Short Term Rental Zoning and Registration Ordinance

ORDINANCE COMMITTEE

MARCH 5, 2026

Ordinance Committee Recap (February 11, 2026)

- General agreement with the use tables and definitions for short term rentals as presented
- Requested additional amendments to the proposed Coastal Beach Zone, to incorporate the coastal communities and properties on either side of Spurwink Road
- Requested a transitional provision be included and a simplified annual cap of 50 non-owner occupied short-term rentals outside of the Coastal Beach Zone
- Also included is a requested change by Public Safety and an edit by staff concerning the emergency contact

Draft Proposal – Two Parts

- **Chapter 405 Zoning Ordinance:** Add two new uses and establishes which districts the uses are permitted and specific conditions and performance standards that could apply
- **Chapter 1020 Short Term Rental Registration:** Includes registration process much like the earlier draft, however the proposal now includes a cap on how many short-term rentals may be permitted in Town annually and creates a Coastal Beach Zone for exclusion to the cap limitations

Part 1: Chapter 405 Zoning Ordinance

- **New Uses:**
  - **Short-Term Rental (Owner Occupied)**: A short-term rental that is occupied by the owner(s) as their primary residence when any part of the dwelling or accessory structures are rented as a short-term rental. For the purposes of this section, the owner(s) do not have to be present during the short-term rental occupancy. If the owner of the property is an entity other than an individual or individuals, then at least one principal or member of the owner entity must identify the residential dwelling as their primary residence.
  - **Short-Term Rental (Non-Owner Occupied)**: A short-term rental that is not occupied by its owner(s) as their primary residence when any part of the dwelling or accessory structures are rented as a short-term rental.
- **Establish which districts the uses are permitted and specific conditions and performance standards that could apply**
- **Establish Performance Standards**

Use	Performance Standards Apply to All Districts	Rural Farming (RF)	Rural, Farming and Manufactured Housing (RFM)	Residential 2 (R2)	Residential 3 (R3)	Residential 4 (R4)	Residential 4A (R4A)	Village Residential 2 (VR-2)	Village Residential 4 (VR-4)	Residence and Professional Office (RPO)	Town and Village Centers (TVC)	Town and Village Centers Transition (TVC-2)	Town and Village Centers Fringe (TVC-3)	Town and Village Centers 4 (TVC-4)	Beach Mixed Use (B-1)	Running Hill Transition (RH-2)	Running Hill Mixed Use (RH)	Crossroads Planned Development (CPD)	Haigis Parkway (HP)	Business office Research (BOR)	Regional Business (B-2)	General Business (B-3)	Light Industrial Overlay (LI)	Industrial (I)
Senior Housing											P	C1	C1			P	P	PD						
Residential Accessory Use		P	CZ	P	P	P	P	P	P	P	C22	P	P	C21	P	P	P	P	P					
RESIDENTIAL HOUSING AND COMMERCIAL COMBINED USES																								
Dwelling Units in a Mixed Use Building										C37	P	C37	C37	PD; C49	C36	C38	P	PD	PD; C19			PD		
Live Work Unit										P	P	P	P	C49	P	P	P	PD	PD; C41			PD		
Home Occupation	Section IX (V)	SE	SE	SE	SE	SE	SE	SE	SE	P	P/SE	P/SE	P/SE	P/SE	P	P/SE		PD						
LODGING USES																								
Bed and Breakfast	Section IX (T)	P	CZ									C14	C24		P									
Short-Term Rental (owner occupied)	Section IX (FF)	C60 or SE	C60 or SE	C60 or SE	C60 or SE	C60 or SE	C60 or SE	P	P	P	P	P	P	P	P	P	P	P	P		P	P		
Short-Term Rental (non-owner occupied)	Section IX (FF)	C60	C60	C60	C60	C60	C60	SE	SE	SE	P	P	P	P	C60	SE	SE	P	P		P	P		
Lodging House																					P	C23		
Camping and Tenting (five acres or more)	Section IX (A.13)	SE	SE																					
Campgrounds	Section IX (A.13)																		P					
Hotels and Motels											C22	C1; C14	C46; C24					PD	C56	C25	P	C23		

Condition 60: Only Permitted in Coastal Beach Zone as identified in Section IX (FF)

Proposed Performance Standards

Registration. Persons or entities wishing to establish a short-term rental within the Town of Scarborough shall first register through the Town Clerks Office and shall adhere to registration requirements found in Chapter 1020 Short Term Rental Registration and this Ordinance.

