Short Term Rentals

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April 15, 2021

Raleigh

Raleigh's Adventures in Short Term Rentals

1. In The Beginning….

2. The Evolution of Regulations

3. What we Learned

Before We Start….

47

2,018

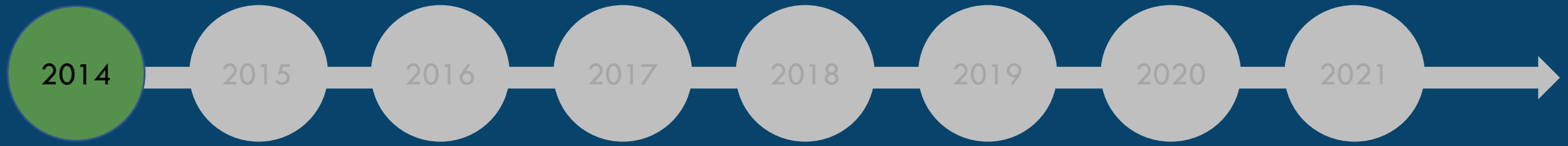
Before We Start….

47 Meetings

2,018 Days

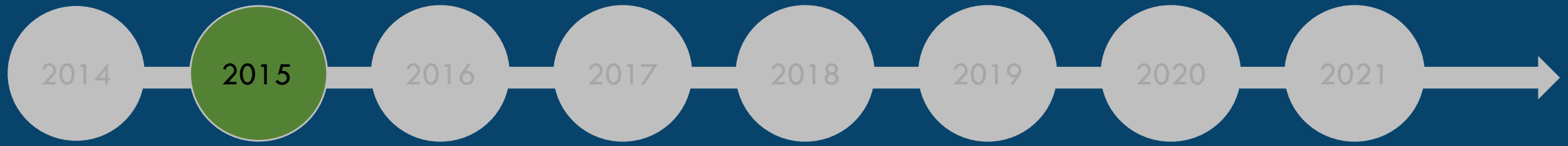
In The Beginning….

- Began as a discussion in City Council committee
- Staff was asked about the use (UDO didn't regulate) and to bring back some research/information
- A framework ordinance was drafted, presented



In The Beginning….

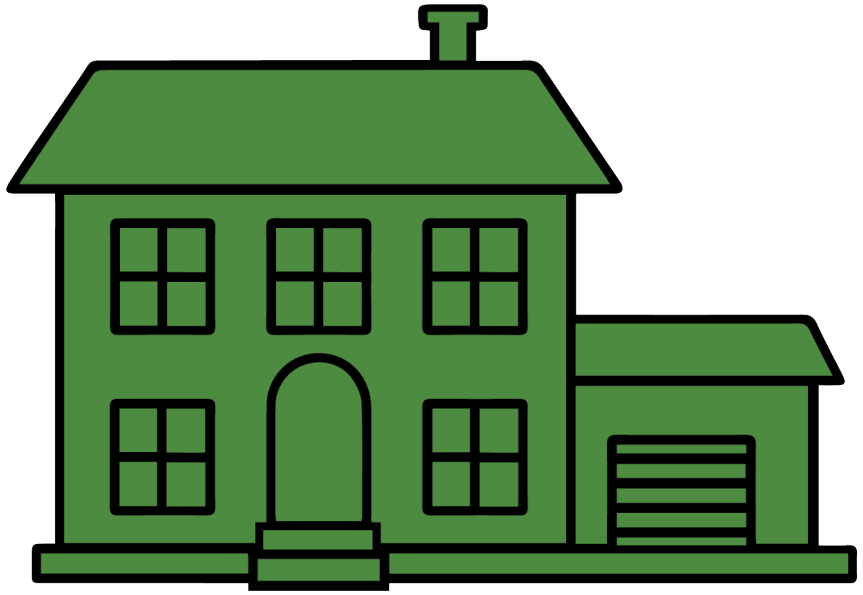
- Ver. 1 was drafted in July 2015
- Allowed to rent portion of house by right
- Whole house rental required special use permit
- No exterior advertising, no cooking facilities in bedrooms



In The Beginning….

