

A RESOLUTION AUTHORIZING THE DRAFTING OF AN ORDINANCE FOR SHORT-TERM RENTALS WITH AMENDMENTS TO THE LAND USE MANAGEMENT ORDINANCE (2019-06-19/R-6)

WHEREAS, the Land Use Management Ordinance (LUMO) was adopted prior to the recent growth in short-term rentals available in the community; and

WHEREAS, staff has been researching the growing phenomenon of short-term rentals (STRs), including gathering information on the number of STRs in Chapel Hill, municipal regulations for this use, key ordinance provisions, potential missed revenue, and enforcement strategies; and

WHEREAS, staff has been coordinating on this topic with other stakeholders, including the Chapel Hill/Orange County Visitors Bureau, to share information and coordinate opportunities for public outreach; and

WHEREAS, staff made a background presentation on STRs to the Council Committee on Economic Sustainability on June 7, 2019; and

WHEREAS, the Council believes that the community would benefit from an updated framework for addressing STRs that is informed by substantial input from stakeholders in the community.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to:

- 1) Develop updated standards for STRs for Council consideration with input from community stakeholders; and
- 2) Conduct short-term enforcement efforts consistent with Council direction provided at this meeting; and
- 3) Conduct an education campaign on any new STR standards adopted prior to their implementation; and
- 4) Explore possible assistance from third party vendors who can help with local STR identification and enforcement, and evaluate potential cost recovery through a new STR annual permitting fee from operators.

This the 19th day of June, 2019.