

LEGISLATIVE COMMITTEE MINUTES
of July 18, 2022

In Attendance: **Vermilion City Council:** *Monica Stark, Council President; Pat Stein, Ward One; Teresa Mayle, Ward Two; Greg Drew, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five. Absent: Steve Herron, Council At Large*

Administration: *Jim Forthofer, Mayor; Chris Howard, City Engineer; Amy Hendricks, Finance Director; Chris Hartung, Police Chief; Tony Valerius, Service Director*

Call to Order: Greg Drew, Chairman, RESOLVED THAT this Legislative Committee comprised of the committee of the whole does now come to order.

TOPIC ONE: **Review of Ordinance 2022-33 (Rental Registration)**

P. Stein MOVED to exempt Linwood from the count of the Transient Rental Agreement. *Discussion:* She said they are an entity within themselves, and their streets are theirs and the city doesn't put money into that, and they take care of their own trash, and the city is not involved, and most of them have been rentals since the late 1800s and it is not an issue of rowdiness. They control everything that goes on there and they have rules and regulations, and their board makes sure things stay the way they are. G. Drew said he agrees. He asked if the city had a chance to evaluate inspections without outside vendors. T. Valerius said they did and with the transient rental inspections all items are covered in the International Property Maintenance Code, so they really would not need a certified inspector to do these inspections. The City of Huron's inspections are more in-depth with looking at the electrical panel and so forth which would require a certified electrician or building inspector to perform the inspection. With what he presented on his inspection list; they could use a part-time employee to help with these inspections to keep the costs down. G. Drew asked the administration if they had a recommendation on the costs to cover a part-time employee or anyone else working in the building department who must process these inspections. He said the council initially set a \$400 fee and wondered if they could come down on that number. T. Valerius said if they use a part-time employee, they could pay him \$20 an hour, so he thinks they could come down in the inspection fee. G. Drew asked if they could come down to \$100. T. Valerius said he would imagine. P. Stein said her friend in Cleveland sold a house and it had to be inspected before it was sold and it was \$200 for the inspection, so she thought this amount was more than fair.

M. Stark said she would like to see the inspection last more than one year as she didn't feel an annual inspection was necessary because what they are looking at is

more of safety measures, so they make sure the safety standards are met in the homes that are being rented. She thought they could do inspections every two years for \$200. It wouldn't be such a pull on the department as well and she thinks a lot of the safety issues that are inspected is something that would not change every year. Mayor Forthofer asked if the code addresses a term. T. Valerius thought they would be okay every other year. G. Drew clarified that she was saying the registration would be good for 24 months and M. Stark confirmed. G. Drew said he was comfortable with a motion or editing the draft. G. Fisher reminded council there was a motion on the floor that needed a second. G. Drew seconded the motion. *Additional discussion:* B. Brady said as much as she would like to exempt Linwood, she didn't know how they could because they are zoned RS, so how can they treat one RS district differently than others. The argument is that the city doesn't maintain the streets or pick up the garbage, but they don't do this in Vermilion Shores or Crystal Coves either, so they can't pick and choose because every development in the city is going to have a reason why they should be exempt. She said they can control and make this a little less invasive and if it doesn't work, then they can add some rules, but exempting one area of the city when the zoning is same as other areas is a concern and it is not fair. G. Drew said he has similar concerns, but when they go there, they do not have access to their area because it is gated, and you cannot just drive in and drive through their streets. It is very secluded and separate from the rest of the city, so he thinks it would be appropriate to exempt them based on this. To him it is a private park.

M. Stark said it is a safety issue for the people that come and rent. They are putting this ordinance on the books for the safety of those coming to rent, so are these places inspected for all the things the city is looking for to make sure those renters are safe. If something happens in one of these homes, then heaven forbid because the city exempted them and didn't provide an inspection. Shame on the city because they are doing this for the protection of the people who are coming to rent. She gets they have their own rules and regulations, and a lot of different neighborhoods do, but this is a safety issue.

