

Town of Henlopen Acres

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Henlopen Acres, DE 19971

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MINUTES: The Board of Commissioners of the Town of Henlopen Acres held a virtual Organizational Meeting at **10:00am on Friday, September 11, 2020** at Town Hall, 104 Tidewaters, Henlopen Acres, Delaware.

PRESENT:

Joni Reich	Mayor
Beatrix Richards	Commissioner
Tim Hidell	Commissioner
John Staffier	Commissioner
Andrew Brittingham	Commissioner
Jeff Jacobs	Commissioner
Dick Thompson	Commissioner
Glen Mandalas	Solicitor
Thomas Roth	Town Manager
Lisa Michaels	Town Clerk

[Minutes Are Not Verbatim]

1. Call to order, Pledge of Allegiance

The meeting was called to order at 10:16am by Mayor Joni Reich.

2. Administration of Oath of Office to elected Commissioners

Town Manager, Thomas Roth, administered the Oath of Office to newly re-elected Commissioners Joni Reich, John Staffier and Tim Hidell.

3. Nominations and election for the Office of Mayor

Mayor Reich asked for nominations to serve as Mayor for a term of one year. Commissioner John Staffier made a **motion** to nominate Joni Reich for Mayor and Commissioner Jeffrey Jacobs seconded the **motion**. There were no other nominations. **Motion** passed unanimously and Joni Reich was re-elected Mayor.

4. Appointments

Mayor Reich recommended the following appointments

- a. **President Pro tempore**-Commissioner Tim Hidell
- b. **Treasurer**-Commissioner Jeffrey Jacobs
- c. **Secretary**-Commissioner Paddy Richards
- d. **Assistant Secretary**-Town Manager Thomas Roth

A **motion** to approve the appointments was made by Commissioner Richard Thompson and seconded by Commissioner Paddy Richards. **Motion** passed unanimously.

5. Corporate Resolution on Banking

Mayor Reich asked Mr. Roth to explain what the purpose of the Corporate Resolution for banking. Mr. Roth explained the document designates who can sign on behalf of the Town for banking purposes. The resolution included in the packet allows for Mayor Reich, Commissioners Tim Hidell, Jeffrey Jacobs and Paddy Richards to sign for the Town. It also allows for Mr. Roth to open and close accounts for the Town. A **motion** to approve the Corporate Resolution for Banking as submitted was made by Mr. Staffier and seconded by Ms. Richards. **Motion** passed unanimously.

6. Meeting Schedule

The 2021 Board of Commissioners meeting schedule was included in the meeting packet. There were no conflicts for the meeting dates.

7. Executive Session for the purpose of discussing potential litigation in accordance with 29 Del. C §10004(b)(4),

A **motion** to enter Executive Session was made at 10:25am by Mr. Jacobs and seconded by Mr. Thompson

A **motion** to come out of Executive Session was made at 11:00am by Mr. Staffier and seconded by Commissioner Brittingham..

8. Possible action on matters discussed in Executive Session

No action taken

9. Discussion and possible action on proposed amendments to Chapter 95, Rentals

Mayor Reich began by stating that since January, the Commissioners have heard from 135 property owners. The public hearing on August 31 was well attended with over 50 property owners and 22 speakers. She believes this is the most vetted issue that has come before the Commissioners. Most residents that have spoken has expressed they want the Commissioners to act to limit short term rentals but with a balance that allows residents to rent their home. Mayor Reich would like to transfer the chair of the meeting to Commissioner Hidell so she can make a motion. Mr Hidell accepted the chair and Mayor Reich made a **motion** to make three amendments to the current draft ordinance: First to delete section C 5 in its entirety, second to change section C 4 from 6 allowed rental times per year to 8 per year, with up to six being In-Season. In-Season is being defined as the period of time between Memorial Day and Labor Day beginning the Friday before Memorial Day to the Tuesday after Labor Day. Then two additional rentals in the off season with all rental periods being a minimum of one week. The third amendment would be to change the notification period in C 6 to two days instead of two weeks, allowing for last minute rentals. Mayor Reich understands these three proposed amendments don't solve all the issues with short term rentals but believes they address the major ones. She also wants the Commissioners to evaluate the current rules for renters and also the Town's noise Ordinance prior to the 2021 rental season. Mr. Thompson seconded the **motion**. The floor was opened up for discussion. The Commissioners had an extensive and productive discussion on Rentals.

Mr. Staffier voiced his support for the proposed Rental Ordinance as modified because he believes this responds to the feedback received from the residents. He believes the Commissioners are being proactive in keeping the Town a residential community and not allowing it to become a rental community.

