

**MAYOR AND COMMISSIONERS MEETING  
CITY OF REHOBOTH BEACH**

**July 17, 2015**

The Regular Meeting of the Mayor and Commissioners of the City of Rehoboth Beach was called to order at 7:08 p.m. by Mayor Samuel R. Cooper on Friday, July 17, 2015 in the Convention Center, 229 Rehoboth Avenue, Rehoboth Beach, DE.

City Solicitor Glenn Mandalas gave the invocation followed by the Pledge of Allegiance.

**ROLL CALL**

Present:     Commissioner   Toni Sharp  
              Commissioner   Patrick Gossett  
              Commissioner   Bill Sargent  
              Mayor            Samuel R. Cooper  
              Commissioner   Stan Mills  
              Commissioner   Lorraine Zellers  
              Commissioner   Kathy McGuiness

Also in attendance:   City Manager Sharon Lynn  
                          City Solicitor Glenn Mandalas

**APPROVAL OF AGENDA**

Commissioner Stan Mills made a motion, seconded by Commissioner Lorraine Zellers, to approve the Agenda with the deletion of the Minutes of the January 16, 2015 Special Workshop Meeting and February 9, 2015 Workshop Meeting. Motion carried unanimously.

**CORRESPONDENCE**

All correspondence received was in regard to the Public Hearing and has been placed in the record.

**APPROVAL OF MINUTES**

Commissioner Mills made a motion, seconded by Commissioner Zellers, to approve the Minutes of the June 19, 2015 Mayor & Commissioners Regular Meeting. Motion carried unanimously.

Commissioner Mills made a motion, seconded by Commissioner Zellers, to approve the Minutes of the July 6, 2015 Mayor & Commissioners Workshop Meeting. Motion carried unanimously.

**PUBLIC HEARING** on and consideration of two proposed ordinances amending Chapter 270 of the City Code, one ordinance amending Sections 270-4, 270-21, 270-25 and 270-44, related to requirements for natural area, floor area ratio, lot coverage, rear yards and accessory buildings and the other ordinance amending Section 270-35, related to the requirements for off-street parking for residential units.

City Solicitor Glenn Mandalas noted that the Public Hearing was published in three newspapers of general circulation with at least 15 days advance of the meeting. The proposed ordinances are available at City Hall and on the City website for inspection. He read the synopses for each of the proposed ordinances. The proposed ordinance relating to natural area, floor area ratio, lot coverage, rear yards and accessory buildings revised the definition of natural area to clarify that required off-street parking spaces may not be considered natural area. This proposed ordinance also makes adjustments to provisions relating to the floor area ratio, lot coverage, rear yards and accessory buildings. The proposed ordinance relating to off-street parking for residential units revises the manner in which the required number of off-street parking spaces is established for residential units, and provides that such off-street parking spaces shall not be considered to be natural area.

Mr. Kyle Gulbranson gave his presentation with regard to managing impacts of current development trends on residential neighborhoods. He provided background for the proposed ordinances. The City has seen an increase in large homes being built, many used as vacation rentals, which is changing the character of the residential neighborhoods. Small lots are being maximized causing additional side effects such as parking, drainage issues, tree removal and noise. The City has been working to reduce this trend. Several planning efforts over the years have made progress to maintain the City's character. From the Neighborhood Preservation efforts in 1990, modifications to the FAR in 2006, to the 2010 Comprehensive Development Plan (CDP), the currently proposed zoning updates are intended to maintain what makes the City unique among

coastal towns. The current effort is to review and develop possibly zoning changes to address the changing residential development pattern. The natural area definition is that portion of the gross lot area that is dedicated to either trees, grass, flowers, bushes, other plantings and/or mulched areas. For the purposes of calculating natural area, mulched areas shall be limited to the use of vegetative ground covers and shall not include the use of clamshells, decorative stone or other similar hard materials. The proposed changes to the definition are: 1. Natural area requirement is increased from 40% to 50%. 2. No part of the required off-street parking shall be considered natural area. The lot coverage definition is that portion of the lot area that is covered by buildings or structures. The proposed change to the definition is that lot coverage requirement is decreased from 50% to 40% for residential districts. The front yard setback line definition is the required unoccupied space extending along the street line of any street on which the lot abuts. The proposed change to the definition is that 50% of the front yard setback must be natural area. The rear yard setback line definition is the required unoccupied space extending along the rear lot line, not a street line, through the whole width of the lot. The proposed change to the definition is that the rear yard setback is increased from 10 feet to 15 feet. The Floor Area Ratio (FAR) definition is the quotient obtained by dividing the gross floor area of all buildings on a lot by the gross lot area. The current FAR of 0.60 is unchanged. The current FAR is unchanged at 0.50 if there is a basement (1,000 square feet of basement is exempt from FAR calculations). The proposed changes to FAR are: 1. FAR is 0.60 for the first 5,000 square feet of gross lot area and then reduced to 0.30 for any additional gross lot area. 2. FAR is reduced to 0.50 if there is a pool for the first 5,000 square feet of gross lot area and then reduced to 0.25 for any additional gross lot area. 3. FAR is 0.50 if there is a basement (1,000 square feet of basement is exempt from FAR calculations) for the first 5,000 square feet of gross lot area and then reduced to 0.30 for any additional gross lot area. 4. FAR is reduced to 0.40 if there is a pool and basement (1,000 square feet of basement is excluded from FAR calculations) for the first 5,000 square feet of gross lot area and then reduced to 0.25 for any additional gross lot area. The proposed changes to maximum size of a structure are: 1. No house in the R(1)-S Zoning District may exceed 6,000 square feet. 2. No house in the R1 and R2 Zoning Districts may exceed 4,500 square feet. The current requirement for minimum spaces required for parking is that all residential units including accessory structures used as dwellings or dwelling units require two spaces per dwelling or dwelling unit. The proposed changes are: 1. Parking requirement is increased based on the number of toilets. One additional off-street parking space will be required for each additional toilet greater than three. 2. Any required off-street parking space, regardless of surfacing material, does not count as natural area. Mr. Gulbranson provided a rendering of the current and proposed zoning scenarios. The 250 square feet of space for a front porch would be calculated to the overall lot coverage, but this would still be considered a bonus for the FAR.

