

BEFORE THE HALL COUNTY BOARD OF COMMISSIONERS

**IN THE MATTER OF:
STONE RESOURCE, LLC
Owner: David Sergile
6111 Blackberry Lane
Buford, GA 30518**

RECOMMENDATION

Pursuant to Hall County Code Section 5.10.490(E), the following report is submitted for the Hall County Board of Commissioners' review and consideration.

On November 13, 2023, the above-referenced matter was heard pursuant to Hall County Code Section 5.10.490(C), following a timely appeal by Mr. David Sergile pursuant to Hall County Code Section 17.216.080(E)(1)(b). At the hearing, Hall County was represented by counsel, County Attorney William Linkous, and Stone Resource, LLC was represented by David Sergile ("Mr. Sergile" or "Local Contact Person").

Mr. Sergile raised an objection to the proceedings and requested a continuance. His basis for requesting the continuance was that he was not prepared for or was unaware of the nature of the proceedings. Mr. Sergile, however, admitted to receiving notice of the hearing and speaking to his attorney about the process. Therefore, his request for a continuance was denied.

Thereafter, both parties had an opportunity to present opening statements, evidence in support of their claim or defense, and closing statements. Mr. Sergile initially argued that he was never notified of any issues by any of the neighbors of 6111 Blackberry Lane, suggesting that such direct notification was required. Hall County presented 3 witnesses: Director of the Hall County Business License Division, Brandi Smith, and Hall County Marshall's Captain Barry Shaw and Marshall Colton Brown. Mr. Sergile spoke on the Licensee's behalf and did not present any additional witnesses. All hearing exhibits, which were admitted without objection, are attached hereto and incorporated herein. The following facts and evidence discussed are based upon the parties' presentations at the hearing.

I. Findings of Fact

The purpose of the Short Term Rental ordinances is to "establish standards for short term rentals of privately owned residential structures used as vacation homes and rented to transient occupants, minimize adverse effects of short term rental uses on surrounding residential neighborhoods, and preserve the character of neighborhoods in which vacation home use occurs." Hall County Ordinance 17.216.010. Enforcement officers of the County who were present at the hearing stated that the goal of enforcement efforts is compliance with the Ordinances and not punitive in nature.

6111 Blackberry Lane, Buford, Georgia 30518 is a four-bedroom home located in a community on Lake Lanier. It contains approximately one and on-half acres and a dock on the lake. 6111 Blackberry Lane sits in a cul-de-sac of a developed neighborhood in Hall County.

Stone Resource, LLC is a Georgia corporation headquartered in Roswell, Georgia, that provides vacation property rental destinations. Stone Resource, LLC owns and operates one such rental located at 6111 Blackberry Lane, Buford, Hall County, Georgia 30518. Stone Resource, LLC applied for and received its Hall County Business License to operate a short-term rental business at the 6111 Blackberry Lane location. See Business License, Exhibit County 7. 611 Blackberry Lane is allowed a maximum of eleven rental guests. See Short Term Rental Affidavit, page 3 of Exhibit County 8.

On July 10, 2023, several complaints were received from the Short-term Rental Hotline regarding 6111 Blackberry Lane. The callers complained of loud music, numerous cars parked in the street of the cul-de-sac, and another party. See Exhibit County 21. Notably, the complaints to the hotline on July 10, 2023, indicate that this incident was not the first such incident of partying, loud noises, and parking issues. On July 12, 2023, Captain Shaw emailed Mr. Sergile regarding an advertising violation. Captain Shaw found Stone Resource, LLC to be in violation of Hall County Ordinance 17.216.080(A)(3). Stone Resource, LLC advertised 6111 Blackerry Lane as a five bedroom rental with a maximum occupancy of fourteen guests. This advertisement is contrary to the four bedroom, maximum occupancy of eleven guests granted under the license. In the July 12, 2023 email to Mr. Sergile, Captain Shaw identified the violation and allowed Mr. Sergile until July 19, 2023 to change the advertisement to conform with the business license. No evidence was presented to show the advertisement was amended to comply with Hall County Ordinance 17.216.080(A)(3). A citation was given on July 27, 2023 for this violation.

