

**MINUTES**  
**City of Newport**  
**Short-Term Rental Implementation Work Group Meeting**  
**City Hall, Council Chambers by Video Meeting**  
**Tuesday, January 18, 2022**

**Work Group Members Present by Video:** Spencer Nebel, Bill Branigan, Dietmar Goebel, Cynthia Jacobi, and Jamie Michel.

**Work Group Members Absent:** Sandra Roumagoux, and John Rogers.

**City Staff Present by Video:** Community Development Director (CDD), Derrick Tokos; Police Chief, Jason Malloy; Community Service Officer, Jim Folmar; Finance Director, Michael Murzynsky; and Executive Assistant, Sherri Marineau.

1. **Call to Order.** The meeting was called to order at 1:07 p.m.
2. **Public Comment.** None were heard.
3. **Approval of Minutes.** Motion was made by Jamie Michel, seconded by Bill Branigan, to approve the September 14, 2021 Short-Term Rental Implementation Work Group meeting minutes as written. The motion carried unanimously in a voice vote.
4. **Committee Discussion Items.**
  - A. **Online Payment of Room Tax Assessments and Business License Fees.** Murzynsky reported that the business license fee payments would be done some time in the future, and the room taxes still needed to be figured out with the State. He explained the City had all of the State's requirements in the ordinance but they had to look at administrative items that the State didn't have that weren't relative to the City. Murzynsky would sit down with the City Manager to look over this, but it would have to be coordinated with whomever took his position after his last day of employment with the City on February 11th.

Nebel asked for an update on the Invoice Cloud system. Murzynsky reported that it was functioning okay. The system was working great for the utility billing system but the court payment system hadn't been set up yet, even though the City was promised this. It would be ready in April or May.

Dietmar Goebel enter the meeting at 1:10 p.m.

Tokos pointed out that he provided a link to the State Revenue Department's website in the packet which showed a little background on their efforts to work with local governments to facilitate collections of room tax payments for local governments through their office. Most jurisdictions collected room taxes locally, but they were seeing a transition to utilizing the State to collect. Tokos noted the iCloud link that was shared was in the context of business licenses and related to fees online. Nebel explained they were focusing on utility billing and these were items they hoped to have up and running at the beginning of the new fiscal year.

- B. **Update on Licensed Short-Term Rentals, Cap, and Waitlist.** Tokos reviewed the STR license counts list. He reported that a searchable database would be ready to go soon for the City's website. The database would be searchable to find units that were licensed.

Jacobi asked if when someone had an opportunity to apply for a license and chose not to, would they be able to go back on the waitlist. Tokos confirmed they could.

Branigan asked if a property was annexed into the City that had a STR license with the County, would they be grandfathered in. Tokos thought that if they were operating in compliance with the County's regulations, they would come in as a nonconforming unit. If the areas to the south annexed in, the overlay had been extended to this area in anticipation of the annexations. Goebel asked what the difference was between the County's sunset rules and the City's sunset rules, and when a STR would terminate from the County. Tokos wasn't familiar enough with the County's rules to say exactly. He wasn't sure if they would all sunset in all circumstances. Goebel asked if the STRs would have to meet the current City rules when there were annexed in. Tokos explained that the STRs would come in as nonconforming units if they were operating in compliance to the County's rules. If they weren't compliant, they would be considered unlawful rentals. The nonconforming units would have to meet the City rules immediately.

Gobel asked if the search engine that would be implemented on City's website would be through Google Earth. Tokos said it wasn't tied to the GIS maps. There would be a search function for addresses or owners and a couple of other fields. He noted that what was currently available in the table on the website would be included in the search. Goebel asked if people could search to see if there were any STRs in neighborhood. Tokos explained that the public would use the search to do things such as confirm that a property had a license, or look to see if a property they were looking to purchase had a current license.

Nebel asked if the properties on the waitlist report, that had applied by the deadline and were working to get their license, were checked to see if they met the spacing standards. Tokos explained that the City checked this off before they were offered a license. He reported that when the City went down the waitlist to offer a license, and the property already had a unit on their street, they would be notified. The property would then be kept on the waitlist and the City would go to the next property on the waitlist to offer a license.

Goebel asked if the properties on the waitlist who didn't apply were licensed. Tokos explained they weren't. They were only on the waitlist and were removed from the list if they didn't apply. Tokos reported that the City only offered open licenses once a year at the close of the renewal period. The 10 licenses that weren't applied for would be available at that time as well as the other licenses that were either relinquished or had their properties sold. Goebel asked what the wait was for the properties that are working to get their licenses issued. Tokos explained that more often than not they needed to either remove long term tenants or fix corrections for inspections before they could complete the application process.

