



SHORT TERM RENTAL WORKSHOP

Planning Commission Workshop

July 8, 2020



AGENDA

- Purpose
- Current Status
- Referral Ordinance
- City Council comments and direction
- Key ordinance issues
- Enforcement



PURPOSE

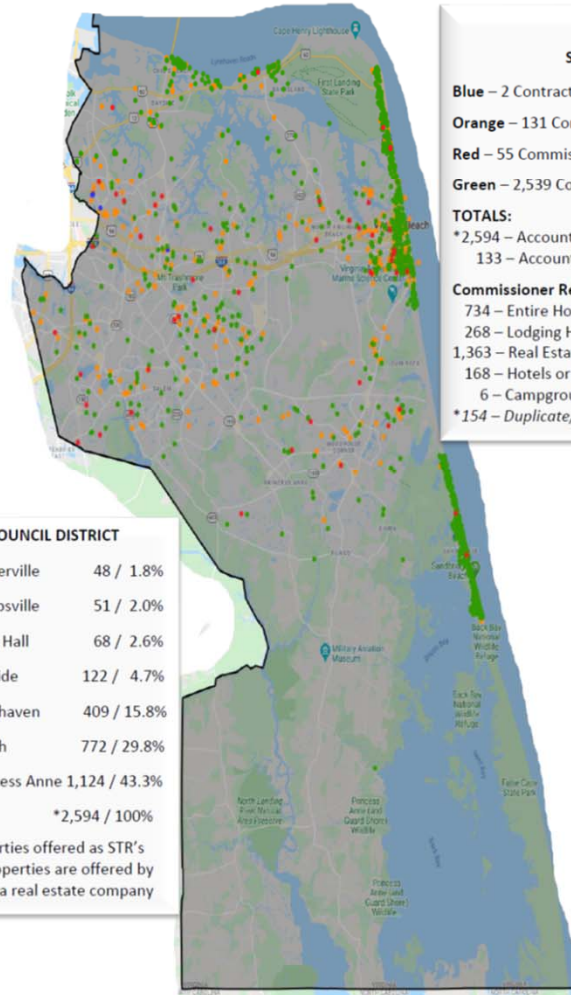
- Current STR regulations have been in effect since January 2019
- City Council, sponsored by Councilman Tower, referred a proposed ordinance amendment to the Planning Commission
 - Old Beach Overlay District
 - Overall changes dealing with required findings, grandfathered properties and enforcement
- City Council also directed staff to review all the STR regulations
 - Regulations need to address/protect neighborhoods
 - Place STRs where they are expected



CURRENT STATUS

- STRs listed in the City – 2,594
 - Includes 268 Homeshares
- Registered properties ("311 list") (739)
- Grandfathered applications (290)
- STR – Conditional Use Permit Applications (192)
 - Approved - 52
 - Denied – 3 (1 to be reconsidered)
 - Under review - 116
 - Withdrawn - 21

WEEKLY STR REPORT



LEGEND

STR Properties

- Blue** – 2 Contractor Identified Today
- Orange** – 131 Contractor Researching
- Red** – 55 Commissioner Processing
- Green** – 2,539 Commissioner Registered

TOTALS:

- *2,594 – Accounts with Commissioner
- 133 – Accounts with Contractor

Commissioner Registered –

- 734 – Entire Home Rental (OOB 131)
- 268 – Lodging House/Room Rental (OOB 87)
- 1,363 – Real Estate Company (Both)
- 168 – Hotels or Resort Properties
- 6 – Campgrounds
- *154 – Duplicate/Host & Real Estate

STR BY COUNCIL DISTRICT

District 1 – Centerville	48 / 1.8%
District 2 – Kempsville	51 / 2.0%
District 3 – Rose Hall	68 / 2.6%
District 4 – Bayside	122 / 4.7%
District 5 – Lynnhaven	409 / 15.8%
District 6 – Beach	772 / 29.8%
District 7 – Princess Anne	1,124 / 43.3%
TOTAL:	*2,594 / 100%