Public Comment:

1. Mr. John Hughes, 74 Columbia Avenue, was in support of both ordinances; but more minor adjustments are needed. The main thrust of both of the ordinances is to protect the residents from an insidious effort to maximum lot coverage and occupancy to the detriment of the neighborhood which is destructive to neighborhood values. It is short-term prosperity at the sacrifice of long-term prosperity. The far future is supportive of these efforts and will bring greater prosperity to the City because of the controls which it enacts.
2. Mr. Mark Ronald, 205 Rodney Street, was in support of both ordinances. He addressed a mailer which came out from Save Our Nation's Summer Capital Inc. Misinformation was provided in the mailer. According to Delaware corporation records, Save Our Nation's Summer Capital Inc. is a non-profit corporation located in Wilmington, Delaware which is a location that is owned by Mr. John Bloxom who is the only named individual in that corporation. According to the website of the Morris James law firm, Mr. Bloxom has experience in the areas of real estate and land use law, and he serves as general counsel in all aspects of real estate law to several of Delaware's largest owners and operators of commercial, office, industrial and residential real estate. Mr. Bloxom's residence is not located in the City of Rehoboth Beach. Save Our Nation's Summer Capital Inc. does not appear to have any employees, officers or shareholders, but only has one member.
3. Ms. Donna Mabry, 221 Hickman Street, noted that last year a group of homeowners brought to the Commissioners the problems of noise and congestion being suffered due to mega houses and mini-hotels with pools. Many of these facilities are not owner-occupied homes, but rentals more akin to hotels. There is something wrong with the current zoning code to allow destructive development that has been going on in the neighborhoods. Unless something is done, Rehoboth's essence will be destroyed block by block. There is support with homeowners to enact these changes. Two hundred twelve homeowners' signatures were signed to a petition in support of the zoning proposals. Seventy-one signatures were signed to a vacationer's petition in support of the proposed ordinances. The City needs to protect its R-1 neighborhoods from commercial development and from the mini-hotels that are disguised as

future properties for children. Limiting occupancy does not promote more green space or slow commercialization in the neighborhoods as zoning does. She urged the Commissioners to vote for the zoning changes.

4. Ms. Susan Gay, 316 Country Club Drive, was in support of both ordinances. A petition was put online in order to reach the 80% of people who do not live in the City. There have been bad reviews on TripAdvisor which spoke specifically to the commercialization of the residential district and the change of character of Rehoboth as negatives about visiting the City. One hundred fifty signatures have been signed to the petition. Ms. Gay read a few of the comments from signers of the petition. Each of the comments addressed similar concerns regarding the large scale non-owner occupied units and character of the neighborhoods.
5. Mr. Bunky Markert, 520 New Castle Street Extended, was in support of both ordinances. Adjustments could be made in the future; however, these proposals are the building blocks of reigning in expansion and taking advantage of the situation with the FAR. As a member of the Planning Commission, it has forwarded a revision of the tree ordinance which it would like to readdress after these proposals are made. The recommendations in the proposed ordinances will give trees a fighting chance in this City for the first time in a long time which is one of the great resources the City has. He recommended the approval of both ordinances.
6. Ms. Carol Warner, 113 St. Lawrence Street, was in opposition to both ordinances. Any restrictions that are incurred on property owners do nothing but devalue. The ordinances would penalize people who have bigger lots, more resources and want bigger homes for their families. There cannot be two sets of rules, one for the people with big lots and one for little lots, the haves and have nots, North Rehoboth and South Rehoboth. There needs to be one set of rules for everyone, and that would be the setbacks and the height limitations. In order to have a pool, the house would be smaller which makes no sense. The issue about the bathrooms is ludicrous. With regard to the driveway situation, her driveway is gravel and is considered not permeable. The water drains into the ground and does not go into the stormwater system at all. Putting in concrete would cause the water to run into the street. She suggested the Commissioners come up with common sense basic rules.
7. Mr. Robert Worthing, 212 Stockley Street, was in favor of preserving all the fundamental character of the City. He agreed with the objectives regarding mini-hotels that are trying to make their way into the residential neighborhoods. Mr. Worthing had sent an email outlining his objections to the current draft and provided the Commissioners with at least five suggestions that he the Commissioners will consider. He has personal experience being blindsided by the concept of grandfathering where a heat pump needed to be replaced, and he was denied that because of restrictions on the setbacks. The variance was approved, but grandfathering does not work. He asked how a new ordinance can preserve the character of the City if at its very core, its terms make the existing properties noncompliant. Changing at the core the existing properties and property rights demonstrates a failure of this legislation to preserve the character of this City as it is.
8. Ms. Jennifer Duncan, 68 Kent Street, read a statement from the Rehoboth Beach Homeowners' Association. The Association's mission has been to promote the common good and welfare of homeowners and residents of the City for their mutual enjoyment and for the preservation of the quality of life and the character of the City. Forty-four years ago the Association supported the City in successfully revising zoning codes to combat the onslaught of pressures from developers for more high rise construction. Over the years, the Association has educated its members about the overcrowding, building codes, water resources, beach erosion, pollution and traffic congestion. The Association supports the Mayor & Commissioners in creating zoning changes that continue to preserve the character of the City, its natural resources and the quality of life for everyone who lives here full-time or part-time.
9. Mr. Michael Vardell, 41 Park Avenue, did not think that the ordinances, as proposed, address the issues with large rental houses and pools. There is no demonstrated need for the additional parking for houses with over three toilets. Probably 90% of the houses in Rehoboth have more than three toilets. The number of toilets seems very arbitrary. The requirement to provide additional parking will require a reduction of the natural area that is typically provided. Parking on parking strips with grass between them should be counted as natural space. The proposal to reduce the FAR for houses with pools will not solve the pool issue. The Commissioners need to come up with a different approach for addressing the noise issue. There are handicapped senior citizens and people who will be penalized by not allowing them to use pools. A 15 foot rear yard setback can be accommodating, but it will push the houses closer to the street. The reduction of FAR to 4,500 square feet for lots greater than 5,000 square feet represents a taking of property owners' rights. He did not think the issue is big houses, the issue is noise from rental people. The Commissioners need to find another way to solve that.
10. Mr. Brian Barry, 125 St. Lawrence Street who is a developer, noted that no one knows what is going to

happen when these things are done. The Commissioners do not really understand the whole ramifications of the Code. He asked why people will be forced to build something that is unattractive. They would be willing to cut down trees to put in a driveway. Mr. Barry went through the code with three of the Commissioners and enlightened them this ordinance is bad. The size of the house will not be reduced. Porches and patios will be taken away. There are too many problems with what the Commissioners are presenting to pass. Parking, pools and new construction geared towards rentals has only been thought out. Nobody had any thought to an older house.

