BUILDING & BUILDING CODES COMMITTEE MINUTES MARCH 19, 2019

The Building & Building Codes Committee meeting was held on March 19, 2019, at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:37 p.m.

PRESENT: <u>Committee Members</u>: Chair John Nickell, Vice Chair Dan Kasaris, Larry Antoskiewicz; <u>Council</u>: Gary Petrusky, Dan Langshaw, Paul Marnecheck, Cheryl Hannan; <u>Administration</u>: Mayor Robert Stefanik, Law Director Thomas Kelly, Community Development Director Thomas Jordan, Police Chief Kenneth Bilinovich, Fire Chief Robert Chegan; <u>Other</u>: Lou Krzepina, Linda Barath, Anton Krieger, Jessica Fenos, Mike Wos.

Moved by Mr. Kasaris, seconded by Mr. Antoskiewicz to approve the February 19, 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 electronic sign has been installed and the programing has been turned over to the city. He said that the flower bed in front of the sign will be moved so that there is no obstruction of the sign. Mr. Nickell also suggested moving the Rt 3 sign as it too obstructs the view of the sign. Mr. Jordan said that they received the notice of commencement for the electrical upgrades on the green.

2. Cemetery

Mr. Jordan said that he has met with the contractor and they will be commencing work on the entry way brick pillars. The sign company will coordinate with the mason to install the sign over the pillars. There is also legislation on this evening's Council agenda to accept a \$100,000 grant from the state for the receiving vault. He said that the designer is lined up to build the specifications for the work to be performed and then it will go out to bid. Mr. Nickell asked if this is enough money to make the structure safe. Mr. Jordan said yes, but it is not enough to restore it back to its original condition.

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

Mr. Kelly said that the committee has received the latest draft of this legislation as prepared by Mrs. Vozar that includes the requested changes from the last meeting. Mr. Kelly said that the Federal Court of Appeals for the 9th Circuit in California has just announced a decision that strongly favors municipal regulation of these transient rental experiences. Mr. Nickell asked if these rulings are applied nationwide. Mr. Kelly said no, but they are indicative of which way the judiciary may go on this matter. He said that there are other appellate courts that may opine in a different direction, but he felt that he should share this information with the committee. He said that these regulations appear to be very similar to what the committee is considering. Mr. Kasaris said that the 9th Circuit is known as a very liberal court. Mr. Langshaw said that he is ready to vote on this tonight. Mr. Nickell said that under 1485.035 (b) (1) it states that the total number of calendar days or parts of calendar days that a transient renter occupies a dwelling unit does not exceed 14 days. Does this mean that they can have 5 renters in one year, but no one person can exceed 14 days. Mr. Kelly said yes. Mr. Nickell asked Mr. Kelly to clarify #3 for him that states the owner of a dwelling unit or rental unit shall not permit single room rentals to transient renters. Mr. Kelly said that this is anti-hotel language and the objective is not to turn your home into a hotel, as opposed to the old days where you would rent a room out to a boarder. Mr. Marnecheck said that the last sentence in this section means that it does not apply to boarders. Mr. Nickell that paragraph (3) confuses him. It seems that in paragraph (1) it says you can have a transient renter not more than 14 days. Mr. Kelly said that it is intended to be read harmoniously with the rest of the regulations and he said that the objective is to suggest that if you are occupying your own home, you can have a transient renter but for a limited period of time. Mr. Kelly said that what we are trying to do is keep businesses in business districts and residential properties in residential districts, while still allowing for people to have a certain limited ability to rent a portion of their home. Mr. Nickell asked where in this legislation does it say that Airbnb rentals are

permitted. Mr. Kelly said that it doesn't say that. We are not designing it to allow Airbnb nor prohibit Airbnb. This is not the purpose of the legislation. It is designed to simply restrict the use of the property for the purpose for which it was originally intended. Mr. Nickell said if someone who is doing this now and has a home that is located in a certain district, they could continue to operate. Mr. Kelly said that there is not going to be any blanket opportunity for people to continue to operate Airbnb. If that style does not suit this ordinance, it is not permitted. Mr. Langshaw asked if this applies to someone renting out a home for short term rental on Craigslist. Mr. Kelly said that the legislation does not limit the nature of the connection between the lessor and lessee. Whether they connected through Craigslist or a sign in the front yard, it doesn't affect the nature of the limitation of the legislation.