T. Mayle said she isn't necessarily against exempting Linwood, but at the last meeting she proposed getting rid of everything because before they can vote on removing Linwood from any of this, they must figure out what this mess is going to read. They do not know what the fees are going to be or if they just want inspections. Do they want registration? What are they exactly doing with this? She thinks considering Linwood's situation after they figure out what this will read is the process they should take before they impulsively remove them completely. She agreed with Barb that it isn't necessarily fair even though Linwood has been operating there for years with no issues, but she hasn't heard of any other issues with the other rentals. What are we trying to fix with this? She said they need to figure out what they are fixing and then figure out what the legislation is going to say, and then they can vote who is exempt and who is not, and why.

B. Holmes suggested striking the ordinance completely and take it off the table.

T. Mayle MOVED to strike the ordinance completely. *M. Stark said there is already a motion on the floor.* B. Holmes agreed that if they don't strike the ordinance, they need to figure this out before they exempt anybody in the city. G. Drew asked if they could rescind their motions and figure this out. G. Fisher said yes. **P. Stein and G. Drew rescinded their motion to exempt Linwood.**

B. Holmes said this issue is a mixed emotional thing because the safety of the visitors and residents are important. He said this issue has been going on since 2015 and they have been beating this issue over and over.

G. Drew said if the city can do inspections for \$100 every two years, then it is \$50 a year. He thought everything else in the ordinance was pretty good. He didn't think changing the registration for every two years was too unrealistic for Linwood or would put anyone out of business. He said they can all get inspected because this is everyone's concern. What else is there really to haggle over? M. Stark thought they were talking \$200 every two years and eliminating the limit of rentals in the city. She thought everything else in the ordinance was good and she understood the city has received numerous emails and letters from Linwood and understands a lot of cottages have been there and they are not a business. However, they are a business because it is rentals, and they are making money. To her it comes back to the safety issue. She thought the \$200 every two years is doable. G. Drew agreed. M. Stark said because of the rental unit she was invited to when the fire department had an issue at one point was a safety issue from what she saw and if there would have been a worse fire, it could have been terrible because there were exits that were blocked and she does not want this to happen in Vermilion and wants the visitors safe.

M. Stark MOVED. B. Brady seconded to amend Ordinance 2022-33 to implement a \$200 fee every two years and to eliminate the number of rentals they allow in the community. Discussion: A. Hendricks said as a point of reference she did receive the invoice for the renewal for the software that is used for the registration process as well as the compliance process. The renewal is due back August 27 and the cost for the registration portion of this software is \$5,700+, so if they're looking at roughly 60 units right now, it is \$100 a year. M. Stark said once this ordinance is put into effect, she thinks they need make the rental registration effective March 31, 2023. T. Mosley said she had Gwen Fisher look over the ordinance and make some corrections as many council members were confident that something needed to be in place. The changes to confirm would be a permit fee of \$200 every two years and they are removing the limits of the number of rentals that are allowed in the city. She had suggested getting rid of the distance from the property. G. Drew asked if they should make these changes separately or vote on the motion on the floor first.

G. Fisher said council should come to a consensus of the changes and then they can make a motion if warranted and then at the next council meeting, they can untable the third reading and vote. T. Valerius said if they continue to use the Granicus software, then it would be about \$100 per unit for Granicus, but they still must do the inspections and use the girls in the office for processing, so \$200 is not enough for everything. G. Drew asked if they would be paying for the software regardless if they did not have legislation. A. Hendricks said if they did not have the ordinance they wouldn't, but they had Cares money in anticipation because the ordinance was in place at one point in time, but then rescinded. They did do the renewal last year. G. Drew suggested \$300 every two years - \$100 for Granicus and \$50 for inspections each year. He didn't think it was completely unreasonable and probably a night's rent. **M. Stark MOVED**; B. Brady seconded to amend their motion to change the \$200 permit fee to \$300 every two years. Roll Call Vote 5 YEAS; 1 NAY (Mayle). **MOTION CARRIED.**

