



SHORT TERM RENTALS (STRS)

STR Task Force—November 6, 2019

Short Term Rental (STR):

Rental of a residence, or part thereof, to a transient for a limited duration, usually 30 days or less.

Where they are currently allowed:

| Term: | Summarized Definition: | Allowed Zoning Districts: |
|---------------------------|--|---|
| Home Occupation | An occupation conducted as an accessory use of a dwelling unit | RT, R-LD5, R-LD1, R-1A, R-1, R-2, R-2A, R-3, R-4, R-5, R-6, R-SS-C, TC-1, TC-2, TC-3, CC, NC, OI-1, OI-2, OI-3, OI-4, HR-L, HR-M, HR-X, PD-H, PD-MU, DA-1 |
| Hotel/Motel | Building(s) containing in combination 10 or more lodging units ¹ intended primarily for rental or lease to transients by the day or week, as distinguished from residence halls, in which occupancy is generally by residents rather than transients. | TC-1, TC-2, TC-3, CC, OI-3, OI-4, PD-SC, PD-OI, PD-MU |
| Overnight Lodging | Accommodations arranged for short term stays of less than thirty (30) days for rent or lease | WX-5, WX-7 |
| Tourist Home ² | Building(s) containing 3 to 9 lodging units ¹ intended for rental or lease primarily to transients for daily or weekly periods with or without board | TC-1, TC-2, TC-3, CC, OI-1, OI-2, OI-3, OI-4, PD-SCI, PD-OI, PD-MU |

¹ Lodging Unit is defined as room(s) forming a separate habitable unit used or intended to be used for living and sleeping purposes by one (1) family only, without independent kitchen facilities; or a separate habitable unit, with or without independent kitchen facilities, occupied or intended to be occupied by transients on a rental or lease basis for periods of less than one (1) week.

² Tourist Home differs from a Rooming House in that they are generally located in commercial areas, rented on daily or weekly periods, and cater to transients; whereas a Rooming House is located in residential and commercial areas and cater to residents. Rooming House is defined as building(s) containing three (3) to nine (9) lodging units intended primarily for rental or lease for periods of longer than one (1) week, with or without board. Includes single-family dwelling, two-family dwelling including accessory apartment, or a two-family dwelling duplex if used in a manner described in the applicable definition sections so as to constitute a rooming house.

Short Term Rental (STR) Terms:

Types of STRs:

- **Hosted Rental (aka Homestay or Homeshare):** Rental for a period of no more than 30 consecutive days, of a room or rooms within a private residence for compensation while the permanent resident resides on-site during the duration of the rental period.

- **Dedicated Vacation Rental:** A STR where there are no primary residents; the unit is only used as a STR.
- **Unhosted Share:** A STR where the primary resident vacates the unit while it is rented to guests.

People:

- **Designated Responsible Party:** Local contact person responsible for responding to complaints or issues stemming from the use of the dwelling unit as a short term rental.
- **Guests:** Any person or persons renting a residential unit for compensation for fewer than 30 days.
- **Operator (aka Host):** Owner, tenant, or rental agency who advertises the property for rent and/or who otherwise facilitates the use of the property as a short-term rental.
- **Owner:** The individual or company that has owner's rights to the property such as a block of land or building.
- **Property Manager:** Usually refers to a professional property management company that oversees all aspects of short-term rental management, but can also refer to a single employed person in charge of management.

Other:

- **Hosting Platform:** Online platform that allows property owners to advertise a dwelling unit as a short term rental and facilitates the booking transaction for accommodations between a short term rental owner and a short term rental guest, including, but not limited to, reservations and/or collection of payment for such accommodations on behalf of the short term rental owner.
- **Direct Booking:** When a guest books directly with a host outside of a booking platform (such as over the phone, in person, or on a private website).
- **Occupancy Tax:** A tax imposed on the gross receipts from the rental of any room, lodging, or similar accommodation. In Chapel Hill, an occupancy tax of 3% is enforced, subject to the sales tax under North Carolina General Statute 105-164.4(a)(3).