

MINUTES - DRAFT

Ad Hoc Advisory Committee on Short Term Rentals

OCT 5, 2022, 8:00 PM, Village Hall, 85 Main St

Committee Members Present: Branis Buslovich (BB), Travis Fyfe (TF), Tom O'Quinn (TO), Marianne Remy (MR), Megan Shea (MS), Jennifer Zwarich, Chairperson (JZ).

Absent: Lara Demberg Voloto (LV)

1. Minutes reviewed and unanimously approved with minor spelling changes for meetings on 8/31/22.
2. and 9/21/22.

OLD BUSINESS

3. Further discussion of H.R A10205, local hotel/motel tax. Report of the chairperson.

JZ met with the village treasurer and various others who are working on the occupancy tax. It was decided in that meeting that our Ad-Hoc Committee and occupancy tax work by VBOT will proceed in tandem. Eliza Starbuck is the trustee working on the draft language related to STRs and occupancy taxes. JZ summarized a video conf call with Granicus, one of the contractor's who offers STR permitting and tax collection services. Reports that they can automate payments of both permit fees and tax under one portal. They can also provide other data points to aid enforcement and trigger audits in conjunction with tax collection such as evidence of days rented, income estimates etc. TF: how will the fees for this be covered? JZ: this company claims that cost of enforcement is usually covered by permit fees and that municipalities set these fees with that in mind. TF states he is not interested in subsidizing anyone's business and village taxpayers shouldn't be on the hook for that cost. All agree that the goal is that fees and taxes would more than cover the cost of enforcement. JZ points out that outlawing STRs also comes with a cost. The village would still have to provide time and pay for enforcement.

4. Continued discussion of § 100-3. Short-Term Rental Classifications: Finish vote on number limit/lottery, max days operation. Finish discussion of Zoning districts allowed in and street spacing requirement.

JZ reviewed that group has already decided to recommend getting rid of the lottery as a means to simplify the process involved in permitting. A waitlist system is more reasonable for the village to manage. To mitigate impact, we decided to recommend a cap on the number of short-term rentals and to set that cap at a similar level as current CH 100. We agreed to recommend a strict cap on number of permits, but unlimited days of operation since the enforcement of days of operation is, thus far in the experience of cities and municipalities researched, next to impossible without cooperation from the platform. TF objects to the latter statement and feels that it is enforceable by calling the police. JZ: Unless you can get AirBNB or the platform to release the information to you, it is very difficult to meet the legal evidence standard to prove. On a day-to-day operating basis, we're not going to be able to figure it out. JZ: that the number of STRs can be enforced easily through the permitting system. We previously agreed upon a number of permits and unlimited days, with the idea that requiring all regular STR permits to be hosted mitigates many of the previous likely negative impacts. MR also points out that you can have only one STR per tax parcel. JZ notes there are other impacts that still need to be mitigated even with hosted requirements (e.g. parking). TF mitigating negative impacts is essential: I won't retread that if this is the consensus. JZ: we need a law that can be enforced within the means of our village and that can withstand foreseeable legal challenges. TF: Hopefully, we'll get a lot of community buy in. The backbone of that needs to be some pretty stiff stuff. TF points out that Rhinebeck asks STR hosts to prominently display the rules. Members of the committee agree that this is a good idea.

Moving onto the street spacing requirement.

MR: we need to talk about the number of permits. Right now it is the 39. JZ and MS and MR all propose to go with the 39, to make it the same. Especially since we're going with an unlimited number of days. TO: Should we just say 40? If it's a percent, then I guess it makes sense. JZ looks it up and corrects to 49 being the cap in the current CH-100. In the "Major Topics under Consideration as of 5/18/22" the VBOT suggest we consider no limit on the number of hosted or one-time short term rentals. MS: 49 seems high to me. TO: Perhaps we need 49 for the revenue. JZ: There are appx 41 listed right now on AirBnB in actual bounds of village. And this number includes "one-time permit" type rentals as well as a hotel on Main Street. So the actual number is possibly lower. JZ polls group on the percentage. TO feels like the cap at 7.5%. MR says 49 because there are other hosted STRs. BB says 49 because there are other limitations. TF suggests that we start lower: 24. MS thinks that having it too high is a bit too dangerous. If we're already having problems now, then increasing the potential number of STRs is a problem. MS thinks that it is not good to go lower than the amount of people currently doing it. She doesn't want people to fight it out, but it also doesn't make sense to potentially increase the number of STRs. BB thinks it's going to be actual numbers closer to 25 given all the restrictions adding in. JZ suggests lowering it to 40. It would give us some leeway, we increased the days to unlimited but we lower the number of permits to minimize the impact of unlimited days. TO agrees that makes sense. BB and MR agree to 40.