*Total Properties offered as STR's
NOTE: 154 Properties are offered by both a host & a real estate company

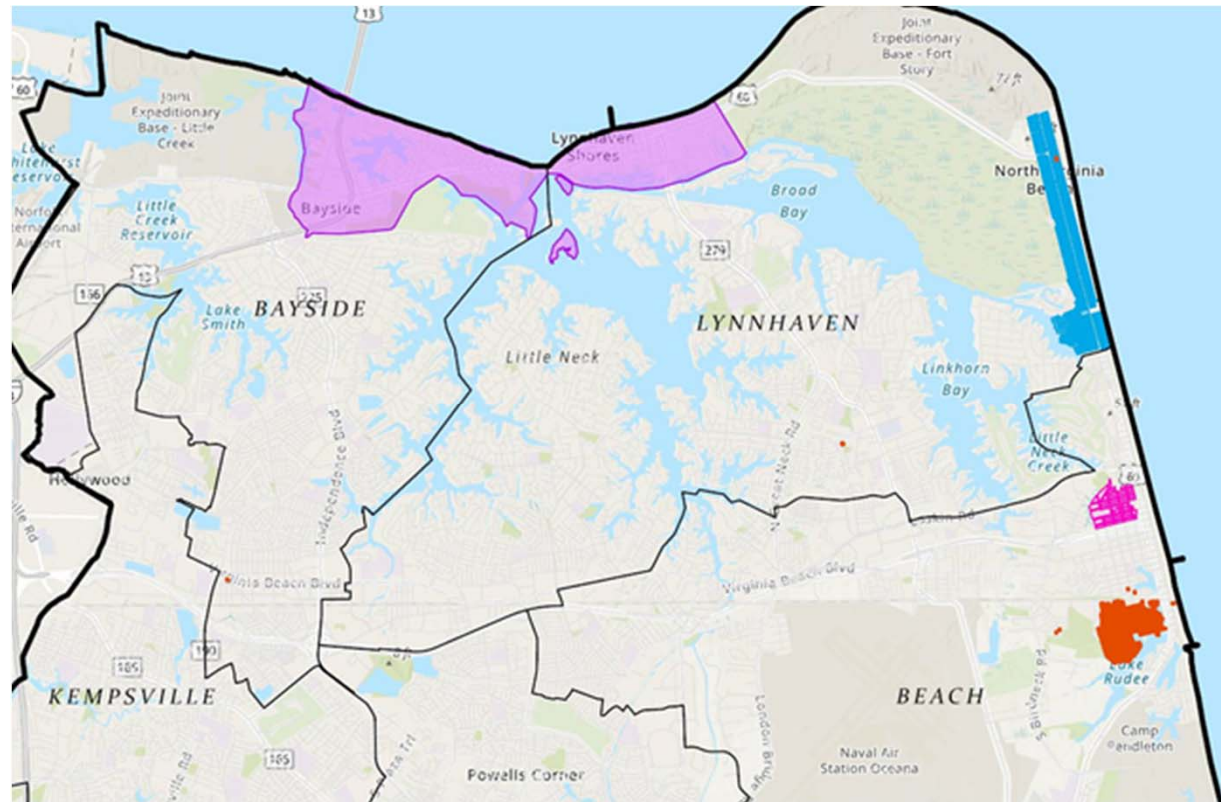
Commissioner Monthly Letters Issued –

- 25 – January, 2019
- 12 – February, 2019
- 47 – March, 2019
- 62 – April, 2019
- 42 – May, 2019
- 143 – June, 2019
- 23 – July, 2019
- 131 – August, 2019
- 4 – September, 2019
- 5 – October, 2019
- 18 – November, 2019
- 82 – December, 2019
- 21 – January, 2020
- 64 – February, 2020
- 0 – March, 2020

Updated 3.09.2020
By Commissioner of the Revenue

CURRENT STATUS

- 68% of CUP applications located in one of the following areas
 - Old Beach Overlay District
 - North End Overlay District
 - Shore Drive Overlay District
 - Oceanfront Resort District
 - R-5S District





