

## **Short Term Rental Study Committee Report**

Planning Board Meeting - April 6, 2021

### **Introduction**

The Short Term Rental Committee (Committee) was established in 2019 as a subcommittee of the Planning Board. The committee has representation from the Selectboard, Planning Board and general public. The Committee began meeting in July of 2019. Consistent with the charge established for the Committee, they have conducted the following:

- Establish a working definition of "Short Term Rentals."
- Develop an understanding of the nature, extent and scope of short term rental activity in Meredith and how they can vary from neighborhood to neighborhood.
- Engage the public and community stakeholders for input.
- Identify specific benefits, problems or issues associated with "short term rentals" in Meredith and gather incident data.
- Consider alternative ways in which identified problems or issues can be effectively addressed.
- Formulate written findings and recommendations for consideration by the Planning Board and Select Board.

### **Definition**

There is no definition of Short Term Rentals (STR) in the Meredith Zoning Ordinance or New Hampshire Land Use Law however, there are two statutes that define the term.

1. RSA48-A, the housing standards statute, definition is "any individually or collectively owned single-family house or dwelling unit...that is offered for a fee and for less than 30 consecutive days."
2. RSA 78-A, the meals and rooms tax statute, definition is "the rental of one or more rooms in a residential unit for occupancy for tourist or transient use for less than 185 consecutive days."

The Committee conducted their study evaluating STR to include all residential rental units and one or more rooms in a residential unit that were rented for a period of up to 6 months. Following months of research, it was evident to the Committee that for the purpose of their recommendations, STR would apply to residential rental units and rooms within residential units being rented for periods of up to 30 days.

### **Short Term Rentals in Meredith**

Meredith has a very long history of having rental properties. The local economy has long benefited from STR. It is documented that in the past, Meredith's Code Enforcement Officers have always treated STR as an accessory use of single family dwellings. There are STR in nearly every zoning district in Meredith, with one exception being the Business and Industry District.

A quick search of on-line rental platforms will demonstrate a large number of STR in Meredith. The majority of STR can be found at or near the lakeshore.

Over the past decade, the method of finding and renting a STR has evolved. It is easy for a person to rent a room or their home without the benefit of a rental agency. There are a number of on-line platforms that have changed the way people vacation and Meredith is a destination location that has been impacted by that. There is a concern that STR may evolve from the renting of a family's second home to an investment property with the sole purpose of generating rental income.

The distribution of STR vary in Meredith as do the impacts. A STR in downtown Meredith near the densely populated neighborhoods and hotels is not the same as a STR in a quiet neighborhood. The capacity of some homes in Meredith could be up to 20 people. This has the potential to have a very different impact on a lakefront neighborhood than a traditional single family home does. Similarly, the ability to accommodate vehicles differs from one property to the next.

### **Interviews with Meredith Officials**

The Committee spent a number of meetings interviewing town officials to get their perspective on STR. The Committee investigated if there are any existing impacts to the operation of their departments and inquired about any information they were aware of surrounding STR in Meredith. The Fire Chief, Ken Jones; Police Chief, Kevin Morrow; Code Enforcement Officer, John Greenwood; and Community Development Director, John Edgar all attended a STR Committee meeting.

On September 26, 2019 Ken Jones, Fire Chief, and John Greenwood, Code Enforcement Officer, met with the Committee to discuss STR in Meredith. Ken Jones stated life safety codes should apply to homes and rentals. When asked about participating in a possible licensing requirement, he noted that it was not something he could take on at his department's current staffing levels. John Greenwood said he had not come across any issues with STR brought to his attention.

On October 12, 2019 Kevin Morrow, Police Chief, met with the Committee to share his knowledge of STR as it relates to service calls. He indicated that based on his service logs, it was his opinion that there were no reported issues with STR. He shared a map and data for calls related to disturbances over a period of time, which included fireworks, dogs barking, loud music, etc. Of the 157 calls that were on his list, 4 were known to be rental properties.

On October 24, 2019 John Edgar, Community Development Director, gave his perspective on STR in Meredith. He recalls one complaint that was reviewed by his department that had to do

with too many vehicles on the road, noise and bad behavior from renters. He noted that some ordinances could be improved and updated related to fines. A concern associated with STR in other vacation communities is the loss of housing due to the conversion of homes to rentals. He pointed out that according to the census, 36% of housing is used in a recreational way in Meredith. He noted to be mindful of creating a regulation that could not be administered, inspected and enforced.

