

RESOLUTION B

(Denying the Land Use Management Ordinance Text Amendment Proposal)

A RESOLUTION DENYING AMENDING THE CHAPEL HILL LAND USE MANAGEMENT ORDINANCE ARTICLES 3, 4, 6, AND APPENDIX A TO REGULATE SHORT-TERM RENTALS (2021-__-_/R-#)

WHEREAS, the Council called a Public Hearing for the May 19, 2021 Council meeting to amend Sections 3.7, 4.9, 6.27, and Appendix A of the Land Use Management Ordinance (LUMO) as they relate to short-term rentals; and

WHEREAS, the Council of the Town of Chapel Hill has considered the proposed text amendments to LUMO Sections 3.7, 4.9., 6.27, and Appendix A related to short-term rentals, and finds that the amendments, if enacted, are not reasonable and in the public's interest and are warranted, to achieve the purposes of the Comprehensive Plan as explained by, but not limited to, the following goals of the Chapel Hill 2020 Comprehensive Plan:

- A welcoming and friendly community that provides all people with access to opportunities. (Place for Everyone.4)
- Foster success of local businesses. (Community Prosperity and Engagement.2)
- A range of neighborhood types that addresses residential, commercial, social, and cultural needs and uses while building and evolving Chapel Hill's character for residents, visitors, and students. (Good Places, New Spaces.5)
- A community that welcomes and supports change and creativity. (Good Places, New Spaces.6)
- Future land use, form, and density that strengthen the community, social equity, economic prosperity, and natural environment. (Good Places, New Spaces.8)
- Protect neighborhoods from the impact of development, such as stormwater runoff, light and noise pollution, and traffic. (Nurturing Our Community.8)

WHEREAS, a short-term rental (STR) is the rental of a dwelling unit that is rented wholly or partly for a fee for fewer than thirty (30) consecutive days; and

WHEREAS, the Town's historic districts are intended to protect and conserve the heritage and character of the Chapel Hill community. Preserving the character and stability of historic districts immediately surrounding the downtown and campus areas as the University expands is vital. Tourists wanting to be close to campus for university tours, sporting events, conferences, hospital stays, and visiting students and close to downtown amenities creates a demand for dedicated short term rentals (STR) in the historic districts. The character-defining features of each district contribute to their unique identities and Chapel Hill's sense of place. As such, the demand for dedicated STRs in these areas may significantly alter the character of these neighborhoods and detract from their special character; and

WHEREAS, the Residential-1 (R-1), Residential-2 (R-2), Residential-2A (R-2A) and Residential-3 (R-3) zoning districts are primarily comprised of single family, single family with accessory apartment, and duplex dwelling units. The low-density residential development and full-time residents of these neighborhoods contribute to their economic stability and neighborhood character. Restricting dedicated STRs in these neighborhoods will prevent the conversion of residential units into short-term rentals, maintain housing opportunities for full-time residents, reduce nuisances to full-time residents, and preserve neighborhood character; and

WHEREAS, the Residential-4 (R-4), Residential-5 (R-5), and Residential-6 (R-6) zoning districts allow greater densities of residential development than the other residential zoning districts, provide greater availability of public services, and allow greater accessibility to major activity centers supporting

tourists. These zones provide a transition between lower density single family residential neighborhoods and mixed-use and commercial areas; and

WHEREAS, multi-family dwelling units of three or more units are permitted in the Residential-4 (R-4), Residential-5 (R-5), and Residential-6 (R-6) zoning districts. Placing a cap on the number of dedicated STRs within higher density residential developments will prevent the conversion of residential units into short-term rentals, maintain housing opportunities for full-time residents, reduce nuisances to full-time residents, and preserve neighborhood character; and

WHEREAS, the intent of this article is to establish minimum operational and safety standards for the use of residential dwelling units as primary residence and dedicated short-term rentals and to minimize the impact of changed regulations on existing land uses established as of the effective date of the changed regulations.

WHEREAS, the Town Council agrees that this ordinance amendment is consistent with the Chapel Hill LUMO, and helps to promote the health, safety, and general welfare of the residents of the Town of Chapel Hill.

WHEREAS, a short-term rental (STR) permit shall be required to operate a primary residence or dedicated short-term rental within the planning and regulation jurisdiction of the Town of Chapel Hill; and

WHEREAS, the requirements and provisions of this ordinance shall apply to primary residence and dedicated short-term rentals. This ordinance shall not apply to other types of lodging uses, such as hotels, motels, tourist homes, or rooming houses; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council hereby finds the proposed Land Use Management Text Amendments to be unreasonable, not in the public interest, and inconsistent with the Town's Comprehensive Plan.

This the ___ day of _____, 2021.