



RECEIVE THE FINAL FINDINGS ON ORDINANCE DEVELOPMENT FROM THE SHORT-TERM RENTAL TASK FORCE AND DISSOLVE THE SHORT-TERM RENTAL (STR) TASK FORCE

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT
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MEETING DATE

June 17, 2020

STAFF'S RECOMMENDATIONS

That the Council receive the Short-Term Rental (STR) Task Force Final Findings and adopt Resolution A to dissolve the STR Task Force.

OVERVIEW

On [June 19, 2019](#)¹, the Town Council directed staff to develop STR regulations that reflect input from community stakeholders.

Council appointed an STR Task Force in October 2019 to consider possible regulations for dedicated STRs. Comprised of different community stakeholders, the Task Force spent five months discussing potential STR impacts and typical STR regulations. The Task Force's Final Findings reflect the diverse viewpoints of the different stakeholder groups.

BACKGROUND

There are currently over 300 short term rentals (STR) in Chapel Hill. An STR describes some or all of a residential unit that can be rented for 30 days or less.

- [June 7, 2019](#)² - Staff provided an overview of this topic to the Town Council Committee on Economic Sustainability
- [June 12, 2019](#)³ - Council received a petition about crafting regulations for STRs
- [September 11, 2019](#)⁴ - Recognizing the public's wide-ranging views on this topic, Town Council endorsed a public engagement process to guide the ordinance development
- [October 2, 2019](#)⁵ - Council appointed thirteen (13) members to the STR Task Force. The Task Force consisted of community members at large, Historic District residents, hotel operators and lodging experts, STR operators and experts, and a champion for the Planning Commission. A Housing Advisory Board champion seat was included on the Task Force, but not filled.

The Council [charged](#)⁶ the Task Force to focus on Dedicated STRs, those that have no primary resident and are exclusively used for STRs. The Council asked the Task Force to:

- Review staff recommendations for registration and safety checks
- Identify topics requiring further discussion, as necessary
- Identify impacts of possible STR regulations on various stakeholder groups and seek a balanced approach to regulating STRs

From October 2019 through February 2020, the STR Task Force met monthly to discuss topics related to ordinance development. Rebecca Badgett of the UNC School of Government, an authority on STRs, assisted staff and the Task Force on ordinance development. Staff and Ms. Badgett provided guidance on subjects including the legal authority for municipalities to regulate STRs, health and safety requirements, and common STR ordinance provisions based on state and national examples.

The Task Force's Final Findings include input on:

- Geographic and quantitative requirements
- Operations Requirements
- Health and Safety Standards
- Grandfathering/Existing STRs.

¹ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3985501&GUID=BFA3AA22-D1D1-4D51-9285-1C4FE6B2FF99>

² <https://www.townofchapelhill.org/home/showdocument?id=43031>

³ <https://chapelhill.legistar.com/View.ashx?M=F&ID=7306654&GUID=5BAABE66-6F2E-4458-9F12-C2FE2F1F209E>

⁴ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4126810&GUID=F8BA0754-AAA2-474C-B0EB-4D344C4711C9>

⁵ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4149112&GUID=9E9B4066-4AB7-4818-BE9B-A75F76CBB3B2>

⁶ <https://chapelhill.legistar.com/View.ashx?M=F&ID=7703597&GUID=589BAB1F-CADF-41BE-8F06-C7C5DF50D462>

TIMELINE

The COVID-19 crisis has limited staff's ability to engage the public further on this topic, and the pandemic makes much of our original timeline uncertain. Staff has launched a [Story Map](#)⁷ and [survey](#)⁸ to encourage the community to continue to provide feedback on this topic. The survey will be open through June 26, 2020. Staff intends to hold an in-person public meeting on the draft ordinance prior to the Council public hearing.

Date	Action
6.19.2019	Council directed staff to develop a STR ordinance
9.11.2019	Council adopted a public engagement strategy that included creating a task force
10.2.2019	Council appointed members to the task force
10.16.2019	Task Force Meeting ⁹
11.6.2019	Task Force Meeting ¹⁰
11.18.2019	Check-in with Town Council
12.11.2019	Task Force Meeting ¹¹
1.15.2020	Task Force Meeting ¹²
1.22.2020	Informational Report to Town Council ¹³
2.5.2020	Task Force Meeting ¹⁴
3.6.2020	Discussion of Task Force findings at CCES Meeting ¹⁵
6.17.2020	Town Council receive Task Force Final Findings and dissolve Task Force
TBD	Planning Commission review of proposed STR ordinance
TBD	Call for Public Hearing on STR ordinance
TBD	Public Information Meeting
TBD	Planning Commission review and recommendation to Town Council
TBD	Council public hearing on STR ordinance
TBD	Council public hearing and possible action

NEXT STEPS

Staff will continue collecting data, monitor the impacts of STRs in our community, and update the Town Council and public with any new information on this topic. This work could continue to inform the Council's decisions about future STR regulations when the Council is able to continue discussions on this topic.

ATTACHMENTS

1. Resolution A (Dissolve the STR Task Force)
2. STR Task Force Findings, dated February 18, 2020.

⁷ <https://arcg.is/yaGOP>

⁸ <https://arcg.is/1nbXqX>

⁹ <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/short-term-rentals>

¹⁰ <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/short-term-rentals>

¹¹ <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/short-term-rentals>

¹² <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/short-term-rentals>

¹³ <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=4309593&GUID=09A952BC-C1F1-485D-A057-6882C01DC99E>

¹⁴ <https://www.townofchapelhill.org/government/departments-services/planning/plans-and-ordinances/short-term-rentals>

¹⁵ <https://www.townofchapelhill.org/government/departments-services/economic-development/council-economic-sustainability-committee>