11. Ms. Dee Speck, 206 Laurel Street, said that the City should not be defined as an 8 week vacation town where massive mini-motels sit vacant in the neighborhoods because those who built them never intended to live here. She did not want the City to be thought of as a better investment than the stock market. The Commissioners should not let those who are only interested in making a dollar destroy it.
12. Ms. Sandy Greene, Public Policy Chair for Sussex County Association of Realtors, Frankford, DE, shared the Seller's Disclosure of Real Property Conditioned Report with the Commissioners. The seller's disclosure is required by the State of Delaware for every real estate transaction with residential property. It has 121 questions that a seller must answer regarding his property which include whether or not there are variance, zoning, non-conforming use or setback violations, whether or not there are violations of local, state or federal regulations relating to the property, and if there is anything else that should be disclosed to a prospective buyer because it may materially or adversely affect the property. Examples are zoning changes, road changes, proposed utility changes, threat of condemnation, noise, bright lights, odors or other nuisances. By the Commissioners adopting the zoning regulations, if a seller fails to fill out the form correctly, the Commissioners have put him in a spot where he may be sued. When a property goes under contract and someone is working on getting a mortgage, the lender gets a copy of the contract of sale. The contract of sale includes the seller's disclosure. A lender may not give a loan on properties that are nonconforming. The Commissioners may have unintended consequences when they are putting these zoning changes in place.
13. Mr. Fred Dean, President of Sussex County Association of Realtors, Georgetown, DE, noted that the National Association of Realtors and Sussex County Association of Realtors is out front in protecting property rights for people. The proposed zoning will impact the property rights of people who own, and it can affect those people who do not rent when a house is being sold. The Commissioners may be unwittingly setting up functional obsolescence of homes which would bring down prices and will bring down appraisals. He had sent an email to the Mayor and Commissioners expressing that the Association would be willing to help fund studies before moving forward in passing the proposed ordinances so that they speak to all shareholders within the City which includes businesses, builders, homeowners and investors who intend to move to the City.
14. Mr. Yavar Rzayev, 703 Scarborough Avenue, said that he is against people talking about why big houses are being built. Very big houses were built 50 years ago, and for many years people have been renting their homes and living in the cottages to the rear of their properties. He would like to try to educate people to make their houses more suitable for their neighborhoods. Rules should be put into effect that would keep the City's style. Changing setbacks, etc. is not going to help. What needs to be done is to make Rehoboth be a friendly, nice town and not make the people divided and fight for two to three feet of setbacks.
15. Mr. Alan O'Leary, 221 Hickman Street, was in support of the Commissioners having spent the last year in diligent and hard work when coming up with these proposals to make changes in the Code. He requested that the Commissioners should not delay these actions.
16. Mr. Frank Bruffey, 112 State Road, had hoped to find out the information of how many people in the R-1 and R-2 zoning districts will be affected by these proposals, how many total properties there are in the City, how many properties are causing the problem and how many properties with the proposed changes will solve the problem. There maybe four to five properties that are causing the problem. He was conflicted to find the relationship between the suggested ordinance changes and the results that are desired.
17. Ms. Linda Kauffman, 206 Laurel Street, said the most important thing is that the Commissioners are trying to protect the character and integrity of this City. There needs to be more parking that goes along with the houses. A four, five or six bedroom house cannot have two parking spaces. Cars will either go onto the lots or they go on the street, and there is only a finite amount of curb space. Cities across the country require parking based on density. The typical way to do that is by bedroom counts. Defining bedrooms is a difficult task because people have tried to circumvent the ordinance by making bedrooms later, etc. Towns across the country are beginning to use bathrooms instead of bedrooms; and toilets are a much easier definable piece to go by. What the Commissioners are proposing is all about choices. There is a need to keep the character of the neighborhoods and a need to prevent the clearcutting of trees. The Commissioners should consider passing these proposals with the caveat that they restudy all of the implications which may/may not have been looked at and revisit things in six months from now. She