1. No more than one short term rental shall be permitted per single family residential lot excluding short term rentals in the Coastal Beach Zone.
2. There shall be no exterior signage or any other exterior indications of the short-term rental activity excluding short term rentals in the Coastal Beach Zone.
3. The traffic generated by a short-term rental shall not increase the volume of traffic so as to create a traffic hazard or disturb the residential character of the immediate neighborhood.

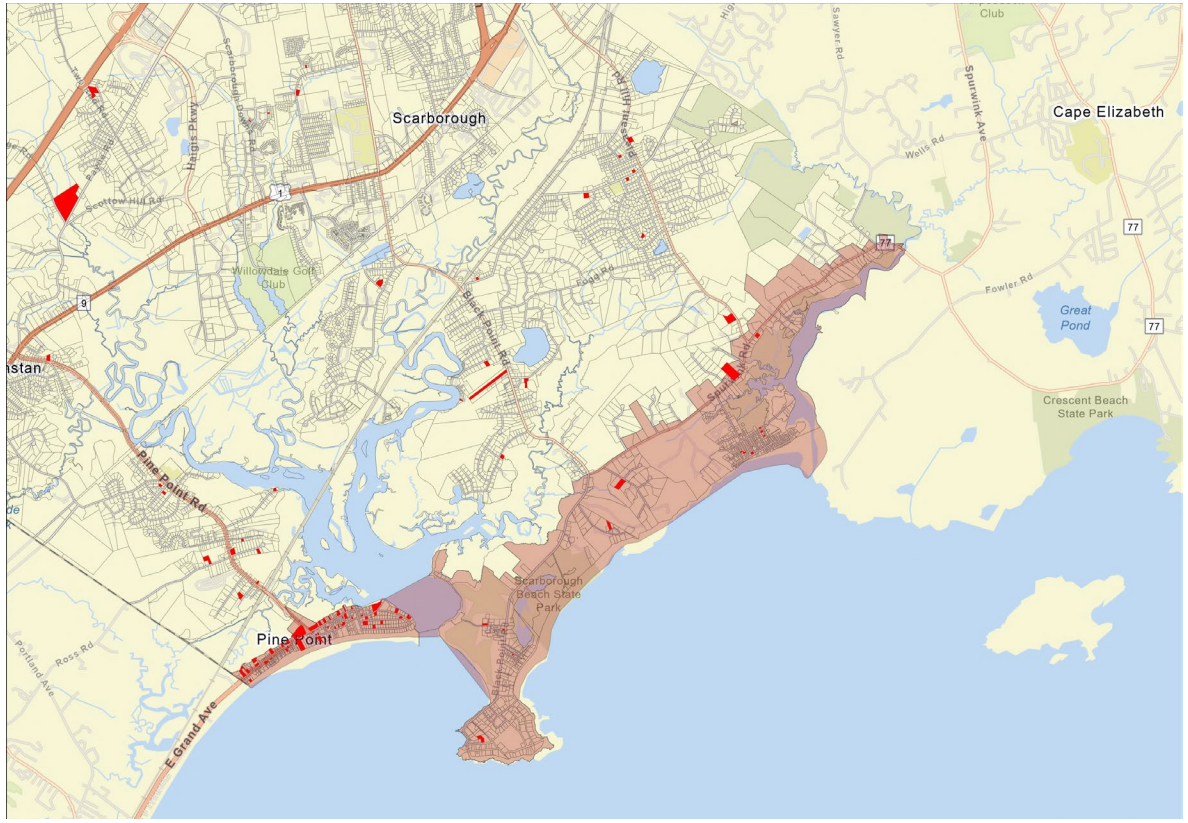
Part 2: Registration Ordinance

Registration process much like the earlier draft, however the proposal now includes a cap on how many non-owner occupied short-term rentals may be permitted in Town annually and creates a Coastal Beach Zone for exclusion to the cap limitations. The proposal includes the following language that identifies a creation of a Coastal Beach Zone:

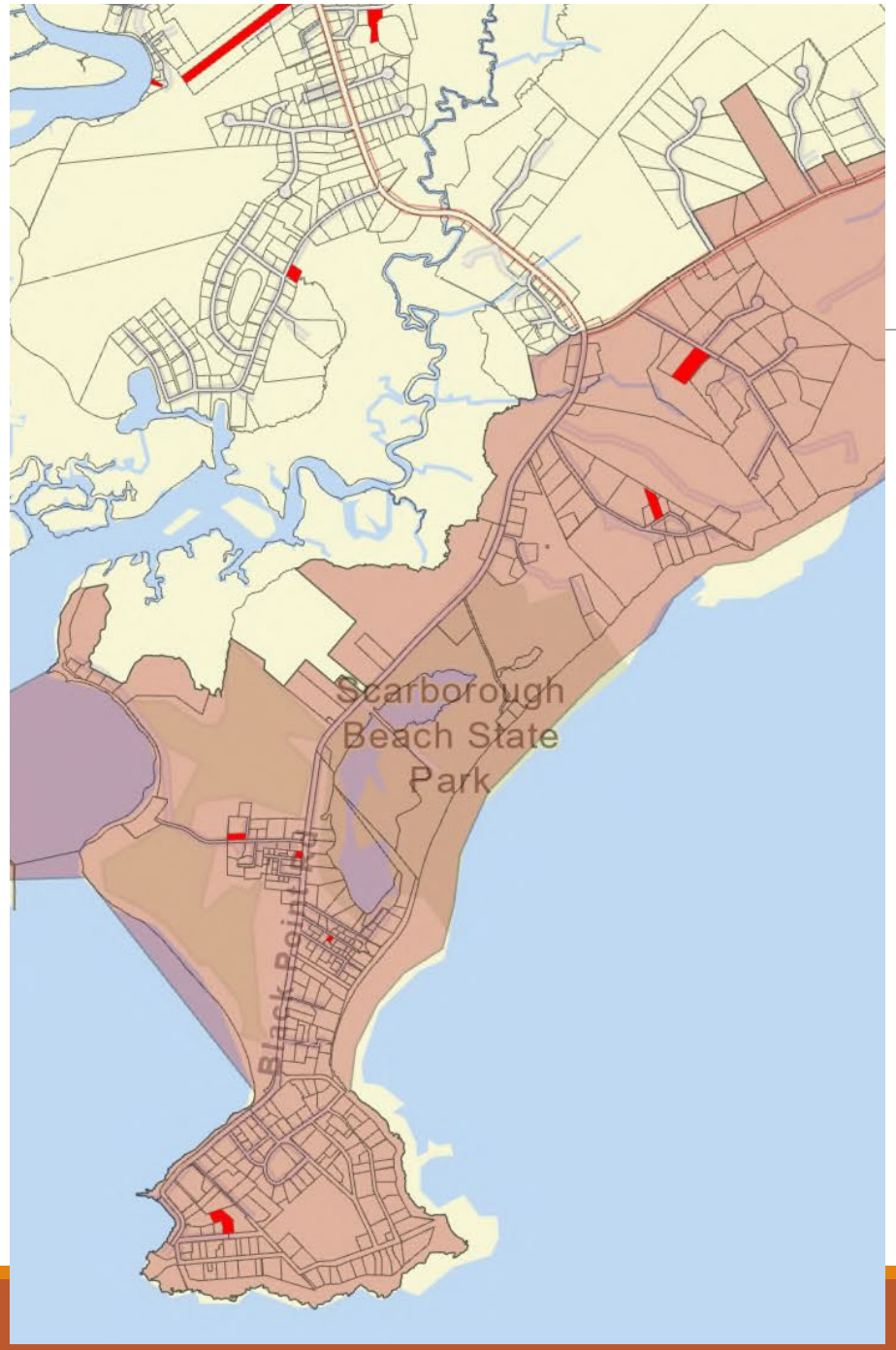
C. Annual Short Term Rental Cap and Coastal Beach Zone