Debbie Clevenger, 15740 Bennett Road, addressed the committee. She said that she lives next door to a 2 bedroom, 1 bath short term rental property owned by a real estate company that bought the property under foreclosure. It was not purchased with the intention for being a full time residence or long term rental. The property owner has no ties to the community and the property manager says that she is out of the country a lot. She said that over the last 4 years, she has experienced renters coming into their yard when they were entertaining and asking for cigarettes. She said that the renters arrive at all times of the day and they never know why they are there or for how long. She said that this makes her very uncomfortable and uneasy with the influx of so many different people. She said that you don't know what kind of activity is taking place. She said that the property abuts the Metroparks and is very isolated. Renters have made bonfires that are left smoldering and not properly extinguished. The renters some times leave beer bottles in their yard that they have to pick up and overflowing garbage that attracts animals. She said that last Fourth of July, a construction trailer showed up along with 4 utility vans and 8 men showed up to occupy a 2 bedroom, 1 bath home and this resulted in vans being parked all over the yard and people coming and going at all hours of the day and night. She said that the property owner is more worried about making money than she is about who is actually renting the property. One of the biggest contentions she has with this situation is that they are lucky if the lawn on the property is cut once a month. She said that she wants to keep up the property values in the neighborhood and this does not help. She said that many HOA's, condo associations, etc. do not allow short term rentals or subletting in their communities because they don't feel that this is the proper way to project the image of their community. She said that the University of North Carolina Urban Studies performed a study on the impact that these types of rentals have on the communities and they have found that it takes away from the community developing by not allowing the property to be available for a long term rental or full time residence and become a member of the community. She said that there were two gentlemen at the March 5, 2019 meeting from Parma and Lakewood who spoke about their success at being Airbnb operators and she applauds them. It's another model of business for people to generate income. She said that she contacted the City of Parma and was told that there is a moratorium on Airbnb's and short term rentals and are trying to sort out the subject the same as North Royalton. Lakewood has a very high multi family population to begin with, they are the model for how to take care of your community if you have a lot of rentals. She said that they are already very regulated and did not see any reason to add to what they already have on the books. She said that she does not think that the short term rental model is going to go away, but she thinks that it should be controlled and that we make sure that the property owners take care of the property, rent them out the way they should be rented. She said that she has lived here for 19 year and in the last 4 years what they miss most is that they don't have a neighbor or a sense of community with people around us and she is tired of looking at that ramshackle house.

Nick Semertsidis, 2223 Oak Lawn Drive, Parma Ohio addressed the committee. He said that he addressed Council at their last meeting. Regarding what Ms. Clevenger has stated, he said that this is not how most hosts behave or handle their business. He said that he currently has 30 units in the Cleveland area and he takes care of his properties as most hosts do. There is the occasional host that has issues like Ms. Clevenger pointed out but there are already laws in place to deal with things like grass cutting, exterior maintenance, etc. He said that is what the city inspectors are for. Also, a lot of these issues, such as cigarette butts, etc., can still happen with a traditional rental situation and you would be stuck with it for as

long as they have a lease. The same problems can occur with any neighbor that might be living next door to you. Mr. Nickell said that this is correct and you go through the same channels to address it. Mr. Semertsidis wanted to address the 14 day rule. He said that when they discussed this with many Parma City Council members and the Parma Mayor on the side and when they actually saw more to it than what the newspaper said, they actually saw that this could work in Parma and therefore sent it back to the original task force. Their Law Director and Safety Director are coming up with ways to implement this so that it works for their community. They were not aware of the extra tax dollars that would come in and how much money the property owners put back into the property. He said that the 14 day cap means that you can only do this 14 days out of the year. He said what is the point of doing it then. This is essentially a ban if you can only do it for 14 days per year. He said that Airbnb was surprised to hear that it was only permitted for 14 days per year. Mr. Langshaw said that we are a charter community and asked the Law Director what our authority is in this circumstance. Mr. Kelly said that under home rule we have limited autonomy but we are prohibited from enacting legislation that would otherwise conflict with state laws that are designed to be employed on a statewide basis. Mr. Langshaw said that this means that we can pass laws that benefits the citizens of North Royalton that does not conflict with state law. Mr. Kelly said this is correct. Mr. Semertsidis said that they offer alternatives on how to help regulate this industry. They want rules and regulations as well and said that safety come first and this can all be easily implemented and help those who have owner occupied homes generate income and make it feasible for those residents. He said that there are only 4 or 5 short term rentals in North Royalton so we are passing a whole law here for only 4-5 instances. Mr. Marnecheck asked how many units Mr. Semertsidis owns. He said 30 in the Cleveland area and 2 in Columbus. Mrs. Hannan asked if he has any in North Royalton. Mr. Semertsidis said no. He said that he has created a company along with his business partner and North Royalton would not be a place where we would do this, but a resident who is maybe going to Florida for the winter and wants to rent out their house while they are gone will only be able to do it for 14 days based on what is being proposed. Mr. Antoskiewicz said that they can rent it for longer than 30 days based on our current code. Mr. Semertsidis said that most people on Airbnb are not booking for 30 days, they want less than that. Mr. Antoskiewicz said that we have long term rentals in the city so they can be rented in this manner. Mrs. Hannan asked if Mr. Semertsidis is on the Parma Task force that he mentioned earlier. Mr. Semertsidis said that they have been asked to come on board as experts in the field because they didn't have anyone in the short term industry involved.