- encouraged the Commissioners to vote for the proposed ordinances.
18. Ms. Barbara Collins, 30 Virginia Avenue, noted that today she had turned in her plans to the City, and she was told by Building Inspector Terri Sullivan that if the ordinances pass, her plans will be rejected. Ms. Collins is not asking for anything that she did not think anyone else would want from their property. Her proposed home will not be a mac-mansion.
  19. Mr. Barry Covington, 105 St. Lawrence Street, had sent an email to the Commissioners on how adopting the ordinances will impact his family in building their family retirement home. He wants to have a house that is not rented, but one that his family can come to year-round. The bathroom issue is ludicrous. Bathrooms do not affect density, bedrooms do. To pass a law affecting bathroom size is silly and will impact negatively the quality of life experience his family will have. He urged the Commissioners to vote against the proposed ordinances.
  20. Mr. Donald Myers, 43 Oak Avenue, supported the proposed revisions to the Zoning Code, and he urged that the Commissioners pass both of them tonight. This is something that did not development overnight, but reflects a lot of thought, a lot of consideration and a lot of concern by the Commissioners. The problem is trying to maintain the character of Rehoboth Beach which is in jeopardy because of the mega-houses being built, the intended noise, parking and cars, garbage, etc. This decision will have a huge impact on the City and future uses of the City. He urged the Commissioners to vote in favor of the Zoning Ordinance changes because legacies are at stake.
  21. Ms. Judy Griffing, 71 Lake Avenue, urged the Commissioners to vote against the two proposed ordinances. The primary reasons for her opposition to the ordinances are because not everyone understands the zoning ordinances as they are proposed. The Mayor and Commissioners do not understand the unintended consequences. Grandfathering is a huge issue for the people who will be grandfathered in. If something is going to be voted on, everyone should understand what is being voted on and the consequences of executing or initiating the changes. Whatever the underlying issue is, it can be solved together as a community. Some work needs to be done with the ordinances.
  22. Ms. Mable Granke, 1013 Scarborough Avenue Extended, said that on her street and many streets in the City, there is not one house which is exactly like the other. All the houses were built according to Code, and they have been rehabbed and re-established according to Code. The City's name is Rehoboth Beach. To her, the beach part is critical because over the years people from DC have thought of this as their summer capital and others from different states come here because it is Rehoboth Beach. They have total access to the beach, the Boardwalk, the ocean, etc. The Cape Henlopen State Park and Gordon Pond are available to everyone. Dolle's, Thrashers and Fun Land are part of the essence of Rehoboth as well as its neighborhoods. Rehoboth Beach is and will remain a town within a town. Her prayer was that this town will not be dominated by the resort side or by those who only want to build as big a house as possible, rent it and find as many people as possible to put into it. She asked the people who were wearing red shirts if they realized the significance of the history of the red shirts which goes back to World War II, Mussolini and supporters of him.
  23. Mr. Vince Robertson, 703 Bayard Avenue, said that what is being looked at is the concern of the Mayor and Commissioners about the loss of charm and the character of the City with the consequence of the proposed ordinance being the loss of charm and the character of the City. What the Commissioners are trying to accomplish will not solve anything. There will still lost charm and character. With regard to the FAR, he has concern about penalizing someone who has a lot that is larger than 5,000 square feet. Someone who owns a 100 foot x 100 foot lot will almost be forced to divide it into two lots for two houses to be built when they sell the property. If an investor buys the property, they will look at getting a smaller house with less rental income vs. two houses on two lots with greater rental income. The investment has more to do with current owners of the properties than it does with future owners. With regard to lot coverage and natural area, a bad builder will build a house with no design and no character. A good building can work with the numbers to build something that looks nice and has diversity. If the numbers are being shrunk, the design and diversity will be squeezed out. This will force everyone into building a house that looks like everyone else's house just to meet those numbers. The proposal will increase the effect on the property owner who has an older home that is nonconforming because of lot coverage or natural area issues. If occupancy needs to be dealt with, then the Commissioners should step up and deal with this issue, not change the zoning code in a way that has unintended consequences on people who are not over-occupying their own houses.
  24. Mr. John Swift, 100 Sussex Street, built a house that represents the neighborhood and the charm of what the City is. His property will become nonconforming and homes will be built as boxes if the ordinances are passed. The Commissioners should not pass the ordinance. They should take more time and look at the real issues of noise and the number of people at the property. More time should be taken to revisit the topic about the bedrooms, bathrooms and FAR, and how it will impact existing houses and how many more

- properties will become nonconforming.
25. Mr. Lou Boghosian, 100 Stockley Street, said that three years ago neighbors wrote the Commissioners to voice their concern about a commercial rental property that razed an adjacent residence. Three years later, the property owners are trying to fight commercialization of their residential neighborhoods. More and more affected homeowners have joined in hoping to have their voices heard. Recently, he and his wife had petitioned homeowners, receiving 34 signatures in response to whether the homeowners were for/against the proposed ordinances. These homeowners are concerned with all the non-owner occupied commercial properties with swimming pools that are affecting the quality of lives. More homeowners are being affected every time a non-owner occupied commercial property is put into their residential neighborhoods. Six to eight families are being affected all summer long. The problem is that the homeowners are fighting power and money. Realtors, developers, property managers and investors all have financial skin in the game because they are looking for quality investments. As a homeowner, he is looking for quality of life. Commercial developers want a large house with a pool so that they can generate \$12,000.00 a week in rental income. If they do not get that, then their whole financial profitability, cash flow, affects their ability to finance their build, buy out, tear down and construction of a new home. The homeowners who signed the petition support the proposed ordinances.
  26. Ms. Lynn Abbott, 207 Shaker Ridge Drive, Niskoyuna, NY, has been a vacationer in the City for many years. She read an email from a gentleman Lutherville, MD. He has vacationed in the City for 57 years. The essence of the City is family, natural beauty, faith, fun, law and order and blessed peace. Rehoboth Beach allows both residents and vacationers to recharge, rest, enjoy nature and have fun. The Commissioners should tighten the zoning regulations to ban what are basically mini-hotels in peaceful residential neighborhoods. Mini-hotels generate noise, trash, disorder, parking problems and crime, and will destroy the very essence of Rehoboth Beach. Developers of the mini-hotels are interested only in many huge amounts of money for themselves. The Commissioners should not permit the developers to destroy the essence of Rehoboth Beach with the mini-hotels. Mini-hotels should be located in the commercial corridor of the City, not in the residential neighborhoods. The Commissioners should revise and amend the zoning ordinances to counteract the expansion of high density rental properties proliferating in the R-1 and R-2 residential neighborhoods. Ms. Abbott commented that it is the investors who need to be slowed down. The Commissioners should work with the homeowners.
  27. Mr. Richard Perry, 46 Pennsylvania Avenue, noted that he is interested in preserving the character of the City, and he did not believe the proposed ordinances will do that. The Commissioners will end up with homes being built that are merely boxes and will not have the charm and character that everyone is accustomed to. Proponents of the proposed ordinances are always talking about blocking the commercialization of the residential neighborhoods. The proposed ordinances will deny people who want to build nice homes for their families an opportunity to do so. There cannot be two different sets of rules. More time should be spent analyzing the consequences of these proposals. The Commissioners should rethink what they are doing, consider the long-term consequences and take the time to do what is right.
  28. Mr. Allen Walker, 202 Scarborough Avenue, was not opposed to changing the Zoning Code because the current proposals will not do what the Commissioners intend for them to do. The result will have negative consequences for the City. These proposals have created so much animosity and pitted neighbor against neighbor. It just seems clear to go back and look for another solution. If the proposals pass, half the City will be furious. If they do not pass, the other half will be furious. This is not the right way to go. He has attended many meetings and has felt that his comments have been dismissed, and others feel this as well. The Commissioners should look for another way and try to come up with something that makes nobody happy. If nobody is happy, it means that the Commissioners probably have done the right thing.
  29. Mr. Dave McKenney, 15 Fourth Street, said that with these rules as crafted, the attention seems to be to limit the proliferation of large homes. As a homeowner who has a small cottage, they will negatively affect him. Smaller homes will be affected as well.
  30. Mr. Toni Coelho, 51 Baltimore Avenue Unit #2, was opposed to the proposals. He submitted a petition with 374 signatures to the Commissioners of people who are opposed to the proposals. This should tell the Commissioners that there is an extremely divided City, and it is getting more divided. The Commissioners are trying to appease one crowd while the other is furious. The Commissioners should figure out why that is happening. Mr. Coelho is a homeowner and has built two homes with two pools. He has been renting the one house and is not violating anything. He is worried about the rules the Commissioners will be putting in place as to whether or not they are ADA compliant and whether or not people will be restricted with disabilities and their opportunity to come to this City. The Commissioners are changing the culture of the City. The Commissioners should realize that they have divided the City, and it is their responsibility to bring people together. They should delay these regulations for now and bring this City together.
  31. Mr. Guy Martin, 87 Henlopen Avenue, said that the Commissioners are trying to offer choices. Everyone

