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To the Supervisor of the Town of Taghkanic, and members of the Town Board,

The Short-Term Rental Subcommittee continues to work on proposed regulations and local laws to govern Short-Term Rentals in the Town of Taghkanic, and I have attached the most updated draft for your review.

Some notes to give context to the draft and additional materials included with this report:

First, the attached draft is our 12th, so far, and it's still very much a work-in-progress. We ran an earlier version by the Zoning Commission in September, and that draft was for the most part very well received. This latest one takes the input of the ZC into account, and also input from the Fire Company and the Zoning Compliance Officer. There are undoubtedly some details which will need further adjustment, as I have just received the approved minutes of that September ZC meeting, today, and I will have to work with the Subcommittee to double check that all their points have been accurately represented. I have also not yet run this by our ZC consultant, or the Town Attorney. But this draft is presented to the Board to get some input before we continue to refine it and eventually present a final draft to the ZC – we'd like to make sure it isn't wildly off-track, in the opinion of the Board.

The briefest summary of our proposed regulations, and the thinking behind them, is as follows:

Short Term Rentals are here to stay, and the sooner we get some local laws regulating these rentals on the books, the better the chance at effective regulation and good compliance. In Taghkanic, STRs are for the most part entire dwellings, and these fall into two categories: those that are the residences of their owners for at least a good portion of the year, and those that instead belong to absentee owners, potentially even real estate investment groups. This second group are clearly not residences, but purely business ventures. This Subcommittee proposes permitting the first category, as a right, since "resident" owners have a vested interest in contributing to the "quality of life" in the Town. However, we propose prohibiting the second category in areas zoned Residential, as we do not see this type of business as adding to or supporting the residential and rural quality of life in the Town of Taghkanic.

Our strategy overall has been to ***make compliance easy***, and ***failure to comply costly***. We see this as the best way to bring as many STR operators as possible on board with the new regulations as quickly and readily as possible, as we recognize that the Town's limited resources make enforcement of onerous regulations a very real potential burden for the Town officials who must take on this task. With this in mind, the Subcommittee has recommended certain fees and penalties, in the attached draft; however, these are all very "soft" numbers, at this point – we are more than happy to entertain adjustments to these figures as you see fit. Members of the committee met with Dennis Callahan, to get his input on the subject of fees and penalties, and we have for the most part followed his suggestions for the proposed preliminary fees, but since we have expanded the subject considerably after looking at fees and penalties in other towns, we expect this will need further work, in particular the entire section on "additional penalties".

This draft includes definitions of terms that are used throughout, to improve ease of understanding, and we expect that these will be approved by the Zoning Commission as proposed. In a few cases they overlap with, but are not precisely the same as, definitions in the ZC's most recent draft, as we

understand it. We have proposed more concise definitions in these cases, for clarity's sake, and to remove language we think should more properly be in regulations, not definitions.

We have also included a first draft of an additional area that we think needs some regulation, the "Party House" phenomenon that has become a big enough problem in the STR community that platforms like AirBnB are addressing it themselves to try to prevent further escalation. This section will be re-written after further discussion by the Subcommittee, to fold neatly into the larger draft before we bring it back to the Zoning Commission. Finally, we have also included a brief summary of several additional topics that are still in work, for your general review.

These drafts can be fairly said to represent the majority opinion of the Subcommittee, who have all put in long hours of research, reading, webinars, writing, and discussion of all these points.

We are preparing a brief survey to send to all property owners in Taghkanic, to get a sense of public opinion, and we'd like to send this out by mid- January. We're also working on a presentation for a public information meeting about Short Term Rentals in Taghkanic, and the proposed regulation of these businesses, which we think might be best held in March.

In addition to this, we have identified some STR properties that seem to be operating in the Town of Taghkanic at present, to get a feel for what kind of STRs are already here. There are 15-20 STRs that are easily found on the various websites that list these kinds of rentals; but, since STR websites typically do not list specific street addresses until a customer commits to the rental, our information is incomplete, and only a glimpse of a moving target. We know, for instance, that the pandemic has resulted in a number of city dwellers moving up to their own part-time country homes, thus taking them off the STR market; and the pandemic may also be behind some STR operators renting their properties for periods longer than 30 days, thus taking them out of the regulatory sphere of "transient" rentals. In a recent webinar about successfully regulating STRs that was attended by several Subcommittee members, we learned that total STR business in New York State has dropped on average by more than 50%, in 2020, compared to 2019. So, while we think that at least 15-20 STRs are certain to be in operation right now, in Taghkanic, it is quite likely that double that number may have been in operation a year ago and double the number could be back in business in six months. The Subcommittee is doing some research into various "Host Compliance" consulting businesses that can do the work of identifying STR properties more comprehensively than we have been able to do on our own; these businesses also offer help in tracking and enforcing compliance with STR regulations. Most of these companies will make a free presentation of the range of services they offer, and if at some point in the future the ZC and/or the Town Board wants to follow the lead of other towns around the area, by engaging with one of these providers, we can help set this up. We are looking into whether these services might be something for which we could partner up with a neighboring town, and we must also get more information on what progress, if any, has been made at the County level to move toward taxing STR receipts.

Respectfully submitted,

Elizabeth Craig, Chair

For the Short-Term Rental Subcommittee of the Zoning Commission