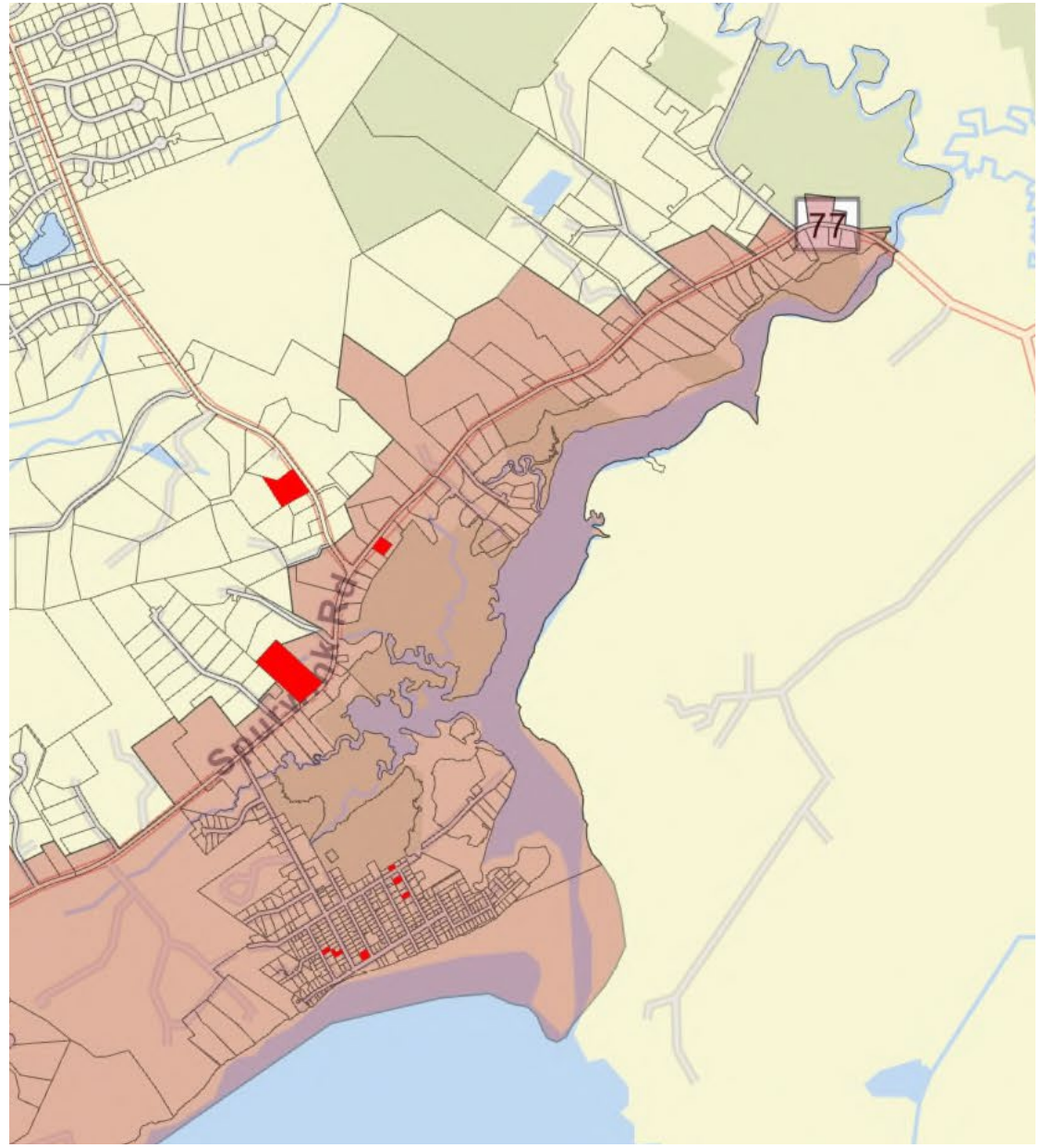
1. Coastal Beach Zone: There shall be no annual limitation on the number or type of short-term rentals registered in the Coastal Beach Zone overlay as identified in the official Zoning Map.
2. Outside of Coastal Beach Zone: There shall be an annual cap of fifty (50) non-owner occupied short-term rentals outside of the Coastal Beach Zone where permitted by Zoning.

