

**STRASBURG BOROUGH
PLANNING COMMISSION MINUTES
May 6, 2019**

Members Present: Bob Marshall Mary Dresser
 Dave Felpel

Others Present: Lisa M. Boyd, Borough Manager Porter Stevens, LCPC
 Bruce L. Ryder, Mayor Rick Waller
 Denise Waller

CALL TO ORDER AND PLEDGE TO THE FLAG: Vice Chairman Bob Marshall called the meeting to order at 7:00 P.M., followed by the pledge to the flag. He announced that the meeting is being audiotaped and maintained until the minutes are approved.

CITIZEN COMMENTS: None.

MINUTES OF MARCH 4, 2019: A motion was made by Mary Dresser, seconded by Dave Felpel and passed unanimously to approve the minutes of the March 4, 2019 meeting as printed.

REVIEW AND MAKE RECOMMENDATION CONCERNING PROPOSED AMENDMENTS TO THE TEXT OF THE ZONING ORDINANCE: The Borough Manager stated that this is a proposed text amendment by Borough Council. Borough Council believes that our current ordinance is clear in that it does not allow for Airbnb's but since our ordinance was challenged and that matter is being considered by the court system, Borough Council is proposing this amendment to make the ordinance clearer to not allow Airbnb's.

Porter Stevens, the Borough's representative from the Lancaster County Planning Commission, was in attendance and reviewed LCPC's review letter regarding the proposed amendment dated April 23, 2019. Mr. Stevens stated that the LCPC understands that there are legitimate concerns of potential impacts of short-term rentals but their position is that they believe it is possible to regulate short-term rentals in a way that mitigates or prevents those concerns and they are asking the Borough to explore those options to see if there is a way to address those concerns. Mr. Stevens stated that some ways he has seen this done is by:

- * Requiring them to be owner-occupied
- * Requiring the owners to be residents of the Borough
- * Issue short-term rental permits, which requires the owners to register the unit, meet certain requirements such as Building Codes and/or not renewing a permit if there are multiple noise complaints

The Borough Manager stated that the Borough does allow for bed and breakfasts and boarding houses by Special Exception when certain criteria are met.

Bob Marshall stated that one example of the certain criteria is our Bed and Breakfast Ordinance requires them to be owner-occupied.

David Felpel stated that there has been a taxation tiff between bed and breakfasts and Airbnb's because the bed and breakfast owners say that the Airbnb's are not paying the Lancaster Hotel Tax. Mr. Stevens stated that Airbnb owners are required to pay the tax and one way that he is aware of that is being municipally monitored is that Akron Borough requires the Airbnb to provide proof that they have registered with the County to pay that tax. Mr. Stevens stated that

Airbnb's were not previously held to the same requirements that bed & breakfasts were but they are now.

Denise Waller asked Mr. Stevens who in Akron Borough is the person responsible to verify that the Airbnb's are meeting all of the requirements, noting that actual addresses are not listed on the Airbnb and similar sites. Mr. Stevens stated that Akron Borough requires Airbnb's to annually register their properties and prove that all of the requirements are met. He added that unregistered units are either reported by neighbors and/or the staff reviews short-term rental sites.

Rick Waller stated that while Akron Borough regulates Airbnb's to make them equal to bed and breakfasts, they are not regulated by most municipalities. He added that there is also a state tax that is required to be collected and remitted.

Denise Waller stated that she believes most municipalities already have an ordinance to regulate bed and breakfasts and asked why people who want to put in short-term rental units don't just apply and comply with the already-existing ordinances that are in place instead of creating a different set of regulations. She added that she believes that short-term rental units should have signage to alert neighbors that there are different people staying there on a regular basis and they should be owner-occupied. Denise Waller also stated that she believed legislation will change in the future when a person gets hurt in an Airbnb and it comes back on the municipality for not requiring them to have adequate insurance. She stated that she is concerned for the safety of the people renting the Airbnb and for the safety of the neighbors.

Bob Marshall stated that he was also concerned with the safety of the renters and stated that he felt there is unfairness between the Airbnb and Bed and Breakfast Hotel/Motels.