### **Public Input**

The Committee established an on-line survey to gather input from the public over a two-month period (October and November, 2019). The survey was hosted on the town of Meredith's website and hard copies were also available in various places. A public announcement was made in the newspaper inviting participation in the survey and letters were sent to Meredith's Homeowner Associations requesting input from their membership. There were a total of 74 surveys completed. Other letters of concern have surfaced as a result of the Planning Board's consideration of the STR Committee's Report. Attached is the online survey, a summary of the results and an inventory sheet of the survey participants and their comments.

On January 25, 2020 a public meeting was held at the Community Center to solicit additional input from the public. There were 29 people in attendance at the meeting, 4 of which had also submitted on-line surveys. Small group discussions took place with a committee member recording comments from each group. Attached is a summary of the notes taken. Participation was predominantly from Meredith residents and also included Meredith business owners and STR owners. More than half (62%) of the individuals that provided opinions felt positively about STR in Meredith for reasons that include:

- keeps visitors in the area longer and/or give families a better vacation alternative than a hotel
- provides income needed to help families live in or retain their homes by helping to pay taxes, upkeep the property, etc.
- helps boost the local economy and 7 of those thought STR help provide jobs

Concerns regarding STR were also raised in the on-line surveys and at the meeting. Some concerns came from individuals that support having STR and other concerns came from individuals that felt STR had a negative impact on the community. Some of the concerns shared include:

- noise from STR is or could be a problem
- impacts to the lake and environment from boating, septic systems, litter, overcrowding beach, etc.
- lack of contact or person responsible if a problem arose with a STR
- negative impact on the neighborhood

Below is a list of benefits and issues related to STR that have been communicated and considered by the Committee.

Benefits from STR	Issues Associated with STR
<ul style="list-style-type: none"> <li>• Helps STR owners pay taxes/upkeep their property/keep family vacation homes</li> <li>• Provides STR owners an additional income</li> <li>• Helps fill in vacancies during long term rental gaps</li> <li>• Helps the local economy/brings in more people/increases tourism</li> <li>• Generates jobs</li> <li>• Helps keep property values up and the real estate business</li> <li>• Allows unoccupied/unused homes be occupied</li> <li>• Provides less expensive option than the hotels to visit the area</li> <li>• Provides tax revenue</li> <li>• Hosts get to meet new people</li> <li>• Helps provide short term housing</li> </ul>	<ul style="list-style-type: none"> <li>• Noise from: fireworks, partying, dogs</li> <li>• Not knowing the laws</li> <li>• No guidelines</li> <li>• Lack of management</li> <li>• Lack of owner/renter responsibility</li> <li>• Not being able to contact owner or manager</li> <li>• Reduces the long-term or workforce rental housing stock</li> <li>• Takes away the sense of neighborhood or community</li> <li>• Overcrowding of rentals puts a strain on the environment (septic, water, trash)</li> <li>• Lack of adequate parking</li> <li>• Not fair for Bed and Breakfast businesses required to meet higher standards</li> <li>• Safety issues like smoke alarms, fire extinguishers, egress requirements</li> <li>• Places a higher burden on municipal services</li> </ul>

### Recommendations and Alternatives

There are a number of strategies that can be considered to address the growing concern of STR impacts. The best approach would be to implement a variety of measures aimed at having STR continue in a way that doesn't negatively impact the community. Below are some suggested methods to help address the concerns that have been raised. They are not inclusive of all the details necessary for implementation but rather, an overview of the potential alternatives.

### Behavior

It was found that noise, undesirable behavior and lack of owner involvement associated with STR were the most frequent concerns raised from public input. It was noted by Laura Spector, the town's land use counsel, that the noise ordinance can be rewritten to include the renter and/or owner be fined or held accountable for the behavior. Below is a list of potential amendments to ordinances related to noise and disturbing the peace.

