

October 27, 2022

The Town Board of the Town of Warwick held a Public Hearing to consider a Proposed Introductory Local Law, "Establishing a Six-Month Moratorium Prohibiting the Review and Approval of Short-Term Rental Permit Applications in the Town of Warwick". Said public hearing was held on Thursday, October 27, 2022 at the Town Hall, 132 Kings Highway, Town of Warwick. Supervisor opened the public hearing at 7:18 p.m.

ATTENDANCE: Supervisor Michael Sweeton
Councilman James Gerstner
Councilman Floyd DeAngelo
Councilman Russell Kowal
Councilman Kevin Shuback

Attorney for the Town, Jay Myrow – Absent

LEGAL NOTICE: The Clerk read the legal notice, which was duly published in the Warwick Valley Dispatch on October 19, 2022.
(Copy of this legal notice is printed at the end of these minutes.)

Supervisor Sweeton – Before I open that public hearing I want to reiterate and be clear about two things in the law. The moratorium does not affect current permit holders or a current permit holder who needs to renew during the 6 months. I just wanted to be clear about that, if you have a permit currently or you need to renew that permit in the next 6 months this moratorium does not affect them. The Building Department would handle those as they routinely would. We also have in house approximately 20 permits that we will go forward and review during this moratorium, so they won't be affected by that. The purpose of this is we had multiple short-term rental properties where the owner is mostly absentee, does not manage the property, does not manage the number of people in the property and that's creating problems for neighbors where these short-term rentals exist. We are looking for input to find other facets that we can use and incorporate that would allow this to flourish for our residents because we feel it has a need in the community, but also something to further curtail the abuse by a few but impactful affects on neighborhoods. I will open it up for public comments, I would ask that you come forward and give us your name for the record.

Jerry Feeny – Thanks for the opportunity, I thought that was the intent of the law but there is an inconsistency in the proposed law that I could show you later. I am an Airbnb short-term rental owner and I don't know if I'm an absentee owner because I live next door to it. I spend more time there then most people do in their regular home. With respect to the multiple violations is that going to become a matter of public record in terms of what the council has found in terms of how many complaints there were or the nature of them?

Supervisor Sweeton – You could file a foil request for them. Currently there are 4 active ongoing issues with those and one we actually revoked the permit based on violations of the chapter, multiple violations of the chapter.

Jerry Feeney – Is there a remedy to enforce the law rather than just shut them down?

Supervisor Sweeton – Nobody is shutting down anything.

Jerry Feeney – We're talking about new applications.

Supervisor Sweeton – That's correct, we're talking about a 6-month period to understand if there's other thing we could do in the law. Enforcement of the issue is to revoke the permit which we don't want to necessarily be revoking permits. You're the good example of the good use of this because you keep an eye on your property. We have representatives here that manage properties and do it in a good way. What we found is there are entities not even from New York State that have bought properties and decided to run it as short-term rentals.

Jerry Feeney – spend money here. It just seems to me this is a sledgehammer approach and why do you need to shutdown the whole operation, there are investors in this room who have Airbnb's that are going to be coming online in the next two months while they renovate it and you're pulling the rug out from under them. They spent a lot of money doing that and it's unfair and if there were revisions to the protocol you could do that while the Airbnb operations continue as long as permits are awarded. We are all in favor of enforcement and I think everybody in here who has an Airbnb would love to have more active enforcement of the owners that are not complying, because it doesn't help us either it gives us a bad name. In terms of our operations, we would love them.

James Laswell – Congratulations on the flat budget.

Supervisor Sweeton – Thank you.