Mr. Stevens stated that, for example, Akron's ordinance requires licensing of the units which includes coordination with the Fire, Police and Building Code Departments to ensure safety.

Mayor Bruce Ryder, speaking on behalf of Borough Council, stated that the Borough usually agrees with the LCPC, but they do not this time. He stated that businesses such as Airbnb and Uber started out, they were sharing businesses but now they are just another way of doing business. He stated that the LCPC comment about entrepreneurship is helping the real estate investor and not the average citizen, which is not what the Borough wants to do. He stated that Strasburg is not a tourist town and we are not a shore town, Intercourse or Bird-in-Hand. He stated that he is more concerned for our citizens who live here who are trying to go to bed at night because they need to get up for work in the morning to support their families than the people on vacation who are being noisy in the back yard of a short-term rental. He added that the LCPC recommendations are fine for a rural, township-type situation for situations like a farmer who has two homes on his property that are not close to neighbors but are not valid for Strasburg Borough because our homes are so close together. He added that, while this is a proposed amendment to our ordinance, this clarifies but does not change our interpretation of our existing ordinance that states short-term rentals of less than 30 days are not permitted. He added that other sections of our existing ordinance follow the LCPC suggestion which allows for owner-occupied short-term rentals through the Bed and Breakfast provision and does not see the need to create a new land use category for something we already have in our ordinance. He added that we are permitted under the MPC to remove the sections for "Uses not Provided For" and "Substitution of one non-conforming use for another" because we have learned that it is not a good idea to have those sections in our ordinance. He stated that the reason they are not a good

idea to have in our ordinance is because they were never used from when they were put in the ordinance in 1993 until 2018 when they were used to go around other sections of our ordinance.

Bruce Ryder added that our proposed amendment is in agreement with a unanimous Opinion of the Pennsylvania Supreme Court that was handed down on April 26, 2019 regarding short-term rentals. This decision is favorable to municipalities and reversed the Commonwealth Court's decision.

Another reason Mr. Ryder stated that he is opposed to short-term rentals is that in one case he is aware of, the people paid more than they should have because it was a business investment and between their mortgage, insurance and property taxes they can't afford to rent it long-term. He states that this runs up the property values which reduce the ability for families to purchase a home to live here.

Bruce Ryder encouraged the Planning Commission members to consider recommending the proposed amendment.

Richard Waller stated that other obstacles that bed & breakfast owners face is they have been trying to refinance theirs for many years and have not had success in obtaining a reasonable rate because it is a semi-commercial loan. He stated that if a person purchases a property as a private residence and then rents it out as an Airbnb under the radar of the bank, they qualify for a much cheaper interest rate. He added that the property taxes are also higher for a commercial use.

Bruce Ryder stated that the Borough is not looking to make money off of regulating the short-term rentals and stated that we would spend more money administering the short-term rentals than we would receive in permit fees. He stated that we are interested in making an impact on the community and the people who choose to live here permanently.

David Felpel asked about the 2006 Strasburg Region Comprehensive Plan and the comment about supporting the viability of a local tourist industry. Bob Marshall and Richard Waller stated that we do promote the tourist industry pertinent to this issue via our existing Bed and Breakfast Ordinance. Bruce Ryder stated that we do also support viable tourist businesses (such as the Creamery, Railroad, etc) but are not in favor of converting residences into businesses.

A motion was made by Mary Dresser, seconded by Bob Marshall to recommend Borough Council enact the proposed amendments to the text of the Zoning Ordinance, that the recommendation include a statement that the proposed amendments are in accordance with the objectives of the Strasburg Borough Region Comprehensive Plan of 2006, and that the Borough Manager-Secretary inform Borough Council in writing of this action. Motion carried with members Dresser and Marshall casting assenting votes. Member Felpel respectfully cast a dissenting vote.

OTHER BUSINESS: None.

CITIZEN COMMENTS: None.

ADJOURNMENT: A motion was made by Mary Dresser, seconded by Bob Marshall and passed unanimously to adjourn the meeting at 7:48 p.m.

Respectfully submitted,

Lisa M. Boyd
Borough Manager