Commercial Use of Residential Property Ad Hoc Committee
July 14, 2015
Workshop Minutes

A meeting of the Commercial Use of Residential Property Ad-Hoc Committee was held on July 14, 2015 in Council Chambers at City Hall, in accordance with proper notification, with the following members present: Chairperson Fred Beaufait and committee members Dennis Reardon, Richard Kirschner, James Bastian and Winnie Kee. Ex-officio member City Manager Paul Eckrich and Recording Secretary Alice Erickson were present.

1. Call to Order: Chairperson Beaufait called the meeting to order at 10:00am.

2. Presentation & consideration of the June 30, 2015 meeting minutes.

   ACTION: Mr. Reardon made a motion to approve the minutes as presented, seconded by Ms. Kee, all voting in favor, motion carried.

3. Open public discussion of the issues regarding commercial use of residential property.

   Chairperson Beaufait explained this workshop is to give the public an opportunity to offer comments on the issue.

   Pres Lee, 7 Delmar Avenue. He objects to the continuous rental of residential properties for events, such as weddings, and becoming a commercial venture. This is not permitted under the residential code. He would like these events to be limited as they are very disruptive to the neighborhood. He feels most of the residents on the beachside feels this way.

   Andrea Gallagher, McFee Street, Rental Manager, Gallo Realty Lewes. They offer rental property for residential purposes. If a property is to be used for commercial purposes they feel there should be some kind of commercial license, such as an event license with an additional security deposit for extra city services. She doesn't want to limit events but they should be regulated. They worry for their homeowners regarding liability and is perhaps another issue for discussion under the commercial license process.

   Carol Richardson, City of Lewes Projects Officer. She agrees there needs to be accountability by an event holder. The city could modify the application process to include an increase in fees or require a deposit and if they don't comply with the rules, they wouldn't get the deposit back. Creating policy might be the way to go instead of changing the City Code.

   Pres Lee, 7 Delmar Avenue. He doesn't believe this would address the real inconvenience to the residents in the area. There is a lot of traffic and noise with repeated events. An event for a family affair is one thing but repeated events at the same location becomes a commercial venture and is not the intent of the residential area. People purchased their property thinking they were in a residential neighborhood. He doesn't have a problem with an occasional individual family and friend event, but when held regularly creates inconvenience to the entire neighborhood and is just wrong.

   Mr. Beaufait asked if he would agree with limiting the number of events at a specific address would be helpful.

   Mr. Lee did not think so. Even two per season is two weekends the neighbors have lost the enjoyment of their homes. That's not fair. There are just so many warm season weekends available in the year and the seasonal people can't get down every weekend. It's not fair.

   Mr. Beaufait reminded everyone that Lewes beach is not the primary focus of this discussion; but the entire town.

   Mr. Lee stated he would feel the same way in town as on the beach. If someone is using their property for a commercial venture in a residential neighborhood, it is not fair to the residents.
Kay Carnahan, 118 Coleman Avenue, Marketing Coordinator, Gallo Realty. She sees there are two issues: what does a rental license mean and what does a commercial license mean. They work hard to communicate to the homeowner what is acceptable and what is not. They work with the city of Lewes regarding the rental income for the city. There is a fee for the rental license but also a rental tax which is a significant income to the city. They work hard so that the renters fit in seamlessly with the full time resident next door. There is something to be said for an event license explaining the rules and regulations for each part of the town. It is important to make people aware of the responsibilities that go along with an event and a deposit would help that.

Nancy Rumpfort, 2401 Bay Avenue. She has lived on Lewes beach since the early 70’s and her parents had a home from the time she was three. She has spent every summer of her life in Lewes Delaware. They tried to speak with the Mason family, whom she’s known since they were children, but they wouldn’t come. The neighbors were there but the Masons didn’t come. The weddings are getting out of hand. They are very, very noisy and she has seen people urinate on her front yard, even with six port-a-pots on Bay Avenue. There is a lot of trash and vehicles park everywhere. The fire department should be involved because there is no way a fire truck could get through the street if there was an emergency. She doesn’t want to see another law that the city won’t enforce but there has to be some way to take care of it. When is too much, too much. They don’t want to keep people out of Lewes, they just want a solution to the problem. They are homeowners and taxpayers that cannot vote and asks the city to take pity on them. If Council is going to allow one business on Lewes beach, they will be opening up a can of worms by setting precedent. Lewes is a lovely place and has changed a lot but they still love it and still enjoy coming.

