



Short Term Rentals (STRs)

Town Council
June 19, 2019



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Short Term Rentals (STRs): Staff Recommended Action

Staff recommends that the Council receive the staff's report and offer direction on pursuing a potential text amendment process to address Short Term Rentals (STRs). The process includes:

- Focus on education and enforcement
- Develop updated standards with input from community stakeholders
- Delay the effective date to allow for an education campaign
- Potentially solicit proposals for third party support

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What we've learned:

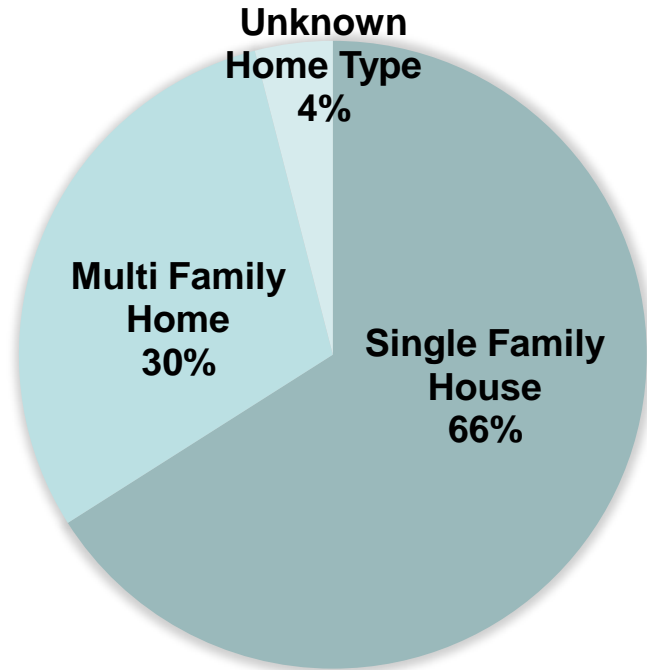
- +300 STRs currently
- \$5 million in revenue in 2018
- Approx. 40% increase in room nights, 2017 to 2018

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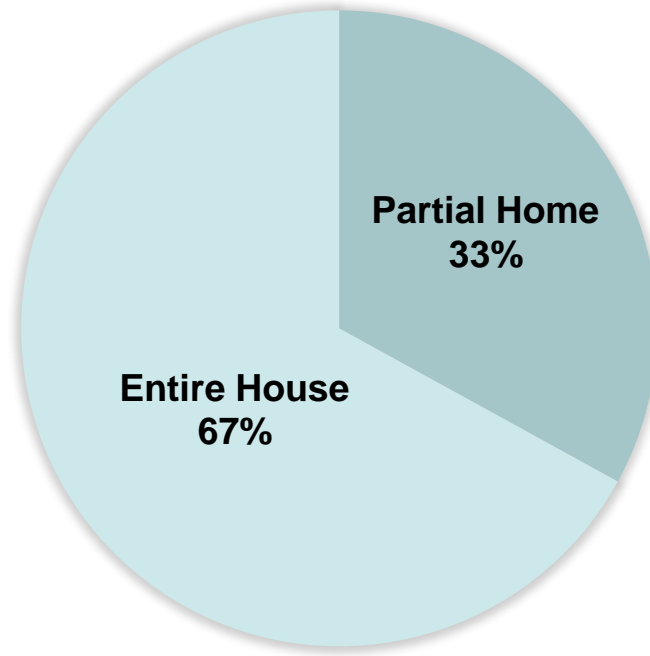
- Current LUMO regulations predate rise of STRs
- Health & safety concerns
- Potential missed occupancy tax revenue
- Limited staff capacity for enforcement

