



MINUTES

Carbondale Planning Commission
Wednesday, October 12, 2016
Room 108, 6:00 p.m.
City Hall/Civic Center

Dr. LeBeau called the meeting to order at 6:00 p.m.

Members Present: LeBeau, Sheffer, Hamilton, Field, Burnside, Love, Litecky, and Bradshaw (ex-officio)

Members Absent: Lilly

Staff Present: Taylor

1. Approval of Minutes:

Ms. Litecky moved, seconded by Mr. Sheffer, to approve the minutes for September 28, 2016.

The motion to approve the minutes passed with a unanimous voice vote.

2. Citizen Comments or Questions

There were none

3. Report of Officers, Committees, Communications

There were none

4. Public Hearings

PC 17-07, 6:02p.m.: Text Amendment relative to the regulation of vacation rentals units.

Dr. LeBeau declared Public Hearing PC 17-07 open and asked Mr. Taylor to read the legal notice.

Mr. Taylor read the legal notice.

Dr. LeBeau asked Mr. Taylor to present the staff report.

Mr. Taylor, Senior Planner for the City of Carbondale, was sworn in and read part A of the staff report.

Dr. LeBeau asked if there were any questions of staff.

Ms. Litecky asked Mr. Taylor what the current hotel/motel tax rate was within Carbondale. Mr. Taylor stated that it was a 9% tax rate. Ms. Litecky then questioned what types of fees hotels pay. Mr. Taylor then turned the question over to John Lenzini, the City of Carbondale Building and Neighborhood Services Supervisor, who stated that there is an annual registration fee of \$250 that hotels must pay and they must have a yearly building inspection. Ms. Litecky asked if the health department gets involved in the annual inspections. Mr. Lenzini stated that the health department does inspections on any that serve food or alcohol.

Mr. Sheffer then questioned what steps a residential home would have to go through in order to be able to do the vacation rentals. Mr. Lenzini stated that they would be held to the same inspection process as a Bed and Breakfast type facility which is different standards from Hotels/Motels. It would be more of inspections like rental units have and the codes that they must follow.

Ms. Litecky questioned if Bed and Breakfasts must get inspected by the Health Department. Mr. Lenzini stated that they do have to be inspected if they serve food.

Mr. Sheffer then questioned the amount of parking spaces that would be required for each renter and also the liability insurance for the vacation rental units. Mr. Lenzini stated that these would be the same as what is required with the current rental units within the City. Mr. Sheffer also questioned if the Bed and Breakfasts have to pay the 9% tax rate that hotel/motels do. Mr. Lenzini stated that the Bed and Breakfast do already pay the 9% tax rate. Then it was discussed that by passing this text amendment it would cause vacation rental units to be charged the same tax rate as to level the playing field among the different short-term stay options.

Dr. Hamilton questioned what the regulations would be on a duplex doing short term rental. Mr. Taylor stated that due to current code the other unit could be rented out if the owner lived in one side of the duplex.

Ms. Litecky questioned the amount of annual inspection fees these vacation rental units would need to pay. Mr. Lenzini stated that these units would have an annual inspection fee of \$10 which is the same as Bed and Breakfasts. These units would pay the annual fee and remit all taxes. It was then discussed that current rental units would not need to reregister under the new text amendment requirements and that the units in question are those in R-1 districts and that are owner occupied homes.

There was then discussion between the Commission and Mr. Lenzini on what classifies as a vacation rental unit and an actual long term rental unit. Also it was discussed the time limits that are placed on the vacation rental units and making sure that these types of rentals will not be abused.

Dr. Hamilton questioned what might cause Building and Neighborhood Services to inspect a rental property more than every three years that the code requires. Mr. Lenzini stated that anytime there is a complaint made by a tenant of the property, the City can go in to do inspections to make sure that the property is up to code. Mr. Lenzini also stated that, due to code, a landlord cannot ask for the City to come into a unit for inspection unless they notify their tenant five days before or there is verbal permission from the tenant to enter the rental unit.

Mr. Taylor questioned Mr. Lenzini on why hotels/motels must have a yearly inspection and rental units only have inspections every three years. Mr. Lenzini stated that it was a code put in place by the Council years ago to make sure that the hotels/motels where up to standards for the tourist that were visiting the City and that is why yearly inspections were put in place. Also, the life safety issues at larger hotels require yearly inspections, such as fire equipment and alarm systems.

Mr. Taylor then explained more on his staff report and why the City was using the inspectors more than some of the other cities that do vacation rental units.

Mr. LeBeau questioned how it would be policed when renters of a rental unit start renting out or subleasing their units like a vacation rental unit. Mr. Lenzini stated that there are many signs that the inspectors look for in rental units to make sure that they are not being rented out by too many tenants. Mr. LeBeau questioned why landlords do not play a bigger role in their rental units and policing the people staying in the rental units. Mr. Lenzini stated that not all landlords pay attention to their rental properties as they should.

