

EAST LYME SHORT TERM RENTALS AD HOC COMMITTEE
JANUARY 16TH, 2024 REGULAR MEETING MINUTES

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Minutes of EAST LYME SHORT TERM RENTALS AD HOC COMMITTEE REGULAR MEETING - 01/16/24

Date and time: 01/16/24 7:00 PM to: 01/16/24 8:44 PM

Present: Brooke Stevens, Recording Secretary, Anne Santoro, Anne Thurlow, Greg McIntire, Gary Farrugia, Paul Formica, Daniel Beachy , Absent:, John Cellino, Gary Cicchiello

CC: Candace Carlson, Ex-Officio

Location: East Lyme Town Hall, Upper Meeting Room

Link: <https://app.meetingking.com/meetings/409795>

Topics

1. Call Meeting to Order/Pledge

Note Co-Chair Santoro called the meeting to order at 7:02 p.m. and led those assembled in the pledge of allegiance.

2. Correspondence

Note see attachment.

 [NL-Day-Article.pdf](#)

3. Public Delegations

Note There was none.

4. Approval of Minutes

4-1. Minutes of Regular Meeting of December 11th, 2023

Note see attached minutes.

 [Minutes-of-EAST-LYME-SHORT-TERM-RENTALS-AD-HOC-COMMITTEE-REGULAR-MEETING-12_11_23.pdf](#)

Decision MOTION (1)


Mr. Farrugia moved to approve the meeting minutes of December 11th, 2023, as presented.

Mr. Beachy seconded the motion.

Motion carried, 6-0-0.

5. Report and Opinion of Attorney Mark Zamarka

Note see attachment.

 [4242_001.pdf](#)

Note The Town Attorney provided Ms. Santoro with written clarification on the interplay between ordinances and regulations in the context of short-term rentals as well as the impact of deed restrictions and homeowners' associations on ordinances and regulations related to said short-term rentals. (See above attachment.)

Note The Committee discussed the opinion drafted by Attorney Zamarka and Mr. Formica noted for the record that this is an opinion and not a directive, and Ms. Santoro commented that final opinions can be determined once the Supreme Court announces their decision.

Note Ms. Santoro discussed the benefit of putting pen to paper and having Mr. Zamarka clarify this for them. She added that ordinance versus regulation, is something they'll keep coming back to.

Note The Committee briefly discussed the beach communities in town that have their own zoning and how a regulation would not apply to them, like an ordinance would but if the town does formulate a regulation, they could choose to follow suit regulation wise with their own zoning body.

6. Committee Member Reports on Suggested Regulation 1-10, listed in Draft #1-Goals and Suggested Regulation of 12/11/23

Note See attached suggested goal & regulation draft.

 [STR Committee-Draft_1 Goals and Suggested Regulation.pdf](#)

Note Mr. McIntire and Mr. Farrugia presented their findings related to 1. Registration system/contact information, 2. Permitting process; fees, 9. Inspections, and 10. Occupancy limits.

Note See attachment provided by G. McIntire.

 [Attachment 2.pdf](#)

Note Mr. McIntire offered some of the following comments:

Of the towns they looked at that had some sort of regulation, they were basically the same regulations that they use for bed and breakfasts, which is an interesting approach.

Most require a permit.

The comment made earlier that East Lyme doesn't have any regulation concerning short-term rentals is sort of incorrect.

As we previously heard from Mr. Mulholland, if it's not expressly permitted by the town, then it's not permitted, so short-term rentals are not permitted.

East Lyme does have regulations concerning bed and breakfasts for each of the zoning districts that are listed. Instituting either a new permitting process for all rentals in East Lyme or expanding the permitting process currently in place for bed and breakfasts would be a positive step.

We don't know the extent of the issues that we're looking at without a permitting process.

Such a process is very common and would be acceptable to many of those from the public hearing that we had earlier.

The instance of a permit implies the ability to revoke the permit, giving disregard for association, community norms, and rules some bite.

In spite of Mr. Mulholland's comments, he would recommend a permit system to the Board of Selectmen.

It could include standard items such as address, floor plan, number of parking spots, number of bedrooms, bathroom safety inspection, an associated fee, capacity, and contact numbers for the owner and local host.

Note See attachment as discussed by Mr. Farrugia.

 [4244_001.pdf](#)

Note Mr. Farrugia added some of the following comments:

Our options range from doing nothing, leaving things as status quo, not making any recommendations, to a simple annual registration.

If we went one step further, we could have a permitting process.

One step further from that would be a permitting process with a safety inspection.

Continuing on, permit inspection regulations and occupancy parking laws.