On August 13, 2023, Hall County's Short-term Rental Hotline received four complaints regarding fireworks, loud music, littering, and partying occurring at 6111 Blackberry Lane until at least 1:00 a.m. Sunday, August 13, 2023. See Exhibits County 10 and 11. The County made attempts to contact the Local Contact Person listed for 6111 Blackberry Lane, Mr. Dennis Suhrke, but those attempts failed. See Exhibit County 15. On August 22, 2023, Captain Shaw again notified Mr. Sergile via written correspondence that the County had received four complaints regarding the noise and partying that occurred on August 13, 2023. See Exhibit County 12. Captain Shaw in this correspondence also notified Mr. Sergile that the local contact person listed for 6111 Blackberry Lane was no longer employed by Stone Resource, LLC. Captain Shaw warned Mr. Sergile that "[u]pon receiving three written notices of violation in a 12-month period, the business license would be subject to revocation for a 24-month period." See Exhibit County 12.

On August 24, 2023, Mr. Sergile emailed Captain Shaw regarding the August 22, 2023 correspondence. Mr. Sergile stated he was unaware and requested information regarding updating the business license to increase the number of bedrooms listed on the business license to five. Captain Shaw responded that day, directing Mr. Shaw to the Tax Assessor's office to update the number of bedrooms listed for 6111 Blackberry Lane. No evidence was presented to show an attempt was made to update the number of bedrooms.

Again on September 30, 2023, several complaints were called into the Short-term Rental Hotline about 6111 Blackberry Lane. The complaints once again involved a loud party and numerous cars parked on the street outside the short-term rental. A Photo was introduced showing numerous cars parked along the street in both directions. See Exhibit County 19.

Again on October 7, 2023, two complaints were made regarding another large party and parking issues at 6111 Blackberry Lane. Pictures were introduced to show the parking issues. See Exhibit County 22. The then Local Contact Person, Scott Quinten, was contacted at 9:10 p.m. on October 7, 2023 to address these concerns. Mr. Quinten stated he texted the renters but did not respond to the property within one hour. Mr. Quinten also admitted that the renters were hosting a wedding event at 6111 Blackberry Lane.

On October 5, 2023, two days prior to the October 7 complaints, Director Brandi Smith wrote Mr. Sergile regarding the revocation of the business license associated with 6111 Blackberry Lane. See Exhibit County 20. On October 26, 2023, Director Smith sent Mr. Sergile an Amended Business License Revocation, adding the fourth violation. See Exhibit County 25.

Jeff Hudson and Richard Monroe, who both live on Blackberry Lane adjacent to 6111 Blackberry Lane, appeared and testified about their recent experiences with the property. Mr. Hudson, who lives next door at 6122 Blackberry Lane, testified that the problems began last year. He stated that parties began at 6111 Blackberry Lane prior to the location receiving its short term rental license. Mr. Hudson stated that he only complained about the noise and would then only complain if he could hear the noise from inside his home. Mr. Hudson testified to multiple occasions where loud partying disrupted his and his family's peace in their home. He complained of picking up trash on multiple occasions after parties were held at 6111 Blackberry Lane. He further complained of guests leaving trash, bags of vomit, and cars blocking driveways and mailboxes. Mr. Hudson testified that he spends approximately fifteen to twenty minutes many weekends picking up trash left by guests of 6111 Blackberry Lane. Mr. Hudson believes 6111 Blackberry Lane is being used as an event venue and not solely as a short term rental.

Mr. Monroe testified to similar complaints to those experienced by Mr. Hudson. Mr. Monroe observed large parties, loud music, and parking in the streets. On March 6, 2023, Mr. Monroe stated that he messaged a Ryan, who was listed as the Local Contact Person at the time, to complain of the loud partying. Mr. Monroe said that Ryan did not respond until the next day. Mr. Monroe again messaged Ryan on May 11, 2023, to complain of similar problems. Ryan told Mr. Monroe that he messaged the guests, but nothing was resolved. Mr. Monroe said he finally contacted the County's hotline on September 30 and October 7 after seeing multiple cars parked in the road and large events occurring on the property. Mr. Monroe observed on October 7, 2023, a wedding event with wedding decorations on the dock of 6111 Blackberry Lane.