James Laswell – You have taxes coming in and that's what some of these Airbnb's bring in tax money. The reason I wanted to come up is because you're referenced me indirectly. I know Jerry very well and his Airbnb business and our son lives here. We have been coming up here for several years and knowing Jerry I decided to invest. I invested lots of money into a property in the middle of the woods and I've been renovating it for the last year and spent hundreds of thousands of dollars on this property and now you guys are going to pull the rug out from underneath me because of 4 complaints from 4 locations. You guys have an ordinance that has penalties and fees and you're pulling those licenses from individuals that own the property, right? That is going after the root cause of the problem. Now you're throwing a blanket on I don't know what. When you go to the doctor and you have something on your finger, he doesn't cut your arm off and that's what you guys are doing. I would like you to really reconsider this and I'm just speaking for myself here, but if you put a 6-month moratorium on this I'm just selling the property. I'm

done with it, but I think you're going to waste tax money in doing this. There are people out there like myself that are in the process who invested in the community or invested in the property and the towns going to benefit from it with the tax revenue that you're going to lose. I think there's some business owners in here that might be speaking up this evening and I hope that they do because you're really going to hurt them too. This property if I had it as a second home and I know there are second homeowners in the area that Airbnb their property and they might stop Airbnb'ing their property down the road and they will sit vacant for months on end because they are not renting them. You guys will then lose sales dollars in that event.

Supervisor Sweeton – Thanks for your comments.

Karen Wintrow – My husband and I moved here a couple of years ago from Ohio and our retirement plan is operating an Airbnb. We don't plan on having a lot, we have one right now and a couple others in the works. I think it sounds like there are issues that need to be resolved maybe your legislation needs to be reviewed and there needs to be stronger legislation about some of the issues. It seems like the issues are all over the place, so what I would like to know is what your process is going to be in this 6 months for trying to determine what the legislation will be, are you going to work with the Airbnb owners to come up with some ideas and solutions that won't penalize us but will help the Town of Warwick.

Supervisor Sweeton – Tonight at the end of the hearing I planned to ask for anyone who is interested in serving on a committee to leave their name and address or contact information and put together a committee. I anticipate that in less than a month a bunch of good ideas can come forward and, in another month, they can be enacted and the moratorium would end in two months. I don't know when the gentleman's house under construction is going to be ready, but two months does not seem unreasonable to me. Anyone who is interested in serving on the committee, I've already talked to several people who have offered their experiences and ideas, so I think that's what we would intend to do.

Karen Wintrow - That's great, I appreciate that. Just to address the gentleman, there is redundancy in the legislation. One point says that it is impacting renewals also.

Supervisor Sweeton – The attorney didn't remove the first clause when I told him to put in the second clause. That is the issue.

Karen Wintrow – Ok, I also work for the Warwick Valley Chamber of Commerce. I understand how important tourism is to this area. I wonder if you considered any kind of study related to hospitality needs and tourism and how many beds we could use and how many beds we have.

Supervisor Sweeton – We haven't done that, I think the Chamber has looked into this in the past and clearly there is a place for this because nobody is arguing that, it just needs to

be done. So, again it doesn't affect adjacent landowners that are living in a residential area that has some enjoyment of their own property.

Karen Wintrow – I agree and I appreciate everything I've heard.

Susan Shine Onderdonk – I'm a realtor. I've been a resident of Indian Park which is a part of the Town of Warwick since 2005. I've sold a prolific number of homes in the area since 2007 and I'm also licensed in New Jersey. I can speak from being a homeowner and a realtor and being an observer. When I first moved into my neighborhood it was very kind of spotty. We had a lot of these little shacks; we had a lot of shady activity going on. My kids would be outside and I would see derelicts walking up and down the street. It was not a good neighborhood. When the issue of Airbnb came up people were raring to go about this and what I've seen firsthand is its enormous boost to the community for several reasons. They take beautiful care of their property and the way the system runs and I'm using your media as an example they use other services, but they rate the people coming in and they rate the owners. You kind of know who's coming in because they have a prior good record from somebody else, they rented from somewhere else. This has allowed my community to really flourish, our homes look so much better, our homeowner association fees are being paid, the taxes are being paid, the properties are being maintained, I'm meeting wonderful people who are strolling around having a great time and enjoying the area. They are learning about Greenwood Lake and before they didn't know where Greenwood Lake was, they had no idea how beautiful the area was, what we offer, so it's really been a huge positive impact on the community. I consider my Board and myself my area we don't have problems with loud neighbors or anything like that. We generally have people who are coming for a nice quiet weekend. We have smaller homes, so we don't have the big 2,500 square foot homes where you might have an issue, but there are ways around that and there are ways to address that, that shouldn't impact the present homeowners like myself. I'm a single person, I pay my own mortgage and all my bills and my future plans down the line is maybe to do some Airbnb of my own house and enjoy and get out and do other things in other parts of the United States. For me I'm thinking long-term also, but I think for the residents it would be unfair for them not to have the opportunity that many other residents had and have enjoyed. I think there is a way to address issues where people are violating the use of short-term rentals rather than putting a moratorium on it because it's been so positive to the local businesses, the local homeowners, the local HOA's and taxes being created.