Note Mr. Farrugia discussed how Mr. Mulholland said he would leave things as they are but that if the Board of Selectmen does endorse an ordinance or regulation, his office is adequately staffed to handle a permitting or registration process.

Note Mr. Farrugia discussed a permitting process for short-term rentals, including the need for a reasonable standard for enforcement. He detailed some of the regulations instituted by nearby towns and noted that Preston has put a moratorium on allowing STRS.

Note Mr. Farrugia shared that he found some common ground, that most towns with regulations require contact information, name, email, phone number, address, contact info if it's not the owner, number of bedrooms, and the number of off-street parking spaces. He added that the permitting process determines whether the property owner is up to date on their property taxes, they have to have proof of insurance, and the annual fees vary.

Note Mr. Farrugia discussed how the permitting process gives more teeth to a regulation; No permit equals no business, and a permit can be pulled for any violations or noncompliance.

Note The Committee discussed how towns such as Ledyard require an annual permit. Mr. Farrugia said further research would be needed to determine the staffing needs for handling a permitting process.

Note Mr. Farrugia said that in Preston, they demand both an annual building inspection and a safety inspection. He added that he spoke again with East Lyme Fire Marshal Bundy, who is a very strong advocate for annual inspections, and if East Lyme, based on Air BNB and VRBO, has 200 STRS, he can adequately handle an additional 200 inspections per year.

Note The Committee further discussed what might be checked on an inspection and what fees might be charged.

Note Ms. Santoro observed that in terms of the research they've done, if there is a regulatory system where zoning is amended to allow for STRS, there could be a permitting process through zoning, and an ordinance on top of it, which consists solely of the registration process.

Note Mr. Farrugia said in terms of occupancy regulations they largely kind of circle around the number of bedrooms, which he briefly discussed.

Note

Note Mr. Formica presented his and Mr. Cellino's findings regarding 3. Annual income statements, property assessment adjustments, and shared some of the following:

Currently the East Lyme Assessor requires owners of long-term rental properties to annually file income statements.

There's no permit for those properties or registration.

Given that the Supreme Court is looking at short-term rentals being on par with long-term rentals, it wouldn't be an onerous requirement for short-term rentals to fill out a similar form.

He reviewed the zoning regulations today, and neither short-term nor long-term rentals are permitted in East Lyme.

If we're going to go by Mr. Mulholland's interpretation that if it's not mentioned, it's not permitted, then this is a problem that will need to be addressed.

He imagines that the Supreme Court is going to help us solve those problems by creating a common denominator one way, or another, and the zoning regulations will have to be adjusted to accommodate this.

Bed and Breakfasts that provide overnight accommodations to guests with a maximum of seven units are permitted in almost every district in our town and have a fee.

Inns that allow 12 or fewer units are permitted in most of the districts.

Hotels and motels are basically allowed in commercial districts.

Bed and Breakfasts are permitted by special permit in RU 40s and two-families are permitted in RU12s.

It's interesting that were saying in residential zone, you can have a Bed and Breakfast or Undertaking establishment, but not a short-term rental.

The commercial marine district talks about boat rentals, but it doesn't address overnight boat rentals.

If people sleep there, is that something they'll look at as well?

In terms of annual income statements and property assessments, he thinks it would be a relatively simple fix to use the same form or a similar form.

If we're going to require income statements for short-term rentals, we need to do the same for long-term rentals, so a simple registration would be necessary.

Most of the necessary information for a registration process is already on the form.

The Board of Selectmen can obviously determine if residential inspections are prudent, or even necessary.

Rather than focusing on the number of trash cans allowed, we have to try to condense down how we identify where these short-term rentals are, and what we expect of them, if we're going to allow them at all.

It seems to him that the members of this Board and most of the people that came before us at the Public Hearing, were in favor of not banning them.


He thinks that this one form would create an opportunity to eliminate a lot of the other items that were talked about.

He's personally in favor of doing this in a zoning regulation.

Zoning regulation regulates land use.

The three communities that have their own zoning regulations, one of which he represents, can certainly make their own decisions about whether they follow suit.

Note Ms. Thurlow presented her findings related to 4. Caps, 5. Permissible zones for STRs, and 6. Lottery system for permits.

 [4245_001.pdf](#)

Note Ms. Thurlow detailed her findings said some of the following:

For citizens that have chosen to live in residential areas and feel it is their right not to live next to a mini hotel, different zoning regulations for different areas seem to make the most sense.

She also doesn't agree with Attorney Zamarka that they should recommend an ordinance instead of a regulation.

For example, Pine Grove does not want to be turned into a commercial area, so they don't allow them and they enforce their rules.

If we act through zoning, maybe we look at townwide regulations or have each community decide their own and then just enforce that.

