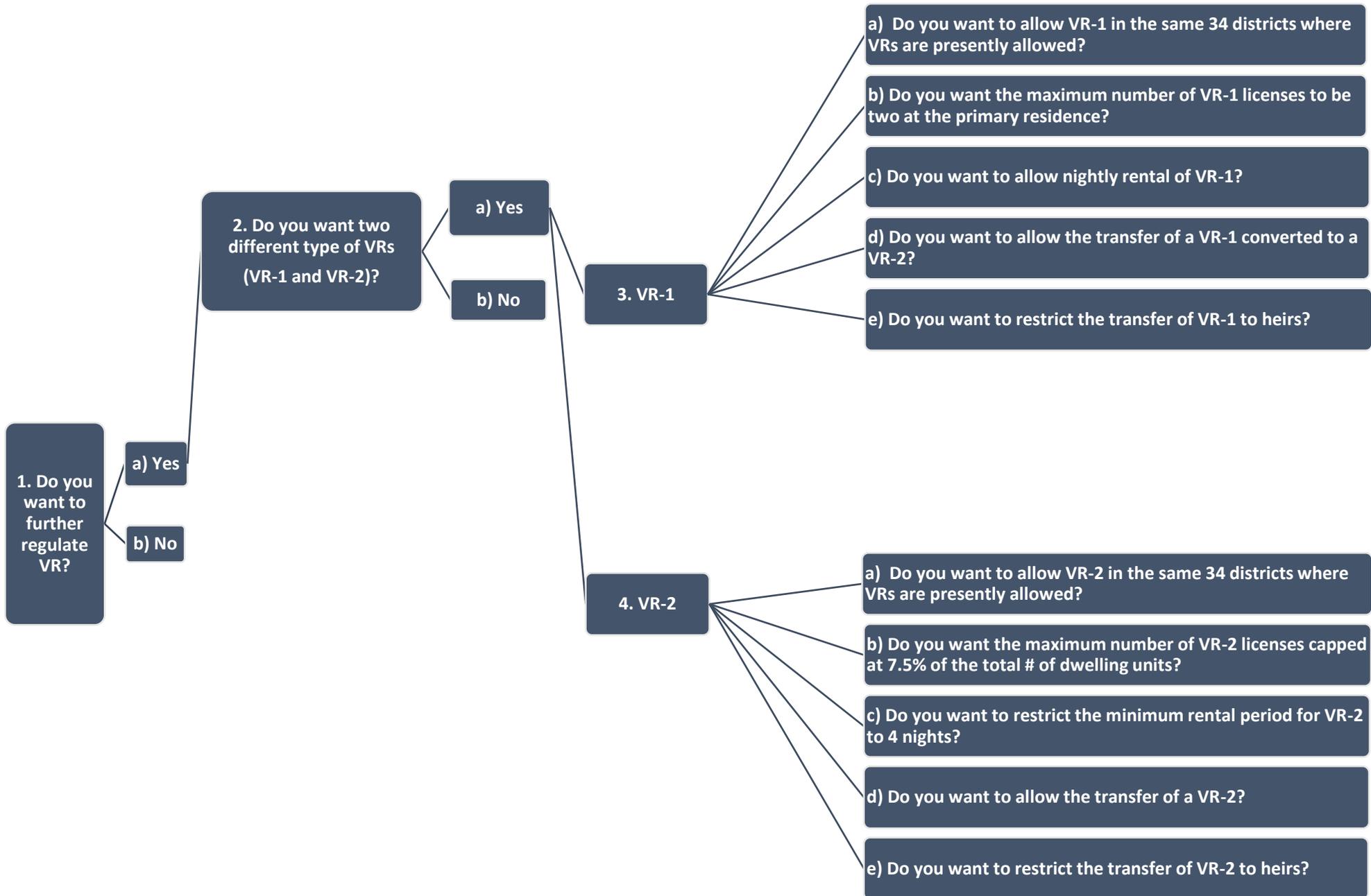
TOWN COUNCIL AND PLANNING BOARD
JOINT WORKSHOP

Wednesday, September 9, 2020 @ 5:30 PM

Via Zoom

Agenda

1. Housing Policy Framework – Review of Vision, Goal, and Strategy #1
2. Relationship between year-round housing and VR
3. Review of Goal and Policy Objective used to develop proposed VR regulations (per Balancing Year-Round Housing & Vacation Rentals in Bar Harbor draft report)
4. Discussion of proposed VR regulations (we can possibly use the flow chart on next page)



OCTOBER 1, 2019



HOUSING POLICY FRAMEWORK

TOWN OF BAR HARBOR

HOUSING VISION

Support Bar Harbor’s year-round community by having adequate and affordable workforce housing for residents who work in town, for families hoping to raise their children here, for seniors hoping to stay in the community as they age, and for businesses looking for a stable workforce and housing base needed to expand the town’s year-round economy.