There was then more discussion between Mr. LeBeau and Mr. Lenzini about the possibilities of these type of units being abused or not reported as they should.

Dr. LeBeau asked if anyone wished to speak in support of the text amendment.

Jane Adams, 606 W Elm St, came forward to speak in support and to voice concern that vacation rentals in the residential neighborhoods could possibly degrade them if it's not done right. Ms. Adams voiced that she had a few concerns about the way the text amendment was worded and asked if people need to have a special use permit. Mr. Taylor stated that certificates or licenses must be acquired for owner occupied units. Units not owner-occupied will need a special use permit. Ms. Adams also discussed from personal experiences of renting these types of units and the benefits and draw backs of these types of units and how to possibly correct certain issues, such as not having too many people in the units. Ms. Adams was also concerned about the wording of the text amendment and the possibility of current landlords of rental units taking advantage of vacation rental units and changing whole apartment buildings into these types of units. Ms. Adams then stated that she felt wording the text amendment so only home owners could do these types of rentals might be better to keep it from getting misused.

Ms. Litecky then stated that she agreed with the idea of only allowing these types of rentals to owner occupied units because lack of supervision on these types of properties

could cause issues.

Ms. Adams also questioned what the real difference between a Bed and Breakfast and a vacation rental unit was. Mr. Taylor then stated that a Bed and Breakfast would have onsite management but with the vacation rental units the owner could rent the house and leave the unit for the rental time.

There was then discussion between Mr. Sheffer and Mr. Taylor of what owner occupied actually means in relation to the vacation rentals and could someone just keep renting out the unit to different people every twenty-nine days and never actually stayed in their owned unit.

Mr. Tom Grant, Councilman for the City of Carbondale, came forward to give the definition of owner occupied which is the primary place of residence where you receive your mail. Mr. Grant then went on to speak about his experience with vacation rental units and making sure that Carbondale does not pass on this possible opportunity with the upcoming eclipse.

Ms. Litecky questioned Mr. Grant about why he is against putting regulations on the vacation rental units. Mr. Grant stated that by having so many regulations and different permits that these types of places would need, it would keep people from actually making these places available and possibly make them feel like they are doing something wrong by trying to help people coming into Carbondale. Mr. Grant also stated that it will probably cause burden on the Building and Neighborhood Services Division of the City with all of the different inspections they will have to do.

Mr. Grant then brought up the amount of taxes actually involved in these types of short term rentals and Mr. Sheffer also brought up the amount that the insurance would cost these home owners if all of the regulations are put into place.

Dr. Hamilton asked Mr. Grant about the cost for a short term rental on the website that he rents out his home. Mr. Grant stated that the website charges about a 13% service fee for the rental units listed on the website. Mr. Grant also explained that some of the listing sites will collect other taxes and fees as well on certain listings. Mr. Grant also went on to speak about making sure this was really advertised within the City if the text amendment were to pass so that people could have knowledge of what steps they must take and the fees/taxes that go along with these rentals.

Dr. LeBeau asked if anyone wished to speak in opposition.

There was no one.

Dr. LeBeau asked Mr. Taylor to read the analysis.

Mr. Taylor read Parts B and C of the staff report.

Dr. LeBeau asked for questions for staff.

There were none.

Dr. LeBeau asked if there were questions from anyone to anyone.

Mr. Grant came forward to clarify that if someone that gets this type of permit or license and they do not run it correctly the City has the right to revoke that license. The Commission stated that was correct.

Ms. Adams came forward to make a statement about the legality of passing this text amendment and how it would really help the community.

Dr. LeBeau declared PC 17-07 closed and asked for a motion on the findings of fact.

Mr. Sheffer made a motion vote on findings of fact, Mr. LeBeau seconded.

The motion was passed with a unanimous voice vote.

Ms. Litecky made a motion for the recommendation to approve PC 17-07, Dr. Burnside seconded.

Roll Call Vote:

Yes - 7 (LeBeau, Sheffer, Hamilton, Field, Burnside, Love, Litecky)

No – 0

Mr. Taylor stated that the motion passed and that this matter will be on the City Council agenda or on the agenda for the City Council workshop at a later date.

Dr. Burnside stated that he hopes that the City Council will look at what was discussed by Ms. Adams and Mr. Grant and to really consider all of the factors involved in the process and the benefits for Carbondale.

5. Old Business

There were none

6. New Business

A. City Council Agenda from October 11, 2016.

Ms. Bradshaw reviewed the City Council meeting as it related to Planning.

7. Adjournment

Dr. LeBeau adjourned the meeting at 7:21 p.m.