Supervisor Sweeton – Maybe you would like to serve on the committee.

Susan Shine Onderdonk - I would.

Brenda Wiley – I'm a local realtor as well, I'm also an Airbnb Super Host in Greenwood Lake. I purchased the house as an investment property in 2017 and I'm also an Airbnb consultant, so I'm working with buyers and sellers educating them as to how you need to be compliant and what the applications process is. So having people on the front line that not only are local and understand the real estate but understand the needs of sellers and buyers

and the value and the wonderful benefits of the local businesses, specifically in Greenwood Lake because there are areas that fall under the Town of Warwick. My question or my thought is could there be some conversation around perimeters in certain residential areas? For example, a home that is water front that doesn't have many other residents near it that's an active Airbnb with a five-star rating. Could there be certain perimeters around things where tourism can be directly impacted specially for the boating, the paddleboarding and all the splendors of Greenwood Lake. That's something I wanted to share.

Supervisor Sweeton - Those are great ideas.

Brenda Wiley – I would like to be on the committee as well.

Supervisor Sweeton – Ok super.

Lisa Mulcahy – I have a business upstate Outpost along with Mark Palmary and we manage a lot of Airbnb's in Greenwood Lake and Warwick. I just want to give our perspective; we've been boots on the ground with the Airbnb business since 2018 before the covid boom. I understand covid definitely accelerated Airbnb market up here 1000%. I just wanted to say a key element to all of this is having a local person that's managing these properties and that's why we started doing what we are doing in the first place. I was managing the Waterstone Inn at the time and kept getting Airbnb phone calls. That's where I really saw the need for that local person for neighbors to call if there was a problem and the owner isn't there that you would be the mediator between the town and the owners. You would make sure the people understand what the rules are and if they are in compliance with them, so I think in evaluating this process in the next step that would be a big piece of it and would also help with enforcing whatever new regulations are in place to make sure there is someone with eyes on the property. For example, with some of the problems you said you had with occupancy, with people having parties and events whatever and that's something we are very diligent about. When somebody first messages for a reservation and the sense goes off that they are going to have a party or something and we message them back and we ask them questions. Most of our properties have cameras outside on the driveway and we know how many people are arriving at these properties. If 10 cars show up and the reservation is for 6 people we will physically go there and I think that's a big component that there is somebody watching over these properties and can respond and be there. I have to say we've been doing this since 2018 and we have worked with over 20 properties and we've never had the police come to our properties. We never had issues like that and I think that would be a big consideration in this. I was part of the process in Greenwood Lake when we first made the requisitions in Greenwood Lake and would be happy to serve to help this along. You see the day-to-day angles of how this has been operating from the owners to the guests to the neighbors to the town to the businesses and how the whole engine runs. I think Mark and I could offer a lot of insight in that. As a side note we do have some owners that are attorneys who did review this and pointed out about the renewal and I guess that is a typo. The only other point is before it's opted that one of our owners suggested and asked me to read this. Under

Section 5 where it says the moratorium would be in effect for 6 months from the date it's effective. He noted there is no mechanism to repeal if the law was amended, so if there was verbiage that could be added, like you said we do work it out that you resolve it in a month and you resolve it in two months that there would be a mechanism in place here that would shorten that period of time than 6 months.

Supervisor Sweeton – Ok fair enough, maybe you would like to chair the committee.

Lisa Mulcavey – I will do that.

Supervisor Sweeton – Fair enough.

Lisa Mulcavey – Thank you very much.

