# Minutes of EAST LYME SHORT TERM RENTALS AD HOC COMMITTEE REGULAR MEETING - 02/27/24

Date and time:

02/27/24 7:00 PM to: 02/27/24 8:54 PM

Present:

Brooke Stevens, Recording Secretary, Anne Santoro, Greg McIntire, Gary Farrugia, Paul Formica,

Gary Cicchiello, Daniel Beachy, Absent:, Anne Thurlow, John Cellino

CC:

Absent:, Candace Carlson, Ex-Officio, Mark Zamarka, Town Attorney

Location:

East Lyme Town Hall, Conf. Room #1, 108 Pennsylvania Avenue, Niantic, CT, 06357

Link:

https://app.meetingking.com/meetings/411641

#### Toble:

#### 1. Call Meeting to Order and Pledge of Allegiance

Ms. Santoro called the February 27th, 2024, Regular Meeting of the STR Ad Hoc Committee to order at 7:01 p.m. and led those assembled in the Pledge of Allegiance.

#### 2. Public Delegations

New There were none.

#### 3. Approval of Meeting Minutes

#### 3-1. February 12th, 2024, Regular Meeting Minutes

Note see attached minutes.

Minutes of EAST LYME SHORT TERM RENTALS AD HOC COMMITTEE REC

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Desision MOTION (1)

Mr. Farrugia moved to approve the Meeting Minutes of February 12th, 2024, as submitted.

Mr. McIntire seconded the motion.

Motion carried, 5-0-1.

Mr. Formica abstained from the vote since he was unable to review the minutes prior to this evening's meeting.

#### 4. Reports

#### 4-1. Report or Update by Attorney Zamarka, if any

Ms. Santoro noted that Attorney Zamarka is attending another town meeting this evening, but that he did email her. Recently there was a presentation by the CT Bar Association and the orientation of the meeting, of the presentations, were actually for short-term rental owners. She thinks that side of the story, from the legal perspective will be helpful in terms of what's working, what's not working, litigation, and what to avoid.

#### 4-2. Report or Update Concerning Opinion of Officials from Beach Communities

Mr. Formica shared the feedback he received from various beach association leaders and emphasized their concerns about enforcement, the desire for self-regulation, and the impact of short-term rentals on community dynamics.

He reported that he sent out communication to all nine of the beach association leaders, and he was able to speak with 4 or 5 of them. He pointed out that they've already received some feedback from both Oak Grove Beach and Black Point Beach at their previous meetings.

He spoke with Terry Cohn from the Crescent Beach Association who told him he was kind of sitting back, waiting for the town to make a decision, and see what that accomplishes. Mr. Cohn's concern is one heard here often, if you're going to do something, is there enforcement?

Mr. Formica offered some of the following regarding the feedback received from beach leaders:

Debbie Jett-Harris of Pine Grove would like to see some kind of regulation but wants them to be able to make their own decisions.

Pine Grove does have some deed covenants and they're in a bit of a different situation given they have so little space. Jim Weaver of Oak Grove Beach doesn't like the idea of having a commercial business operating in a residential zone illegally.

He spoke about having an enforceable permit and thinks an inspection system would be a good addition to the current situation.

Along with this, they want to retain the feeling of community.

Barbara, the President from Giants Neck Heights said they really don't know what's going on as far as the number of short-term rentals, so some kind of registration system might make sense and help them understand how many rentals are in Giant's Neck Heights.

They did put together some guidelines for their community (see attachment below.)

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Mr. Formica reminded the Members that he's the President of Giants Neck Beach and noted they're about to update their zoning regulations, which is currently 20 to 30 years behind. He added that 20 years ago many people in these types of communities would come down only for a week or two, and now more and more people are living in these beach homes year-round.

Mr. Formica said if he receives anything else from the other beach communities, he will pass it on to Ms. Stevens, so she can distribute it to all the Members.

Ms. Santoro briefly discussed how they can draft this section of the report once they obtain further information. She added that she also spoke with Ms. Jett-Harris and how it would be helpful to review the language of her deed. Ms. Santoro said Ms. Jett-Harris also explained that Pine Grove despite not having its own zoning, is its own municipality.

#### 4-3. Reports of Co-Chairs

Ms. Santoro and Mr. Cicchiello detailed the progress report they gave to the Board of Selectmen and conveyed to them that the Committee is focused on developing effective regulations, if any, for short-term rentals, taking into account community feedback, legal considerations, and zoning issues, with an aim to balance the interests of all stakeholders.

Mr. Cicchiello said they did give a presentation of the different factions of people, some people in favor of short-term rentals, some people not in favor of short-term rentals, some of the impacts that they're having on the town, and really just to plead for more time so we can make a decision on what we're going to do.