- C. **Short-Term Rental Enforcement Update.** Folmar reviewed the enforcement memorandum with the Work Group. He reported that he had received an email from a complainant about an illegal rental and the complainant voiced concerns that he was vague in the nature of the complaint. This complaint was in regard to a unit that was being advertised as a long-term rental, but within the body of the description of the listing it stated renters could cancel not be charged after the fifth day of the rental. He would be meeting the City Attorney and Tokos to discuss if there was a violation here and how they should move forward with this. Everything else was closed and there were no violations.

Michele asked if the three cease and desists were properties that were operating without a license.

Folmar confirmed this was correct. He noted the owners didn't know they couldn't rent without licenses and took down their advertisements.

Tokos reviewed the follow up items from a previous memorandum that Nebel had shared with Carla Perry. The first follow up question was about if there was a mediation service. Tokos reported that they hadn't explored this in any greater detail than what was covered in the memorandum. It was an issue with neighbors and owners when there was tension between the two. Whether there was a service available and who would pay for it was still open ended. The next note concerned getting notifications sent through the LodgingRevs system. This was currently live. When someone lodged an incident in the system they would get a confirmation email and they would also get an email when the status of the record was closed. When a complaint was filed the designated agent for the rental and the complainant would receive an email. Tokos reported that the next point in the memorandum that asked that the Work Group be professional in the context of meetings had already been addressed at a previous meeting. Tokos reported that the note asking about Invoice Cloud being used for online business license payments should be ready by the end of the fiscal year. Nebel thought mediation services might be helpful with chronic issues they had and worth taking a look at. Tokos noted the link to the incident form had been made more prominent on the City's website.

5. **Future Meeting Schedule.** Tokos reported the next meeting would happen in about three months. He would float out a poll to see when the best date would be for everybody.

Jacobi asked for clarity on the parking complaint about the owner who was using parking for a family event. She asked if there were rules for having too many vehicles on a street. Nebel explained that if traffic was being blocked and vehicles were illegally parked it would be a violation. He asked if parking was being used as the owner, how did it play into the rules. Tokos explained there were no rules in residential areas. Folmar added that there hadn't been a complaint for blocking access or traffic, it was a report that there were too many vehicles. The complainant thought the property was a STR and they had too many vehicles. The owner was contacted and they confirmed they were using the property as the owner at the time. If they were blocking anything there would have been a violation. This wasn't the case in this instance and there were no violations. Jacobi was concerned about the rules on vehicles and asked what the limit on vehicles were. Nebel explained that if the property was being used as a STR, there were restrictions on the number of guests and parking at a rental. Tokos noted that the occupancy limits keyed off of the number of parking spaces that were provided. Each bedroom for STR use needed to have one off-street parking space, unless they were in a parking district where they could utilize on-street parking in lieu of the off-street. Occupancy was calculated at two persons per bedroom, plus two. Goebel asked when the incident report was received, were they only concerned about the traffic. Folmar confirmed they were reporting the number of people coming and going was in excess. When the owner was contacted they confirmed they were using the property for a family event, they had everyone legally parked, and no driveways or mailboxes were blocked. Folmar confirmed that as long as vehicles didn't block driveways or roadway, they were entitled to park there.

Nebel asked what the longevity of the Work Group was based on the last resolution. Tokos explained he needed to get the specific date but it had been pushed out another 12 months. At some point they needed to figure out if there were any further recommendations to continue with or if they needed to make changes to the ordinance, and if they should continue as a standing committee or if it should be dissolved. Nebel thought it was helpful to put a list together of the changes to pick away at the next meetings before they did a report to the City Council. Michele thought they extended it through the summer and then would decide if they wanted to extend it again. Goebel thought they should talk at the next meeting on where it should be taken. Nebel requested that the Work Group be provided the number of rentals there were at the beginning of the ordinance and how it had changed since. Goebel noted that

he hadn't heard many problems concerning STRs. He asked if things had seemed to mellow out or if anything had changed. Folmar reported these had been the same issues as before but in less quantities.

6. **Public Comment.** None were heard.

7. **Adjournment.** The meeting adjourned at 1:44 p.m.

Respectfully submitted,



Sherri Marineau  
Executive Assistant