



September 14, 2020

The Virginia Beach Mayor and City Council
2401 Courthouse Drive
City Hall, Building #1, Room 281
Municipal Center
Virginia Beach, VA 23456

Subject: The Croatan Civic League Position on Short Term Rentals

Dear Mr. Mayor and Members of the City Council:

I am writing to you today to express the position of the Croatan Civic League (CCL) to various Short-Term Rental (STR) proposals being discussed at Council and in the Planning Commission.

Croatan is a residential community located between Rudee Inlet and Camp Pendleton. Save for a handful of lots zoned R-15, Croatan is zoned R-10 throughout. We have a single means of access (Croatan Road), narrow streets - many without sidewalks, and no commercial venues. It is in the true sense of the word, a neighborhood.

Where some may consider STRs as a boon, many Croatan residents see them as a bane. Increased trash, illegally parked vehicles (some blocking streets, driveways, and mailbox access), and a revolving door of tenants detracts from the neighborhood ambiance that our residents – your citizens – seek to enjoy.

Almost two years ago, our letter dated December 14, 2018 stated the following:

We do not see any need to grandfather nor support it as existing rentals must comply with new CUP. Possibly the fee/hearing for existing Short-Term Rentals can be waived, but the application and permit must be on file to enforce and renew every two years as properties often change hands. This is a fairness, economic, and safety issue.

While still preferring no grandfather clause, the CCL supports passage of proposed change to the grandfather clause of Virginia Beach Zoning Regulations § 241.2. The revised language is prudent; especially for STRs that have operated for many years in violation of zoning regulations.

On July 12, 2020, a Planning Commission presentation included a bullet on slide 13, referencing a potential STR Overlay for “Portions of Croatan” (Attachment 1.)

At the September 9, 2020 combined Planning Commission/City Council meeting the City Attorney stated that an overlay district could be created by the City Council without consultation or vote by the affected district.

We conducted an informal survey on this issue via Nextdoor from September 11 – 13, 2020. 148 property owners voted, and some provided comments. The vote was overwhelming against a Croatan STR Overlay with 85% against, 10% for, and 5% undecided. Attachment 2 is a copy of the comments with the names removed.

Perhaps we are overreacting, but given the July 12th presentation, coupled with the City Attorney's spoken comments, the Croatan Civic League Board of Directors is compelled to inform the leadership of Virginia Beach that we are strongly opposed to any move by the Planning Commission or City Council to create a Croatan STR Overlay District.

The CCL point of contact for STRs is our Vice-President, M. Conrad "Connie" Agresti, 757-425-2068, mcaiii@aol.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Kelly', with a long horizontal flourish extending to the right.

Michael Kelly, President, Croatan Civic League

604 Fort Raleigh Drive
Virginia Beach, Virginia 23451

(M) 703.439.9153
mkellyav8@aol.com

Attachment 1 - Short Term Rentals: July 12, 2020 Presentation, Slide 13

The presentation can be found at

<https://www.vbgov.com/government/departments/planning/boards-commissions-committees/pages/pc.aspx> under related documents.



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?

Attachment 2 – Comments submitted on Nextdoor regarding Croatan Civic League Poll
(September 11-13, 2020) Regarding a Croatan STR Overlay District

Note: Names/Pictures are removed. Name references are blocked with _____. To review the unedited link, go to:

https://nextdoor.com/news_feed/?post=160938070&is=npe&mar=false&ct=b55d0wcVDpyO3eXiaD82Smmld8PRcrH2JMn6mhMAcVp3hlak8eagsCWdNDViMkHV&ec=iD9EVf8Fqz GipY9I9G7ig%3D%3D.

Croatan

Make sure your neighbors know to take this. Thanks in advance!

Croatan

Absolutely a No for me. We can barely use the beach now with all the erosion. The last thing I want is a house full of short-term renters walking all over the dunes, trash our beach and partying every night. Why doesn't the city work on fixing our beach first before they invite a bunch of out of town visitors to Croatan Beach. I guess it's easier to pump our sand north to make the oceanfront bigger and ignore us. A few weeks ago, a short-term renter by me had a bunch of people on the beach and one of them said they tested positive for COVID-19 and that we shouldn't sit so close to them. That same house had the cops called on them twice this year. Once for a hit and run and the other time for throwing a large party on a Tuesday night

Croatan

NO, I do not support Croatan becoming an STR overlay, never did and the city has not approached me to ask.