T. Mayle said if council is going to vote on each individual situation, she feels they need to figure out what the legislation is going to say and approve it in its entirety instead of going through each individual item. She asked if council would support getting rid of (e) (4) The registered owner or authorized representative for the transient rental shall be within a one-hour arrival of the transient rental unit while the transient rental is being occupied. G. Drew said he would support getting rid of this. B. Brady asked if they didn't feel they should have someone the city can call if there is a problem. She said when you rent a VRBO there must be someone to clean it every week, so they need a local person they are involved with that can be listed on the form. G. Drew said he supports an emergency contact but didn't feel it matters where they live, and it isn't council business if they are 60 miles or 200. G. Fisher said they might not need to add this language into the ordinance because it is on the registration form. T. Valerius agreed. M. Stark referred to Chief Hartung as to his thoughts on this – is there a reason why they would need a contact person for these homes? Chief Hartung said most of the time the reasons they are contacting the homeowner or business is if their establishment is on fire or has been broken into, so it is a benefit if there is a problem. M. Stark asked if someone was within an hour would it be helpful to the police department or would they just need a contact number. Chief Hartung felt they just need a contact person. G. Drew said he fully supports an emergency contact, but the police and fire department is not going to wait 60 minutes to act if they need to. P. Stein said the contact person is already listed on the registration form, so it isn't necessary to include it in the legislation.

G. Fisher said another suggestion is to remove A-H under (d) (2) Transient Rental Permit Application. She explained that (2) states: To obtain a permit, the owner of the dwelling intended on being used for transient occupancy must apply for a permit on a form approved by the Building Inspector, which will include the following of A-H. She thought the following is already included on the

registration/inspection form, so it really isn't necessary to list A-H. They can strike the language (*which will include the following*) and end that sentence after Building Inspector. G. Drew said he didn't have a problem with this either.

G. Drew reviewed Ordinance 2022-33 with Council to make the following amendments:

(d) Transient Rental Permit Application

(1) Each operator of a dwelling being used for transient occupancy must apply to the Building Department for a permit beginning March 31, 2023.

(7) The permit shall be valid from the date of issuance. All permits will expire 24 months after the date of issuance.

(8) Remove verbiage

(e) Transient Rental Health Safety and Welfare Regulations.

(2) Remove verbiage – Discussion: G. Drew said a lot of owners of rental units are not going to have copies of rental agreements as Airbnb's and the other companies will have records and if the police department needs them, they can subpoena them.

(3) Remove verbiage – Discussion: G. Drew said he was okay if it was a little sticker but is the city going to make little stickers and if so, what's the cost. He suggested getting rid of it. B. Brady thought it was nice for the neighbors to know that this is transient rental. P. Stein said neighbors are going to know if they are being rented. B. Holmes said they already know. T. Mayle said some people live in the homes and just rent occasionally. G. Drew asked if they wanted to advertise a unit that could be vacant because they are a transient rental. They would just be inviting people to break in. Council agreed to strike 3.

(4) Remove verbiage.

(g) Owner Responsibilities

(1) Remove verbiage

(4) Remove verbiage

G. Drew MOVED; P. Stein seconded to adopt Ordinance 2022-33 as amended. Discussion: B. Brady said she still feels this is a business, so there are some things in the ordinance she feels they are excluding that she feels strongly they shouldn't exclude, but she will support this because they need to get something on the books. They can address it again in January of 2024 once it is in effect because it is ridiculous that they have let this go on for so long. B. Holmes said he would like to see the ordinance rewritten and amended before adopting the legislation tonight. B. Brady said that should not matter because they aren't doing anything until March of 2023. M. Stark asked the clerk to make the changes and resend to Council for their review so they can address at their next meeting. G. Drew and P. Stein

rescinded their motions. T. Valerius said this will give the administration a chance to review the legislation in case they see anything that needs changed.

John Waggoner of 465 Walnut Street said he has a rental property in Linwood and the question he would like answered is that he is already registered with the county and pays his 7% bed tax to them and 3% of that comes to the city, so on his particular property this is about \$750.00. It seems like there is duplicate effort and it seems like they can go to the county and get a list of those who have a transient license in the city. It also seems like the city can use this money to pay for the inspections if you need to do inspections. He feels the legislation is seeking a problem and he hasn't seen anyone come before council in favor of the legislation; only those opposed to it. Ideally, it seems like they deserve a response on the issue of what they pay for the bed tax and the registration that takes place with this tax. He said it seems like the city is duplicating their efforts when the information is available.