HOUSING GOAL

Provide a framework for the Town of Bar Harbor to ensure that we are fast-tracking the increase in housing availability and affordability for year-round residents by addressing the unique and pressing housing challenges as identified in, but not limited to, the 2007 Comprehensive Plan, the 2012 Economic Development Strategy, the 2017 and 2018 Council Vision, and the 2018 Island Housing Trust Housing Needs Analysis and Assessment.

ACRONYMS AND DEFINITIONS OF TERMS

Affordable Workforce Housing:	Quality housing in reasonable proximity to the workplace that has a sale price or rental amount that is within the means of the household that earns from about two-thirds to double the median household income.
CEO:	Code Enforcement Officer
COA:	College of the Atlantic
DRB	Design Review Board
Immediate:	Completion within 1 year
JAX:	The Jackson Laboratory
LMI:	Low- and moderate – means includes earning less than 50% to 120% of the area (i.e. Hancock County) median income.
Long-term:	Completion within 5 years
LUO:	Land Use Ordinance
MDI:	Mount Desert Island
NFPA:	National Fire Protection Association
NFP:	Not-for-profit
NPS:	National Park Service
PB:	Planning Board
PUD:	Planned Unit Development
Short-term:	Completion within 3 years
STR:	Short-term rental

HOUSING STRATEGIES

Strategy 1	Develop Short-Term Rental (STR) Restrictions		
Purpose	<ul style="list-style-type: none"> • Curtail the conversion of year-round housing to STRs. • Retain neighborhood integrity by ensuring that residential neighborhoods do not become lodging zones. • Support increased enforcement. 		
Actions	1. Quantify the problem (inventory and analysis).	2. Hear from people that do not have a financial stake in STRs.	
	3. Establish goals and purposes and draft regulations.	4. Develop land use and licensing regulations.	
Who	Planning Department in coordination with ad hoc Zoning Advisory Group and Planning Board		
Funding	Possibly	Time Frame	Immediate
Success	Adoption of Short-Term Rental land use and licensing regulations.		
Notes			

Strategy 2	Develop Zoning for Employee Housing		
Purpose	Provide affordable seasonal employee housing, preferably in the village area and on land that is served by water and sewer, and in close proximity to places of employment.		
Actions	1. Hear from people in the districts where the dormitory uses are proposed.	2. Revise the proposed land use regulations	3. Develop licensing regulations to ensure that the housing does not become a nuisance.
	Planning Department in coordination with ad hoc Zoning Advisory Group and Planning Board		
Funding	No	Time Frame	Ongoing
Success	<ul style="list-style-type: none"> • LUO amendments. • Adoption of licensing regulations. 		
Notes			

Strategy 3	Develop Housing Needs Assessment and Action Plan		
Purpose	Identify a range of housing types, sizes, and densities to ensure they meet the needs of the community.		
Actions	1. Analyze current housing conditions and needs for low- and moderate-income (LMI), workforce, 55 and older, and seasonal housing.	2. Develop a 10-year action plan.	
Who	Planning Department with Consultant		
Funding	Yes	Time Frame	Short-term
Success	<ul style="list-style-type: none"> Completed in time to inform the Comprehensive Plan. Implementation of regulatory and non-regulatory strategies. 		
Notes			

Strategy 4	Identify Zoning Barriers to Housing		
Purpose	Identify if the LUO creates barriers to the development of affordable workforce housing.		
Actions	1. Quantify current zoning density and possible zoning density per housing use. 2. Analyze the LUO dimensional requirements – (lot size, area/family, lot coverage, setback, height, occupancy, Floor Area Ratio, etc.) 3. Identify opportunities to add densities and different housing types.	4. Organize a listening session with people/developers/NFPs familiar with the housing market and land use regulations to hear their comments/ideas about the zoning barriers to housing development.	
Who	Planning Department with Consultant		
Funding	Yes	Time Frame	Short-term
Success	<ul style="list-style-type: none"> Informs the outcome of the Housing Needs Assessment and Action Plan. LUO amendments. Results in an increase in the number of LMI and affordable workforce housing. 		
Notes			

Strategy 5	Encourage LMI Housing through Zoning		
Purpose	Provide incentives for LMI housing development that encourages developers and others to engage in LMI housing development		
Actions	1. Review Planned Unit Development LUO language.	2. Meet with developers/NFPs that have done LMI and/or PUD housing - hear lessons learned.	3. Draft land use ordinance language to encourage LMI housing.
Who	Planning Department with Consultant		
Funding	Yes	Time Frame	Short-term
Success	<ul style="list-style-type: none"> • Informs the outcome of the Housing Needs Assessment and Action Plan. • LUO amendments. • Results in an increase in the number of LMI housing units. 		
Notes			

