



Update on Short Term Rentals (STRs)

Presentation to
Council Committee on Economic
Sustainability
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What staff has heard at Dec. 2 Work Session:

- Separate unhosted and hosted STRs from dedicated STRs
- STRs are a business that require regulation
- Capping the number of dedicated STRs
- Mitigating potential negative impacts of dedicated STRs on residential neighborhoods
- Interest in developing safety standards
- Interest in allowing existing STRs to remain in operation

Current LUMO Provisions:

Primary Residence STR	Dedicated STR	
		
Hosted STR	Unhosted STR	Dedicated STR
<ul style="list-style-type: none"> • Home Occupation 	<ul style="list-style-type: none"> • Tourist Home • Overnight Lodging (Blue Hill District Only) 	<ul style="list-style-type: none"> • Tourist Home • Overnight Lodging (Blue Hill District Only)

Types of Short Term Rentals:

Primary Residence STR		Dedicated STR
		
Hosted STR	Unhosted STR	Dedicated STR
<ul style="list-style-type: none">• Primary Residence is on-site with guests• Nightly rental of spare bedroom or ADU	<ul style="list-style-type: none">• Primary Residence is not on-site with guests• Nightly rental of principal dwelling unit or ADU on the same lot as resident-occupied dwelling	<ul style="list-style-type: none">• No resident on-site.• Only used for STR• Nightly rental of a dwelling unit or ADU on a site not used as a primary residence

Proposed Definitions:

- **Primary Residence:** the dwelling unit or dwelling unit with an accessory apartment on a property in which the host resides a majority of the year (255 days or 70% or more of the time).
- **Primary Residence Short Term Rentals:** the rental of a primary residence that is rented wholly or partly for a fee for fewer than thirty (30) consecutive days to transient guests. (Staff previously used the terms Hosted STR and Unhosted STR to describe this scenario and this definition would encompass both scenarios.) No simultaneous rental contracts are permitted when the host is not on-site.
- **Dedicated Short Term Rental:** the rental of a residential dwelling unit(s) on a property that is not used as a primary residence and is rented in its entirety to one party of transient guests at a time for a fee for fewer than thirty (30) consecutive days. No simultaneous rental contracts are permitted.

STR Data:

- 334 Active STRs in March 2020 (pre-pandemic)
- 235 Active STRs in January 2021
 - 179 Whole-House STRs
 - 148 Whole-House STRs in Residential Zones
 - 29 Whole-house STRS in Non-residential zones
- 218 Active STRs in March 2021

STR Pilot Program:

- Allow Dedicated STRs in non-residential zoning districts
- Cap the number of Dedicated STRs in residential zones



Dedicated STR Cap in Residential Zoning Districts:

A.1% (228 permits)

B.1.5% (342 permits)

C.2%(455 permits)

D.2.5% (569 permits)

E.3% (683 permits)



STRs Next Steps

Date	Action
March 24	Call for public hearing
Mid-April	Public Information Meeting
April	Planning Commission review and recommendation to Town Council
May	Town Council Public Hearing
June	Town Council Action
July through August	Education campaign on application process
September	Implementation of STR ordinance and accepting STR permit applications