Danny Bolobanic – I would like to say I've been coming up to Greenwood Lake since my uncle moved up in 1988 from Brooklyn, so 35 years. I can say I've seen Greenwood Lake change in 35 years tremendously especially in the last couple of years. I do think there should be a balance. Over the last 10 years I've taken the house off of 708 and I've taken properties that look like a horror story and converted them to sell some of these properties and nice families have moved into them. I have taken the two Airbnb's that I have that Mark and Lisa already manage that were shacks and I've done hundreds of thousands of dollars' worth to them. Like Sue said my property is perfectly manicured, landscaped, a sprinkler system and we are very respectful of our neighbors. Every message that Lisa sends out to our guests are acknowledges to be respectful of the speed limit which is 15 mph in Indian Park and it's hard to do that especially down the hill. We are very respectful of our neighbors. There are age restrictions, party restrictions and it's because we want it to be a place where families can come escape the cities and the grind and come up and enjoy what I know Greenwood Lake to be for when I was 10 years old.

Supervisor Sweeton – Its great and thank you for that. There is no question it's been a benefit and nobody's arguing that. We just want to make sure it continues to flourish and it benefits the people who are invested in it as well their neighbors.

Danny Bolobanic – The point I was making before if you look at 2019 tax revenues verses 2021, I'm sure there's a big impact there and the data we could probably get from the Chamber of Commerce to see the businesses that are flourishing. That's how I met Mark coming here renovating properties I use to eat at his restaurant the Helm, probably one of his first patrons and it's just a great establishment.

Supervisor Sweeton – Thank you, we appreciate it.

Brenda Hasim – When will the moratorium be going into effect?

Supervisor Sweeton – It would go into effect when it's filed with the Secretary of State, so if we were to adopt it tonight it would go into effect tonight, well within the next few days.

Brenda Hasim - Has there been any consideration of having a grace period for people who have just purchased property or have a mortgage that's coming due based on expectations of Airbnb revenues that they're not going to receive for 6 months?

Supervisor Sweeton – Well currently no, but it's not anticipated that this is going to take 6 months. If this committee could get formed tonight and if they came back and I'm telling you I can't imagine it takes more than a month to come up with very 3 good ideas I've heard already. I can't imagine its going to take more than a month. Then we would have to have another hearing to adopt whatever is recommended and then it ends.

Brenda Hasim – What's the logic of having the moratorium letting the law stands as it is today?

Supervisor Sweeton – It gives a pause to let this get done. It sets a deadline to say let's get these ideas down and let's incorporate them.

Brenda Hasim – I just want to launch the consideration of the people who just...

Supervisor Sweeton – I get it, I get it and I understand that. I appreciate that you want to make that investment. There is also the consideration for residents who have experienced Airbnb customers that go to the wrong house and come into their house, so that's a concern. We represent everybody not just the Airbnb investors.

Brenda Hasim – The moratorium isn't going to stop this.

Supervisor Sweeton – It's going to give us time to get this right, because there has been a rush of people that maybe are not as interested as you or the gentleman who's been here for 35 years or the other gentleman whose son lived here that has a vested interest in the community. There has been people from as far away as California simply however they found Warwick, buy houses and try to rush into getting them registered. We are just trying to do them fairly so you can continue to do what you want to do and people can enjoy while they are here.

Tyler Laswell – I live on the lake and my parents ran from Hurricane Erma years ago and they called me and said build us a house because we don't want to run from another hurricane, so we built a house in Greenwood Lake. It is our home and we Airbnb it when they are not here because it's an enormous cost and to offset your costs why would you not Airbnb it. There are real consequences to the decision you guys are making. I'm current going through a divorce, worse thing I've ever been through in my life. The people buying my house are buying it as a family and they want to use it as a secondary home, but they want to Airbnb it when they are not there. They could pull the deal off the table because they want to Airbnb it when they are not there. I would lose the sale of my current home and I've already purchased another home on the lake on Woods Road in the Town of Warwick. I would lose the sale of my current home and the house that my dad has invested a bunch of money in as opposed to brining in revenue is now going to sit there for 6 months

and I'm not going to be able to pay my mortgage on my new home. I could lose everything because of this moratorium and it doesn't need to be. If there are complaints on houses revoke the permit and if they're a repeat offender, I will tell you right now I would be a maniac, because nobody comes into my house to have a party. I'm also a real estate agent and in reference to the guy from California that was a deal that I was working with another real estate agent on. The guy from California was actually from Greenwood Lake. I think it's a weird blanket decision and I will be on the committee too and I'm hardcore. I think there are real consequences we need to think about, 6 months people will pull out of investments and it will just dry up. I think we need to rethink the moratorium thing.

