

**BUILDING & BUILDING CODES COMMITTEE MINUTES
FEBRUARY 19, 2019**

The Building & Building Codes Committee meeting was held on February 19, 2019, at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:00 p.m.

PRESENT: Committee Members: Chair John Nickell, Vice Chair Dan Kasaris, Larry Antoskiewicz; **Council:** Gary Petrusky, Dan Langshaw, Paul Marnecheck; **Administration:** Mayor Robert Stefanik, Law Director Thomas Kelly, Community Development Director Thomas Jordan, Finance Director Eric Dean, Police Chief Kenneth Bilinovich, Fire Chief Robert Chegan, Safety Director Bruce Campbell, Asst. Law Director Donna Vozar; **Other:** Lou Krzepina, Linda Barath, Jeremy Dietrich.

Moved by Mr. Kasaris, seconded by Mr. Antoskiewicz to **approve the January 15, 2019 Building and Building Codes Committee minutes.** Roll Call: Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. City Green Development

Mr. Jordan said that the new sign is on order and we are just waiting for the installation. The preconstruction meeting for the electrical upgrades will be held next week and we will advise them of the 2019 summer schedule so that the work can be completed in advance of these events. The work is expected to take 90 days or less.

2. Cemetery

Mr. Jordan said that the entryway pillars and attached signage are all under contract. The final drawings were submitted and approved in the last week on both. As soon as the weather breaks the brick work will proceed and once this work is done the sign will be mounted. He said that we received a \$100,000 grant for work on the receiving vault. We had to revise the scope of the work to be done and resubmit that to the state. The state has approved the scope of work and approved the receiving vault for the state grant. However, they have a matching provision and he has made them aware that we are spending over \$100,000 on the work at the entryway. He said that we are trying to get the language nailed down for this grant with the state.

**3. City Land Bank procedures
Remove from agenda.**

4. Proposed Ordinance No. 19-13 - Amending Chapter 1484 - Transient Rentals

Mrs. Vozar said that home rentals through such programs such as Airbnb have been growing and it has caused many communities throughout the country to be faced with the same dilemma that we are in now with having to balance zoning policing powers and the property owners' rights. The reason we are here now is because it has been found in other communities that short term rentals transform residential neighborhoods into hotel districts. This is what we are trying to regulate or prohibit. Throughout the country there is a variety of ways that cities have been addressing this. Obviously, the moratorium is one way to give everyone time to figure out how they want to proceed. Some communities have outright prohibited it. Some of those cities that prohibit it will actually grandfather those who are currently doing it with a sunset provision of a few years to allow them to wrap it up. Other cities have placed a variety of different types of regulations, such as length of stay, number of renters, etc. She said that it comes down to the key question of whether or not this is a residential use or if it is akin to a hotel and a commercial use. She said that the wording provided to Council has been amended slightly to increase the number of days that someone could rent out a portion of their home from 14 days to 30 days per year. After doing this she said that she remembered hearing somewhere that if you rent for longer than 14 days it becomes a business and therefore taxable; this is why they did the 14 days in the first place. She said that if we are going to move forward we should amend it back to the 14 days. She said that Mr. Dean was able to locate the IRS regulation that governs this. Mr. Dean explained that it is about reported income. After 14 days you are