- There was one primary consideration and discussion point

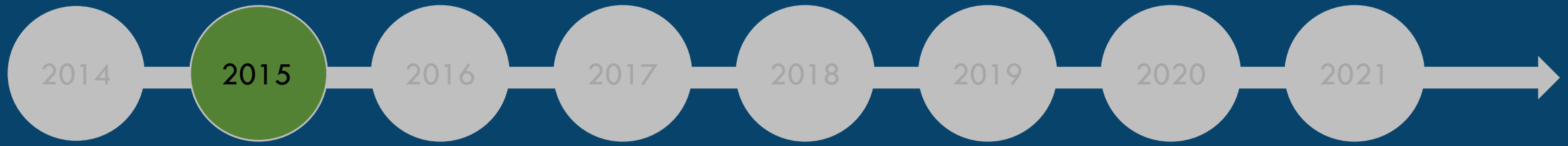
Vs.



Evolution of Regulations (July – Oct. 2015)

- Ordinance was delivered to the Planning Commission for review and recommendation

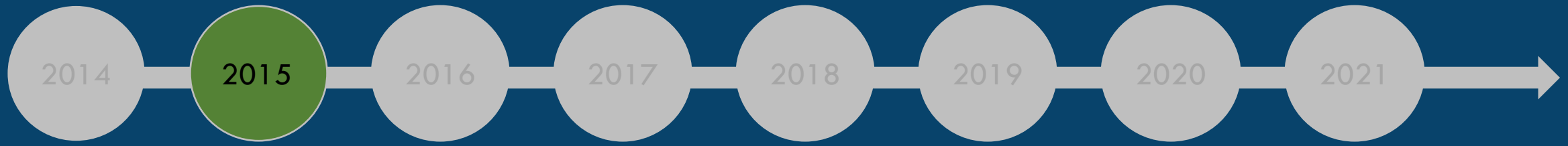
- Two new concepts introduced:
  - Resident manager / time limit for occupancy
  - Revocation of permit for multiple violations (zoning and/or criminal)



Evolution of Regulations (Nov. 2015)

- City Council did not accept the ordinance

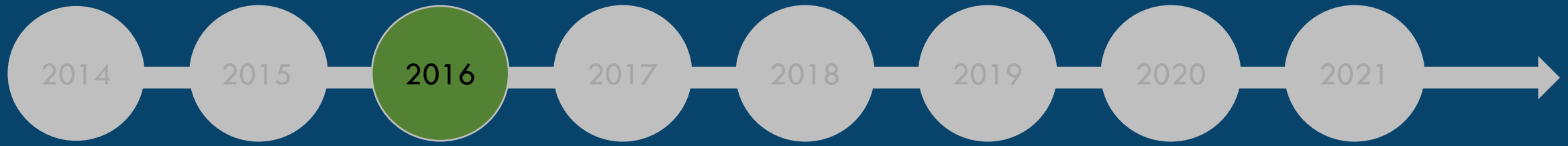
- Asked Planning Commission to
  - Remove the “whole house” option
  - Focus on “resident manager” concept
  - Set spacing standard between rentals (400’)



Evolution of Regulations (June 2016)

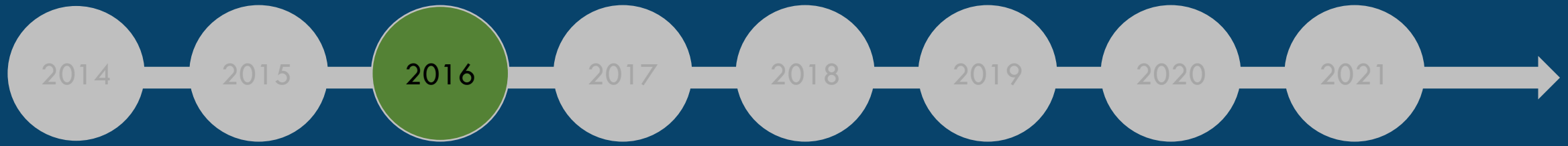
- Ver. 2 of the Ordinance delivered to City Council public hearing
  - Heard from many speakers, mostly in support
  - Concerns about neighborhood impact

