

1. Line No. 63. Change "...boarding houses, Cabins and Cottages" to "...boarding houses, cabins and cottages, as defined herein and in Chapter 270."
2. Line No. 118. Change "...occupancy by a tenant in exchange for payment" to "...occupancy by a tenant in exchange for compensation."
3. Line No. 283. Change "...with a public or private utility" to "...with a public or private utility; or."
4. Line No. 285. Change "...of violations of Municipal Code of the City of Rehoboth Beach; or" to "...violations of Municipal Code of the City of Rehoboth Beach."

The changes to the Rental Application that were incorporated from the last meeting are the removal of maximum occupancy requests, and applicants need to certify that they are familiar with the Noise Ordinance as well as the Residential Rental Ordinance. The formula to determine the number of occupants of the building is based on the number of bedrooms. The number of occupants per dwelling would be calculated by two times the number of bedrooms plus two. If the dwelling has exceeded the number of occupants in the past, an occupancy exception can be requested. After discussion, there was consensus of the Commissioners to strike maximum from the occupancy requests. The work group will modify the Application to include the concept that overnight occupancy of a residential rental shall not exceed the sum of two persons per bedroom plus an additional two persons. Children under the age of six years shall not be counted towards the overall number of occupants.

The changes to the Safety Certification Form that were incorporated from the last meeting are formatting changes, multiple titles were removed and in the miscellaneous category, the rental property meets the zoning code for use was removed and the statement of attestation was modified.

Ms. Michelle Esposito, rental manager for Berkshire Hathaway, asked how it will be determined who gets approval on a waiver. A waiver that is granted will not solve the overall issue of instituting the maximum occupancy because the house with four or five bedrooms will still be able to have people crammed into one room.

The Code sets up legal standards that the City Manager would have to apply to be able to grant a waiver. The City Manager cannot grant a waiver if it is found that the rental is a detriment to public health, safety or welfare. The building official will have to confirm that the dwelling has adequate space and bedrooms to accommodate the people that landlord is asking for and also life safety features. It would be difficult to make that determination without doing an inspection. The consensus of the Commissioners is to not penalize people who have existing licensing.

Mrs. Jan Konesey, 42 Oak Avenue, did not think the waiver should be carried with the property. Noise is an issue, and there are problem houses in the City that are party houses all the time. When the City Manager is considering whether to grant a waiver because of the number of people in a house, if there is a history of noise complaints, then a waiver should not be issued. People should come in every year and document that they are good neighbors. The waiver should not transfer to a new owner, and it is bad practice for the waiver to be in perpetuity.

Mr. Tim Green, 14 Delaware Avenue, thought that if the occupancy waiver is granted, the term of the waiver should be in perpetuity. The proposed Ordinance will address any potential issues that may arise because of problems that are happening in the home.

The Code only provides for individuals being able to request a waiver if they have had occupancy in their residential rental between January 1, 2015 and April 4, 2016. The intent was for those in that window who have been doing it, if they meet the criteria exceptions, will be granted and they will be good going forward. The original intent was for it to be a perpetual waiver.

Ms. Judy Griffing, 71 Lake Avenue said that with annual waivers, contracts for future years could be an issue.

Correspondence:

1. Letter dated April 3, 2016 from Eugene Lawson Jr., 12 Hickman Street, regarding inspections with the Rental Ordinance at Sections 210-7(B), (C) and (E).

Mr. Ed Graves, Code Enforcement Officer, noted that the Property Maintenance Code is used to address maintenance issues of the interior and exterior of the dwelling. The purpose and intent of this code is to make it are in effect for the maintenance, well-being, health and life safety of the occupant. With regard to inspections, he cannot go in and inspect the interior of the private property. A plain view inspection can be done of the exterior of the property. The vacation rental brochure which reflects safety certification will be given out when people come into the Building & Licensing Office.

A possible additional change to the Residential Rental Ordinance is to Section 270-7(E) that an exception granted under a license shall be continued and attached to any future rental license obtained for the rental property except that if a rental license is not obtained for a period of six months the exception shall terminate. The proposed ordinance provides a mechanism that if there is a problem property, the City has recourse to work with the person to resolve the issues or not renew the rental application for the next year. If it is a problem property, then the City Manager would review it to see if the application should be continued. Discussion ensued with regard to whether an exception should be granted in perpetuity or if it should be granted annually.

Ms. Susan Gay, 316 Country Club Drive, said that the license should be issued on an annual basis because the use can change from one year to the next.

Ms. Judy Griffing noted that there is a mechanism in the proposed ordinance to address unruly houses.

Ms. Michelle Esposito said it should state that automatic renewal of waivers will be considered based on violations of the property and for changes in any construction on the property.

Mrs. Jan Konesey said that she has total confidence in the local realtors that whatever is passed, they will enforce. Many homes in the City are not rented through the local realtors so the City does not have the same kinds of controls as with homes rented through local realtors. She was in favor of annual licenses and granting exceptions annually.

Mr. Tim Green said that perpetuity means nothing to the property owner if the waiver is granted in perpetuity but the property cannot be rented for the desired occupancy without an annual rental license and the rental license is removed due to a problem.

The proposed change to Section 270-7(E) of the Residential Rental Ordinance will be revised to read that an exception granted shall be effective until December 21, 2018 and may be reauthorized thereafter by the City Manager upon request. An exception will be applied for with this year's rental license. The rental license will be effective July 1, 2016. Data will be gathered, the process will be tracked and this matter will be revisited.