Strategy 6	Create Partnerships with Community Organizations		
Purpose	Develop, maintain, support partnerships with community organizations, as well as regional and state partners to collaboratively address local housing needs.		
Actions	1. Identify vacant, underutilized, and town-owned parcels with the potential to support housing development.	2. Meet with MDI Housing Authority, Island Housing Trust, and Maine Coast Heritage Trust to discuss goals, priorities, and needs, and identify ways to work together to develop housing that meets the needs of the community.	
Who	Town Manager		
Funding	No	Time Frame	Long-term
Success	Creation of LMI and affordable workforce housing units.		
Notes			

Strategy 7	Create partnerships with Large Employers		
Purpose	Plan for appropriately dense housing, in proximity to places of employment, which fits with the character of the community and contributes to the tax base.		
Actions	Meet with JAX, MDI Hospital, COA, etc. to discuss goals, priorities, and needs, and identify ways to work together to create housing.		
Who	Town Manager		
Funding	No	Time Frame	Long-term
Success	Creation of affordable workforce housing units.		
Notes			

Strategy 8	Secure NPS Town Hill Land		
Purpose	Secure the 40-acre Town Hill parcel, originally earmarked in the 1986 Park Boundary Legislation for an island-wide transfer station, for the purpose of year-round affordable workforce housing.		
Actions	Work with the NPS and congress.		
Who	Town Manager		
Funding	No	Time Frame	Long-term
Success	Secure land		
Notes			

Strategy 9	Ensure Quality Rental Housing		
Purpose	Maintain and improve the quality of the existing rental housing stock.		
Actions	1. Develop a rental property maintenance licensing and inspection ordinance.	2. Work with community partners to promote housing rehabilitation program and incentives.	
Who	Planning Department, CEO, and Fire Chief		
Funding	No	Time Frame	Short-term
Success	<ul style="list-style-type: none"> Adequate living conditions for renters. Maintained properties. 		
Notes			

Strategy 10	Reduce Red Tape		
Purpose	Streamline approval process to save time and reduce cost		
Actions	1. Work with DRB to ensure consistent review process for new multi-unit housing.	2. Adopt same version of NFPA as the one used by the Fire Marshal’s Office.	3. Streamline PB review process while providing for more meaningful resident input.
Who	Planning Department and Fire Department		
Funding	No	Time Frame	Short-term
Success	Efficient and consistent approval process		
Notes			

01. Goal

Builds on the FY 2020 Council Vision, Goals and Strategies and on the 2019 Housing Policy Framework.

To develop vacation rental regulations that balance the needs of the Town of Bar Harbor and protect public interests including housing affordability, health and safety, and neighborhood quality, while still allowing for residents to earn supplemental income from vacation rentals.

02. Policy Objectives

Based on housing and vacation rental data and the listening sessions

1. To establish clear definitions, appropriate locations, and minimum length of stay.
2. To classify the types of use (residential or commercial).
3. To maximize the supply and affordability of year-round housing options.
4. To address speculation and conversion from year-round housing to short-term lodging.
5. To prioritize residential use and neighborhood quality.
6. To balance the playing field with transient accommodations, B&Bs, etc.
7. To establish a pathway to successful and consistent enforcement.
8. To ensure guest safety.
9. To identify possible incentives to assist in retaining and creating year-round housing.
10. To develop regulations that are politically acceptable, legally and practically enforceable, and financially affordable.

Possible Transferability Explanation

Transferability - The Zoning Advisory Group proposed no transfer of licenses, the Planning Board proposed a forever transfer of VR-2 licenses running with the land, the Town Council proposed a transfer of VR-2 licenses limited to summer homes. People feel that the non-transferability of VR-1 and the transferability of VR-2 limited to summer homes gives an unfair advantage to non-residents. In response to these comments, the Council may want to consider allowing the transfer of VR-1 and VR-2 licenses as follows:

VR-1 - Transferability

1. Specific Standards for VR-1 On p. 8*, Article V. 125-69 Y(1)(c)

Draft Order reads

(c) Transferability. Not applicable.

Consider this language

(c) Transferability of license.

[1] VR-1 to VR-1: Not applicable as not necessary if the new owner continues to meet the definition of a VR-1.

[2] VR-1 to VR-2: Limited to heirs, successors, or assigns, in which case the VR-1 license would be eligible to be converted to a VR-2 license. The issuance of a transferred converted to a VR-2 license would not be subject to 125-69 Y(2)(a).

If you make the above change, then you need to consider making a change to the explanation section of the draft order as presented below.

On p. 1*, Explanation section for VR-1:

Draft Order reads

Transferability: not applicable

Consider this language

Transferability of license: The transfer of a VR-1 license to another VR-1 license is not applicable, as it is not necessary when the definition of a VR-1 continues to be met. The transfer of a VR-1 license converted to a VR-2 license is possible but limited to heirs, successors, or assigns. The transferred converted to a VR-2 license can be issued regardless if the town-wide cap is met. However, it will be added to the total number of VR-2 licenses town-wide and would count against the 7.5% cap in the issuance of all other VR-2 licenses. The transferred converted to a VR-2 license will be subject to the rental of an entire dwelling unit with a 4-night minimum.