This issue is happening and being explored everywhere, and not just in East Lyme.

Note Mr. Beachy presented his findings related to 7. Enforcement; fines.

 [Granicus.pdf](#)

Note Mr. Beachy detailed the Granicus report he supplied and noted what's most important, is that they don't put in requirements that cannot be enforced or don't have enough manpower to handle. He discussed how the report stresses that you have to understand what your objective is before you set up any regulations or ordinances.

Note Ms. Santoro said she's impressed that this perspective is from a policymaker's perspective and not from the perspective of an entity such as Airbnb.

Note Ms. Santoro presented her findings related to 8. Noise and parking and augmenting existing regulations.

 [STR-Committee-Noise-and-Parking-Ordinances.pdf](#)

Note Ms. Santoro detailed the current noise ordinance in town and discussed the challenges of enforcing noise and parking ordinances along with the need for reasonable standards and equipment.

Note Ms. Santoro discussed how the current noise ordinance needs to be amended and how the East Lyme Police Commission is the body authorized under state law to regulate traffic, including parking signage. She added that parking rules cannot be enforced by the Police unless approved by the Police Commission.

Note Ms. Santoro reminded everyone that Chief Finkelstein encouraged residents to come before the Police Commission if they have parking issues. She said that anywhere we can tap into existing ordinances that we have, that can be helpful, or that we can utilize or improve upon, then we should do that.

Note Ms. Santoro said Mr. Cicchiello was unable to attend this evening's meeting but he did email his findings related to banning short-term rentals.

 [Banning-short.pdf](#)

Note Ms. Santoro discussed how Mr. Cicchiello based some of his argument on tourist home provision, which is in the zoning regulations as home occupations. She observed that Mr. Formica spoke to this when he presented his findings, how we have certain home occupations that don't have to go through permitting.

Note Ms. Santoro further discussed Mr. Cicchiello's findings and noted it still supports the theory that our existing zoning as it stands, doesn't permit short-term rentals.

7. Discussion of Reports and Drafting of Outline of Committee Recommendations Under Consideration for Upcoming Public Hearing on January 29th, 2024

Note Ms. Santoro said all the information discussed tonight is a lot to digest, but that it would be good if they can draft some kind of an outline of recommendations under consideration.

Note Ms. Thurlow and Mr. Formica said they would suggest some kind of combination of regulation and ordinance, and Mr. McIntire said he would like to see all rentals treated the same and institute some kind of permitting system.

Note Mr. Farrugia concurred and said a permit process would serve as an enforcement vehicle while providing a database of contacts that would be helpful for the police and our emergency services.

Note Mr. Beachy said a permitting system will help determine how big of an operation the short-term rental business in town is. He added that he's unsure of whether or not there is a need to act.

Note Ms. Santoro said the implications of short-term rentals on zoning regulations, including the need for clarity on commercial and residential areas, and the potential impact on neighborhood preservation are very important issues. She said she agrees with the approach of utilizing zoning as the core, and having an ordinance augment the regulations.

Note The Committee discussed how a permit system would enhance transparency, enforcement, and safety in short-term rental operations, as well as the potential impact on community character. They acknowledged the potential impact of an upcoming Supreme Court decision on short-term rentals, and the importance of developing baseline recommendations regardless of the court's ruling.

Note The Committee agreed to provide the public with the list of possible regulation of short-term rentals they have been discussing as a starting point for feedback at the Public Hearing scheduled for January 29th, 2024, at 7:00 p.m. This list is comprised of the following:

1. Registration system; contact information
2. Permitting process; fees
3. Annual income statements; property assessment adjustments
4. Caps
5. Permissible zones
6. Lottery system for permits
7. Enforcement; fines
8. Noise and parking—augmenting existing regulations
9. Inspections
10. Occupancy limits

8. Schedule Future Meeting(s) and Report to Board of Selectmen

8-1. Regular Meeting(s)

8-2. Timetable for Report to Board of Selectmen

Note Ms. Santoro said they still have a February timeframe for presenting their report to the Board of Selectmen and suggested that they have a brief meeting following the Public Hearing on January 29th, 2024.

9. Reports of Co-Chairs

Note Ms. Santoro shared that a Granicus workshop on STRs is scheduled for the day after their Public Hearing.

10. Committee Member Comments

Note There was none.

11. Ex-Officio Comments

Note Ms. Carlson had no comments.

12. Adjournment

Decision Motion (2)

Ms. Thurlow moved to adjourn the January 16th, 2024, Regular Meeting at 8:44 p.m.

Mr. Beachy seconded the motion.

Motion carried, 6-0-0.

Note Respectfully Submitted,
Brooke Stevens, Recording Secretary