has an idea of what they want to do with their properties, but in order to maintain the character of the City over a period of time, choices have to be made. The Planning Commission and the Board of Commissioners have worked long and hard on this. Things can be improved and adjusted, but he supports the idea of moving forward with these proposals and not waiting. The building of large mini-hotels in the residential neighborhoods is a cancer in the City, and it will get worse. The Commissioners are charged to do something about that sooner rather than later. One of the main reasons Rehoboth is successful is its character, charm and small town feeling. Protecting it is crucial. The Commissioners' responsibility is to take action.

32. Mr. Tim Spies, 53 Columbia Avenue, addressed the ad which was put out by Save Our Nation's Summer Capital Inc. The ad stated that property values will erode because of not being able to expand or add on to a house. Nowhere in the proposed ordinances does it say that. He asked where the statistics are that property values will erode. Many misleading statements providing misinformation are being used as a scare tactic. The ad stated that porches and dormers will be discouraged with restricted square footage. The same arguments were used 10 years ago when the FAR was amended. There are still porches and other features such as dormers. The proposed ordinances will not prevent people from building houses with sensible design, proportion and scale. The ad stated that the proposed changes will prevent someone from adding a pool or hot tub to the existing property. There is nothing in the proposed ordinances that says that. The ad stated that the proposed changes will encourage people to build more bedrooms, increasing occupancy. He did not understand how the ordinance would encourage people to build more bedrooms. Should that happen, then occupancy regulations need to be addressed. The final point in the ad was about property rights. Everyone has property rights, even the neighbors of some of the offending buildings. The Commissioners should pass the Zoning Code amendments.
33. Mr. Brad Rozansky, 100 East Lake Drive, said that this is not about the big houses. It is about people dealing with rentals. People have rented here for years, and half the people he knows who bought houses in the City have rented here first. The Commissioners have a rental problem, not a FAR problem. Passing the proposed ordinances will not solve the rental problem. With regard to the lot he purchased one year ago which cannot be built on because of going through a second zoning change, the Commissioners have cost him \$300,000.00. If the Commissioners are intent on passing the proposed ordinance, they should put it to a vote of the people.
34. Ms. Pat Coluzzi, 41 Sussex Street, had concerns about the proposed ordinances. For anyone who has guests, at least four bathrooms are needed. In the ordinance, adding a bathroom would take away green space on the property. Taking away green space would result in unintended consequences. She is not in favor of mini-hotels. The proposed 15 foot setback at the rear of the property is good, but the idea of tying toilets and taking away green space and trees concerns her. She is sad about the breakdown in the community. The Commissioners should step back, think about this, perhaps get a committee of professionals involved which would include people from each side, architects, etc., and have an understanding and bring the community together.
35. Mr. Carl Alesi, 415 Rehoboth Avenue, is a renovation contractor. He asked what the rush is for making such an important decision on zoning. If the Commissioners change the Code, a neighbor will still have a pool with a 3,000 square foot house, and there will be noise. Mini-hotels are a problem, and they need to be addressed, not hurting people who want to have their house renovated for an expanded family. Mr. Alesi had applied for a building permit for a client, and he was told that it is no good because the Commissioners did a preliminary vote in June 2015 and the proposed rules have to be abided by. His client spent eight months and \$10,000.00 to \$13,000.00 to design and build her house which she cannot build now. The grass between the strips for the driveway is not considered green space. If the driveway is all concrete, that would create water runoff into the streets and then into the bays. The Commissioners should take their time, there is no rush. They should look at the specifics and break it out a little bit.
36. Ms. Sharon Palmer Stauffer, Coldwell Banker of Rehoboth Beach, thought that everyone hates the big houses. Those people who have the big houses bought the lots, met the FAR and built the houses. With regard to parking, she went down every metered ocean block street in South Rehoboth this morning, and there was no one parked on the street. On the non-metered streets, there were few cars parked on them. The people who park their cars on the streets are the day trippers. If someone wants to build a big house, whether the zoning rules are put into effect or not, they will find a way to build it. Most of the big houses have been built on double lots. Private property rights need to be taken into consideration.
37. Mr. Tim Collord, 5 Oak Avenue, was in opposition to the proposed ordinances. There will be a lot of creative ways to get around the regulations.
38. Ms. Lori Bloxom, 9 Country Club Drive, said that Save Our Nation's Summer Capital had held a press release the first time it gathered. Its petition has 375 signatures which had not be forwarded to the Commissioners regarding pools. The majority of houses in the City are rentals, and they always have been.

