

Short Term Rentals

Mayor and Members of the Chapel Hill Town Council, I have been requested to write to you concerning the reasons for the Planning Commission's decision at our May 4th meeting to vote the proposed Land Use Management Ordinance Text Amendment, regarding Short Term Rentals (STRs), was Inconsistent with the Town's Comprehensive Plan.

The Planning Commission is aware that officially allowing STRs in residential areas of town will require Amendments to the Land Use Management Ordinance (LUMO), but it cannot be overlooked that there already exists a Short Term Rental market in Chapel Hill. The concerns expressed about STRs appear to be primarily based on incidents in other parts of the country, not on data from Chapel Hill. We do not have evidence, for example, that STRs:

- Negatively impact housing affordability or neighboring property values
- Are more damaging to a neighborhood's character or tranquility, nor affect parking availability more than student rentals
- Increase gun violence
- Have been more damaging to hotelier's profits than the addition of new hotels in recent decades
- Their prevalence will increase at the same rate in the future as they have recently with the emergence of platforms like AirBnB

We do not see evidence that STRs are the threat described by their opponents.

There are STRs that have been operating in Chapel Hill for over twenty years. Many of these operators are residents that opened their doors to renters so that they could afford to stay in their homes. These individuals will need to be protected by a 'Grandfather' clause that allows them to continue operation. We do not recommend modifying the LUMO without considering the impact on residents that rely on the Short Term Rental Market to continue living in Chapel Hill.

A citizen caller to the meeting has operated a non-profit organization that provides accommodation for Academics attending conferences in Chapel Hill. His non-profit is located in an historic neighborhood. Under the pro-

posed Amendment he could no longer operate this valuable resource in his neighborhood.

There are Designated STRs in operation today that solely operate as full house rentals in traditionally single family residential neighborhoods. Under the proposed Amendment these rentals would not be allowed except in high density residential and or commercial areas. All STRs have a commercial component, parking needs beyond single family residential, and require limits to occupancy. To date, we do not have the data necessary to require separation of types of STRs from one another, or to regulate certain STRs to areas with particular zoning classifications. Indeed, if the concerns over large parties, noise and parking availability are substantiated by the data, are Designated STRs better suited to areas of higher density, are the residents of multi-family developments to bear the brunt of Town policy? It would be inappropriate to create this distinction without data to support the policy.

The Planning Commission feels that officially recognizing STRs requires a comprehensive approach based on fairness and Data. As an Advisory Board, we feel that STRs should be allowed in all areas zoned residential. Existing operators should be granted a 'Grandfather clause' and be allowed to continue to operate. STR operators should be required to be licensed and inspected, initially at no fee to facilitate compliance. The Town should collect the data necessary to write a text Amendment to the present LUMO, and to refine the language for the proposed LUMO revision. The existence of an STR market in Chapel Hill is not new, but the suspicion towards STRs is. A data driven approach will inform us if indeed there are areas of concern.

James Baxter
Planning Commission Advisory Board
STR Subcommittee
May 18, 2021