Mr. Brittingham also voiced his support for the Rental Ordinance with proposed modifications. He is sympathetic to the difficulty of the issue and appreciates everyone who submitted their comments. He believes families should have the ability to rent their homes and would support one more rental period in the off season.

Ms. Richards want the Town to maintain its family atmosphere and believes the proposed Rental Ordinance will do that. She supports the Ordinance with proposed amendments.

Mr Thompson also voiced his support for the Proposed Ordinance. He thanked Mayor Reich for the thoughtful process she put into the proposed amendments.

Mr. Jacobs began by acknowledging that as the incoming Town Treasurer, he is acutely aware of the impact reduced Gross Receipts taxes could have on the Town budget. He also realizes the proposed changes could result in more work for the current Town staff. Mr. Jacobs voiced his support for the proposed Rental Ordinance. He thanked all the residents who sent in comments, and spoke to him directly. He wanted to assure everyone he read each and every comment that was submitted, some of them several times. It was obvious that the majority of the residents supported the Rental Ordinance as it was originally proposed. This Town was founded as a residential community with no commercial activity allowed. He understands this Rental Ordinance will not make everyone happy. The Commissioners are particularly sensitive to multigenerational families who may need to rent their home. Mr. Jacobs would like to propose an amendment to change the definition of In-Season from the way it's currently written to May 15 to September 15. Since Memorial Day and Labor Day change each year, this will keep the dates consistent. Mr. Jacobs also agrees that the noise Ordinance and current rules for renters have to be re-evaluated with stricter penalties in place for those who don't abide by them.

Mr. Hidell also voiced his support for the proposed rental Ordinance for all the same reasons his colleagues have mentioned. He was also very pleased at the way the Public Hearing went in August. He was glad to hear from so many residents.

Mr. Mandalas recapped that there are two additional amendment proposals on the table. The first one is increasing the rentals periods in the off season to three and the second one is to changes the dates of In-season to May 15 to September 15. There needs to be a motion made for these two amendments to be considered.

Mr. Jacobs made a **motion** to amend the submission period for rental contracts from two days to three business days to allow Town staff adequate time to process the contract information. Ms. Richards seconded the **motion**. The **motion** passed

unanimously. The amendment to the proposed Ordinance now proposes three business days for rental contract submission to Town Hall.

Mr. Jacobs then made a **motion** to redefine the In-season period as May 15 to September 15 to allow for consistency each year. Ms. Richards seconded the **motion**. The **motion** passed 6-1 with Mr. Hidell, Mr Brittingham, Mr Jacobs, Mr Staffier, Mr Thompson and Ms. Richards voting in favor and Mayor Reich voting opposed.

Mr. Brittingham then made a **motion** to change the total rental periods allowed in the off season to three. There was no second to the **motion** and the motion was not considered.

Mr Mandalas again recapped the proposed Ordinance before the Commissioners. The original Ordinance as proposed by Mayor Reich has now been amended to include "In-season" as being between May 15 and September 15 and the submission period for rental contracts to be received by Town Hall is three business days. Mr. Mandalas then instructed Mr Hidell to poll the Commissioners. Each Commissioner must state how they are voting and give the reasons why. Mr Hidell then asked each Commissioner to state their vote on the Ordinance before them and their reasons for their vote.

Mr Staffier voted in favor of the Ordinance for the reasons he stated earlier.

Mr Brittinham voted in favor of the Ordinance also for the reasons stated earlier.

Ms. Richards voted in favor of the Ordinance for the reasons stated earlier.

Mr. Thompson voted in favor of the Ordinance for the reasons stated earlier.

Mr. Jacobs voted in favor of the Ordinance for the reasons stated earlier.

Mr. Hidell voted in favor of the Ordinance for the reasons stated earlier.

Mayor Reich voted in favor of the Ordinance as amended and improved upon, by her colleagues.

Motion passed unanimously.

Mr. Hidell transferred the chair back to Mayor Reich. There was no other business before the Commissioners.

10. Adjournment

A motion to adjourn was made by Ms. Richards and seconded by Mr. Hidell. The meeting was adjourned at 11:31am.

Also attending by virtual means: John Scheurer 62 Tidewaters
George Dotzel 33 Rolling Rd
Stephen O'Donnell 38 Rolling Rd
Mary O'Donnell 38 Rolling Rd
Nathalie McGregor 3 Pine Reach
Scott Talbott 41 Rolling Rd
Barbara Crosby 71 Pine Reach
Joe Wade 96 Tidewaters
Roger Warin 26 Tidewaters
Lynn Sirinek 60 Pine Reach
Wendy Jacobs 24 Rolling Rd
Chris Flood Cape Gazette

Approved 10/09/2020