Croatan

Nope. STR's would undoubtedly and significantly harm the quality of life for the residents and the beaches.

Croatan

Property values will be affected if Croatan becomes an STR. As a licensed real estate agent, retired, I am very aware of how STR's can be a detriment to home values.

Croatan

STRs in Croatan would be a very bad idea. Just imagine what Holiday weekends would be like. There bad enough as it is. See _____ comments about home values

Croatan

We add our voices to those who oppose an STR for Croatan!

Croatan

Please contact City Council members by mail or email to let them know your opposition

Croatan

Send lots of emails and voice your stand of NO to STR's in Croatan.

Croatan

Tell all your Croatan friends to vote against STR. They destroy the continuity of a neighborhood.

Croatan

Yes. I support Croatan as overlay district within 2 blocks from oceanfront. We have always had vacation rentals in Croatan. It would hurt our property values to lose that right. I know from looking at properties in Florida a few years ago what a difference in property values that can make. I stopped asking my agent which neighborhoods allowed STRs and which did not because you could tell from the price. The neighborhoods with HOAs that forbid it were significantly cheaper. Perhaps you could argue the cheaper neighborhoods had a better quality of life, but I already paid the premium to buy here. When I told our agent, these homes are overpriced based on long term rentals to mortgage, she flat out said you have to look at STR income because that is much higher. If case our income ever dropped, I would not be forced to sell our second home again. Now that Croatan is my primary residence, I like idea of being able to spend a summer away and make enough to cover my mortgage.

Croatan

It's not always about money and Croatan values will increase without STR. No one wants to buy a house next to a STR, unless it's another out of town STR owner.

Croatan

No STR.

Croatan

No, we would not want STR

Croatan

No to STR. Looking for quality of life as a residential community.

Croatan

Three years ago, we moved out of Croatan after having enjoyed living there for almost 30 years. One of the main reasons was the short-term rental next door to us. It is not fun to have a short-term rental as an immediate neighbor. For one thing, there's no way to enjoy neighbors when they change every week. The house was not as well cared for as it was when the owner lived there. It became an eyesore with trash and broken screens all over the place. I'm sad that the beach is yet to be replenished. Croatan is a beautiful neighborhood that deserves better.

Croatan

I absolutely oppose making Croatan an STR overlay district. Croatan is an exceptional community of true neighbors and friends. We care for and about each other year around, and civic pride in our community is high. Affixing an official commercial stamp to Croatan would, in my estimation, tarnish the very qualities that make Croatan special.

Croatan

Absolutely No. House across a street just had been rented last weekend. A lot of college kids, having loud fun all night..my kids couldn't sleep. I almost called the cops. The week before that same house rented out, drunk people were trying to get to the ocean through the empty lot next to us. It was about 9 pm, but dark enough; my kids were by the pool. So those people scared the heck out of the m. I hope this will not happen again, it's been crazy enough

Croatan

Call the police every time, maybe this will also help our stance on the problems STR's are causing in our neighborhood.

Croatan

Definitely more problems with STRs. A home located next to a STR cannot possibly have a beneficial effect on its property value. It's also highly doubtful, IMO, that not having STRs in Croatan would have a negative impact on home prices. Why does the city council get to arbitrarily decide where a STR overlay is located and how large it should be, for the entire city of VB?

Croatan

A simple question to the Planning Commission and City Council. Would you like your neighborhood to be an STR Overlay District? It amazes me how they don't care when it isn't in their backyards.

Croatan

I can't believe you are so short sighted. You wish to take away people's options that they have now. What happens if you get divorced and would like to keep your home? Currently, you have option of renting your home in summer and stay with your parents and return in time for the kids to go back to school. What happens if someone gets sick or Injured? Retirees like to be able to travel and keep their home or sell for a higher price that STR rights provide. You may not care about our values dropping, but many do. EVERYONE bought homes here with STRs in the hood. That's part of beach life, to live where others vacation. I fear that those opposed don't understand or care what they're doing

Croatan

Nothing prevents you from submitting a Conditional Use Permit (CUP) to use your residence as a STR. What we're trying to forestall is having City Council unilaterally decide for us without the simple courtesy as asking Croatan residents for their input.

