MINUTES OF THE TOWN OF SELBYVILLE SPECIAL TOWN COUNCIL MEETING August 18, 2025

Mayor Duncan called the Special Meeting of the Mayor and Council of the Town of Selbyville to order at 4:00 p.m. Councilmembers Dr. Carol Cary, Monroe Hudson, Gary Steffen, and Chris Snader were in attendance. Also in attendance were Town Administrator Stacey Long, Administrative Assistant Amanda Murray, and Building Inspector/Code Enforcement Official Tony Merollini.

The meeting was properly posted.

The first item on the agenda was consideration of a resolution to establish an amortization period to phase out existing, nonconforming short-term rentals of residential dwelling units in the Town of Selbyville, the prohibition of which was confirmed by the recent amendment of Chapters 200-3 and 200-11 of the Town Code of the Town of Selbyville. (Resolution attached)

Councilman Steffen stated that he is not in favor of this resolution. It permits property owners to continue to operate illegally for a period of time. He feels that if we pass this resolution, we are acknowledging that they do exist; however, they are prohibited.

Councilwoman Dr. Cary stated that she feels the Mayor & Council should stand their ground and not allow short-term rentals to phase out because they were never permitted in the first place.

Councilman Snader stated that the property owner should've contacted the town before renting short-term, and they would've been informed right from the beginning that they are prohibited.

Town Administrator Stacey Long stated that the town has never issued any short-term rental licenses. So, if they exist, they have been operating illegally.

Mayor Duncan stated that he feels the town needs to stand their ground and not approve the phasing out of a use that is prohibited.

Councilwoman Dr. Carol made a motion to deny the passing of the resolution that has been presented to allow the phasing out of prohibited short-term rentals. The motion was seconded by Councilman Steffen and carried by all.

Councilman Hudson made a motion to adjourn the special meeting. The motion was seconded by Councilman Steffen and carried by all.

Respectfully submitted,

Stacey Long

Town Administrator

Denied 8/18/25

A RESOLUTION TO ESTABLISH AN AMORTIZATION PERIOD TO PHASE OUT EXISTING, NONCONFORMING SHORT-TERM RENTALS OF RESIDENTIAL DWELLING UNITS IN THE TOWN OF SELBYVILLE, THE PROHIBITION OF WHICH WAS CONFIRMED BY THE RECENT AMENDMENT OF § 200-3 AND § 200-11 OF THE TOWN CODE OF THE TOWN OF SELBYVILLE.

WHEREAS, the Town of Selbyville (hereinafter the "Town") is a community that has traditionally been comprised of mostly full-time residents, distinguishing the Town from other Sussex County communities located closer to the beach that attract more seasonal tourists and workers in need of temporary lodging; and

WHEREAS, as a traditionally full-time residential community, the residential dwellings in the Town have, generally and historically speaking, been used for long-term rental purposes, with a minimum duration of occupancy of one (1) year or more; and

WHEREAS, in order to retain the full-time residential character of the Town and formally memorialize the standard, historical practice concerning residential rentals within the Town, at its Regular Meeting on July 7, 2025, the Mayor and Town Council passed an Ordinance to amend the Zoning Chapter of the Town Code of the Town of Selbyville (hereinafter the "Town Code"), that revised § 200-3, Definitions and word use, subsection B, by adding a new definition of "short-term rental" thereto, and that revised § 200-11, Prohibited uses, by adding short-term rentals to the list of prohibited uses (hereinafter the "Rental Amendment"); and

WHEREAS, the Rental Amendment confirmed that renting a residential dwelling unit with a duration of occupancy of less than one (1) year is prohibited within the jurisdictional limits of the Town; and

WHEREAS, it has come to the attention of the Mayor and Town Council that, prior to passage of the Rental Amendment on July 7, 2025, some property owners in the Town may have entered into rental agreements that are now confirmed to be nonconforming and in violation of the Rental Amendment; and

WHEREAS, the Mayor and Town Council have determined that property owners who did not understand the traditional and historical rental practices in the Town and who entered into short-term rental agreements in good faith prior to the passage of the Rental Amendment on July 7, 2025, should be afforded a reasonable period of time to phase out their nonconforming rental practices and to come into compliance with the Rental Amendment, without the fear of enforcement action being pursued by the Town for a violation of the Rental Amendment.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Town Council of the Town of Selbyville, that:

- 1. An amortization period is hereby established to phase out existing, nonconforming short-term rentals of residential dwelling units in the Town of Selbyville, the prohibition of which was confirmed on July 7, 2025, by the passage of an Ordinance to amend the Zoning Chapter of the Town Code, that revised § 200-3, Definitions and word use, subsection B, by adding a new definition of "short-term rental" thereto, and that revised § 200-11, Prohibited uses, by adding short-term rentals to the list of prohibited uses (hereinafter the "Rental Amendment").
- 2. The amortization period hereby established allows eligible property owners who did not understand the traditional and historical rental practices in the Town and who entered into short-term rental agreements in good faith prior to the passage of the Rental Amendment on July 7, 2025, a reasonable period of time to phase out their nonconforming rental practices and to come into compliance with the Rental Amendment, without the fear of enforcement action being pursued by the Town for a violation of the Rental Amendment.
- 3. The amortization period hereby established, during which enforcement action for a violation of the Rental Amendment will not be pursued against eligible property owners, shall take effect immediately and terminate at midnight on ______.
- 4. For purposes of this Resolution, "eligible property owners" are property owners who satisfy all of the following conditions:
 - A. The property owner entered into the short-term rental agreement prior to July 7, 2025, and satisfactory proof thereof has been submitted to the Town, as determined by the Town Administrator.
 - B. The property owner has obtained a rental license from the Town as required by § 73-5 of the Town Code. A rental license obtained by an eligible property owner for purposes of engaging in short-term rental activities shall be valid for such purpose only during the amortization period hereby established.
 - C. The property owner has submitted the rental tax form and paid any gross receipts taxes due and owing the Town pursuant to Article II of Chapter 166 of the Town Code.
- 5. For the purposes of clarity, any short-term rental activities resulting from short-term rental agreements, either verbal or written, entered into on or after July 7, 2025, are subject to enforcement action by the Town as a violation of the Rental Amendment and are not eligible for protection from enforcement during the amortization period hereby established.

I, Deborah L. McCabe, Secretary of the Town Council of the Town of Selbyville, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the Town Council at its Special Meeting held on August 18, 2025, at which a quorum was present and voting throughout and that the same is still in full force and effect.

Deborah L. McCabe, Secretary