

## **INFORMATION REGARDING A RECOMMENDATION FOR A TEMPORARY MORATORIUM ON NEW SHORT TERM RENTALS**

A Public Hearing is scheduled to be held on August 10<sup>th</sup>, 2022 at 7:00 p.m. in the Community Building regarding a proposed Moratorium on new short term rentals (STRs) in the village. The Zoning Rewrite Committee recommended this moratorium to the Village Board to allow time to complete our due diligence on information gathering and research and to allow the time for the approval process. Currently, the village has no current zoning laws addressing STRs.

### **So what does this mean?**

This recommended Moratorium is for a temporary pause on new STRs. Current operating STRs will not be included in this Moratorium. Since there is no zoning language that addresses STRs, the zoning language has to be created and it goes through the approval process, acceptance, and on file with the State. Once that process is complete the moratorium would be removed, unless the Village Board of Trustees, by resolution, removes it earlier.

### **Why was this recommended?**

The Zoning Rewrite Committee conducted a meeting with a focus on identifying a list pros and cons of STRs. This list of course is not all comprehensive as I'm sure we will find additional factors. Below is a list of our Pros and Cons that drove the conversation of recommending the pause (moratorium) on new STRs.

#### **PROS:**

1. Bed tax revenue- 5% occupancy tax. 3% towards tourism and 2% for water quality grants
2. Improved property condition- STR have an incentive to keep the property well maintained
3. Local business support during rental season- provides for an extra bump in business sales
4. Brings recognition to local assets- Lily Dale, CHQ, Cassadaga lake
5. Local overnight accommodations- allows people to stay in the village vs. drive out of town
6. Provides local income options to residents- cleaners, property managers
7. Occupied property negates vacancy- during rental season, the property is being used

#### **CONS:**

1. Decrease in population- fewer properties for permanent residents
2. Loss of Tax Revenue from decrease in population- county sales tax distribution is 50% residents and 50% assessed value. Less residents means less tax money we receive from the county.
3. Loss of Community- lack of neighbors, no regular schedules, unknown visitors
4. Nuisances- noise, traffic, trespassing, etc..
5. Lack of year around local business support- less residents means less regular/continuous support for our local businesses
6. Raises property values that reduces affordable housing
7. Loss of contributions of community members- lack of volunteers to assist in the village
8. Vacant property when not rented- off season the properties tend to be vacant
9. Financial incentive to turn over properties to STR- potential residents may have to overpay for a property in order to compete with an investor.
10. Running a business in a Residential District – not allowed in the zoning laws unless addressed or approved by a Special Use Permit or Use Variance

Since this is not a "one size fits all" topic, we would like to further weigh the factors and see if they can be offset by another factor. Taking into consideration of these factors and the Village's Comprehensive Plan, we will come up with a zoning regulation that creates a practical STR balance for the village.

**Why is the Comprehensive Plan mentioned?**

The Comprehensive Plan drives our zoning laws. Our Comprehensive Plan was updated and approved in February 2021, which led to an update of our Zoning Laws, which haven't been updated since 2002. Our Comprehensive Plan has specific goals of: \*Increasing the population

- \*Create opportunities for new residential properties
- \*Occupying existing and underutilized residential structures
- \*Keeping current residential character of the village
- \*Fully support local businesses

I would highly encourage you to specifically look up:

1. Section 3 Plan, Purpose, and Goals
2. Section 6, B, Objective B2 Increasing Population and Housing Plan
3. Section 6, C Supporting Local Business

**Has Cassadaga ever had a Moratorium on anything else?**

Yes. In 1998, a Moratorium was voted in for Telecommunications towers. At the time, there was no language in zoning that addressed Telecommunications Towers, so in order to protect the village from any potential towers going up, a committee put together language and submitted it for approval in order for the Village to address any proposed towers that may be built in the Village. At the time, there were NO Telecommunications Towers in the Village. Currently, there are 13 recognized STRs in the Village, with no zoning language to address them.

**Is this unusual?**

No. Currently, Dunkirk, Lakewood, and Sheridan all have Moratoriums in place for STRs.