- Motion to adopt failed, item referred to Council committee



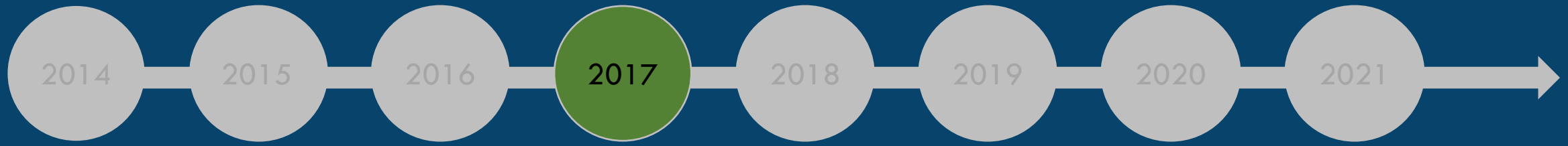
Evolution of Regulations (Oct. 2016)

- Referred back to the Planning Commission for additional study
- Planning Commission report delivered to City Council
- 16-member Task Force was formed



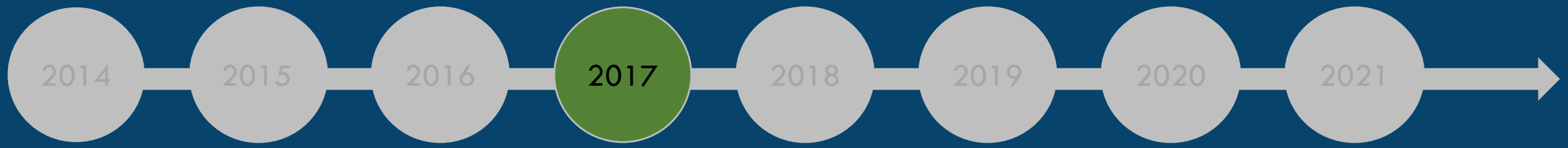
Evolution of Regulations (Jan. - June 2017)

- Task Force began drafting Ver. 3 of the ordinance
- Identified three "types" of rental (Partial, Whole-House with manager, Whole-House without manager)
- Explored ideas of impact on neighborhood, affordable housing, lodging operations



Evolution of Regulations (Nov. 2017)

- Ver. 3 of the ordinance (Task Force version) delivered to City Council
- Ordinance was not authorized, conversation ended



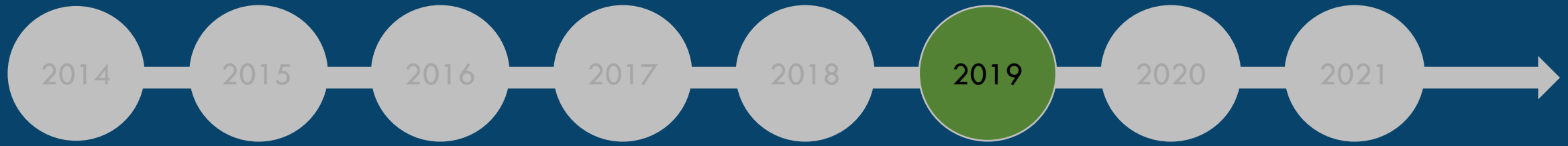
3 years of discussion

No regulations to address use (which was already happening)

