

# COUNTY OF ALBEMARLE PLANNING COMMISSION

## EXECUTIVE SUMMARY

<b>AGENDA TITLE:</b> ZTA 2017-01 Residential Tourist Lodging Work Session	<b>AGENDA DATE:</b> March 20, 2018
<b>PURPOSE OF WORK SESSION:</b> Provide feedback to staff to be used in the development of a draft ordinance	<b>ACTION:</b> X <b>INFORMATION:</b>
<b>STAFF CONTACT(S):</b> Rebecca Ragsdale, Elaine Echols	<b>CONSENT AGENDA:</b> <b>ACTION:</b> <b>INFORMATION:</b>
	<b>ATTACHMENTS:</b> Yes

**BACKGROUND:** This zoning text amendment (ZTA) was initiated by the Board of Supervisors on [May 3, 2017](#). The Board also held a work session on the ZTA on [July 5, 2017](#) to define parameters for potential zoning changes. The Planning Commission received a briefing on this ZTA on May 23, 2017. A series of public meeting were held September 2017 to gather input on potential changes to allow more opportunities for residential transient lodging. The Planning Commission reviewed public input and discussed this topic on [October 24](#) in a work session. The Commission considered proposals from staff to amend the zoning regulations for tourist lodging on [December 19, 2017 \(See Attachment A\)](#). The minutes of the December 19 meeting are provided as Attachment B.

### Purpose of the Zoning Text Amendment

During and after the Comprehensive Plan 2015, Board members raised concerns about the increasing numbers of homestays where operators were not paying transient occupancy tax. Board members also shared complaints from neighbors and operators or potential operators of homestays. Neighbors expressed concerns about noise and potential disruptive behaviors of guests. Operators expressed concerns that what they want to do (and are doing) is not legal. This resulted in the following strategy in the Comprehensive Plan for both the Rural Areas and the Development Areas (Strategy 5e):

*Study the nature and extent to which transient lodging is currently taking place and consider whether policy or regulatory changes should occur to accommodate this use. If such changes are determined to not be needed or appropriate, develop and implement a plan to bring errant operators of transient lodging into conformity with the County's regulations in a timely fashion.*

The Board accelerated this study, tax amendment changes, and text amendment process during their review of the Community Development work program in March of 2017. As part of their discussions in May and July 2017, they asked staff provide a set of potential zoning changes to the community for feedback. They asked that the Planning Commission vet the proposed changes and make a recommendation back to the Board at the earliest possible date. The parameters set by the Board included:

- 1) Consider amendments to deal with periodic whole house (owner not present)
- 2) Consider expanding zoning regulations to include allowance of transient lodging in attached dwellings such as townhomes and apartments/condominiums.

Over the last several months, Commissioners have asked a number of questions and shared a variety of opinions on existing regulations and proposed changes for homestays. Some Commissioners have indicated current regulations aren't restrictive enough; others have indicated that the proposed changes are too restrictive. To date the Commission has not been able to reach agreement on any recommended changes within the parameters set by the Board for the zoning text amendment study.

Staff does not believe that a consensus recommendation can be achieved in the near future. For that reason, staff wishes to use this work session to provide supplemental information to aid in the Commission's understanding of existing and proposed changes and receive any additional input the Commission may wish to provide. After that, staff will draft an ordinance amendment to bring to the Commission for an April 24, 2018 public hearing. Staff believes this step is an appropriate response to the Board of Supervisor's request in May 2017 to forward recommended changes to them as soon as possible following a series of outreach meetings and work with the Commission.

**DISCUSSION:** The Planning Commission requested staff provide information on parking requirements for this use and detail on the City of Charlottesville's regulations for homestays. It asked for more information on the purpose of the proposed changes, which is addressed above. Additionally some Commissioners wanted to better understand how small lot rural subdivisions might be affected by whole house rentals.

### Parking

Commissioners have asked about required parking for homestays. Individual commission comments included concerns that five guestrooms could yield ten or more cars. Questions were raised as to where this many guests would park in the Development Areas and wondered if guests would then park in front yards. They also noted that an operator could opt to pave over her/his yard to provide required parking spaces. Commissioners wanted to know how the County would ensure that sufficient parking exists for a whole house rental, especially in the Development Areas.

As part of the zoning clearance process for tourist lodging, staff confirms parking requirements for homestays are met. The ordinance requires one (1) space per guest room along with two (2) spaces for the dwelling. The bed and breakfast supplemental regulations specify that parking for the use must be on-site. The accessory tourist lodging regulations do not specify parking must be located on-site so applicants currently have the option of utilizing on-street spaces abutting their lot. Based on zoning clearance review for this use, on-street parking has rarely been used to meet required parking and staff encourages applicants to meet parking requirements on-site. Staff knows of no owners who have paved their front yards to provide for additional homestay parking, although this option exists for any residential use.

Staff agrees that whole house rentals of up to five guestrooms could result in ten or more cars outside of an operator's home. However, to date, no parking complaints have been received to indicate such a situation has occurred. With the proposed notice requirements to neighboring residents, staff believes it is unlikely that a situation with excessive cars will occur more than one time with the same operator due to neighbor complaints. However, with a proposed "three strikes and you're out" clause, it would not happen more than three times with the same operator.

The Commission also asked for examples of townhouse/attached units that could meet the ordinance parking requirements. There are a number of townhouse developments with limited parking in parking lots in front of the units. Developments that only have the minimum number of spaces available for units will not be able to have room rentals approved. There are also some townhouse or attached unit developments with parking in two- car garages and also driveways. In these instances, room rental could be approved.