A gentleman from the audience (provided no name or address) addressed the committee and said that the 14 day limit started with Cleveland legislation during the RNC. At that time short term rentals were not allowed in Cleveland so they crafted a solution for the convention. He said it snowballed from there. He said that he does not see the point of capping this at 14 days. Mr. Nickell said that he does not agree with the 14 day cap, he thinks it is too short. He asked why we would want to stop revenue from coming into the city. He said that he would like to see 30, 60 or even 90 days. He said that we already have a moratorium in place. He said that this legislation doesn't seem right. It seems like dirty legislation; it's not clean. He said that the property issues mentioned earlier can be handled with current laws such as exterior property maintenance codes, parking codes, etc. The gentleman said that Ms. Clevenger's situation sounds more like a slumlord rental issue, not a short term rental issue. Mr. Nickell said he agrees. The gentleman said that he lives in Lakewood and there are rentals everywhere and there is the same problem that Ms. Clevenger described. They were not short term rental problems, they were just bad landlords who own property and did not take care of it. He said that he has seen a lot of short term rental properties throughout the region and they are all kept in peak condition, inside and out. He said that there are 4-5 short term rental hosts in North Royalton and they are benefiting from this industry. Mr. Langshaw said that some of them actually realized that they have to be registered with our current long term rental registry and they were not doing that. Mr. Langshaw said that they are benefiting because there is actually more profit in long term rental. Mr. Nickell said that is just Mr. Langshaw's opinion. The gentleman said that this is a way for some families to make supplemental income. He suggested that if the city is going to leave it as owner occupied, then at least remove the 14 day maximum and allow the residents to maybe do 90-180 days and allow this industry to be attainable if someone needs it. Mr. Nickell said that he does not like this legislation, he thinks we are invading private property rights and asked how far we are going to reach into

people's private property and private business. He said a few months ago we wanted to ban painting your address on the curb and asked how many micromanaging laws do we want for our residents. He said that he understands Ms. Clevenger's issue, but does not want to make a law for 3 people that have a problem in a population of 33,000. He said that we have tools in place to address Ms. Clevenger's concerns by letting the Building or Police Departments know that there is a problem. He said that people are allowed to make money in this country and make ends meet. Mr. Langshaw said that he would like to vote on this evening. Mrs. Hannan said that she is not sure that this legislation addresses Ms. Clevenger's concerns. Mr. Nickell said he would like to leave this item in committee and does not feel it is ready for a vote yet. Mr. Antoskiewicz said that years ago we used to keep things in committee for long periods of time but no one ever came up with anything that changed what was currently being looked at. He said that unless someone plans to come back to the committee with different information that changes what is currently in front of us, he didn't see any reason to leave it in committee to just sit there unchanged. Discussion ensued about Council's ability to take this out of committee by a 2/3 vote of Council if the Chairman wishes for this to remain in committee.

NEW BUSINESS

1. Agricultural Districts – Ellis/Muller/Muller

Mr. Jordan said that these are on Council's agenda for Public Hearing and action under the regular order of business. Mrs. Haller said that these are renewals and have been in existence in the city for many years. Committee agreed to move this to the Council floor.

ADJOURNMENT

Moved by Mr. Nickell, seconded by Mr. Kasaris to adjourn the March 19, 2019 meeting. Yeas: 3. Nays: 0. Motion carried. Meeting adjourned at 7:25 p.m.