Coastal Beach Zone
(+/- ½ mile from coastline)



Pine Point


Scarborough
Beach State
Park
Black Point Rd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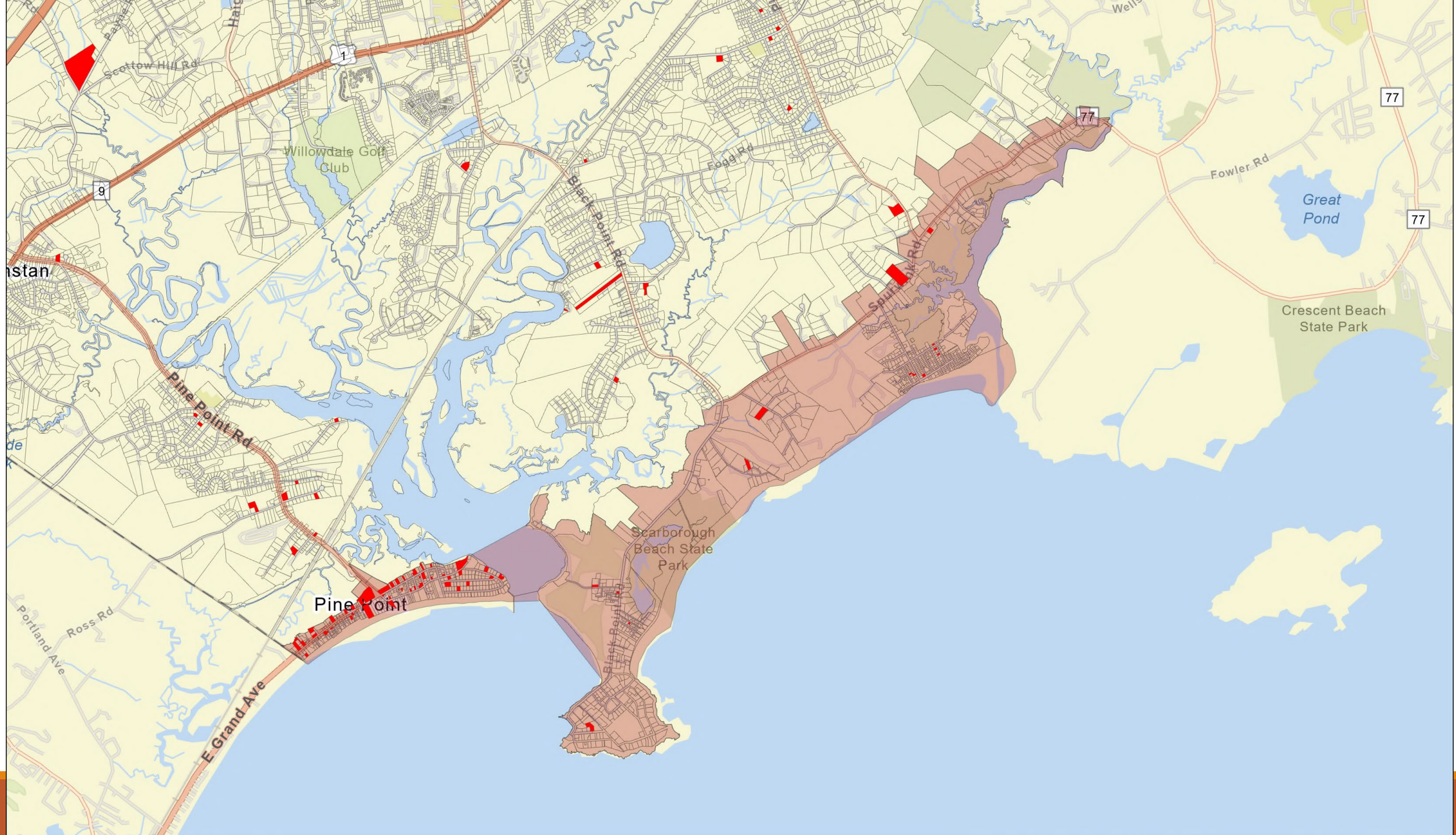
Scottow Hill Rd
Willowdale Golf Club
Black Point Rd
Fogg Rd
Fowler Rd
Great Pond
Crescent Beach State Park
Pine Point Rd
Pine Point
Scarborough Beach State Park
Ross Rd
Portland Ave
E Grand Ave
1
9
77