She is very concerned about the character of the City and the trees. If pools and noise are the issues, there should be consideration of allowing some of the amenities that were zoned out years ago, such as a cottage at the rear of the property or a garage with an apartment above it. Then there would be a buffer between the yards to help alleviate some of the noise issues. This would increase parking, and it could resolve a lot of issues. The Commissioners should vote no because they are not ready. This is too important, it affects too many people and the City is way too divided to vote yes tonight.

39. Ms. Karen Cordrey, 109 Country Club Drive, said that she spent a lot of time with her builder redrawing and recalculating to meet prior standards. The definition of structure includes pools, and the pool ordinance includes pool equipment, etc. The definition of FAR talks about a residential structure combined with accessory structures. By putting the definitions in the proposed ordinance, it will cut down FAR, and the pool would be counted in the FAR. The Commissioners need to be sure what they are doing with the structure. She was not sure if the current regulations are being enforced which may be one of the problems. The Commissioners need to clear up the question of whether or not the pool, patios, sidewalks, etc. will be counted in the FAR. The regulation is contradictory at this point. What all this is meant to deal with is noise and parking spaces. She was not sure that parking is really an issue. Toilets are not the answer because people will build mini-hotels where the bathrooms will be shared. The other problem is noise. She had sent the Commissioners an email stating that there are things which can be done to make that ordinance workable. The Commissioners need to put some things into effect, such as making every tenant pay a noise deposit and they would get fined which the fine would be taken out of the noise deposit. The Commissioners should give the noise ordinance the summer to work. Changing the code and making every house nonconforming before the Commissioners address the noise problem is the wrong way to go about this. The Commissioners need to let the noise ordinance do its job, and then look at all the things people have sent to them.
40. Ms. Kathy Rozansky, 100 Lake Drive, said that the Commissioners have already made the size of the house they can build smaller. The proposed ordinances will make it even smaller should there be a pool. Noise can come from a lot of different places. It does not necessarily come from a pool. She and her husband will never rent their home. There should be a way to make the distinction between renters and homeowners, and not penalize people to build a home that is not intended to be rented. She was in opposition to the proposed ordinances.
41. Ms. Terri Ayoub, 326 Munson Street, said that she is not seeing anyone willing to be courteous with regard to noise. Everyone just wants to blame each other. The Commissioners are forcing her to make future decisions when it is just a matter of neighborly courtesy. Tonight should be vote against these ordinances because a lot of work has to be done.
42. Ms. Fran Shaw, 69 Park Avenue, said that a lot of facts have come out which indicate that more facts and more knowledge are needed. There are four issues: 1. Mini-hotels being built. 2. Noise problem. 3. Pool problem. 4. Parking issue. The Commissioners need to separate out the issues and use common sense. The Commissioners should vote against the ordinances or table them now, get more information and then pray for wisdom and common sense and understand that people love this town.
43. Mr. Brian Barry, 125 St. Lawrence Street, said that everyone at this hearing has talked about mini-hotels, pools and occupancy. Everything that is being done is not addressing them. If the Commissioners are trying to get the house smaller, then shrink the FAR a little. Instead of taking 40%, use 45%. This will take people's patios and porches away. Keep the FAR at 42% and give someone the credit to put on a porch or patio; and do not allow that person to use it as full lot coverage. There has to be a compromise. Right now, it is awful legislation, and it affects too many people.
44. Ms. Carol Warner, 113 St. Lawrence Street, thought that it is somewhere in the books no businesses being allowed in residential neighborhoods. The mac-mansions are being built by corporations and LLC's, not by individuals who are paying for a mortgage, etc. They are doing business, and they are renting, not living there. The Commissioners should find a way to put that into effect and get the business rentals out of the neighborhoods.
45. Mr. Yvar Rzayev, 703 Scarborough Avenue, noted that the Pines is a charming neighborhood. South Rehoboth was built later and has nice sidewalks, big trees and is a beautiful neighborhood. He did not consider Country Club Estates charming, but it is a nice trailer park. This neighborhood is not part of Rehoboth's charm.
46. Mr. Donald Myers, 43 Oak Avenue, said that balance is needed. Clearly there is a divide, and the people who are concerned and want something done live next door to a large house or live next door to a large house with a pool. The people who are against the zoning changes are developers. The divide is between people who are affected by the large buildings, noise and swimming pools; and on the other side are people who do not live next door to one of these houses which is creating all the problems. The Commissioners need to pass the zoning ordinances.



47. Mr. Ron Bowman, 100 Sussex Street, did not want to see huge mansions on the lots, and he did not want to see 18 to 20 people living in the homes. The issue is not toilets, pools or square footage, it is noise. The Commissioners need to come up with some simple regulations to control noise and get the public's input.

Mayor Cooper closed the public portion of the hearing.

Commissioner Kathy McGuinness made a motion to postpone the vote. She withdrew the motion.

Commissioner McGuinness said that she could build a new house under one permit, and then a year later get another permit to do a renovation of not more than 75% and add more bedrooms without requiring more parking. If she has an existing home and less than 75% of the house is renovated without changing the footprint, then more bedrooms and bathrooms could be added without having to deal with extra parking. The Commissioners have been thoughtful and diligent, but they are not ready to move forward on this. The Commissioners need to take a step back and use the people who are engaged. The proposed zoning ordinances affect too many people for the Commissioners to not have this right. The legislation does not serve a purpose or solve an issue.

Building Inspector Terri Sullivan noted that for parking to come into play, it would be either more than 75% of the structure being renovated to the existing gross floor area or constructing an addition. Renovations could be done, but an addition could not be done without parking coming into play.

Commissioner Toni Sharp said that changes without respect to parking are important from the standpoint of preservation of green space, light, air and quality. She would like to take additional time to look at the impact of the requirements for off-street parking for residential units, to begin at the August Workshop Meeting. With regard to natural area, FAR, lot coverage, rear yards, etc., the focus of that is relevant to the preservation of green space.

