



# Key Considerations for Short Term Rentals (STRs)



## Town Council Work Session

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## Regulations for:

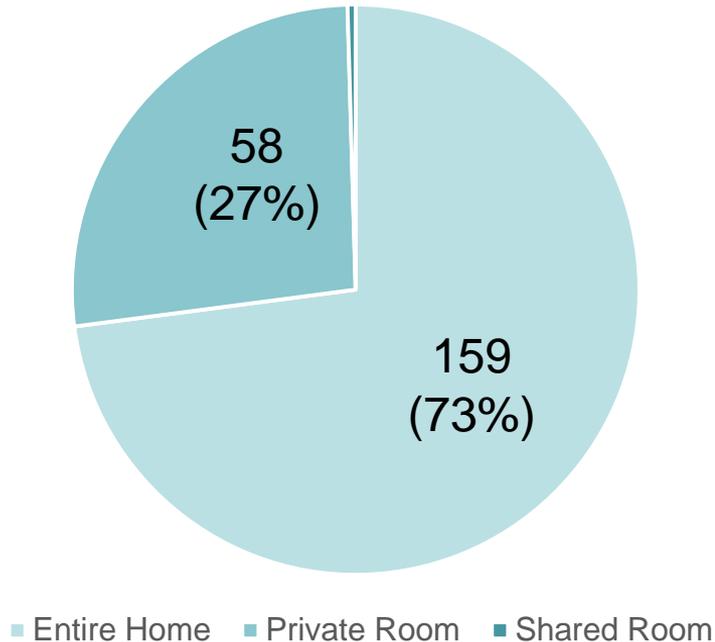
- Dedicated Short-Term Rentals (STRs)
- Hosted and Unhosted STRs



# Types of Short-Term Rentals:

Type 1: Hosted Rental	Type 2: Unhosted Rental	Type 3: Dedicated Rental
		
<ul style="list-style-type: none"><li>• Primary resident is on site with guests</li><li>• Rental of a spare bedroom or accessory dwelling unit</li></ul>	<ul style="list-style-type: none"><li>• Primary resident is not on site with guests</li><li>• Rental of an accessory dwelling unit (when owner is not on-site) or the whole unit</li></ul>	<ul style="list-style-type: none"><li>• There is no primary resident (+180 days/year)</li><li>• Rental of dwelling unit and/or accessory dwelling unit (not part of primary residence)</li></ul>
<p><u>Current LUMO Provisions:</u></p> <ul style="list-style-type: none"><li>• Home Occupation</li></ul>	<p><u>Current LUMO Provisions:</u></p> <ul style="list-style-type: none"><li>• Tourist Home</li><li>• Overnight Lodging</li></ul>	<p><u>Current LUMO Provisions:</u></p> <ul style="list-style-type: none"><li>• Tourist Home</li><li>• Overnight Lodging</li></ul>

## Active Rentals



## Statistics:

Number of Active Rentals	218
Average Rental Size	2.2 Bedrooms
Full-time rentals (those rented +180 days/year)	32% or approx. 70 units

*[Info provided by AirDNA on 12/1/2020](#)*

## How will the Town regulate dedicated STRs?

- Option 1: Do not allow dedicated STRs.
- Option 2: Permit established dedicated STRs and classify them as lawful nonconformities. This would prohibit new dedicated STRs.
- Option 3: Implement a lottery whereby a total number of STR zoning permits are awarded.
- Option 4: Allow all dedicated STRs.

## 1. How will the Town regulate dedicated STRs?

- a. Option 1: Prohibit dedicated STRs
- b. Option 2: Allow dedicated STRs

*Do you want to limit the number of dedicated STRs?*



## ***If yes, to limiting the number of dedicated STRs:***

1. Will there be zoning districts in which dedicated STRs will be a prohibited land use?
2. Will the town adopt density regulations?
  - Total cap on number of zoning permits
  - Cap on zoning permits by zone
  - Separation requirement between uses
  - Limit density within multi-unit dwellings

## 2. How will the Town regulate existing dedicated STRs?

- a. Option 1: Prohibit existing dedicated STRs
- b. Option 2: Allow existing dedicated STRs as legal nonconformities



# How will the Town regulate dedicated STRs?

- Option 1: Do not allow dedicated STRs.
- Option 2: Permit established dedicated STRs and classify them as lawful nonconformities. This would prohibit new dedicated STRs.
- Option 3: Implement a lottery whereby a total number of STR zoning permits are awarded.
- Option 4: Allow all dedicated STRs.