### City of Charlottesville Homestay regulations

A summary of research on other localities regulations, including the City of Charlottesville was provided with the Commission's October 24, 2017 report. Commissioner's asked at their last work session for more information on the City's regulations. This is provided as Attachment C. The major differences between the City of Charlottesville's regulations and staff's proposed regulations are summarized below. The key distinction is that a separate use category has been created for Homestays, distinct from Bed and Breakfasts that may serve food. Also, they have two tiers of B&Bs based on the number of guest rooms of up to 8 by-right and up to 15 by special use permit.

City of Charlottesville	Albemarle County
Homestays -- No more than 6 <u>guests</u> allowed per night; no food can be served to guests	Current and proposed: Homestays in DAs -- No more than 5 <u>guest rooms</u> can be used and no limit on number of guests; food can be served to guests.
Whole house rental: residents must occupy the dwelling as their residence for at least 180 days.	Proposed whole house rental: residents must occupy their dwelling as their residence for at least 180 days
No limitation on number days for whole house rental but must be used as primary residence (see above)	Proposed whole house rental: no > 45 days per year; no > 7 nights per month
Contact information for responsible individual available 24 hrs/day/7 days/week; responsible individual located no more than 30 miles away during time of transient occupancy	Proposed whole house rental: information on how to reach responsible party provided to neighbors and located in guest rooms
B&B (by-right in certain districts) – up to 8 guest rooms; food can be served to guests; no limitation on number of guests;	Up to 5 guest rooms are permitted by-right; food can be served; no limit to number of guests
Accessory structures allowed for guest rooms for B&B and B&B Inn.	Current and proposed: DAs: no accessory structures allowed for guest rooms.
B&B Inn ( by SP in certain districts)– up to 15 guest rooms; food can be served to guests; no limitation on number of guests;	This would be considered a hotel in the County's ordinance.

Distinctions among existing and proposed regulations for the Rural Area and Residential Zoning Districts, primarily in the Development Areas

Some Commissioners have mentioned that small lots in the Rural Areas should be regulated in the same way that Residential Zoning districts are in the Development Areas with regard to transient lodging. The table on the following page summarizes the existing and proposed regulations as they apply to the RA Zoning district based on lot sizes. It compares this information to the Village Residential (VR) District which is primarily located in the Rural Areas of the Comprehensive Plan in Villages such as North Garden and Earlysville, and the Residential districts (R1, R2, R4, R6, R10, R15, PRD, PUD). There are two areas where the RA regulations are distinctive from the Residential Districts (DA). The RA allows up to two bed and breakfast uses on the same parcel if the parcel has two single family dwellings that meet development rights and density regulations. A parcel would have to be 4 acres or more in size and have at least two development rights to have two B&B uses on it. The RA also allows the use of accessory structures for B&B guest rooms. However, the accessory structures must meet primary structure setbacks, which essentially requires them to be on larger parcels. Because of the density requirements and because of the increased setbacks for use of accessory structures for tourist lodging, the regulations are similar for smaller lot RA zoned parcels and the residentially zoned parcels in the Development Areas.

	<b>RA Zoning; Property more than 4 acres in size</b>	<b>RA Zoning; Property area less than 4 acres</b>	<b>VR Zoning</b>	<b>DA Land Use; Residential Zoning</b>
<b>Existing regulations</b>	Up to 2 B&Bs per property with division rights	1 B&B because no additional division rights	1 homestay per property	1 homestay per property
<b>Existing and proposed regulations</b>	Use of accessory structures for guest rooms; accessory structures must meet primary structure setbacks	Use of accessory structures for guest rooms; accessory structures must meet primary structure setbacks	No use of accessory structures for guest rooms	No use of accessory structures for guest rooms
<b>Proposed</b>	Whole house rental of resident manager's dwelling up to 45 nights/year and maximum of 7 nights in one month; no on-site supervision	Whole house rental of resident manager's dwelling 45 nights/year; 7 nights per month; no on-site supervision	Whole house rental 45 nights/year; 7 nights per month; no on-site supervision	Whole house rental 45 nights/year; 7 nights per month; no on-site supervision
<b>Existing and Proposed</b>	Whole house rental of guest house if two houses are on the property; no on-site supervision up to 45 nights/year maximum of 7 nights in one month	N/A	N/A	N/A

**PROPOSAL:** Attachment D contains the substance of recommended changes which are described below:

1. Replace the terms and definitions for “tourist lodging” and BnB with “homestay”
2. Allow whole house homestays in the RA zoning district and all residential zones for no more than 7 days in a given month but no more than 45 overnight stays per year;
3. Require that homestays with whole house rentals provide neighboring residents local contact emergency information on the host doing the rental;
4. Allow up to 2 guestrooms for homestays in townhouses and attached units with owner or manager present during rental

At this work session, Commissioners are asked to review these changes and ask for clarity. Staff believes the changes should be voted on at the upcoming public hearing unless the Commission can agree at this meeting on a different set of changes can be developed that address the Board’s direction.

**BUDGET IMPACTS:** Staff is unable to project budget impacts at this time; however, after the Planning Commission makes a decision on their recommendation for ordinance changes, staff will provide an estimate of additional staff resources needed.

**RECOMMENDATION:** Staff recommends that the Commission provide feedback to staff to be used in the development of a draft ordinance for public hearing to be held on April 24, 2018.

**ATTACHMENTS:**

- A. [December 19, 2017 Staff Report](#)
- B. [Minutes from December 19, 2017 Planning Commission Work Session](#)
- C. [City of Charlottesville Homestay application](#)
- D. [Recommended Changes to Tourist Lodging regulations](#)