Croatan

_____, I think you misunderstood. I'm not sure which street you live on, but the City intends to take away your right to be an STR if you live anywhere other than S. Atlantic or Vanderbilt. Those 2 streets would be the only ones able to be an STR.

Croatan

Sorry, but that's not what was asked.

Croatan

NO to STR's in Croatan. Property values will drop. As a licensed real estate agent, retired, I have lived and sold primarily in Croatan for 40 years and I have seen what can happen when normal rentals overtake owner resident homes. STR's would make matters even worse and would greatly add, not only to the loss of value in our community, but also to the desire to purchase property in our neighborhood.

Croatan

When we moved into Croatan over 18 years ago from the North End it was heaven. A very family-oriented neighborhood, no rentals, all the neighbors knew each other. Then change started to be very noticeable a couple of years ago with more and more STR popping up. It has changed the flavor of the neighborhood and not for the good. This is a family neighborhood and it needs to stay that way. It is not a Sandbridge or Nagshead.

Croatan

What total arrogance. Politicians including Wood, Guy and Wilson are discussing, in a city council meeting, permanent and profound changes to our neighborhood without bothering to inform the residents who live here. Why in the world do these people continually run for these offices when they have no concern for what their citizens want?

Croatan

_____, I've written to Guy Tower and would urge you and anyone else in the neighborhood to let him know how much we do not want STRs

Croatan

I am against STR. This is my family's home for 20 years, where our kids grew up and I would love to keep it as "home", knowing my neighbors and everyone around us.

Croatan

I strongly protest all SHORT-TERM RENTALS !!! I rarely agree with _____ but no one has said it better !!! Write these jerks on council I suggest that WE AS A COMMUNITY send the message that we demand the ones that are in existence be abolished and that property taxes of any STR property be DOUBLED I built the 51st house in Croatan and have lived here 35 years and have quietly watched this program of short-term rental of houses deteriorate the quality of life in the neighborhood all for the profit of a few. Somebody on council must own real estate that will profit from this it stinks and so do they for bringing this up !!! I have always

felt that this communication software that was "given" to us free was done so so that the city could monitor all of our thoughts so I hope that they read this BUT BELIEVE ME they do not care what you say all you have to do is look at our beach !!!

Croatan

What Beach ____? The pump all of our sand north and refuse to address the issue of fixing the jetty. Must be to support the STR's on the north end making their beach bigger.

Croatan

I absolutely do not support any form of STR overlay in Croatan. I have had a STR next to my home for 15 horrible years. The grass would randomly get cut, the house fell into deplorable disrepair, overflowing garbage cans would be left by the curb for days/weeks, flies and maggots abound, fourteen cars filled the front yard on several occasions, screaming and yelling some of the most vulgar language one can imagine, threatening glares and stares toward me and my family, broken bottles in the street, roaches, rats, a huge infestation of bed bugs, numerous items stolen from our home, and yes the police have been called and the crowing jewel was on a Sunday when SEVEN (7) police cars were summoned to the STR next door. As God being my witness, the above is 100% true and I have probably understated how horrible the STR next to me has been. A STR is a Business and a Business will not stay in Business if it does not make a profit. A STR objective is to make a profit for the Owner, plain and simple. The most recent action by the US Federal Reserve lowering Interest Rates to almost Zero is allowing housing speculation to surge as we have seen about a decade ago. Then it was single family homes, now it is in multifamily housing, including STR's. It didn't end well in 2007, it won't end well this time around either. The proliferation of STR's leave the owner one option, cut the price (rent.) With history as our guide, let's say no to opening the flood gates to additional STR's in Croatan.

Croatan

My last comment on this. Walk and look at the STR's in the neighborhood. Most of them are not maintained, have overgrown yards with weeds everywhere and often look abandoned. Sometimes they are updated but often neglected. The more neglected the STR is the worse the renters are. Sorry but this will ruin our neighborhood. If you want to invest in an STR buy in Sandbridge and pay a sand tax

Croatan

Well said, ____! We live four houses up from the ____ in the 700 block of Surfside. Our block of Surfside has 8 houses and 4 are STRs. The complexion of our block has changed dramatically with the onset of these STRs. Perhaps the best example we can give everyone is that if WE don't take out trash for the STR next door, it DOESN'T get taken out! The renters don't care, and the owners see it as a business proposition with no regard for those who call Croatan home.