Mr. Beaufait stated he was written comments from the follows residents and read them into the record:

- Hugh Martin, 2350 Bay Avenue
- Nadine Wick, 124 Madison
- Linda Blumner, 118 Bayview Avenue
- John Mateyko, 304 Pilottown Road

Carol Richardson stated there are two issues: zoning code or policy adjustments. If it is a zoning question and the committee leans towards no commercial use in residential neighborhood, does that mean no events in rental homes throughout Lewes? How do you limit that to just what is happening at one property on Bay Avenue? If they are looking more at policy adjustments to tighten things up, then make it a lot more difficult to get a permit for a large event, no matter where it is in town. They don’t want to deter people from coming to Lewes and having fun but if there is an event that is creating issues, the city needs to tighten things up. There needs to be communication at the rental agency level letting renters know there are things that need to happen before an event can happen. The city needs to communicate as well. It is such a simple process now and the city needs to make it more challenging. There is currently no accountability by the renter or homeowner. If the city increases fee and/or takes a deposit, she feels there would be more compliance.

Andrea Gallagher stated she likes these suggestions. She doesn’t want to take anyone’s property rights away but there needs to be rules and regulation to hold a large event. They are always willing to work with the city and having a process in place would make it much easier. They can work together.

Nancy Rumpfort. This has been going on for a long time and has grown into big a business. They are really very flexible but the neighbors are not happy with the situation.

Pre Lee. He agrees with Mrs. Rumpfort. It is not his intent to stop events happening. A family wedding is fine, one or two times. They are concerned about turning it into a commercial venture. No one is going to begrudge someone from having a family event but they are trying to stop a commercial venture in a residential area.

Gail VanGilder, Cape Shores. She didn’t think the people in Cape Shores are aware this issue is being addressed and would want to be involved. In Cape Shores there is a growing year round population. She would not be happy if there was a commercial operation for a wedding. At this point it is not a problem in Cape Shores but feels given what is happening on Lewes beach, they are not far behind. There have been a number of very large new homes built that could be the perfect site for these types of events. She is very concerned
about the concept of having a commercial use in a residential neighborhood. She has no objection to family events.

Mr. Beaufait stated they have been talking a lot about 2400 Bay Avenue and offered Mr. Bill Lingo the opportunity to speak or write to the committee regarding the situation.

Bill Lingo, CH Mason Way, President Jack Lingo Relator. Mr. Lingo apologized as he did not know there was a meeting scheduled to discuss the situation at 2400 Bay Avenue with the neighbors. The family has discussed the situation and they have met with city officials. They have agreed to discontinue advertising 2400 Bay Avenue as a venue for weddings. The agency makes it perfectly clear the renter has to coordinate an event with the city of Lewes. He feels his agency does a very good job explaining the responsibility of the tenant occupying a house for a wedding. It all comes down to communication and he feels this can be resolved. They need some standard rules and to make the agency responsible for all issues surrounding an event.

Mr. Beaufait stated they would welcome any suggestions Mr. Lingo has on how to resolve the issue. It is an issue that affects all residential areas and they are trying to find an equitable solution to the problem.

Chairperson Beaufait stated the public record will remain open until Tuesday July 21, 2015 at 4:00pm. Once closed, the committee will begin working on the issue. The public will be welcome to attend all meetings but there will be no additional opportunity to speak.

4. **Schedule next committee meeting:** The next meeting was scheduled on **August 4, 2015 at 10:00am**

5. **Adjourn:** The meeting adjourned at 10:41am

Minutes submitted by;

Alice Erickson  
Recording Secretary