Mr. Jay Lagree, 7 Prospect Street suspected that most people are not aware of the Commissioners doing exceptions. He agreed that the exceptions being granted should start at one year.

Ms. Joanne Bacher of Jack Lingo Realty thought that the renewal of rental licenses in the middle of the year is ridiculous, and she is against it.

Ms. Judy Griffing requested that the occupancy should cover two full seasons starting January 1, 2017 through December 31, 2019.

Commissioner Patrick Gossett made a motion, seconded by Commissioner Toni Sharp, to adopt the Ordinance to create a new Chapter 210 to be titled Residential Rentals with the following amendments at Line No. 63 – at the end of Section (D)", the addition "..., as defined herein and in Chapter 270"; Line No. 118, - change the word "payment" to "compensation; Line No. 208 – add "an exception granted under this Section shall be effective until December 31, 2018 and may be reauthorized thereafter by the City Manager upon request"; Line No. 283 – insert the word "or" at the end of the line and at Line No. 285 – strike the word "or".

The exception will be applied for with this year's rental license, but it will not take place this summer. The exceptions will take place in 2017 and 2018.

The proposed ordinance contains all the essentials such as a local contact person, safety certification, occupancy limits, etc. This will serve as a tool to educate renters and landlords and minimize problems with rental properties. Generally, it will resolve conflicts at the time that they happen. It will offer the City the opportunity to deal with problem properties with suspensions or revocations. All the beneficiaries will be those in the neighborhoods that have had problems in the past with rentals next door to them. The Commissioners should continue conversation with identifying what mini-hotels are and the difference between a regular rental, residential rental and a mini-hotel and when one might cross the lines.

(Kuhns – aye. Sharp – aye. She has very serious concerns about the enforcement, but she believes we will all rise to the occasion on enforcement. Gossett – aye. This is a very good start, coupled with the noise, zoning and pool legislation that the Commissioners recently passed. It provides standards and procedures the City has never had before. It provides a good neighbor brochure and an inspection brochure that allows people to understand what their standards, procedures and responsibilities are for not only the landlord, but the tenants, renters and neighbors. This combination of those four pieces of legislation works toward the preservation of the health, safety and welfare of the community and the next generation. However, the administration and

enforcement of this is critical to the success of this legislation. Cooper – recused, Mills – aye, for the stated previously. Zellers – aye. It will be a good tool. It is something that the City has not had. It sets out a set of standards. McGuiness – aye, for many of the reasons touched on, and she hoped that the new Communications Director can be utilized.) Motion carried.

The meeting was recessed at 10:55 a.m. and reconvened at 11:07 a.m. The gavel was passed from Commissioner Mills back to Mayor Cooper.

- C. Consider adoption of an ordinance amending Chapter 227, Solid Waste, of the City Code, Sections 227-1, 227-9, 226-11, 227-25 and 227-31 related to the placement and collection of wastes and recyclables, related definitions and related assessments and fines for violations.

The proposed ordinance was forwarded to the Commissioners prior to the meeting.

The proposed ordinance has been reformatted. In Section 227-1, the word article” was changed to “Chapter”. The purpose of the ordinance focuses on the hours for putting waste out and bringing the containers back in. With regard to Section 237-31 - Violations and Penalties, the fine for disposal of human waste shall not be less than \$250.00 nor more than \$500.00. This is a Code change to be compliant with the Charter. Not setting cans out at the right times or not taking them back in is a civil penalty with a fine of \$25.00 under the standard civil penalty section of Chapter 126.

Mrs. Jan Konesey did not know what the practical reality is of putting out the containers at the right time and bringing them back in at the right time.

Ms. Judy Griffing said that to implement something without a reasonable, realistic solution, there will be issues until there is a valet service.

Mr. Jay Lagree was in support of the ordinance, and it will address the big problem with trash in the summer time.

Mr. Michelle Esposito said that valet service is the way to go and is the best option.

Mr. Steve Gershwin, 210 Philadelphia Street suggested that there should be a centralized area for people to use during the off-season when there is less trash.

A letter regarding the trial valet service and the ordinance will be sent out after its adoption. The Street Superintendent will communicate with the 50 people involved with the trial valet service to explain the program to them and tell them where to put their cans.

Commissioner Mills made a motion, seconded by Commissioner Kathy McGuiness, to adopt the Ordinance amending Chapter 227 relating to the placement and collection of waste and recyclables. (Kuhns – aye, Sharp – aye, Gossett – absent, Cooper – aye, Mills – aye, Zellers – aye, McGuiness - aye.) Motion carried.

- D. Consider award of contract for the Y2016 Street Repaving and Repairs Program for which bids were to be received and opened on March 31, 2016.

Two bids were received and opened on March 31, 2016. The recommendation was to award the low bid to Jerry’s Inc. in the amount of \$131,297.35. The engineer’s estimate for the base bid was in the amount of \$93,216.95. The prices were used from the last street paving project which was done in the City in 2015. The bulk of the difference in the low bid from Jerry’s Inc. and the engineer’s estimate is partly excavation, embankment and graded aggregate base course. This accounts for a \$29,000.00 difference.

Commissioner Mills made a motion, seconded by Commissioner Toni Sharp, to award the 2016 street paving bid to Jerry’s Inc. in the amount of \$131,297.35. (Kuhns – aye, Sharp – aye, Gossett – absent, Cooper – aye, Mills – aye, Zellers – aye, McGuiness - aye.) Motion carried.

There being no further business, Mayor Cooper adjourned the meeting at 11:38 a.m.

Respectfully submitted,

(Lorraine Zellers, Secretary)