☒ We looked at how to transfer a VR-1 license. The concept behind VR-1 is based on ownership type – one can have up to two licenses to rent a whole dwelling and/or part of a dwelling and to rent nightly if the activity is **in** one's primary residence **and/or on** the property. The transfer of a VR-1 license to another person is not applicable as it is based on ownership type and there is no cap on the town-wide number of VR-1 that can be issued - if it is someone's primary residence, they are eligible for a VR-1.

The question is how to allow the transfer of a VR-1 license to an heir, etc., who may not use the property as their primary residence. Residents want to have their heirs be able to one day afford to own the property. Having the ability to continue VR is an important component to making this ownership financially possible.

We propose to allow the transfer to heirs, etc., who would not be eligible for a VR-1 license (in cases where the property is not going to be their primary residence) through the conversion of the VR-1 license to a VR-2 license. The transferred converted to a VR-2 license could be issued regardless if the town-wide cap is met (presently estimated at 210 - 7.5% of the town's 2,795 dwelling units). However, it would be added to the total number of VR-2 licenses town-wide, presently estimated at 286. In addition, it would count against the 7.5% cap in the issuance of all other VR-2 licenses. The parties involved in the real estate transfer would be responsible for contacting the Town to initiate the conversion.

☒ Provides for an explanation in the draft order that matches the proposed amendment.

VR-2 - Transferability

Specific Standards for VR-2

2. On p. 8*, Article V. Y(2)(c)[1]

Draft Order reads

(c) Transferability. The license shall not be transferred except as presented below.

[1] Summer homes. For summer homes, which is defined as a residence that the owner must live in part of the year and is located at least 50 miles from the primary residence, transferability of the license with the land is limited to a spouse, parent, grandparent, child, grandchild, or sibling. A property owner can only have one summer home in Bar Harbor.

Consider this language

(c) Transferability of license. Limited to heirs, successors, or assigns.

If you make the above change, then you need to consider making a change to the explanation section of the draft order as presented below.

On page 1*, Explanation section for VR-2:

Draft Order reads

Transferability: Not transferable except for a summer home to a spouse, parent, grandparent, child, grandchild, or sibling.

Consider this language

Transferability: Limited to heirs, successors, or assigns.

☒ Allows transfers of VR-2 licenses to all heirs without limitations. Uses one word “heirs” instead of six words (spouse, parent, grandparent, child, grandchild, or sibling) and provides for increased inclusivity. Covers for when the owner is not a person but a trust or an LLC.

☒ Provides for an explanation in the draft order that matches the proposed amendment.

Draft Order

of the Bar Harbor Town Council
For the November 3, 2020, Town Meeting

It is hereby ordered that the following article be placed on the town meeting warrant with voting thereon to be held by Australian ballot.

Warrant Article

Article XX LAND USE ORDINANCE AMENDMENT – Vacation Rental - Shall an ordinance, dated June 18, 2020, and entitled “An amendment to Vacation Rental allowing currently registered vacation rentals to continue operating as long as the registration is renewed annually; creating two types of vacation rentals (VR-1 and VR-2) allowed in the same 34 zoning districts where vacation rentals are presently allowed; creating definitions for primary residence and vacation rental license; and regulating the rental of the entire dwelling unit or a part of thereof, the rental period (minimum number of nights), the maximum number of licenses that may be issued, and the transferability of licenses;” be enacted?

EXPLANATION

- It would allow all currently registered vacation rentals to continue operating as long as the registration/license is renewed annually.
- It would create two different types of vacation rentals (VR-1 and VR-2).
- It would allow VR-1 and VR-2 in the same 34 zoning districts where vacation rentals are presently allowed.
- VR-1:
 - In the primary residence or at the location of the primary residence.
 - May be an entire dwelling unit or part of a dwelling unit.
 - No minimum rental period/number of nights restriction (i.e. nightly rental would be allowed).
 - Maximum number of VR-1 licenses would be two – it may be in the primary residence and/or at the location of the primary residence.
 - Transferability: not applicable
- VR-2:
 - Not in the owner’s primary residence.
 - Must be an entire dwelling unit.
 - Minimal rental period of four nights.
 - The maximum number of licenses issued would be 7.5% of the town’s total number of dwelling units.
 - Transferability: Not transferable except for a summer home to a spouse, parent, grandparent, child, grandchild, or sibling.

Vacation Rental

An amendment to Articles III, V, and XII

The Town of Bar Harbor hereby ordains that Chapter 125 of the Town Code is amended as follows:

[Please Note: Old language is ~~stricken~~. New language is underlined.]

Chapter 125, LAND USE ORDINANCE

Article III. Land uses Activities and Standards

§ 125-17 Bar Harbor Gateway.