Anne Peters of 403 Chestnut said she doesn't rent, but she used to. Linwood has been an entity for so long, and she is hearing pros and cons. She said if something happened with their rentals and they have an injury, then who is responsible, the city? No! It's the renter. Why are they carrying insurance for their playground and so many other entities in the park that the city does not touch. They plow their streets, take care of their sewer lines, and take care of their trash.

Janet Waggoner of 465 Walnut said they are a part of Vermilion, and they contribute in many ways. They rented their own cottage before they retired here 11 years ago, and in 26 years she has only had two bad renters. They didn't leave it clean, and they didn't rent again from them or anybody else. They take care of their own. When they bought the cottage they lived in Harrisburg, PA, which is 8.5 hours away. They have Matt the Superintendent and their neighbors that watch out for everything. She said the last time she checked, Linwood and the Lagoons, were the highest taxed areas in the county and rarely do they have a kid that goes to the schools. They are contributing in many ways and they like being part of Vermilion, and have dropped anchor here, and they're staying. She doesn't think Linwood is the same as everybody else.

Debbie Turner of 5167 Shoreline Way gave council information in an effort to be informed and making decisions when they vote. She said they have 150 cottages, and she did a demographic study on them. Of the 150 cottages, 56% of the cottage owners are 70 years and older. She said of the 56% she can only think about four that are still working, so they are on limited incomes. She said 24% are 60 years and above, so that is 80% of their cottage owners as opposed to Vermilion's population. According to the most recent census data, Vermilion has 24.5% that is 65 years and older, so their demographics are quite a bit different than the city. They are dealing with an older population on limited funds and the \$400 fee might not be a lot to

those that are still working, but in a way it does when you're on a limited income. She said they have about 10% that are in their 50's and they have a little less than 10% that are in their 40's. There is only one in their 30's out of 150 cottages, so it is important when council is making these decisions to know the population because they are not a bunch of rich people coming in with a home somewhere else and a cottage in Linwood. A lot of these cottages were handed down and a lot of people are living in them. The bigger cottages are residences. Many of them have family members who are businesspeople (doctors and dentists) and who are a viable part of Vermilion as a whole. They are not just people that come in and leave – their families are invested in Vermilion and invested to the point where they started businesses here. They support Vermilion.

Barbara Enfield of 5213 Seventh Street said her grandparents went to Linwood Park on their honeymoon in 1891 – this is how long her family has been coming. Her and her husband were fortunate to buy into a cottage in the 90's and they never went on a family vacation except at Linwood because they were two schoolteachers until they permanently moved to Vermilion eight years ago. They always had to rent the cottage to be able to pay the taxes, which are very high in Linwood Park. The people that come to Linwood love it – it's a place and a heart. She spent every summer of her life at Linwood because her aunt ran the hotel that was at Linwood. She said people come there year after year and when they rented it was like they owned a piece of the cottage during their week. When they decided to move permanently, they got letters from each renter thanking them for the wonderful memories they were allowed to make with their family at Linwood. People that come, love Vermilion as well as Linwood. She said her daughter was here for the last two weeks with three of her eight grandchildren, so she kept the receipts for everything they spent in Vermilion during their stay, which included: Giant Eagle, Farm Market, Rite Aid, Health Solutions, Tiffany's, Threads, Silly Goose, Brummer's, Tales, Erie and Anchor, Hammons, Krieg's, Speedway, Get Go, and they went twice to the Wine Vault, Huggy's twice, Jim's Pizza Box, Pavilion Grill, Paper Moon twice, Bowl Thyme, Rudy's, and the Vermilion Country Club. Their receipts totaled \$2,455.34 and this is how much they put into the economy and all the renters are the same way. Everybody loves the town, and she has heard from people that still rent their cottages that they will not continue to rent because of the inspections. These are old places – safe, but maybe not HUD acceptable, and it would be a shame for Vermilion and the families if they lose their rentals at Linwood.