Enforcement was stayed

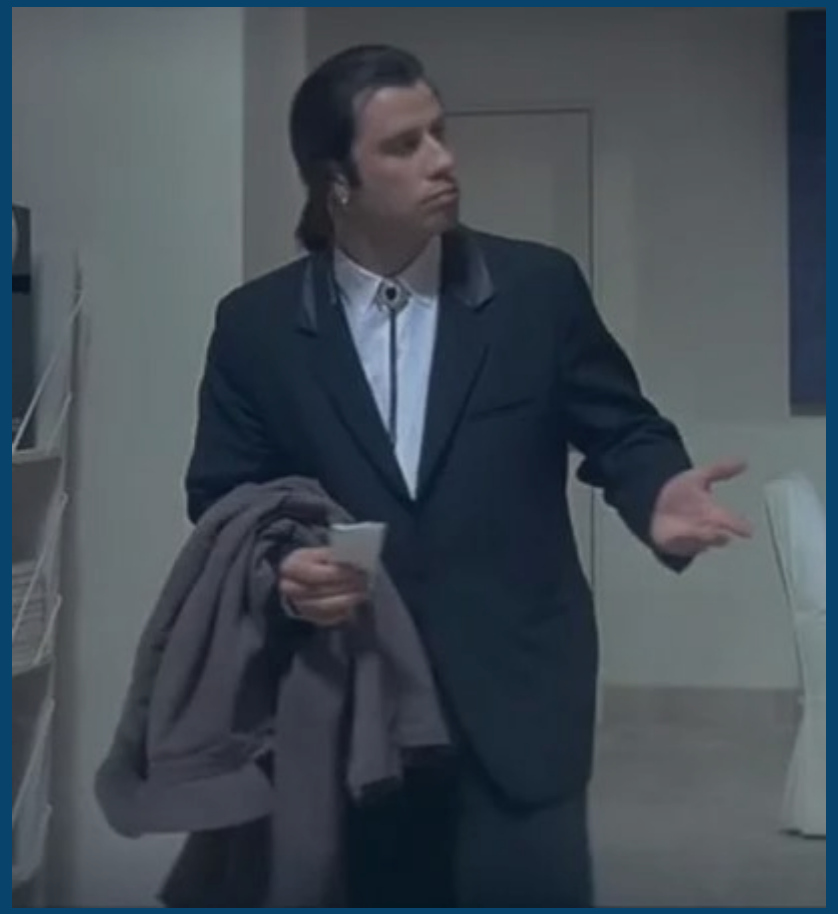
Evolution of Regulations (Jan. – Mar. 2019)

- City Council requested a new ordinance (Ver. 4) based on Asheville's "homestay" regulations
- Allowed partial rental, required resident manager, revocation of permit for cause
- Ordinance adopted in May



So…We Are Done, Right?

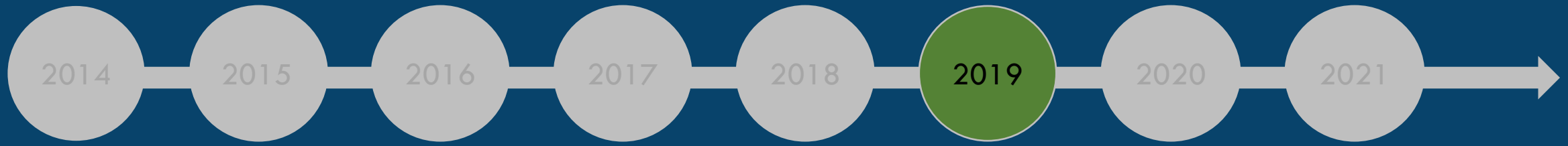
- City Council adopted an ordinance
- Did not include whole-house rental
- Continued conversation about whole-house rental, especially during 2019 elections



2014 2015 2016 2017 2018 **2019** 2020 2021

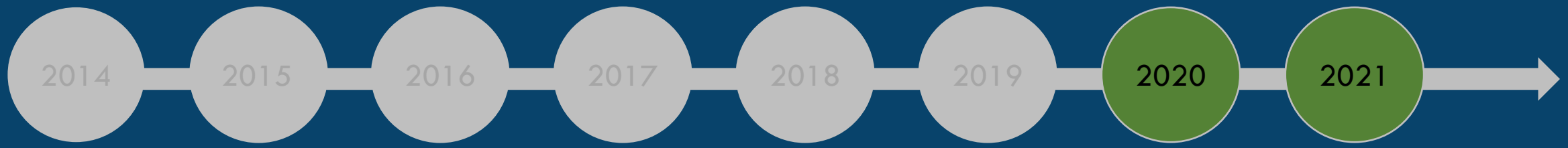
Evolution of Regulations (Dec. 2019)

- Change in membership of City Council (5 of 8 were new)
- Requested another ordinance that would allow whole house rental
- Continued discussion with platforms (AirBnB and Vrbo about permit requirements, regulations)



Evolution of Regulations (2020-Feb. 2021)

- Staff drafted another version (Ver. 5)
  - Partial and whole-house
  - Revocation for cause
  - Max. 25% of multi-family units
  - Zoning permit information must be located on advertisement, on property



What We Learned

1. It's a complicated discussion

   Discussion quickly evolves from policy & regulation to feeling and behavioral

   Introduction of a "quasi-commercial" use in traditional neighborhoods (especially investor whole-house rentals)

2. Patience in the process

Questions/Comments

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Raleigh