Transitional Provisions – Special Exception Required

Special Exception Required: Owners or entities who operated a legally existing residential dwelling unit as a short-term rental prior to the effective date of this chapter in a zoning district where short-term rentals must receive special exception approval, must provide an affidavit or other sworn statement by the owner, along with documented evidence certifying that the premises were previously used for short-term rental use by one or more tenants for a period of less than 30 consecutive days per tenancy and for at least 14 total days in a calendar year in 2025.

Such owners or entities shall register by December 31, 2026, and apply for special exception approval by June 30, 2027. If special exception approval is not granted, the short-term rental use shall expire on December 31, 2027. If special exception is approved, annual registration shall be required each subsequent year and no further special exception shall be required so long as the short-term rental does not change ownership.

Transitional Provisions – Not Permitted Use

Short Term Rental Not a Permitted Use: Owners or entities who operated a legally existing residential dwelling unit as a short-term rental prior to the effective date of this chapter in a zoning district where short-term rentals are not a permitted use, must provide an affidavit or other sworn statement by the owner, along with documented evidence certifying that the premises were previously used for short-term rental use by one or more tenants for a period of less than 30 consecutive days per tenancy and for at least 14 total days in a calendar year in 2025.

Such owners or entities are required to register by December 31, 2026. This initial registration period shall be valid for a period of 12 months until December 31, 2027, at which time the short-term rental use must cease.

Registration Ordinance Summary

- Annual registration and renewal process
- Define short term as under 28 days
- Keep existing accessory dwelling unit rules
- Establishes Coastal Beach Zone – no limits
- Establishes Cap on non-owner occupied (50 per year) Townwide outside of Coastal Beach Zone
- Safety inspections required; initial and every 3-5 years or when property changes hands
- Good Neighbor Ordinance and parking compliance Required
- Initial and renewal fees – TBD by Council
- Registration through Town Clerk in coordination with other departments
- Transitional provisions through December 31, 2027
- Violations and penalties established

Tentative Next Steps

- Town Council First Reading (would coincide with Chapter 405 Zoning Use Tables) – March 18, 2025
- Planning Board Public Hearing – April 13, 2026
- Town Council Public Hearing – May 2026
- Town Council Second Reading – May/June 2026
- Registration and Initial Inspection Process – Summer 2026 – December 2026

Questions and Discussion