Commissioner Zellers agreed and thought that parking should be revisited. By reducing lot coverage and increasing natural area, the goals of reducing the footprint of a house, allowing space with the 15 foot rear yard setback, allowing space for trees, allowing additional vegetative area to comply with the new zoning requirements for grading, drainage, discharge, etc., would be achieved. Commissioner Zellers was comfortable with moving forward with the zoning issues such as FAR, lot coverage, natural area, setbacks and accessory buildings, etc. To not do anything would preserve the status quo. The 50 foot x 100 foot lots are not amenable to everything that is going on them. The Commissioners need to pass at least the setbacks, reduction in maximum lot coverage and increase in natural area. Reasonable changes are being made. These changes will reduce the bulk of houses, increase green space and provide a space for trees to have a chance of growing. She could consider changes to the parking limitations at this point, but there are other things as part of a package that the Commissioners need to look at.

Commissioner Mills said that the Commissioners need to review the objectives of this. The proposed ordinances are not dealing with noise; they are dealing with the size of houses. This is a package, not one component, that will cause someone to reduce their house. The choices are reasonable. The FAR is .6; however, it is proposed that the FAR will be reduced to .5 if there is a swimming pool. This is being done to de-incentivize swimming pools. The proposed ordinance is not specific to rentals; it is specific to everybody. He was comfortable with the FAR reductions. The natural area which would require more green space is reasonable. The 15 foot setback is to advocate for more planning of greenery and trees. This package does not include side yard setback increases. The natural area in the front yard is a requirement that the front yard setback would be a minimum of 50% natural. This would not disallow someone to have a sidewalk. The intent is to not have five parking spaces across the front yard setback. The 50% natural will allow someone to have two 9 foot wide driveways plus a sidewalk. The Commissioners have had difficulties in analyzing occupancy based on bedrooms, so toilets were considered. The natural area should count with regard to ribbon driveways. He does not like the driveways with grass pavers. A lot of the components of the ordinance address the scale and size of houses that are proliferating per the preamble of the ordinance. The Commissioners need to look at and make sure they are offering the proper incentives for putting front porches on. Commissioner Mills would like to have a future discussion on lot coverage. He was willing to consider a provision or exception for someone who has already invested a minimum amount of time and a certain amount of money on it.

Commissioner Bill Sargent concurred with almost all of Commissioner Mills' points. There is no question that it is the effect of the toilets on the parking and what could be built on a lot. He did not want to move forward with the parking. The rest he is comfortable in moving forward with.

Commissioner Patrick Gossett said that there have been questions raised regarding the parking and bathroom issue. The Commissioners looking at something to deal with density is necessary. He is comfortable

in moving forward with the discussion points of green space, character of the community and quality of that character at risk which is dependent upon the Commissioners and staff looking at whether or not there are unintended consequences; and if there are, they need to react to them immediately and make changes. A lot of good ideas were brought forward from many people in the audience, and they should be utilized to help the Commissioners adjust the proposed ordinances. Commissioner Gossett was supportive of the first ordinance. He had questions with parking and density. The Commissioners need to make a plan and put it into place with regard to parking and density.

Mayor Cooper thought that Commissioner Mills framed it very well. A lot of people said that the problem faced is noise. Mayor Cooper did not disagree with that except it is a symptom of a much larger problem. He was not naïve to think that if the ordinances are passed this evening that the noise problem in the City would go away. Rehoboth has developed over a long period of time, and it will move forward. People used to build within the Zoning Code, now they build to the Zoning Code. Building is being done to the limits. The Commissioners are here to decide what those limits should be. Covering up 50% of the land with structures is far denser than what the City is used to. The Commissioners need to take this step to cut that back. Comments were made about losing porches, so there are ways to work on that. Nonconformities had been created when the Zoning Code was originally adopted. Trees are important. Too much of the land is being covered up. There are some things Mayor Cooper would like to tweak in going forward. Losing the older homes in the City will change Rehoboth. He would like to find incentives that make a difference to keep the older houses because that is the character of the City. This is a good step for what the City needs for the future.

Commissioner Mills made a motion, seconded by Commissioner Zellers, to adopt the ordinance to amend Chapter 270 – Zoning, Sections 270-4, 270-21, 270-25 and 270-44 relating to natural area, floor area ratio, lot coverage, rear yards and accessory buildings with the deletion of Section 270-21(A)(2) that reads no part of the off-street parking shall be considered as natural area.

Mayor Cooper said that he would like to trade that off for porches. This would be a great place to allow the ribbon driveway by keeping the front porch. He would be willing to present this at the next Workshop Meeting.

Commissioner McGuiness was disappointed that the Commissioners could not unite on this matter. This has gotten to the point where there is an energized audience that has not been part of the process. She would have preferred a task force at this point to get a broad cross-section of people. The Commissioners are not using their resources.

Commissioner Gossett suggested that each Commissioner should prepare a list of concerns/options from the public as alternatives to the ordinance and have them as discussion points at the next Workshop Meeting.

(Sharp - aye. This is the right step at this time to align the Commissioners better with the Comprehensive Development Plan. Gossett - aye. The increase in natural area, the decrease in lot coverage and the increase in the rear yard setbacks really address the initial issues the Commissioners were looking at of the green space at risk, the light and air at risk and the character of the neighborhoods. It also addresses the size and bulk of the houses and the density of the community. It is a step that the Commissioners have been looking at since the Neighborhood Preservation Ordinance, since the Architectural Review Task Force recommendations and since the FAR of 2006. This is very necessary to take this step forward. Sargent - aye. The biggest reasons he saw for this is that ultimately it is going to keep the scale of the town in better proportion. It is not a perfect ordinance, and the Commissioners will be making changes to it. Totally, it is so much better than what the City has today, that it is a huge step forward, a step in the right direction. It will not accomplish all of the objectives the Commissioners have in mind, but it will accomplish a great deal. Cooper - aye. This ordinance is in the vein of the purpose of the Zoning Code to preserve the character of the City. The current development patterns are inconsistent with the character of the City and what has traditionally been here. This goes a long way toward preserving that. Mills – aye, for the reasons he stated earlier which he believed realize the preamble that addresses the proliferation of dwelling units of larger scale than those that have traditionally existed in the City. Zellers - aye. She believed that it will address the issues that brought the Commissioners here in the first place, that it will help the Commissioners to increase the natural area, increase area for trees. It will reduce the maximum lot coverage. The FAR that was passed several years ago at did not address the rear yard setbacks or the maximum lot coverage. She felt that this does it. This will help the Commissioners preserve the character of Rehoboth Beach. McGuiness – no, for the reasons she stated before that she did not believe this speaks to the issues that have been presented to the Commissioners, especially tonight and over the past two weeks.) Motion carried.