C. Allowed uses.

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: artist studio; child care family; gallery; government facility; home occupation (NOTE: Home occupations in properties with lot frontage or access on Route 3 shall be required to obtain minor site plan approval.); municipal facility; municipal school; public or private park with minimal structural development; vacation rentals: vacation rental-1 and vacation rental-2; single-family dwelling and two-family dwelling.

§ 125-18 Village Historic.

C. Allowed uses.

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: home occupation; public or private park with minimal structural development; vacation rentals: vacation rental-1 and vacation rental-2; single-family dwelling, two-family dwelling; noncommercial greenhouse, and government facility/use.

§ 125-19 Mount Desert Street Corridor District.

C. Allowed Uses

- (1) Principal uses allowed with a building permit or a change of use permit from the Code Enforcement Officer: art gallery, home occupation, museum, place of worship; public or private park, single- or two-family dwelling; vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-20 Village Residential.

C. Allowed Uses

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: government facility with road frontage on Route 3 or Eagle Lake Road; home occupation; municipal school; public or private park; single- and two-family dwelling; roadside

June 18, 2020

Page 2 of 10

stand; vacation rentals: [vacation rental-1 and vacation rental-2](#).

§ 125-21 Downtown Village I.

C. Allowed uses:

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail; public information, municipal and government uses; restaurants and bars; theaters; galleries; services, professional offices; vacation rentals: [vacation rental-1 and vacation rental-2](#); all bed-and-breakfasts; food-processing establishment; theaters; single- and two-family dwelling units; laundry and dry cleaning; artist studio, eleemosynary institution, place of worship; farmers market; home occupation.

§ 125-21.1 Downtown Village II.

C. Allowed uses.

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail, public information; municipal and government uses; restaurants and bars on lots with frontage on Cottage Street, Main Street, Mount Desert Street or West Street; theaters; galleries; artist studios; banks; services, vacation rentals: [vacation rental-1 and vacation rental-2](#); theaters; all bed-and-breakfasts; food-processing establishment; professional office buildings; laundry and dry cleaning; artist studio; farmers market; single-family dwelling; two-family dwelling; home occupation.

§ 125-21.2 Downtown Village Transitional.

C. Allowed uses.

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail; public information; municipal uses; galleries; services; professional office buildings; vacation rentals: [vacation rental-1 and vacation rental-2](#); bed-and-breakfast I, II and III; single- and two-family residential; family child-care; food-processing establishments; laundry and dry cleaning; artist studio; farmers market; home occupation.

§ 125-22 Downtown Residential.

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: [vacation rental-1 and vacation rental-2](#).

§ 125-23 Emery District.

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: [vacation rental-1 and vacation rental-2](#).

§ 125-24 Hulls Cove Business.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-26 Hulls Cove Residential Corridor.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-27 Hulls Cove Rural.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-28 Indian Point Residential.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-29 Indian Point Rural.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-31 Ireson Hill Corridor.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-32 Ireson Hill Residential.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

Commented [1]: Editor's Note: Former § 125-25, Hulls Cove Historic, was repealed 11-2-2010.

§ 125-33 **McFarland Hill Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-34 **McFarland Hill Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-35 **Otter Creek.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-37 **Salisbury Cove Corridor.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-38 **Salisbury Cove Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-39 **Salisbury Cove Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-40 **Salisbury Cove Village.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-41 Schooner Head.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-43 Town Hill Business.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-44 Town Hill Residential Corridor.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-45 Town Hill Residential.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-46 Town Hill Rural.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-47 Shoreland General Development I.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-48 Shoreland Limited Residential.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-49 Shoreland General Development II (Hulls Cove).

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

§ 125-49.1 Shoreland General Development III.

C. Allowed uses.

(1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: artist studio, child care, family, gallery, government facility, home occupation (NOTE: Home occupations in properties with lot frontage or access on Route 3 shall be required to obtain minor site plan approval.); municipal facility, municipal school; public or private park with minimal structural development; all vacation rentals: vacation rental-1 and vacation rental-2; single-family dwelling and two-family dwelling.

§ 125-49.2 Shoreland General Development IV.

C. Allowed uses.

(1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: single-family dwelling, two-family dwelling, cabins and cottages, ~~all~~ vacation rentals: vacation rental-1 and vacation rental-2, artist studio, home occupation, government facility and grounds, and temporary pier, dock, wharf, breakwater or other use projecting into the water.

§ 125-51.1 Educational Institution.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals: vacation rental-1 and vacation rental-2.

Article V. Site Plan Review

.....
125-69 Standards for particular uses, structures or activities
.....

Y. Vacation Rentals

(1) VR-1 Specific Standards.

(a) Maximum number of licenses. A maximum of two VR-1 licenses per Tax Assessor property ID number for the rental of an entire dwelling unit or a portion thereof may be issued.

(b) Renting of rooms (renting part of the dwelling). All persons or groups renting a portion of a dwelling shall have access to cooking, bathing and sanitary facilities.