George Flick of 5160 Sixth Street said he has heard a lot of talk from council regarding safety. One of his questions is that if they are so concerned about safety in the few rental properties where a person is renting a single-family residence, he fails to see the difference between that and the same residence with a single-family, multi-family, or apartment complexes. Is the city considering inspecting all these properties for safety and health issues if this is such a significant concern to the council? He thinks to single out one segment of the community because of

perceived safety issues is a misguided move. Also, in the requirement every person who rents must have a person physically available within 60 minutes. G. Drew said they removed this. G. Flick asked if this is an ordinance seeking a problem or is there truly a problem council is trying to address. He hasn't seen anything that shows or demonstrates that there is an actual problem in existence in the community that the council needs to expend so much time and money to explore and look at. If they are trying to do it because Huron has done it, then shame on them because they are not Huron.

Ted Krevis of 5130 Seventh Street said he rents his cottage, and their renters have their specific week every year and they are like family to them. The implication that these rentals are unsafe is not the case. If it would hurt council that somebody got hurt, it would devastate him because these people are family to them. This is more of a tax than anything. He asked if there was any way to reduce the costs. He said council was going the right direction with going from \$400 every year down to \$400 every other year, then down to \$200 every other year, and now the number seems to be flip flopping here, there, and everywhere. Is there anyway council can reduce it further. G. Drew said they are set at \$300 every two years, so \$150 a year. B. Brady said this covers the city's cost. G. Drew said they are not making a penny and it will cost \$100 for the registration a year and \$50 for an inspection. T. Krevis said this is just a tax to his renters – it's another day of coming up with somebody renting or another day out. He said in the end, council should think about the negative consequences of this law. If he quits renting, then the city loses all those receipts they just heard about. All those families go to Dollar General, Giant Eagle, etc. His renters are constantly in Vermilion. He lives in Westlake and pays Vermilion's taxes and does not use the services, so this is just a tax to him and if council can bring it down, he would hope they would reconsider. He said his place is safe and he has fire extinguishers and smoke detectors, and open access to exit the building.

Ruth Partington of 5143 Seventh Street said she has spoken with three people within the last week who have been renting their cottages faithfully. They are going to stop because they feel it is not worth what they must go through, and this will take a hit on Vermilion's economy. She said she is retired and lives in Vermilion year around but doesn't feed the Vermilion market the way the renters in their community do. They do shop locally, so forecasting down the road she feels they will see a big hit in the Vermilion economy.

M. Stark asked T. Valerius if he could read off the items on the checklist because it is not a HUD checklist. It is very generalized, and they shouldn't let the checklist scare them because they are not trying to hurt the businesses with crazy inspections. They are not trying to make the homes not pass an inspection. T. Valerius said the checklist includes house numbers, general exterior property maintenance, exterior structure condition (no broken windows or siding falling off

house), guards and handrails on decks where needed, no exposed wires on outlets, GFI outlets, smoke detectors, CO detectors, egress for rooms that have been converted into bedrooms, no gas/water leaks/waste line leaks, sanitary odors, fire extinguisher, and miscellaneous safety items. G. Drew asked if they are measuring rail height. T. Valerius said for guards and handrails they would. A resident asked about doorways. M. Stark said there is nothing there for doorways. Another resident asked about stairs and tread height. M. Stark said it is not on the list. She said this list is not just for Linwood but the entire community, so it is a generalized checklist.

Jeff Zabor of 474 Walnut said as the President of the Linwood Park Company they can have their superintendent perform these inspections and they can provide the city with a certified copy each year. If they can participate in the safety and the intent of the legislation, then they are happy to do that, and this may be an appeasement to the people who find it too onerous to comply with additional regulations, and it will be less expensive for the council. B. Brady said she would accept this, and P. Stein agreed. B. Brady said businesses should be inspected on a yearly basis and isn't sure if the fire department gets around to every business, but they are renting a business out of their home no matter how you define it. They are taking money from people to rent their home, so it's like a hotel/motel kind of thing, and it is a business. The inspections are no different than what they do at any other business. She said the state defines a transient rental as 30 days.

T. Mayle said with the suggestion that Jeff Zabor made with Linwood taking over the inspections and so forth – if this is something they are interested in doing then maybe they could write out exactly what they would like to do and then when council reviews the amended ordinance, they can make the decision to do this or not, and exempt Linwood from the inspection part. G. Fisher said she could include the language in the ordinance if Jeff gets with her on the verbiage, but council would have to vote to amend the legislation. G. Drew said council would have to amend their registration clause, but they would still need to be on the hook for the \$100 a year to cover the software. He said they could drop the fee down to \$250 if they are doing one inspection every two years, and \$50 isn't an unreasonable cost for the inspection. J. Zabor said he would be happy to work with Gwen with council's permission to prepare a proposal that Linwood and the city could agree upon. G. Drew said the next council meeting is August 1.