Director Smith testified to the multiple complaints regarding 6111 Blackberry Lane. She further testified that Mr. Sergile's response and that of the employees or agents of Stone Resource, LLC were nonchalant in their responses to the complaints. She further testified that revocation was proper because Stone Resource, LLC had received three written violations prior to revocation and a fourth shortly after the revocation. Director Smith and Captain Shaw both testified that this case was the most egregious violations of the Short Term Rental Code that they have experienced.

Mr. Sergile admitted to the violations. He also stated that he owns multiple rentals in Hall County. He further stated that he may use 6111 Blackberry Lane as a primary residence going forward.

II. Applicable Hall County Code Sections

Hall County, Georgia Cod of Ordinances, Chapter 5.10

Hall County, Georgia Cod of Ordinances, Section 8.80.020

Hall County, Georgia Code of Ordinances, Chapter 17.216

III. Analysis

The testimony and additional evidence presented demonstrates multiple clear violations of the Short Term Rental Ordinance contained in Chapter 17.216. Mr. Sergile argues that an attempt to contact the owner directly regarding complaints about the property must be made prior to the involvement of County officials and such attempt was not made. Mr. Sergile appears to be referencing Ordinance 17.216.080(C)(1), which states that “The complaining party shall first attempt to communicate with the owner or local contact person designated and describe the situation that is out of compliance with this Code.” The facts do not support Mr. Sergile’s position. Hall County established the Short Term Rental Hotline to assist residents in submitting complaints regarding short term rentals located in the County. The hotline automatically generates a notification to County code enforcement personnel. Moreover, the entries reported by the Hotline indicate that Local Contact Person was contacted by the complaining party on each occasion. In addition, Mr. Monroe testified to calling the Local Contact Person and messaging him on the AirBnB messaging portal. Therefore, Stone Resource, LLC was properly notified by the complaining properties as required.

Stone Resource, LLC advertised the short term rental at 6111 Blackberry Lane as a five bedroom rental with a maximum occupancy of fifteen guests in violation of Hall County Ordinance 17.216.080(A)(3). This advertisement is contrary the four-bedroom classification and eleven guest maximum occupancy contained in the business license. This violation was the first within a twelve month period and occurred on July 12, 2023.

Stone Resource, LLC failed to maintain a valid Local Contact Person and did not respond to multiple complaints occurring on August 13, 2023. Four complaints were recorded on August 13, 2023 by neighbors of 6111 Blackberry Lane, complaining of loud noises, partying, parking issues, and littering. The Local Contact Person was found to no longer be employed by Stone Resource, LLC in violation of Hall County Ordinance 17.216.050(B). This violation occurred almost one month after the first violation.

Stone Resource, LLC on September 30, 2023, again received complaints of loud partying, parking violations, and other issues. The Local Contact Person was contacted but failed to properly respond and resolve the issues in violation of Chapters 8.80.020 and 17.216.

Stone Resource, LLC again received complaints of hosting a wedding on October 5, 2023 with loud noises and parking issues. This event occurred after Stone Resource, LLC had its

business license revoked. These violations are in violation of Sections 5.10.090, 8.80.020, and Chapter 17.216. This fourth violation occurred less than three months after the first violation.

The residents neighboring 6111 Blackberry Lane complain that these violations have disturbed the peaceable use of their properties. These violations have also occupied the time multiple law enforcement personnel and the Business Licensing Office and has costs County resources to address.

IV. Recommendation

Based on the foregoing analysis, it is RECOMMENDED that the revocation of license number HBUSR22-0650, licensed to Stone Resource, LLC, be sustained.

Respectfully submitted this 23rd day of November, 2023.



Eric P. Wilborn
Hearing Officer