JZ moves to the next item: the 300-foot rule. "Major Topics under Consideration as of 5/18/22" VBOT suggestion is to remove this rule. TO thinks that the hosted requirement mitigates the impact and lowers the need for this rule. JZ agrees that hosted requirement makes the impacts on direct neighbors likely to be less. MR says that the difficulty is that in some streets the houses are close together. TO says that cars should be limited to one. JZ is concerned with the time it would take to enforce the 300 ft requirement and possibility of people applying for permits just to ice out their neighbor etc. MR, responds to TO and suggests including parking in "best practices" document.

JZ polls group on removing the 300ft requirement. TF asks for a clarification as to why the 300-foot rule is difficult to enforce. JZ replies that this was relayed to her at her intro interview summarizing VBOT discussion on the issue. TO I think the 300-foot thing would not be as necessary with the unhosted rule, and it could create issues between neighbors.. TF: the 300-foot rule is attractive. You can say people are doing it illegally. The contiguous thing is important because now it's converting that area to something else. I know it holds up in court. You're converting the use of the area. I think that 300-foot to me; it doesn't seem hard to enforce. It gives people assurance that they're not being inundated. TF suggests two per block on average. BB: If there is a 300-foot rule and if someone gives up their permit, then there is a ripple effect that happens where who gets a permit then? If you are on the waitlist, but within 300 ft of a previous year permit holder, where do you go on the waitlist then? JZ polls the group on the 300ft spacing requirement. TO: no spacing limitations, MR: no spacing limitations, BB: no spacing limitations, TF: spacing limitation 300ft doorknob to doorknob. MS says that she has a concern about density, but thinks we have enough regulations to prevent the density issue. Group agrees to remove 300ft rule, noting TF voting against.

5. Finish Section § 100-4. Short-Term Rental Requirements, Permits. Continued discussion of:

a. "H. An Accessory Building cannot be used as an STR."

JZ broaches two topics: STRs in multi-family housing and accessory structures. These two issues go to affordable housing and diversity of housing and the density issue. Some members of VBOT would like us to consider only allowing owner-occupied unit in a multi-family house to obtain STR permit. TF: So you're saying that someone has a two family home, they would be excluded from getting a permit for the unit they are not living in? JZ: that is what is suggested to us, we don't have to agree. We should perhaps consider the issue of STR in multi-family in tandem with accessory structures. Discussion

ensued on accessory structures vs. Accessory Dwelling Units. In the interest of time, further discussion was put off until the next meeting.

- b. "N. Properties owned by corporations, LLCs, and other such entities cannot be used as an STR, unless the property is Owner-Occupied by an individual that holds a minimum of a fifty percent (50%) ownership interest in such entity."

Group agrees on the language sent by the village attorney that changes the rule from allowing LLCs to instead only allowing family trusts. Change the definition of "Owner Occupied" in § 100-2. to "Occupied by owner of record (or beneficiary if property is owned in trust), as primary residence....." and leave § 100-4- N. the same.

- 6. Review of § 100-9. Regulations for all Short-Term Rentals. (see attached page 2)

Moved to next meeting.

- 7. IF TIME ALLOWS: Begin review of § 100-10 Violations and § 100-11 Penalties sections.

- 8. Calendar work: Next meeting date 10/26/2022, 7:30pm.

- 9. Public Comment

None.

Meeting adjourned at 9:30pm.