

MEMORANDUM

TO: Cape Elizabeth Town Council
FROM: Ordinance Committee
DATE: February 28, 2020
SUBJECT: Short Term Rental Permit Moratorium

The Town Council referred to the Ordinance Committee a review of Short Term Rental (STRs) regulations at the October 16, 2019 meeting. The Ordinance Committee has met 7 times to work on ordinance amendments. The committee is nearing completion of its work, however, the Zoning Ordinance amendment process will likely take an additional several months.

At the February 26, 2020 meeting, the Ordinance Committee voted 3-0 to recommend to the Town Council that a moratorium be adopted banning the issuance of *new* Short Term Rental permits (as they are required under the current ordinance requirements) after June 1, 2020. Renewal of STR permits that are current would still be allowed.

The Ordinance Committee has heard significant public comment, including how STR operators will be damaged if they have to cancel bookings/contracts to comply with new STR regulations. The moratorium will help reduce the new entries into the STR market that will not comply with the new rules. A second goal is that existing STR operators who have failed to obtain a permit will come into compliance. The Ordinance Committee is hopeful that a 180-day moratorium will be sufficient time to put new regulations in place.