(c) Transferability. Not applicable.

(2) VR-2 Specific Standards

(a) Maximum number of licenses. The town-wide maximum number of VR-2 licenses that may be issued shall not exceed 7.5% of the town's total number of dwelling units, as determined by the Assessor at the start of each calendar year.

At the start of the calendar year, using a wait list of received complete vacation rental license applications, the Code Enforcement Officer will inform the applicant at the top of the wait list, through registered mail, that a license is available. The applicant will have 30 days from the mailing date to call the Code Enforcement Officer and schedule an inspection. The inspection shall take place within 45 days of the mailing date. The license shall be issued within three months of the mailing (meaning that if the applicant cannot meet the inspection requirements within three months, the license shall be offered to the next person on the wait list). A property owner cannot hold multiple places/slots on the wait list.

(b) Protection Clause. At the time of the passing of this ordinance, a duly licensed (registered) vacation rental may continue operating as long as the license is renewed annually. If the license is not renewed within 12 months from the date of issuance, then the license expires and may not be renewed.

(c) Transferability. The license shall not be transferred except as presented below.

11 Summer homes. For summer homes, which is defined as a residence that the owner must live in part of the year and is located at least 50 miles from the primary residence, transferability of the license with the land is limited to a spouse, parent, grandparent, child, grandchild, or sibling. A property owner can only have one summer home in Bar Harbor.

Article XII. Construction and Definition

§ 125-109 Definitions.

The following terms shall have the following meanings:

PRIMARY RESIDENCE

A primary residence is the primary location that a person inhabits and is where the owner resides most of the year. The property owner uses this address as their legal address listed for tax returns, or on their driver's license, or on their voter registration card.

VACATION RENTAL

The use of a dwelling unit or portion thereof for rent to a family for a period of less than 30 days and a minimum of five days. Time share property, as most recently defined in 33 M.R.S.A § 591, is also included in this definition.

Vacation Rental-1 (VR-1): A dwelling unit, or portion thereof, that is rented to a person or a group for less than 30 days and a minimum of 1 night. A property owner may only be eligible for a VR-1 license if that property owner can demonstrate that the dwelling unit or another dwelling unit, on the lot where the VR-1 is located, qualifies as their primary residence. The rental of a portion of the dwelling, as in a bedroom, cannot be a room that is detached from the dwelling unit.

Vacation Rental-2 (VR-2): An entire dwelling unit that is not the primary residence of the property owner and is rented to a person or a group for less than 30 days and a minimum of 4 nights.

VACATION RENTAL LICENSE

A written permission given to a property owner to operate a vacation rental in compliance with Chapter 190. Vacation Rental Licensing.

Given under our hands and seal at Bar Harbor this XXXX day of XXXX, 2020.

Municipal Officers of the Town of Bar Harbor

Jefferson Dobbs, Chair

Matthew A. Hochman, Vice Chair

Gary Friedmann

Joseph Minutolo

Valerie Peacock

Erin E. Cough

Jill Goldthwait

Draft Order

of the Bar Harbor Town Council
For the _____, Town Meeting

It is hereby ordered that the following article be placed on the town meeting warrant with voting thereon to be held by Australian ballot.

Warrant Article

Article XX LAND USE ORDINANCE AMENDMENT – Vacation Rental - Shall an ordinance, dated June 18, 2020, and entitled “An amendment to Vacation Rental allowing currently registered vacation rentals to continue operating as long as the registration is renewed annually; creating two types of vacation rentals (VR-1 and VR-2) allowed in the same 34 zoning districts where vacation rentals are presently allowed; creating definitions for primary residence and vacation rental license; and regulating the rental of the entire dwelling unit or a part of thereof, the rental period (minimum number of nights), the maximum number of licenses that may be issued, and the transferability of licenses;” be enacted?

EXPLANATION

- It would allow all currently registered vacation rentals to continue operating as long as the registration/license is renewed annually.
- It would create two different types of vacation rentals (VR-1 and VR-2).
- It would allow VR-1 and VR-2 in the same 34 zoning districts where vacation rentals are presently allowed.
- VR-1:
 - In the primary residence or at the location of the primary residence.
 - May be an entire dwelling unit or part of a dwelling unit.
 - No minimum rental period/number of nights restriction (i.e. nightly rental would be allowed).
 - Maximum number of VR-1 licenses would be two – it may be in the primary residence and/or at the location of the primary residence.
 - Transferability of license: The transfer of a VR-1 license to another VR-1 license is not applicable, as it is not necessary when the definition of a VR-1 continues to be met. The transfer of a VR-1 license converted to a VR-2 license is possible but limited to heirs, successors, or assigns. The transferred converted to a VR-2 license can be issued regardless if the town-wide cap is met. However, it will be added to the total number of VR-2 licenses town-wide and would count against the 7.5% cap in the issuance of all other VR-2 licenses. The transferred converted to a VR-2 license will be subject to the rental of an entire dwelling unit with a 4-night minimum.
- VR-2:
 - Not the owner’s primary residence.
 - Must be an entire dwelling unit.