REFERRAL ORDINANCE

- General CZO amendments
 - Required Findings
 - Termination of grandfathered STRs
 - Civil Penalties for violations
- Old Beach Overlay District specific amendments
 - Addresses specific concern raised by Councilmember Tower



GENERAL CZO CHANGES

- Required findings (copied from proposed ordinance):
 - The density of short term rental uses in the immediate vicinity do not change the characteristics of the surrounding neighborhood;
 - Parking is readily available to accommodate short term rental use. On-site parking solutions are visually appealing and environmentally responsible. If an off-site parking plan is submitted, the parking is reasonable and practical so as to be easily used by the guests of the short term rental;
 - The increased occupancy of short term rental use is compatible with the character of the residential neighborhood considering factors such as noise, trash and other negative consequences; and
 - The short term rentals are a needed resource in certain areas of the City and it is located in close proximity to venues, districts or areas that generate a high volume of people or visitors.



GENERAL ZONING ORDINANCE CHANGES

- Termination of Grandfathered STRs
 - Grandfathered STR that have ceased operation for two years or more shall be revoked by the Planning Director (aligns with regulation of nonconformities)
- Civil Penalties for Violations
 - Assess a civil penalty for those operating STRs without approval or if in violation of 241.2 (operational requirements)
 - \$200 penalty for initial summons
 - \$500 penalty for each additional summons
 - Changes penalty from criminal to civil penalty



OLD BEACH OVERLAY DISTRICT AMENDMENT

- Allows by-right STRs that meet the following criteria:
 - All requirements of 241.2
 - The STR is the principal residence and owned by the operator
- Draft does not currently allow for someone to “ask” for consideration due to unique circumstances (CUP)
- Only allows one STR per property owner
- Requirements of 241.2 part of later discussion



DISCUSSION

- Referral Ordinance
 - Approve as written
 - Revise
 - Potentially expand to R5-S district?



CITY COUNCIL DISCUSSION

- City Council had robust conversations about STR regulations
- Councilmember Jones requested staff review the “overlay concept” for other areas of the City
- Staff proposes
 - A new STR Overlay that permits STRs by-right if all the requirements of 241.2 are met. (no requirement for principal residence)
 - If requirements of 241.2 cannot be met, should owner have ability to apply for a CUP?
 - If not in STR Overlay-should other areas be allowed to apply for CUP?
 - Must prove site can meet proposed findings language



PROPOSED STR OVERLAY

- Could includes the following areas:
 - Shore Drive Overlay east of Lesner Bridge
 - Areas east of Atlantic/Pacific Avenue
 - Properties in the North End Overlay one block west of Atlantic Avenue
 - The OR district
 - Portions of Croatan within two blocks of the Atlantic Ocean
- Map Exercise
- Proceed with Overlay concept?



KEY ISSUES - DISCUSSION

- Parking
 - Required number of spaces
 - Staff proposes 1 parking space required up to 2 bedrooms, 1 parking space per bedroom after 2
 - Use of garages
 - Use of right of way – parking in driveway
 - Alternative parking surfaces
- Number of stays per week
- Number of occupants
- Number of events
 - Reflect current condition prohibiting events outside of those staying at the STR



KEY ISSUES - DISCUSSION

- By-right STRs in STR Overlay District
 - Allow STRs that do not meet any of the criteria ability to apply for CUP?
- Noise/party complaints/Trash
- Enforcement
 - Host Compliance on contract with the Planning Department
 - Provides all historical listings of a property once audited
 - How property is listed may be used for enforcement purposes



TIMELINE

- Referred ordinances must have recommendation to City Council by September 17 (September 9 – latest possible PC meeting)
- Staff recommends at least 2 more workshops
 - Review language proposal coming out of this meeting
 - Public comment meeting
 - Public Hearing on August 12 for referred ordinances
- Due to timeline, it is possible to provide recommendation on referred ordinances while finalizing other recommended changes
 - Staff recommends sending any recommended changes to 241.2 with the referred ordinances
 - New STR overlay will require additional time and notification that cannot be completed in this timeline