M. Stark asked T. Valerius what his thoughts were on Linwood performing their own inspection. B. Holmes asked J. Zabor if this is an idea he discussed with Matt and if he was willing to do this. J. Zabor said no. B. Holmes thought they should ask Matt first. J. Zabor said they employ Matt, but they will discuss this with him and the Board of Directors to receive permission. He said he is speaking out of turn. G. Drew asked if there would be any liability on Linwood if they did their own inspection and a house burned down. J. Zabor explained they are an Ohio

corporation, and they have commercial/general/liability insurance and an umbrella, so he believes they would be completing the inspection form in the manner the city prescribes along with the form they use. He said the city may wish to do a spot check. Mayor Forthofer said in consideration of J. Zabor's suggestion, if council chooses to go ahead and if council wants the administration to do inspections, he believes there are some requirements that are necessary. T. Valerius said these are all items in the International Property Maintenance code and enforcing those items do not require you to be certified, but his concern is Linwood would be doing their own inspections, but you'll have VOL or another HOA who may come in wanting to do the same as Linwood.

B. Holmes reminded everyone that there was a prior motion on the floor that they were going to exempt Linwood, so this may come back up. He said the clerk needs to rewrite the legislation and council needs to review it because he wants to see the meats and potatoes first before deciding.

P. Stein said she likes the idea of Linwood doing their own inspections and it is a money saver. She also wanted more information of people registering with Erie County as an Airbnb. A. Hendricks said this is for the administration of the lodging tax, which is required whether the city collected any portion of that or not. She explained that 4% goes to Erie County and they also administer the 3% that Vermilion and most other communities also collect in addition to registration fees. She said the guests pay the 3% lodging tax. J. Waggoner said the 3% should still cover some of the expenses for the city.

G. Drew said they will continue this discussion on August 1 when they put this to vote.

TOPIC TWO: Review of Ordinance 2022-49 (Chapter 1444 – Contractor Registration Board)

Mayor Forthofer explained the city has Boards and Commissions and one board he thinks that was created under different circumstances is the Contractor Registration Board of Examiners. What they do monthly is exactly what the Building Department does. They gather all the components from people who are looking to do business in the city, and they provide various documentation. The Board of Examiners reviews and confirms the paperwork as submitted. He said they have many good volunteers in the city, and he loves putting them to good use in roles where they can help the city move forward. However, he believes this is a redundant function and when it was created in 1986, they didn't have a building inspector, so this may have been a function that was created to supplement what a building inspector could do. Therefore, he asked council to consider rescinding the ordinance that creates the Contractor Registration Board of Examiners and let these

nice people have their dinner at home once and month and then maybe they can volunteer for some other city function in the future.

B. Brady said if the building department rejects someone, do they have an appeal process. G. Fisher said in rewriting the legislation the appeals process will go through the Service Director. B. Brady said this is the building official's boss. G. Fisher said therefore the Service Director should be the one to appeal it to. She said they haven't had any appeals in at least seven years she is aware of, and they have maybe only had a couple exams within that timeframe, so the building department can administer those in the future. She said the board meets once a month and the meetings usually don't last more than five minutes or so, plus they have issues with having a quorum and then contractors must wait two or three months for approval. She said it really is just verifying what the building department receives. Mayor Forthofer said this will allow them to expedite the process. T. Valerius said if the contractor provides all the necessary documentation and meets all the requirements, then a lot of times the city allows them to start working before the board meets. G. Fisher said this legislation is on for a first reading on the Special Council meeting tonight and she isn't certain she has a quorum this month again, so if council could consider suspending the rules and adopting the ordinance tonight it would be helpful.

Greg Drew adjourned the meeting upon no further discussion.

Next meeting: August 8, 2022 @ 7:00 p.m. at the Vermilion Municipal Court Complex, 687 Decatur Street, Vermilion, Ohio

Transcribed by: Gwen Fisher, Certified Municipal Clerk