

Key Considerations for Short Term Rentals (STRs)



Town Council Work Session

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Council Input

What staff has heard at Dec. 2 Work Session:

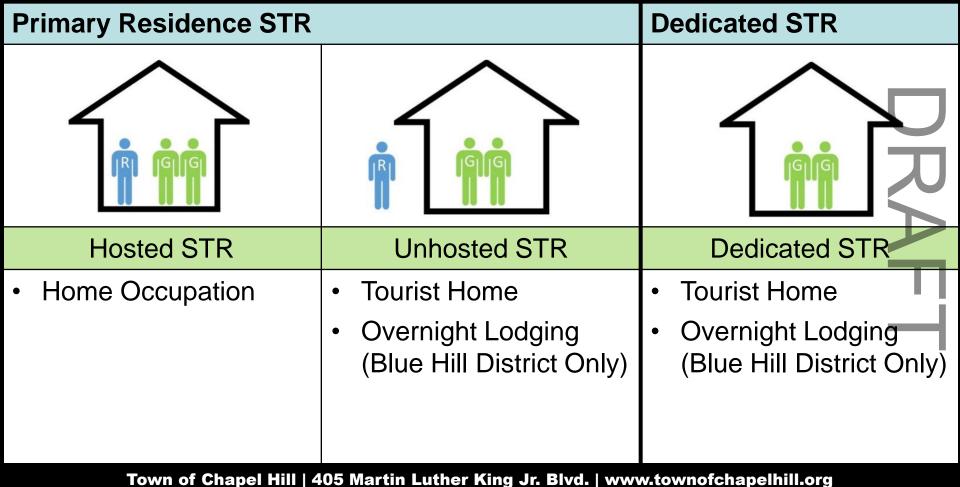
- Separate unhosted and hosted STRs from dedicated STRs
- STRs are a business that require regulation
- Capping the number of dedicated STRs
- Mitigating potential negative impacts of dedicated STRs on residential neighborhoods
- Interest in developing safety standards
- Interest in allowing existing STRs to remain in operation

Types of Short Term Rentals:

Primary Residence STR Dedicated STR Dedicated STR Hosted STR Unhosted STR Primary Residence is Primary Residence is No resident on-site. on-site with guests not on-site with guests Only used for STR Nightly rental of spare Nightly rental of Nightly rental of a bedroom or ADU principal dwelling unit dwelling unit or ADU or ADU on the same on a site not used as a lot as residentprimary residence occupied dwelling

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Current LUMO Provisions & STR Definitions:



Proposed Definitions:

- Primary Residence: the dwelling unit or dwelling unit with an accessory apartment on a property in which the host resides a majority of the year (255 days or 70% or more of the time).
- **Primary Residence Short Term Rentals**: the rental of a primary residence that is rented wholly or partly for a fee for fewer than thirty (30) consecutive days to transient guests. (Staff previously used the terms Hosted STR and Unhosted STR to describe this scenario and this definition would encompass both scenarios.) No simultaneous rental contracts are permitted when the host is not on-site.
- Dedicated Short Term Rental: the rental of a residential dwelling unit(s) on a property that is not used as a primary residence and is rented in its entirety to one party of transient guests at a time for a fee for fewer than thirty (30) consecutive days. No simultaneous rental contracts are permitted.

STR Data:

- 334 Active STRs in March 2020 (pre-pandemic)
- 235 Active STRs in January 2021
 - 177 Whole-House STRs
 - 148 Whole-House STRs in Residential Zones
 - 29 Whole-house STRS in Non-residential zones
- 218 Active STRs in March 2021

STR Pilot Program:

- Allow Dedicated STRs in non-residential zoning districts
- Cap the number of Dedicated STRs in residential zones



Dedicated STR Cap in Residential Zoning Districts:

A.0.5% (114 permits)

B.1% (228 permits)

C.1.5% (342 permits)

D.2%(455 permits)

E.2.5% (569 permits)

F.3% (683 permits)



Next Steps & Opportunities for Input

Date	Action
March 24	Call for public hearing
Mid-April	Public Information Meeting
April	Planning Commission review and recommendation to Town Council
May	Town Council Public Hearing
June	Town Council Action
July through August	Education campaign on application process
September	Implementation of STR ordinance and accepting STR permit applications

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