

CITY COUNCIL ACTION

Council Meeting Date: August 26, 2024

Item No: 24-259

Responsible Dept: Planning

Action Requested: Ordinance Map/Lot: N/A

Title, Ordinance

Amending the Code of the City of Bangor, by Changing the Licensing Requirements for Co-living Dormitories

Summary

The proposed changes would update the City's Code of Ordinances to exempt co-living dormitories from the City's short-term rental requirements and would change the licensing requirements from a combination of short-term rental and business licensing to only innkeeper's licensing.

Due to the limits outlined in the short-term rental ordinance, in order to receive a short-term rental license, a large co-living facility would be capped at five (5) rooms being available for short-term stays, even if 25% of the overall units would be more than five (5) rooms.

Requiring an innkeepers' license for a co-living dormitory would ensure the cap of 25% of the rooms being used for short-term rentals is maintained and would help reduce confusion related to the process for developers and City staff. It would also ensure that this unique use is able to function as the original ordinance intended.

Committee Action

Committee: Planning Board Meeting Date: September 3, 2024

Action: For: Against:

Staff Comments & Approvals

Introduced for: First Reading and Referral

City Manager



CITY COUNCIL ORDINANCE

Date: August 26, 2024

Assigned to Councilor: Schaefer

ORDINANCE, Amending the Code of the City of Bangor by Changing the Licensing Requirements for Co-living Dormitories

WHEREAS, the proposed changes would update the City's Code of Ordinances to exempt co-living dormitories from the City's short-term rental requirements and would change the licensing requirements from a combination of short-term rental and business licensing to only innkeeper's licensing;

WHEREAS, due to the caps outlined in the short-term rental ordinance, in order to receive short-term rental licensing, a large co-living facility would be capped at five (5) rooms being available for short-term stays even if 25% of the overall units would be more than five (5) rooms;

WHEREAS, requiring an innkeepers' license for a co-living dormitory would ensure the cap for this particular use of 25% of the rooms being used for short-term rentals is maintained and would help reduce confusion process for developers and City staff;

WHEREAS, this change would ensure that this unique use is able to function as the original ordinance intended;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BANGOR AS FOLLOWS, THAT

The Code of the City of Bangor is amended as follows:

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

- **D.** Conditional uses. Subject to Planning Board approval under the provisions of § **165-9**, the following uses may be permitted in this district:
 - (7) Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) <u>An innkeepers' license is obtained prior to operation.</u> <u>In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.</u>
 - (c) In accordance with Chapter 254 of the City Code of Ordinances, a short-term rental license is required to rent rooms for less than 30 days.

. . .

§ 165-91 Neighborhood Service District (NSD).

...

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

..

- (14) Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) An innkeepers' license is obtained prior to operation. In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.
 - (c) In accordance with Chapter 254 of the City Code of Ordinances, a short term rental license is required to rent rooms for less than 30 days.
- (15 14) Accessory uses on the same lot that are customarily incidental to and subordinate to the above uses.

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§ 165-93 Downtown Development District (DDD).

...

D. Conditional uses. Subject to Planning Board approval under the provisions of § **165-9**, the following uses may be permitted in this district:

. . .

- **(6)** Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) An innkeepers' license is obtained prior to operation. In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.
 - (e) In accordance with Chapter 254 of the City Code of Ordinances, a short-term rental license is required to rent rooms for less than 30 days.

§ 165-94 Waterfront Development District (WDD).

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D. Conditional uses. Subject to Planning Board approval under the provisions of § **165-9**, the following uses may be permitted in this district:

. . .

- **(5)** Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) An innkeepers' license is obtained prior to operation. In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.
 - (c) In accordance with Chapter 254 of the City Code of Ordinances, a short term rental license is

required to rent rooms for less than 30 days.

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

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D. Conditional uses. Subject to Planning Board approval under the provisions of § **165-9**, the following uses may be permitted in this district:

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- (10) Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) <u>An innkeepers' license is obtained prior to operation.</u> <u>In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.</u>
 - (c) In accordance with Chapter 254 of the City Code of Ordinances, a short-term rental license is required to rent rooms for less than 30 days.

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

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

. . .

- (21) Co-living dormitory, provided that:
 - (a) The facility is located within 1/2 mile walking distance of a public transit route at the time of approval by the Planning Board.
 - (b) <u>An innkeepers' license is obtained prior to operation.</u> <u>In accordance with Chapter 85 of the City Code of Ordinances, an innkeeper's license is required to rent rooms for 30 days or longer.</u>
 - (c) In accordance with Chapter 254 of the City Code of Ordinances, a short-term rental license is required to rent rooms for less than 30 days.
- (22 21) Accessory uses on the same lot and customarily incidental to and subordinate to the above uses and any use approved under Subsection $\underline{\mathbf{D}}$ below.

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Chapter 254 Short-Term Rental Licenses

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§ 254-2 Applicability.

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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, <u>co-living dormitories</u>, 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.

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§ 254-3 Definitions.

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SHORT-TERM RENTAL

The operation of a short-term rental unit for dwelling, sleeping, or lodging purposes, for a period of less than 30 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, co-living dormitory, 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.

Additions <u>underlined</u>, deletions struck through.

IN CITY COUNCIL

AUGUST 26, 2024 COrd 24-259

First Reading and Referral to Planning Board Meeting on September 3, 2024

CITY CLERK

IN CITY COUNCIL

SEPTEMBER 9, 2024 COrd 24-259

Motion made and seconded for Passage

Lisa J. Gordon

Lisa J. Goshvin

Vote: 9-0

Councilors Voting Yes: Deane, Fish, Fournier, Hawes, Leonard, Schaefer, Tremble, Yacoubagha, Pelletier

Passed

CITY CLERK