



TOWN OF SALISBURY

BOARD OF HEALTH

JOHN W. MORRIS, DIRECTOR

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DANIEL RICHARD
RON LAFFELY
SUE RING
DENISE PETERSON

August 7, 2018

BOARD OF HEALTH MEETING MINUTES

7:00 PM Salisbury Town Hall

Board Members Present:

Sue Ring, Ron Laffely, and Denise Peterson

Board Members Absent:

Dan Richard

Staff:

John Morris-Health Director

Meeting called to order at 7:00 PM.

Minutes

Approve minutes from July 17, 2018.

S. Ring makes a motion to postpone the approval of the minutes due to no quorum. R. Laffely seconds that motion. 3 in favor, 0 opposed. Motion carries and is passed.

Old Business

None

New Business

Public Hearing to determine if a Motel Permit will be issued to NOWA Exchange Properties LLC for the premises located at 110 Lafayette Road, currently known as the Lafayette Inn

J. Morris updates the Board that their requested inspection of the above premises was done; all inspections are up to date. Mr. Morris discusses his report dated 8/1/18 and the emails from the Assessor concerning occupancy taxes. Mr. Morris explains House Bill 4841 which defines a

hotel, motel, lodging/rooming house – it has not been voted on yet; they are working on amendments. He explains the Lafayette Inn is the first hotel/motel transfer permit in town; no other hotel has been sold since he has been the Director.

Mr. Morris provided an outline of all the cabins and uses. He explains that whatever decision is made on this property, it will be a precedent.

Mr. Ron Guertin (Seller) and **Mr. Gino Ranaldi (proposed Buyer)** are both present and approach the podium.

Mr. Guertin asked for clarification on the transfer of the license; does the new owner have to buy a new license or is the license being transferred. **Mr. Morris** clarifies it is a new permit for a new owner.

The Board had a general discussion on the background of long term rentals. The policy was established by the former Board. Winter rentals turned into more seasonal rentals which helped out the owners financially. No written policy was found, discussion in past minutes.

Mr. Laffely gave some background information. The Town building code looks at a stay less than 30 days as transient by nature. We currently allow more than 30 days. If a stay is more than 30 or 90 days, it is a residence and taxes start to kick in.

Mr. Guertin updates the Board on the current situation at 110 Lafayette Road. He has gone through all past records and states the following:
Out of 19 total units, 1 is vacant; 6 have been rented for one year; 3 rented for two years or more; some more than 11 years. He has a manager and an assistant manager for the property; the renters can call them directly or Mr. Guertin himself. They are easily accessible.

Mr. Laffely asks for information on how the state taxes the Inn.

Mr. Guertin explains if less than 90 days, he pays a room tax. If more than 90 days, he stops paying taxes as the occupant becomes a tenant.

Mr. Morris questions how the states gets this information? Mr. Guertin states it's the 'honor system'.

Mr. Laffely stresses the importance of making a determination on how these extended stay units are operating going forward. The Town's zoning has an overlay district for these buildings.

Mr. Morris states that another alternative to a motel permit would be habitability certificates. He states there is no daily cleaning or linen service; only a manager. He also states there have been no problems at this facility; only one problem with septic during a rain storm. and it was fixed promptly.

Mr. Morris inquires as to how the new owner intends to operate the inn.

Mr. Ranaldi responds in the same way it is currently being run. He will clean it up and run it the same way. He has a team of six. As a unit turns over, they will clean it up inside and update. It will be business as usual. He does not want to run a hotel.

Ms. Ring inquires that if this facility does not operate as a motel; why is it a motel application?

Mr. Morris responds that it works like all facilities in town. He continues to explain the meaning of dwelling units: Sanitary, sleeping & cooking.

Again, the Board discusses the pending bill and if a decision or sale is made this could change within (3) months. **Mr. Morris** states this is a business decision and a new owner would have to look at the impact. **Mr. Laffely** discusses zoning changes concerning extended stay use. This would have to be submitted prior to the Town Meeting. Not enough time for this year's meeting.

Ms. Ring confirms if the permit is being transferred. **Mr. Morris** states a new permit is being issued.

Ms. Peterson asks what is purpose of not transferring a license. Mr. Morris responds that the property may need to be fixed; there may be past problems there. Issuing a new license alerts the Board of Health to the sale.

Mr. Ranaldi approaches the podium and states his concerns that he thought more information would be available on what could happen in the future concerning taxes if the operation would have to change. He states the current value of the operation is the revenue stream. His concern is if the state comes in with motel use; the demands for change would be drastic.

Mr. Ranaldi request a few minutes to speak with the seller (**Mr. Guertin**).

Mr. Laffely states that the vote tonight by the Board is only for the buyer and seller present. Should Mr. Guertin have another buyer, the Board would again have to vote as it would be new ownership.

MOTION: Mr. Laffely made a motion to close Public Comments. **Ms. Ring** seconds the motion. Motion passes (3-0)

Mr. Laffely suggests in making the motion to issue the permit, a 60 day timeline be imposed, and to not leave it open indefinitely.

MOTION: Ms. Ring made a motion to issue a permit to NOWA Exchange Properties LLC within (60) days upon the transfer of the property. After that timeframe, the issuance will be null and void. **Ms. Peterson** seconds the motion. Motion passes (3-0)

Mr. Guertin confirms the timeline and agrees to supply official paperwork to Mr. Morris upon the sale, if there is one.