## 3. Allow hosted and unhosted STRs.

- Permit Required
- Health & Safety Checklist



- Future Health & Safety Checklist
- Conduct short-term enforcement efforts on nuisance violations
- Education



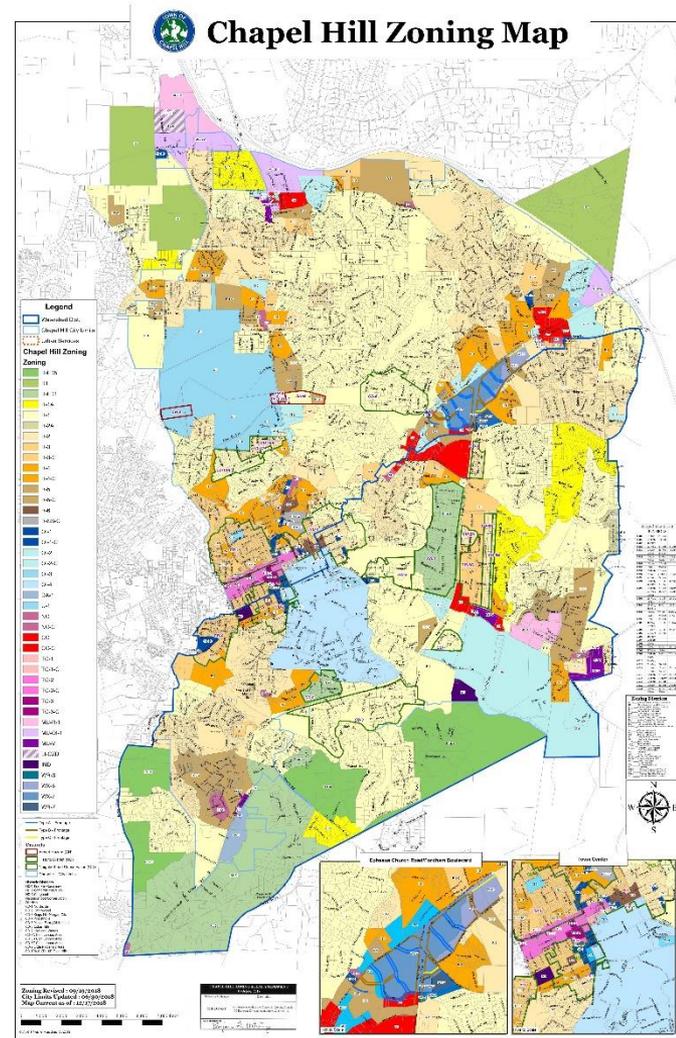
1. Return to Town Council for additional input
2. Staff suggested ordinance changes





Term:	Summarized Definition:	Allowed Zoning Districts:
<b>Home Occupation</b>	An occupation conducted as an accessory use of a dwelling unit and limited to 750 SF	RT, R-LD5, R-LD1, R-1A, R-1, R-2, R-2A, R-3, R-4, R-5, R-6, R-SS-C, TC-1, TC-2, TC-3, CC, NC, OI-1, OI-2, OI-3, OI-4, HR-L, HR-M, HR-X, PD-H, PD-MU, DA-1
<b>Tourist Home</b>	Building(s) containing 3 to 9 lodging units intended for rental or lease primarily to transients for daily or weekly periods with or without board	TC-1, TC-2, TC-3, CC, OI-1, OI-2, OI-3, OI-4, PD-SCI, PD-OI, PD-MU
<b>Overnight Lodging</b>	Accommodations arranged for short term stays of less than thirty (30) days for rent or lease.	WX-5, WX-7 (Blue Hill)

# Zoning Map



<https://www.townofchapelhill.org/home/showdocument?id=16746>