Minimal rental period of four nights.

The maximum number of licenses issued would be 7.5% of the town's total number of dwelling units.

Transferability of license: Limited to heirs, successors, or assigns.

Vacation Rental

An amendment to Articles III, V, and XII

The Town of Bar Harbor hereby ordains that Chapter 125 of the Town Code is amended as follows:

[Please Note: Old language is ~~stricken~~. New language is underlined.]

Chapter 125, LAND USE ORDINANCE

Article III. Land uses Activities and Standards

§ 125-17 Bar Harbor Gateway.

C. Allowed uses.

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: artist studio; child care family; gallery; government facility; home occupation (NOTE: Home occupations in properties with lot frontage or access on Route 3 shall be required to obtain minor site plan approval.); municipal facility; municipal school; public or private park with minimal structural development; ~~vacation rentals; vacation rental-1; vacation rental-2~~; single-family dwelling and two-family dwelling.

§ 125-18 Village Historic.

C. Allowed uses.

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: home occupation; public or private park with minimal structural development; ~~vacation rentals; vacation rental-1; vacation rental-2~~; single-family dwelling, two-family dwelling; noncommercial greenhouse, and government facility/use.

§ 125-19 Mount Desert Street Corridor District.

C. Allowed Uses

- (1) Principal uses allowed with a building permit or a change of use permit from the Code Enforcement Officer: art gallery, home occupation, museum, place of worship; public or private park, single- or two-family dwelling; ~~vacation rentals; vacation rental-1; and vacation rental-2~~.

§ 125-20 Village Residential.

C. Allowed Uses

- (1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: government facility with road frontage on Route 3 or Eagle Lake Road; home occupation; municipal school; public or private park; single- and two-family dwelling; roadside stand; ~~vacation rentals; vacation rental-1; and vacation rental-2~~.

§ 125-21 **Downtown Village I.**

C. Allowed uses:

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail; public information, municipal and government uses; restaurants and bars; theaters; galleries; services, professional offices; ~~vacation rentals;~~ vacation rental-1; vacation rental-2; all bed-and-breakfasts; food-processing establishment; theaters; single- and two-family dwelling units; laundry and dry cleaning; artist studio, eleemosynary institution, place of worship; farmers market; home occupation.

§ 125-21.1 **Downtown Village II.**

C. Allowed uses.

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail, public information; municipal and government uses; restaurants and bars on lots with frontage on Cottage Street, Main Street, Mount Desert Street or West Street; theaters; galleries; artist studios; banks; services, ~~vacation rentals;~~ vacation rental-1; vacation rental-2; theaters; all bed-and-breakfasts; food-processing establishment; professional office buildings; laundry and dry cleaning; artist studio; farmers market; single-family dwelling; two-family dwelling; home occupation.

§ 125-21.2 **Downtown Village Transitional.**

C. Allowed uses.

- (1) Uses allowed by a building permit or a change of use permit with the Code Enforcement Officer: all retail; public information; municipal uses; galleries; services; professional office buildings; ~~vacation rentals;~~ vacation rental-1; vacation rental-2; bed-and-breakfast I, II and III; single- and two-family residential; family child-care; food-processing establishments; laundry and dry cleaning; artist studio; farmers market; home occupation.

§ 125-22 **Downtown Residential.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-23 **Emery District.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-24 **Hulls Cove Business.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals

Vacation rental-1

Vacation rental-2

§ 125-26 **Hulls Cove Residential Corridor.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals

Vacation rental-1

Vacation rental-2

§ 125-27 **Hulls Cove Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals

Vacation rental-1

Vacation rental-2

§ 125-28 **Indian Point Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals

Vacation rental-1

Vacation rental-2

§ 125-29 **Indian Point Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals

Vacation rental-1

Vacation rental-2

§ 125-31 **Ireson Hill Corridor.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires

Commented [1]: Editor's Note: Former § 125-25, Hulls Cove Historic, was repealed 11-2-2010.

permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-32 **Ireson Hill Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-33 **McFarland Hill Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-34 **McFarland Hill Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-35 **Otter Creek.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-37 **Salisbury Cove Corridor.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)
[Vacation rental-1](#)
[Vacation rental-2](#)

§ 125-38 **Salisbury Cove Residential.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)

[Vacation rental-1](#)

[Vacation rental-2](#)

§ 125-39 **Salisbury Cove Rural.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)

[Vacation rental-1](#)

[Vacation rental-2](#)

§ 125-40 **Salisbury Cove Village.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)

[Vacation rental-1](#)

[Vacation rental-2](#)

§ 125-41 **Schooner Head.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)

[Vacation rental-1](#)

[Vacation rental-2](#)

§ 125-43 **Town Hill Business.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

[Vacation rentals](#)

[Vacation rental-1](#)

[Vacation rental-2](#)

§ 125-44 **Town Hill Residential Corridor.**

- E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires

permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-45 **Town Hill Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-46 **Town Hill Rural.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-47 **Shoreland General Development I.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-48 **Shoreland Limited Residential.**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1
Vacation rental-2

§ 125-49 **Shoreland General Development II (Hulls Cove).**

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

Vacation rentals
Vacation rental-1

Vacation rental-2

§ 125-49.1 Shoreland General Development III.