1. Revise the Noise Ordinance to update the Findings and Declaration section as well as increase the fines in the Penalty for Violation section to an amount greater than \$10.
2. Revise the Disorderly Conduct Ordinance to recognize disorderly conduct in locations other than public places.
3. Evaluate the Breach of the Peace Ordinance to have the unreasonable noises be more inclusive and the adequacy of the (quiet) hours listed of 10 pm or 6 am.
4. Evaluate the Litter, etc. Ordinance to evaluate if this should only apply to public places.

### **Land Use**

In order to address parking, point of contact and some other concerns raised, there could be a land use permitting process that addresses new STR. Evaluate the potential for a zoning amendment to create Short Term Rental as an accessory use to Single Family Dwellings by way of a Special Exception (Zoning Board of Adjustment) with specific criteria. Explore other means of applying specific criteria for Short Term Rentals by way of an Innovative Land Use Control (Planning Board).

Laura indicated that people renting a room, an accessory apartment or their whole house could constitute as accessory use to the primary use of a dwelling unit. If loss of housing in Meredith is a concern, potentially STR may not be deemed accessory to a multi-family unit or an accessory apartment. In order for it to be accessory, renting could not exceed more than half the year.

According to Laura, the way that the Town of Meredith has recognized STR in the past, all of the current STR would be grandfathered if we decided to make them a separate accessory or commercial land use. The renters would have to prove they operated a STR (rental records), prior to adopting an ordinance. The definition of "Dwelling Unit" in the Town of Meredith Zoning Ordinance includes the word "rental" in the definition which would provide for the grandfathering. This too may have to be amended.

### **Licensing or Registration**

Currently there is no enabling statute for licensing Short Term Rentals in New Hampshire. It is recommended that the legislature be monitored to see when bills are introduced addressing STR. There may be a way to require registration of STR if it goes along with a rental housing ordinance and not as a standalone requirement.

### **Public Education**

Public education for STR owners and renters should be an on-going effort. Some examples of information that rental managers and owners should consider are septic system maintenance and limitations, the need for a contact person, and potential consequences for undesirable behavior. Public education can include flyers, information on the town's website and posting

on social media. Attached is a suggested list of Best Management Practices for Short Term Rentals.

## SHORT TERM RENTAL SURVEY

The Short Term Rental Committee is a Subcommittee of the Planning Board evaluating short term rentals (STR) in Meredith defined as an overnight accommodation generating revenue by renting from one night up to 6 months. The committee is looking for public input and comments on short term rentals in Meredith.

1. NAME \_\_\_\_\_

2. PRIMARY RESIDENCE/ BUSINESS LOCATION \_\_\_\_\_

3. RENTAL PROPERTY LOCATION (if any) \_\_\_\_\_

4. ARE YOU A (check all that apply):

☐ Resident Year Round

☐ Seasonal Resident

☐ Business Owner

☐ Other \_\_\_\_\_

☐ STR Owner

☐ STR Host

☐ STR Manager

☐ STR Guest

☐ STR Neighbor

On-Site ☐ Yes ☐ No

5. What do you think are the benefits to STR? \_\_\_\_\_

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6. What do you see as the issues associated with STR? \_\_\_\_\_

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7. What are your specific thoughts or experiences with STR in Meredith? \_\_\_\_\_

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All forms and comments are public. Please respond no later than 11/15/19. Send form to:  
Angela LaBrecque [alabrecque@meredithnh.org](mailto:alabrecque@meredithnh.org) or 41 Main Street Meredith, NH 03253

## ONLINE SURVEY SUMMARY

- 74 Online Surveys Total
  - 69 Meredith Residents
    - 46 Year round 62%
    - 23 Seasonal 31%
  - 15 Buisness Owners 20%
  - 19 STR Owner 25.5%
  - 11 STR Neighbor 15%
    - 6 Positive
    - 3 Neutral
    - 2 Negative
- General Opinions:
  - 47 Positive 62.5%
  - 15 Neutral 20%
  - 12 Negative 16%
- 56.5% of surveys had no issues with STR.
- 66% of surveys said STR keep visitors in the area longer and/or give families a better vacation alternative than a hotel.
- 61% of surveys said STR provide income needed to help families live in or retain their homes by helping to pay taxes, upkeep the property, etc.
- 46% of surveys said STR help boost the local economy and 7 of those thought STR help provide jobs.
- 25.5% of surveys said noise from STR is or could be a problem.
- 26% of surveys said impacts to the lake and environment (boating, septic systems, litter, overcrowding beach, etc.) is a concern.
- 23% of surveys said there is concern about who to contact or who is responsible if a problem arose with a STR.
- 16% of surveys said STR have a negative impact on the neighborhood.