expected to report this as income on your IRS return. Anything shorter than 14 days is not considered a business. Mrs. Vozar said that the 14 days is a good indicator of what we are trying to do and keep our residential districts residential and not commercial. So if we limit it to 14 days for the calendar year they are not a business and this falls in line with the goals and intent of a residential district. She said keep in mind that we have districts in the city zoned for hotels. We also have the ability for people to run a bed and breakfast with the granting of a Conditional Use Permit. Our residential code allows for certain business uses and running a hotel is not one of them. She said that if it is Council's intent to allow these Airbnb's to operate, we need to amend the residential code. She felt that this was not the direction we want to go in. Based on this, she said we have provided Council with the regulations to permit people to utilize Airbnb for short periods of time without it becoming a business, and at the same time making sure that we are protecting all of our residences to ensure they remain as residences. Mr. Nickell asked if the proposal before us is for 30 days. Mrs. Vozar said yes. Originally it was 14, it was then changed to 30 and she would like Council to go back to 14 based on the tax issues. Mr. Kasaris said that we are basically saying that because we are limiting it to 14 days, it is not a business and it is ok to be in a residential district. Mrs. Vozar said yes, provided they comply with all the requirements. She said that they have to register so we can keep track, the residence must be owner occupied, it can be rented for only a limited period of time and only under certain conditions. Mr. Kasaris asked about parking. If someone wants to rent a house for 3 days and there are going to be 10 cars there, how do we handle this. Mrs. Vozar said that some communities have established limited parking. She said that there are many other things that we can address as well such how many guests can be in the home, the ratio of people to size of house, etc. She felt that at this point we just want to move forward and we can always tweak the ordinance as we go. Mr. Kasaris asked if there is anything in the proposed ordinance now that addresses parking. Mrs. Vozar said not in this legislation, but there is other legislation such as no parking on the street, no parking on the grass, etc. There are a lot of other codes for residential districts that would address this. But the legislation under consideration does not deal with the number of spaces, or how many people they can rent to. Mr. Kasaris asked if there is a requirement that the lessee provide the city with how many people are going to be bringing motor vehicles to park. Mrs. Vozar said no. Mr. Kasaris asked if we would want to include that. Mrs. Vozar said that having language that addresses parking would be a good idea and she can certainly add this before it is presented to Council. Mr. Langshaw agreed with the reduction to 14 days. He said the intent is not to over legislate but to have basic regulations to address this. We don't want residential homes turning into motels, we want to be able to know who is responsible in case we need to get in touch with them. That way if the Police or Fire Departments has to deal with something, we will know who to hold accountable. This is similar to our long-term rental regulations and we are just adding and defining what a short term rental is. Mr. Petrusky asked how we would track how long someone is renting. Mrs. Vozar said as with most things that we monitor, it is going to be complaint driven. They will have to register with the Building Department and have a decal that says that the home is an Airbnb so if we see a lot of vehicles during routine patrols it can be investigated. She said that the neighbors are the ones that will most likely be saying that people are coming and going, there are different people all the time, etc. She said that we want to keep our residences as residences, not motels with transients coming and going. She feels that the neighbors will complain and this is usually how a lot of our code is generally enforced unless we witness it ourselves. She said that neighbor complaints is how this issue came to our attention in the first place. Mr. Nickell said that he feels that the 14 days will be fine. He said that this will discourage the type of renter who will buy a home specifically for the purpose of Airbnb. He said that if a renter really wants to do this, they should seek out the district that would allow it. There are probably some homes that are in a district where this is permitted. Mr. Antoskiewicz asked if we could require someone who is registered as an Airbnb to provide us at the end of each year with the rental data. Mrs. Vozar said that there is language in the proposed code saying that the renter agrees that the city has the right to ask them to provide information we would need. Mrs. Vozar felt that us tracking their usage on a regular basis would be problematic for staffing issues and we don't want access to their tax information. Mr. Antoskiewicz said he was looking more for the amount of days that the property was rented, not the income generated. It was agreed to leave this on the agenda and have Mrs. Vozar add language regarding the parking.

NEW BUSINESS

1. Agricultural Districts - Kosman/Grayson

Mr. Antoskiewicz said that there will be a Public Hearing on these applications this evening and then legislation will be introduced to accept these applications. He said that all of the appropriate fees have been paid. The committee recommended moving this to the floor for the Public Hearing.

ADJOURNMENT

Moved by Mr. Kasaris, seconded by Mr. Antoskiewicz **to adjourn the February 19, 2019 meeting.** Yeas: 3.
Nays: 0. **Motion carried. Meeting adjourned at 6:21 p.m.**