C. Allowed uses.

(1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: artist studio, child care, family, gallery, government facility, home occupation (NOTE: Home occupations in properties with lot frontage or access on Route 3 shall be required to obtain minor site plan approval.); municipal facility, municipal school; public or private park with minimal structural development; ~~all vacation rentals;~~ **vacation rental-1; vacation rental-2;** single-family dwelling and two-family dwelling.

§ 125-49.2 Shoreland General Development IV.

C. Allowed uses.

(1) Principal uses allowed by building permit or a change of use permit from the Code Enforcement Officer: single-family dwelling, two-family dwelling, cabins and cottages, ~~all vacation rentals;~~ **vacation rental-1, vacation rental-2,** artist studio, home occupation, government facility and grounds, and temporary pier, dock, wharf, breakwater or other use projecting into the water.

§ 125-51.1 Educational Institution.

E. Activity or structure requires permit from Code Enforcement Officer. Activity or structure requires permit issued by Code Enforcement Officer (CEO) before it may be commenced or built:

~~Vacation rentals;~~

~~Vacation rental-1~~

~~Vacation rental-2~~

Article V. Site Plan Review

.....
125-69 Standards for particular uses, structures or activities
.....

Y. Vacation Rentals

(1) VR-1 Specific Standards.

(a) Maximum number of licenses. A maximum of two VR-1 licenses per Tax Assessor property ID

number for the rental of an entire dwelling unit or a portion thereof may be issued.

(b) Renting of rooms (renting part of the dwelling). All persons or groups renting a portion of a dwelling shall have access to cooking, bathing and sanitary facilities.

(c) Transferability of license.

[1] VR-1 to VR-1: Not applicable as not necessary if the new owner continues to meet the definition of a VR-1.

[2] VR-1 to VR-2: Limited to heirs, successors or assigns, in which case the VR-1 license would be eligible to be converted to a VR-2 license. The issuance of a transferred converted to a VR-2 license would not be subject to 125-69 Y(2)(a).

(2) VR-2 Specific Standards

(a) Maximum number of licenses. The town-wide maximum number of VR-2 licenses that may be issued shall not exceed 7.5% of the town's total number of dwelling units, as determined by the Assessor at the start of each calendar year.

At the start of the calendar year, using a wait list of received complete vacation rental license applications, the Code Enforcement Officer will inform the applicant at the top of the wait list, through registered mail, that a license is available. The applicant will have 30 days from the mailing date to call the Code Enforcement Officer and schedule an inspection. The inspection shall take place within 45 days of the mailing date. The license shall be issued within three months of the mailing (meaning that if the applicant cannot meet the inspection requirements within three months, the license shall be offered to the next person on the wait list). A property owner cannot hold multiple places/slots on the wait list.

(b) Protection Clause. At the time of the passing of this ordinance, a duly licensed (registered) vacation rental may continue operating as long as the license is renewed annually. If the license is not renewed within 12 months from the date of issuance, then the license expires and may not be renewed.

(c) Transferability of license. Limited to heirs, successors, or assigns.

Article XII. Construction and Definition

§ 125-109 Definitions.

The following terms shall have the following meanings:

PRIMARY RESIDENCE

A primary residence is the primary location that a person inhabits and is where the owner resides most of the year. The property owner uses this address as their legal address listed for tax returns, or on their driver's license, or on their voter registration card.

VACATION RENTAL

The use of a dwelling unit or portion thereof for rent to a family for a period of less than 30 days and a minimum of five days. Time share property, as most recently defined in 33 M.R.S.A § 591, is also included in this definition.

Vacation Rental-1 (VR-1): A dwelling unit, or portion thereof, that is rented to a person or a group for less than 30 days and a minimum of 1 night. A property owner may only be eligible for a VR-1 license if that property owner can demonstrate that the dwelling unit or another dwelling unit, on the lot where the VR-1 is located, qualifies as their primary residence. The rental of a portion of the dwelling, as in a bedroom, cannot be a room that is detached from the dwelling unit.

Vacation Rental-2 (VR-2): An entire dwelling unit that is not the primary residence of the property owner and is rented to a person or a group for less than 30 days and a minimum of 4 nights.

VACATION RENTAL LICENSE

A license issued to a property owner to operate a vacation rental in compliance with Chapter 190. Vacation Rental Licensing.

Given under our hands and seal at Bar Harbor this XXXX day of XXXX, 2020.

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