Croatan

Just to explain basic principles of real estate valuation. A healthy real estate market has equal balance between what one would pay for a mortgage versus renting. Homes in Croatan sell for

much more than they should because you can collect about 40 percent more in short term rental income than long term rental income. If you restrict that option, prices fall. That's just a fact. I don't mind living in a restricted neighborhood. There are definitely pluses you all discussed. It just sucks that we paid a premium for the right to do so since vacationers have stayed here since the community was formed. You all have valid points about bad str's but please don't spread misinformation that property values will magically defy economics and increase if you restrict them. My rear neighbor is an STR. That owner wishes my house still was because it was quieter. My contract prohibited large gatherings. I could kick them out if they violated it. I cannot do the same with my college age son. The police have been called on him for parties but never my renters.

Croatan

"My contract prohibited large gatherings. I could kick them out if they violated it. I cannot do the same with my college age son." Please explain.

Croatan

Absolutely NO to short term rentals. I have one behind me and we hate the noise. Language and large groups that stay there. We have called the city and police numerous times. I have lived here 25 years and STRs are destroying our neighborhood.

Croatan

Ugh the house behind you is terrible

Croatan

The CCL is looking to prevent Council from making S Atlantic and Vanderbilt overlay districts. Should City council do this, from what I understood from the past meeting, is that only these 2 blocks would be permitted to have STRs, and no homes outside of the overlay district would be permitted to be STRs. The homes that currently are would have grandfather status for a few years at least... Again, the current system allows for homeowners to apply for STRs via a CUP, and those applications have mostly passed. CCL is against Council designating half of our neighborhood as rentals, and the other half non. Individuals should be able to choose for themselves what they want for their property. My personal belief is that if the overlay district gets granted our oceanfront homes will be bought by companies/corporations that use them as rentals, and in time we will lose the close coastal community feel of our neighborhood.

Croatan

Please keep the conversation to the topic at hand

Croatan

I don't allow it. It's hard to control a college age son who has friends over when you are out of town. I'm not going to kick out my only child to live in the streets. I am fortunate enough that I was able to recently buy him a condo in Harbour Point. They don't allow STRs but I hear all the same complaints about landlords over there. You can't get away from neighborhood bickering wherever you are.

Croatan

I believe there has to be a way to preserve the quality of life in Croatan without hindering our property values. There will always be bad landlords that own long- or short-term rentals. Why can't we weed them out? I don't want to ban dogs because some owners let theirs bark incessantly or don't pick up after them. I don't want to defund police. Just pass laws with teeth. Why can't the city fine \$100 to people who leave out their trash? I paid a handyman a \$100/wk to take the trash in and out when I used to rent my house. If they faced fines, they would do the same. City shouldn't allow any stays less than a week. That has been the traditional length of time forever. The problem houses allow shorter stays. No events. If police are called for large gatherings or noise, then another fine. If it happens 3x, then you lose your permit for a year. Owners would start vetting their guests like I did. I am not going to fight everyone on this. I spent the last 20 years in NoVa whose property value didn't increase at same rate as rest of country due to demographics and sequestration. For most of us, our home is our biggest investment. I hate to see our homes not maintain their value here over next 20 years. We just need the city to add teeth to the regulations they enacted. There have always been vacation rentals here and every house isn't owned by a corporation. That's just ridiculous. Fear mongering doesn't help.

Croatan

Homes in Croatan, that are well maintained and looked after by their owners, will have increases in their value, NOT DECREASE. If more STR's are permitted, that is when property values will decrease. This is a neighborhood not a rental community. There are far more resident owners than there are rentals, and the residents would like to keep it that way. I speak from 40 years of dealing with Croatan real estate.