Supervisor Sweeton – Fair enough, thank you.

Kevin Tuhy – I'm a resident in Greenwood Lake also and I'm a realtor and manage the office for Keller Williams in Warwick. Currently as of today there are 76 single family homes with a contract in the Town of Warwick for a total of 41 million dollars. Some of those people are buying those homes under the intent of making them an Airbnb because of the current roles when they made the offer. I agree with Tyler, I don't think you need to put the moratorium in place and I think you rushed the committee giving them a deadline of 30 days to find a solution. There is a big economical fallout from doing that and you're going to put a lot of people under burden just like he is buying and selling a house. A lot of people have contingencies that they need to sell that house in order to purchase the other house, so there is a potential that a lot of people will back out of those deals. I know for a fact, I already talked to one today and if this moratorium is in place they are backing out of the contract. He is fine but the person who was selling the house needed to sell the house to buy the next house so that contracts going to end too and leave someone in a very difficult financial place. I would request that you really think about if the moratorium is necessary verses the committee's necessary. I agree the committee is necessary, but I also have my doubts that there's complaints outside of Airbnb's to for noise and parties and everything else, so to single out just the Airbnb's without one problem is just not fair. It's not fair to the homeowners, it's not fair to the people who are buying and selling the houses and you're really going to put a lot of people in financial burden that are doing this and 30 days is scary. This is still the government and nobody trusts the government unfortunately, but 30 days could turn into 60, turn into 90, turn into 120 and turn into 360. How will we know that moratorium really is going to be 6 months or a month. You can't even answer the question how long it will take.

Supervisor Sweeton – I did answer the question, I said that within a month I fully expect there will be some great ideas on how we can make the ordinance better.

Kevin Tuhy - You're not saying the moratorium is only going to last a month, you're not saying that. I would put the committee in place absolutely 100% because that grew very quickly very fast around here the Airbnb's because of covid as a lot of places did.

Supervisor Sweeton – Yes.

Kevin Tuhy – Beacon was able to handle a problem without putting a moratorium in place. They created a committee and they have a lot of case studies you should look at Beacon and what they did out there and they did it very quickly and they didn't have to burden the public. Because you're really burdening the taxpayers by doing what you are doing. I know it might be a few but it's only a few complaints too. You can't abuse everybody I get that, I totally understand that and I think the committee is a great idea and I think you should start there and I think you should table the moratorium for another month until the committee can come back with recommendations. That's just my suggestion.
Supervisor Sweeton – Ok. Thank you.

Councilman Kowal – a lot of people here who are involved in Airbnb's, I'm glad to see everybody here tonight voicing their opinion. I just have a question, last week I looked on a different app other than Airbnb and typed in Warwick and I got 267 returns of houses that are available in the Town of Warwick. That is more than double of what we are aware of in the town. Can anybody here explain that discrepancy? We had almost 300 people who responded and we only have a hundred and some people who are registered.

Brenda Wiley - Understood. If you got those listings some of them might be duplicates. For example, some people have a house and a cottage, they've got two properties and they may just rent the cottage, so that's two listings. Or they may choose to rent the back room or a guest house, so it might be one host with the same property but with three different listings.

Councilman Kowal – They show up on the map that they're all spread out.

Brenda Wiley – It's something to consider because I did do an audit when we were adopting the regulations in the Village of Greenwood Lake. We had a committee we put together and we pulled a lot of data. We worked with Airbnb Corporate to get data as well to get a sense of permit fees and process fees. It's something to consider.

Councilman Kowal – We're using Airbnb as a generic term, but there's other apps on there.