He added that they summarized the Whitty lawsuit and discussed waiting for the outcome of the case prior to making their recommendation to the Board of Selectmen.

Mr. Formica said the practice of having rentals, be it short-term or long-term, needs to be recognized in the zoning regulations.

Mr. McIntire said all rentals should be treated the same.

The Committee discussed legal aspects, including the significance of the pending Supreme Court case and the implications of zoning laws and pre-existing conditions, as crucial for framing their recommendations.

The Committee also discussed how it won't just be the Board of Selectmen ultimately weighing in on their recommendations, that the Zoning Board will also need to be consulted.

The Committee's discussion touched on the complexities of zoning regulations and ordinances, particularly in differentiating between short-term and long-term rentals and the potential for creating pre-existing non-conforming uses.

Ms. Santoro said there are traditional ways of analyzing the pre-existing non-conforming issue and that it will be interesting to see if the Supreme Court does that in their ruling. She added that will have an impact.

Mr. Farrugia said it seems to be begging the question whether we should be differentiating short-term rentals from long-term rentals, from bed and breakfasts, or just identify them as rentals.

	The Committee discussed when the court case might be finished, and Mr. Cicchiello said he thinks by September.
	Mr. Formica discussed how bed and breakfasts are a commercial activity that are allowed in all residential zones. He said other businesses such as funeral homes are allowed in residential zones as well, and it's hard for him to differentiate between that and having a short-term rental.
	More Mr. Formica further explained that this is why rentals, both long-term and short-term, need to be recognized in the zoning regulations, and an ordinance that will come out of that could be reflected as a registration system.
	Ms. Santoro discussed how bed and breakfasts are usually owner occupied or have a manager on site, which makes them slightly different creatures from short-term rentals.
	Mr. Farrugia briefly discussed Saunders Point, how they have fees and a rental membership, and each are \$200. He noted that enforcement is a big issue since they have no one to enforce it.
	The Committee further discussed local communities and Mr. Formica noted that there's different reasons that people come at this, it's not all the same, and one size does not fit all in terms of regulations. The importance of tailoring short-term rental regulations to the specific needs and characteristics of the community was emphasized, along with the exploration of how other municipalities handle enforcement.
	The Committee further debated the complexities and challenges of regulating short-term rentals through zoning regulations, permitting processes, and enforcement, with a focus on community-specific needs and the impact of state legislation.
	Ms. Santoro said they told the Board of Selectmen that the Committee plans to continue gathering information, considering legal precedents, and working towards a consensus on recommendations for regulating short-term rentals.
	Ms. Santoro said she did inform the Board of Selectmen that there's a growing consensus on their Committee about trying to use a combination of zoning with an ordinance that allows for a registration system.
5.	Discussion and Editing of Draft Status Report to Board of Selectmen
	The Committee had an in-depth discussion about the initial draft of their report.
	Ms. Santoro said they will continue to add information and things written by and provided by Committee Members as the draft is worked on.
	Mr. McIntire said he put together a list of key reading materials to reference in the draft report. (See attachment.)  4546 001.pdf
	Mr. Farrugia said it would be helpful to speak to Ledyard since they started down the ordinance path and converted it to a zoning action two years later.
	Mr. Formica said at Giants Neck Beach they could easily apply all the zoning restrictions necessary, but also say there has to be a registration system through the zoning regulations, and deal with parking the same way.
	Mr. Farrugia said a permit system seems to give you at least a foot in the door on enforcement; if you have a bad actor, the permit can be taken away.
	The Committee discussed the low participation in registration systems in some of the communities that employ them.
	Note The Committee discussed speaking with the town of Preston as well.
	Ms. Santoro asked Mr. Farrugia and Mr. McIntire to check with Lyme to determine how enforcement is working for them.

The Committee discussed including and/or considering some of the following in regard to drafting their report:
The complexities of enforcing zoning and permitting regulations in communities, particularly concerning short-term rentals, and the impact on community character and involvement.

How permitting and zoning regulations are enforced in different communities, highlighting the collaboration between town zoning departments and local associations.

The importance of community involvement in zoning and permitting processes, including the need for legal consultation and board discussions.

The debate on the impact of short-term rentals on community character and the need for regulation, including registration systems and enforcement challenges.

Acknowledgment of the difficulties in enforcing short-term rental regulations, including low participation in permit and registration systems.

The varying degrees of community contribution by short-term versus long-term residents, including the legal and social definitions of a resident.

The need to present a balanced view on the issue, including pros and cons, without committing to one side.

The Committee discussed how they're engaged in a complex task of researching and providing recommendations on the regulation and impact of short-term rentals in the community, while balancing various perspectives and regulatory considerations. They acknowledged the importance of considering the historical context of short-term rentals in their research and recommendations.

The Committee briefly discussed how short-term rentals might be taxed and regulated, including the implications for town revenue and the need for a fair system.