Croatan

_____ and I oppose STR for Croatan and have sent letters.

Croatan

I was not going to respond to anymore posts because I don't like to fight with my neighbors. But I believe in education. Since this is my last post, it is long. But please read through the end because we are not that far apart. Yes _____, the lovely blue house on corner of Vanderbilt and Maryland that has been owner occupied for decades is raising our property values versus the STR on corner of Maryland and Surfside. Being a full-time owner or landlord doesn't dictate whether the property is going to be maintained. I would propose that a rental has more incentive to maintain their property so that is beside the point. _____, I, too, used to be a licensed realtor and I majored in business in college. The simple fact is that a generous portion of American real estate is investor owned. Not everyone can or wants a mortgage. Investors can flip a house that needs lots of work or become landlords if the price is low enough that they can rent the housing unit for more than the mortgage. Investors provide a floor so to speak for the housing market. We saw this on a grand scale after the housing crash. In our beach community where STRs have been the norm since it was founded, our prices are supported by the higher rental income short term rent provides verses long term rent. I would rent all day

long versus obtaining a mortgage here if there were long term yearly rentals available, but they are hard to come by because of the price differential between long term and short-term rent. If STRs were suddenly prohibited, then rentals would all be long term. But our home prices will drop to levels that coincide with long term rental income. Why would anyone pay a \$6000 mortgage when they can rent a house across the street for \$3500? I saw this in action while looking for our second home in Florida. The homes in HOAs that prohibited short term rentals were significantly cheaper than the homes that did not. I THINK EVERYONE WILL AGREE THAT HOAs THAT PROHIBIT STRs HAVE A BETTER QUALITY OF LIFE FOR IT'S RESIDENCES. My only point was that we already paid a premium for the right to STRs, and just be aware of the loss in home value to remove that right. Soon we are going to be in a rising mortgage rate environment which is already going to put downward pressure on home prices. My family always rented a place on the shore for a week in the summer growing up. Twenty years or so ago I asked a friend we were visiting in Croatan what it was like living where other people vacation and he said it was great. He pointed out a couple of vacation properties and said he was friends with the owners, so he helps look after their places. Fast forward to when we purchased our second home here (which we love so sold or NoVa house and now Croatan is our primary home) because my husband didn't want to fly to Florida to visit me. The first weekend the vacation rental 2 doors down had a huge party with a live DJ. Their guests parked in our driveway. I lay there trying to sleep wondering what I got myself into. Luckily, it never happened again. If it did, I will call the police the next time, like my neighbors did on my son's party. I don't begrudge them, that's what you do. I quickly learned what were the problem rentals vs the ones that rent to families over the summer then long term over the winter. Trust me, I wish to get rid of the problem rentals like everyone else. You are going to have problem landlords whether they are long term or short-term rentals. Before I turned Croatan house into my primary home, we rented for 2 summers. I paid a neighbor teen \$100/wk. to take in and out the trash among numerous other things. I never allowed partial week rentals. I vetted my guests and requested a copy of their license to be sure they were who they said they were. My contract stipulated that if they had a large gathering, they would be forced to leave, and I would keep their rent. The same would apply if there was a noise violation and police were called. I even prohibited crabs and fish cleaning on the property due to flies. VRBO dung me for having a low acceptance rate but I never got less than a 5-star rating from my guests. I hung with my neighbors off season and didn't want to do anything that would upset them. It bothers me that the city passed regulations and don't enforce them. Why should some of us bend over backwards to follow the rules while other flout them? Rather than being rash and banning STRs altogether; why can't we ask the city to start imposing fines for violations which would pay for enforcement? Repeat violations should lead to loss of STR rights for that owner. I know this is still not going to appease everyone because some people just don't like strangers coming in and out of the hood. But we have a public parking lot for crying out loud just a block away from me and those strangers don't spend thousands of dollars per week to come. We have jets flying overhead and explosions from the firing range that shake our homes. These are not ideal situations either. No one is compensating us for these nuisances so why are we so willing to halve our own property values?

Croatan

I watched a city council meeting that had a diagram of the registered STRs around me. I was shocked to see that the troublesome STRs don't even bother to register even though they have been operating for years. Perhaps the out of town owners don't know the rules have changed. I am frustrated because I put a lot of thought into what steps we could take to maintain the integrity of the neighborhood while preserving law abiding STRs. What good is it if permits are meaningless. How do they stay in operation without following the rules?