## **PUBLIC MEETING ATTENDANCE**

- 29 Participants attended (not including committee)
  - 27 year-round or seasonal residents
  - 10 Business Owners
  - 12 STR Owners
  - 5 Filled out on-line survey

## **COMMENTS FROM SURVEY AND PUBLIC MEETING**

- Benefits from STR
  - Helps STR owners pay taxes/upkeep their property/keep family vacation homes
  - Provides STR owners an additional income
  - Helps fill in vacancies during long term rental gaps
  - Helps the local economy/brings in more people/increases tourism
  - Generates jobs
  - Helps keep property values up and the real estate business
  - Allows unoccupied/unused homes be occupied
  - Provides less expensive option than the hotels to visit the area
  - Provides tax revenue
  - Hosts get to meet new people
  - Helps provide short term housing
- Issues Associated with STR
  - Noise from: fireworks, partying, dogs
  - Not knowing the laws
  - No guidelines
  - Lack of management
  - Water Quality of the lakes
  - Lack of owner/renter responsibility
  - No being able to contact owner or manager
  - Reduces the long-term or workforce rental housing stock
  - Takes away the sense of neighborhood or community
  - Overcrowding of rentals puts a strain on the environment (septic, water, trash)
  - Lack of adequate parking
  - Not fair for Bed and Breakfast businesses required to meet higher standards
  - Safety issues like smoke alarms, fire extinguishers, egress requirements
  - Places a higher burden on municipal services

## SHORT TERM RENTAL VOLUNTARY BEST PRACTICES SUGGESTIONS

Meredith residents, businesses, property owners and visitors value the many qualities of life that make Meredith a great place to live and visit. It is recognized that Short Terms Rentals, when properly managed, can provide many economic benefits to the property owner and the local economy. However, absent proper management and owner-accountability, short term rentals have the potential to negatively impact abutters, neighborhoods and the community as a whole.

Short Term Rentals are considered a home, room or rooms for rent for one night to 30 days.

The following recommended Best Practices are intended to inform those renting, or considering renting their property in Meredith of Best Practices that when implemented, will help achieve the intended benefits while respecting the rights, privacy and wellbeing of others.

1. Check with your Homeowners Association, if any, to see if short term rental is allowed per the private HOA **bylaws, covenants or deed restrictions**.
2. Check with your **mortgage** company, if any to see if short term rental is permitted under the terms of the loan agreement.
3. Check with your **insurance** company to see if your property is properly insured as a short term rental.
4. Check with your tax professional to be aware of any federal and/or State of New Hampshire **tax requirements** applicable to short term rentals.
5. Establish a rental agreement that should include:
  - a. Identification of the local person or company with management responsibilities including current contact information.
  - b. Indicate that the local person or company with management responsibilities has the authority on behalf of the owner to terminate agreement due to behavior complaints unacceptable behavior.
  - c. Identify renter expectation and unacceptable behaviors.
  - d. Renter shall be held accountable for all unacceptable behaviors.
  - e. Purposes of deposit, forfeiture may occur due to **complaints** or if police respond to disturbance complaints.
  - f. Indicate all complaints received by the town will be forwarded to owner and manager.
  - g. Identify reasonable overnight, adult **occupancy limits** based on the number of bedrooms.
  - h. Use of septic system (if applicable): do's and don'ts' to avoid plumbing problems and potential **septic system failure**.
  - i. Incorporate references to **local laws** governing **noise**, quiet hours, unattended **dogs**, **fireworks**, obstructions of public roads, including related penalties, etc.
6. File with the Meredith PD a Short Term Rental Contact Form (similar to the existing Residential Alarm Information Form, Property Check Request Form and the Business Emergency Contact Form) to include contact info for BOTH the property manager and owner.

7. Each STR should have working smoke alarms, CO2 alarms and fire extinguisher(s). The local person or company with management responsibilities should ensure prior to each rental that all smoke and CO2 alarms and fire extinguishers are in working order.
8. Off street parking- do not create hazard or obstruct on public ways