Ms. Santoro would like to expand upon enforcement in their report. She noted that a couple of successes or failures would make sense since it's a big deal for the budget of a town- what resources are we going to put into a program like this, whether it's staffing or equipment? And can this be offset by your registration or inspection fees?

The Committee briefly discussed personal property declarations which are submitted annually to the Assessor as well as the valuation of rental property. Ms. Santoro said she plans to speak to the Assessor to gather additional information.

#### 6. Schedule Future Meeting(s) and Status Report Presentation to Board of Selectmen

The Committee discussed plans for future meetings to work on their draft and how to present their findings and recommendations to the Selectmen and the Public.

#### 6-1. Regular Meeting(s)

The Committee will next meet on Monday, March 18th, 2024, at 7:00 p.m., in the Upper Conference Room, of the East Lyme Town Hall.

#### 7. Committee Member and Ex-Officio Comments

There were no additional comments.

#### 8. Adjournment

Decision MOTION (2)

Mr. McIntire moved to adjourn the February 27th, 2024, Regular Meeting of the STR Ad Hoc Committee at 8:54 p.m. Mr. Cicchiello seconded the motion.

Motion carried, 6-0-0.

Respectfully Submitted, Brooke Stevens, Recording Secretary

### Task Summary

## New Tasks

Ms. Santoro asked Mr. Farrugia and Mr. McIntire to check with Lyme to determine how enforcement is working for them.

## Section 12: Selected Documents for Information Regarding Short Term Rentals

The advent of ShortTerm Rentals (STRs) is not new and many reports and articles exist on the nature of these businesses, attempted regulations of these businesses, and both the positive and negative impacts of these businesses. Here is a short list of informative documents to provide background for the committee.

- Short-Term Rental Regulation in Connecticut. Southeastern Connecticut Council of Governments, October 2023. <a href="https://seccog.org/archives/9439">https://seccog.org/archives/9439</a>
  - a. A review of STRs, attempts (in CT) to regulate these activities at the state level, advantages and disadvantages for local residents
  - b. A quote, "Ordinances typically require registration with the municipality and the provision of an accompanying fee, and identification of a contact person who can address issues quickly."
  - c. https://seccog.org/archives/9439
- Regulating Airbnb Rentals through Zoning in Connecticut By: Julia Singer Bansal, Associate Analyst September 28, 2018 | 2018-R-0200. https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0200.pdf
  - a. Prepared at the state level to assess if AirBnBs differ from traditional bed and breakfasts.
  - b. Discusses "a variety of techniques" to control AirBnBs
- 3. Room Occupancy Tax on Short Term Rentals. State of Connecticut Department of Revenue Services SN2019(9).
  - a. "The short term rental of all or a portion of a home is subject to room occupancy tax at the current rate of 15%."
  - b. "Room occupancy tax does not apply to the rental contract with the business if it is for a period of 90 days or more."
- 4 Review of Short-Term Rentals and Their Potential Social Impact, Sustainable Tourism IX, 65-75, WIT Transactions on Ecology and the Environment, Vol 248, 202. Doi 10.2495/ST200061.
  - a. In depth discussion of STRs in San Antonio, TX.
  - b. Impact on neighborhoods near tourism sites in town (e.g., the Alamo).
- 5. Research: Restricting AirBnB Rentals Reduces Development, Harvard Business Review, November 17, 2021,



## GUIDELINES FOR OWNERS OF SHORT TERM RENTAL PROPERTY

Giants Neck Heights Association will require residents to follow these guidelines when renting on a short or long term basis in the community.

### 1. Parking

- Please tell renters not to park on the street. If they have visitors, all cars should be parked on the property being rented.
- Each property has a limit of 6 cars to be parked on the property itself.
- Passes issued to members must be used in the turnaround and parking lot at the beach.
- If a pass is lost, members of the association have a <u>one time</u> replacement pass issued for a fee of \$50
- Provide renters with a guideline of policies regarding dropping off at the beach, as well as a link to the web site for events being held during their stay.

## 2. Occupancy

- Please regulate the occupancy to suit the number of bedrooms and bathrooms in your home. For example, a 2-bedroom house should allow 4 renters; a 3 bedroom house with 2 baths can allow 6-8 renters.
- Advertisement of your property must respect the number of people limit. In no case are you allowed more than 10 renters at a time.

## Neighborly behavior

- Please remind your renters that this is a family residential neighborhood, not a tourist spot.
- We recommend you not allow "party houses" hosting events that are noisy and continue after sunset.
- We recommend you manage noise and trash with explicit instructions for your renters.
- Encourage your renters to be law-abiding and respectful to neighbors and law enforcement.
- Please create a brochure for your renters that includes trash and recycling guidelines and expectations.