

Seneca rental lawsuit returns to court

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SENECA — Less than three weeks after Seneca City Council approved its short-term rental ordinance, a lawsuit that some officials said played a role in the city's 18-month effort to regulate the rentals has returned to court.

In a court filing this week, 10th Circuit Judge Scott Sprouse restored the case of Leonard and Julie Chace against the city of Seneca, the city of Seneca Board of Zoning Appeals and Seneca Planning and Development director Ed Halbig. The request was asked for by the couple and consented to by the defendants.

LAWSUIT: Seeks damages, 'injunctive relief'

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lawsuit in November 2017 challenging the constitutionality of the city's application of its zoning ordinance to prevent short-term rentals "relating to what residents are permitted to do with their property zoned for single-family residences." The couple live in Greenville, but own a home in the Normandy Shores community of Seneca that they have rented out as a short-term rental.

The city presented a short-term rental ordinance to city council and the planning commission first in April 2018, but that ordinance was eventually rejected by city council. The Chaces asked for the suit to be taken off the docket in a filing on Oct. 29, 2018. That filing allowed for negotiations for a settlement to continue, and officials said the Chaces reserved the right to ask for the suit to be restored to the docket in the future.

Three weeks ago, Seneca City Council voted 6-2 to approve a short-term rental ordinance that allowed only primary residences to be rented on a short-

term basis in the city. The ordinance does not allow second homes to be rented on a short-term basis except in the downtown core commercial area. In council meetings, local Realtors had warned council that not allowing secondary homes to have short-term rentals could open the city up for lawsuits.

During the 18-month process, council considered three versions of the ordinance and two drafts of the third version. City officials also encouraged community associations to amend their covenants to regulate short-term rentals as they wanted. Most of the homeowner groups have made those changes to their covenants, including Normandy Shores, where the Chaces' house is located.

A Greenville attorney sent a letter to Lakewood Estates on behalf of clients who were using their properties as short-term rentals saying legal action could be taken against those homeowners if they didn't change their ordinance to allow non-residents to use their homes as short-term rentals.

The lawsuit filed on behalf of the Chaces in 2017

said the couple purchased the home in July 2015 with the intent to "update it, rent it periodically and,

ultimately, retire to it."

The lawsuit seeks damages, costs, attorney fees and "injunctive relief."