Brenda Wiley – Of course short-term rentals in general.

Councilman Kowal – The discrepancy was astonishing.

Brenda Wiley – That is concerning.

Councilman Kowal – It shows up on maps.

Brenda Wiley – That maybe should be one of the items to address. In my opinion that should be the first order of business with the committee, identifying the homes that are operating without a permit. Maybe that should be a starting point. Thank you.

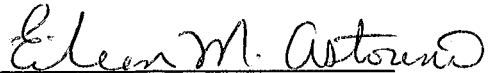
Ted Donnell – I'm a Greenwood Lake resident and moved here with the intent of retiring we love Orange County and the Town of Warwick's sustainability and preserving farmland. By doing all those things we think is the leading edge in how our environment has maintained itself in spite of the fact we are right next to New York City. I adore the preservation, the nature and the community that all of these little burbs have it's truly unique and I want to preserve it. We invite our guests to understand that when they come and stay at our cabin and we highlight the businesses, we highlight the trails, we highlight the ski slopes, we highlight all of the things that are truly unique to our region and use that as a reason to come here. The guests that we have are unbelievably respectful and there's nothing that I hate more then somebody who abuses the opportunity to be part of the community and disrupt the community for the sake of their own selfishness if nothing else. I think looking at this there's nuisance laws that need to be considered and I think the law enforcement agency should be a part of that table to come up with ways to increase the nuisance penalties on an immediate basis. If that would happen, we have a neighbor who plays their music everyday all night long and it drives us nuts. We can't even consider having an Airbnb in our house because that neighbor would disrupt our Airbnb guest. That's a disturbance to us and a nuisance law would help us homeowners to put a stop to the homeowner that is causing a disruption. I think nuisance and law enforcement being at the table would be really good.

Supervisor Sweeton – Thank you.

Lisa Mulcahy – I just wanted to add to your question about the number of properties, it's funny because somebody just said that to me earlier today. I searched Warwick on Airbnb and 1,200 properties came up and a lot of that is contributed to search engines. Somebody in Vernon could have a listing that says nearby Warwick and somehow, it'll pop in. That's definitely something to look at is looking at each listing and identifying where it is, because sometimes the search engine words that you use in your listing will skew how it's pulling those listings.

Supervisor Sweeton – I don't know what the Boards pleasure is, but what I would like to do is I would like to get the committee put together tonight before you leave the room. I think 10 people is the most you want on it and the rest of you can feed in your thoughts to them. We will table the resolution tonight, but I would like a deadline from the committee of when they would bring this back to the Board and we meet for the last meeting in November on the 17th and that would be almost 3 weeks from tonight. If that committee came back on November 17th and reported to the Board some good progress then we could continue to table the resolution on the moratorium. I think that would be fair. We are going to take a 5-minute recess and all the 10 brave volunteers could sign up on that yellow pad with your contact information and then I will get all that information collated to Lisa.

**ADJOURN PUBLIC HEARING: Motion Councilman DeAngelo, seconded Councilman Gerstner that the public hearing be adjourned until the next Town Board Meeting on November 17, 2022. Motion Carried (5 ayes, 0 nays) 8:04 p.m.
10-27-22 CP**


Eileen M. Astorino
Eileen Astorino, Town Clerk

PLEASE TAKE NOTICE that the Town Board of the Town of Warwick will be holding a Public Hearing to consider Proposed Introductory Local Law No. 7 of 2022 entitled, “Establishing a six-month Moratorium prohibiting the review and approval of short-term rental permit applications in the town of Warwick”. Said public hearing to be held on Thursday, October 27, 2022 at 7:30 p.m. at the Town Hall, 132 Kings Highway, Warwick, NY or as soon thereafter as the matter may be heard.

A complete copy of the Introductory Local Law is available for inspection at the Clerk’s Office and/or the Town of Warwick website, townofwarwick.org.

All interested persons will be given the opportunity to be heard.

DATED: October 19, 2022

**BY ORDER OF THE TOWN
BOARD OF THE TOWN OF WARWICK
EILEEN ASTORINO
TOWN CLERK**