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Listing Type



Unit Type



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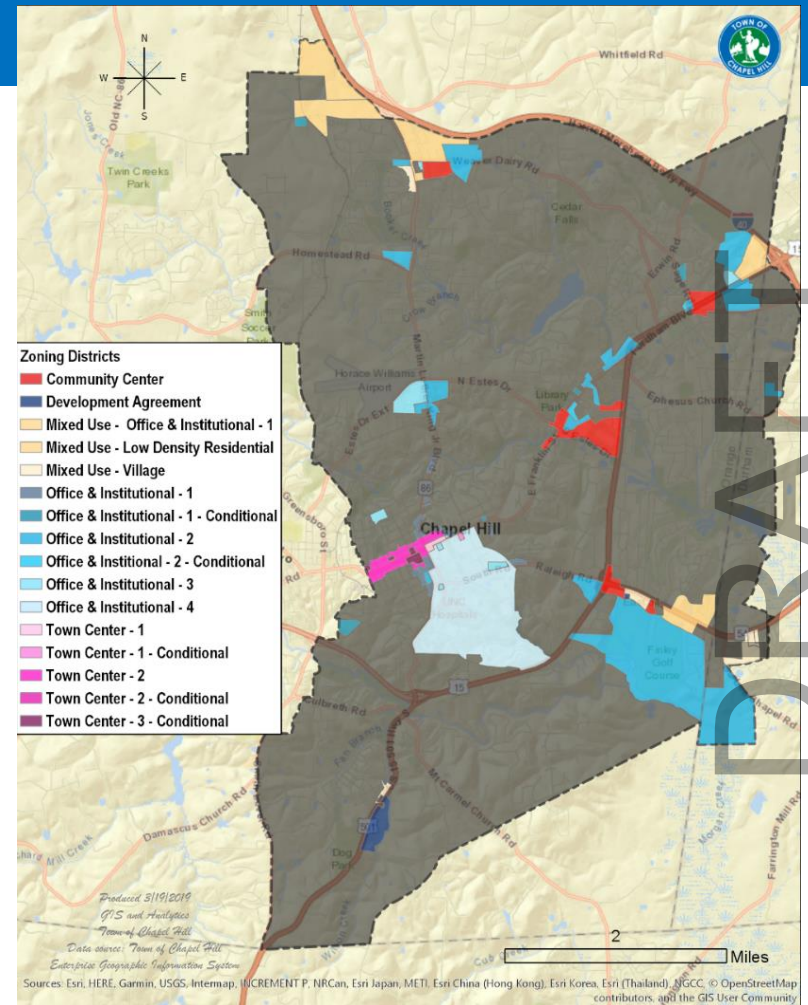
Short Term Rentals: Terms



- Short-Term Rental
 - Hosted
 - Unhosted
 - Dedicated Vacation Rental
- Home Occupation
- Tourist Home
- Overnight Lodging

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Zoning Districts Permitting Tourist Home



- Limited staff capacity
 - One zoning compliance officer for town
- Software to aid in enforcement:
 - \$5,000-\$25,000/year
 - Administrative support to staff
 - Additional staff time required

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Short Term Rentals: Recommended Staff Approach

Short Term:

1. Education, Outreach, & Soft Enforcement

- Design a webpage & handout
- Inform property owners of complaint(s) and applicable requirements

Next 6-12 Months:

2. Ordinance Update

- Conduct community outreach
- Open house(s)
- Facilitated meeting(s)
- Determine key provisions
- Draft updated standards
- Present for Planning Commission review; Town Council approval

Next 15-18 Months:

3. Education & Enforcement

- Education on new ordinance
- Zoning Compliance Notice of Violations

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Short Term Rentals: Legislative Update

- NCLM reports possibility of state STR legislation
- Could preempt local governments from establishing jurisdiction-specific STR regulations
- No specific bill filed on this topic; language could be included in other legislation

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- Adopt resolution R-__ that would authorize the town manager to:
 - Focus on education and enforcement
 - Develop updated standards with input from community stakeholders
 - Delay the effective date to allow for an education campaign
 - Potentially solicit proposals for third party support

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Discussion & Feedback