Short Term Rentals (STRs)

CDC

Corey Liles, Principal Planner

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Short Term Rentals (STRs): Growing Trend

Rapid Expansion of the Sharing Economy:

Travelers:

- Online booking; competitive pricing
- New options for accommodations
- Growing interest in lifestyle travel

Operators:

- New income generating opportunity
- Leveraging an underutilized asset
- Sharing over consuming



Short Term Rentals (STRs): Summary



What we've learned:

- +300 STRs currently
- $5 million in revenue in 2018
- Approximately 40% increase in room nights, 2017 to 2018
- Potential loss of occupancy tax revenue

Short Term Rentals: Key Issues

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

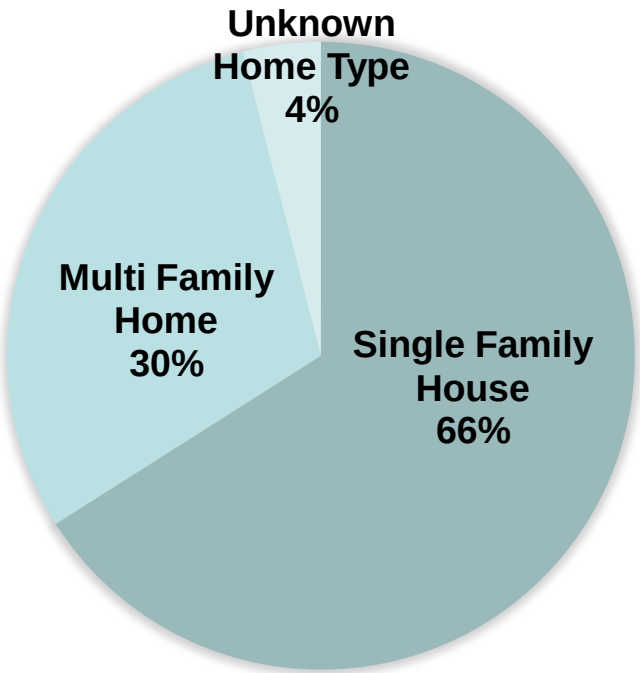
Short Term Rentals: Terms



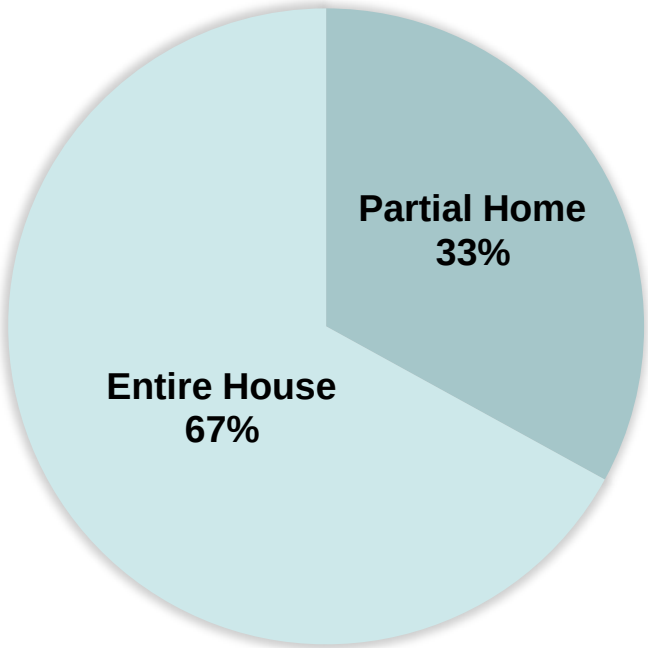
- Short-Term Rental
  - Hosted
  - Unhosted
  - Dedicated Vacation Rental
- Home Occupation
- Tourist Home
- Overnight Lodging

Short Term Rentals: Statistics

Listing Type



Unit Type



Short Term Rentals: Feedback to Date

Neighbors:

- Parking
- Noise
- Strangers in the neighborhood

Hoteliers:

- Level playing field
- Impacts to business

STR Operators:

- Customer demand for this option
- Customer reviews help ensure appropriate use
- STR revenue is important source of personal income

Staff:

- Health and safety
- Occupancy tax revenue

Short Term Rentals: Enforcement Resources

- Limited staff capacity
  - One zoning compliance officer for town
- Third-party vendors:
  - Can help identify STRs
  - Can assist with selected enforcement activities
  - $5,000-$25,000/year
  - Additional staff time still required

Short Term Rentals: Preliminary Timeframe for Staff Approach

Short Term:

1.Outreach, Education & Enforcement

- Webpage
- Inform STR operators of applicable regulations
- Inform property owners of complaints

Next 6-12 Months:

2. Ordinance Update

- Engage community stakeholders and receive input
- Develop a task force
- Identify key goals
- Check in with Council
- Draft updated standards
- Present for Advisory Board review and Town Council review and approval

3-6 Months After New Ord:

3. Education & Enforcement

- Conduct education campaign on new ordinance
- Enforce new standards

Steps to Developing an Ordinance



1. Council Direction
2. Appointing Advisory Board Champions to Task Force
3. Community engagement
   - Monthly task force meetings
   - Surveys
4. Check in with Council
5. Draft updated standards
6. Council review and approval

Community Engagement: How to Participate

1. Serve as an Advisory Board Champion
2. Attend Task Force Meetings to learn more about STR topic
3. Upcoming Surveys
4. Updates to be posted online: https://chplan.us/STRs
5. Contact:

Anya Grahn
Town of Chapel Hill Planning Department
919-969-5059
agrahn@townofchapelhill.org

Short Term Rentals



Discussion & Feedback