Commissioner Sharp made a motion, seconded by Commissioner Zellers, to hold a Commissioner's discussion at the August Workshop Meeting on the ordinance amending Section 270-35 related to the requirements for off-street parking for residential lots and to schedule it for a vote at the August Regular Meeting. (Sharp – aye. It would behoove the Commissioners to take the additional time considering the input. Gossett – aye, based on information and suggestions heard here tonight at the public hearing. Sargent – aye. The Commissioners need to look at its implications of mathematically much more carefully make sure that it is not discouraging what they want. He is concerned at this point that it is not quite in harmony with what the Commissioners have already passed. Cooper – aye, for the same reasons as Commissioner Zellers. The Commissioners need to take some more time and deliberate that ordinance. Mills – aye, to defer for the same reasons as Commissioner Zellers. Zellers – aye. She would like to give it more thought. The Commissioners have heard some good ideas today. She would be willing to consider some of the ideas that were brought forward. McGuinness – aye, to look at the parking. She agreed with Commissioner Sharp that the Commissioners need additional time to possibly rework the entire section.) Motion carried unanimously.

City Solicitor Mandalas noted that this ordinance remains subject to the pending ordinance doctrine since the Commissioners took no action on it this evening.

#### **REPORT OF POLICE DEPARTMENT**

Police Lieutenant Jaime Riddle presented the report of the Police Department for the month of June 2015. There were 97 criminal, 427 traffic and 53 civil charges made during the month. Twenty-seven traffic crashes were investigated. The Dispatch Center handled 524 police incidents, 307 ambulance incidents, 624 traffic stops, assisted other agencies three times during the month and 9-1-1 calls totaling 590 were received.

#### **REPORT OF REHOBOTH BEACH VOLUNTEER COMPANY**

Mr. John Meng of the Fire Company reported that there were 62 crew calls and four alarms for the month of June 2015. There were no fires in the City. On July 10, 2015, training was done with the ranger vehicle that the Commission purchased for the Fire Department. Everyone is now trained to drive the vehicle.

#### **REPORT OF BUILDING & LICENSING DEPARTMENT**

The report of the Building & Licensing Department had been distributed to the Commissioners prior to the meeting.

#### **REPORT OF PLANNING COMMISSION**

There was no report.

#### **OLD BUSINESS**

There was none.

#### **NEW BUSINESS**

Mayor Cooper called to consider authorizing the execution of a contract with Davis, Bowen & Friedel, for architectural and engineering services related to the design and construction of the new City Hall, Parking Meter Building and other related work.

Mayor Cooper noted that a copy of the contract had been forwarded to the Commissioners prior to the meeting. The total amount of the contract is \$686,000.00 for schematic design through the bidding phase for all phases of City Hall and the Parking Meter building.

Commissioner Mills made a motion, seconded by Commissioner Sharp, to authorize execution of the contract with Davis, Bowen & Friedel in the amount of \$686,000.00 for architectural and engineering services related to the City Hall project. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

Mayor Cooper called to consider authorizing the execution of USDA Form RD 1942-47, *Loan Resolution*, related to the City's application for a loan of \$18,000,000 from the United States Department of Agriculture's Rural Development program.

Commissioner Mills, seconded by Commissioner Zellers, to authorize the execution of the USDA Form RD 1942-47, related to the loan of \$18,000,000.00 the City has applied for. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness - aye.) Motion carried unanimously.

Mayor Cooper called to appoint the Inspector of Elections and two Judges to serve as the election officials for the annual municipal election to be held on August 8, 2015.

Mayor Cooper had forwarded an email to the Commissioners his recommendations proposing Wayne Steele as Inspector Elections, Steve Elkins as Judge and Melissa Clink as Judge for the annual municipal election on August 8, 2015.

Commissioner Mills seconded by Commissioner Sargent, to Inspector of Elections and two Judges to serve as the election officials for the annual municipal election on August 8, 2015. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness - aye.) Motion carried unanimously.

Mayor Cooper called to fix the time and date when the Commissioners will sit as the Board of Appeals to hear appeals taken from the annual assessment as determined by the Tax Assessor.

Commissioner Sargent made a motion, seconded by Commissioner Mills, to fix the time for the Commissioners to sit as the Board of Appeals to hear the appeals from the annual assessment at 12:30 p.m. on August 10, 2015. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness - aye.) Motion carried unanimously.

### **CITY MANAGER'S REPORT**

City Manager Sharon Lynn reported that the City Hall biweekly construction meetings have commenced. The information has been put on the City website, and it will be continuously updated as information comes in.

City Manager Lynn recommended the approval of the Street Aid expenditures:

07/15/2015	565	Delmarva Power	\$8,533.27 (Street Lights)
------------	-----	----------------	----------------------------

Commissioner Mills made a motion, seconded by Commissioner Sargent, to approve the Street Aid expenditures as presented. Motion carried unanimously.

### **COMMITTEE REPORT**

There were none.

### **CITY SOLICITOR'S REPORT**

There was nothing to report.

### **COMMISSIONER ANNOUNCEMENTS/COMMENTS**

There were none.

### **DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.**

There were none.

### **CITIZEN COMMENT**

There was none.

The next Workshop Meeting will be held on August 10, 2015 at 9:00 a.m.

There being no further business, Mayor Cooper adjourned the meeting at 10:56 p.m.

**Respectfully submitted,**

---

**(Lorraine Zellers Secretary)**