



# Albemarle County

## Legislation Text

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**File #:** 18-379, **Version:** 1

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**AGENDA DATE:** 7/9/2018

**TITLE:**

ZTA 2017-01 Transient Lodging (aka Homestays)

**SUBJECT/PROPOSAL/REQUEST:** Work session to discuss whether the County should pursue ordinance amendments for transient lodging

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Echols, Ragsdale

**PRESENTER (S):** Ragsdale

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Choose an item.

**BACKGROUND:** The County's Zoning Ordinance defines the rental of guest rooms for less than 30 days at a time as "transient lodging." Two forms of transient lodging are allowed in homes in districts that allow residential uses by-right. In the residential zoning districts, typically but not exclusively in the County's Development Areas, transient lodging is called "accessory tourist lodging" and in the Rural Areas zoning district, transient lodging is called "bed and breakfast". Provisions for transient lodging in residential zoning districts and the Rural Areas were added to the Zoning Ordinance in 1976, primarily to encourage residents to open their homes to visitors attending events at the University of Virginia, such as graduation. The term bed and breakfast (BnB) was added in 2012 in conjunction with other changes to add flexibility for the use in the Rural Areas. Attachment A provides a summary of current regulations.

This zoning text amendment (ZTA) was initiated by the Board of Supervisors on May 3, 2017 in response to a strategy in the Comprehensive Plan to study the nature and extent of the use in the County. The Board wanted to know if the community believed more opportunities for transient lodging should be allowed. Some Board members were also concerned with the number of non-compliant operators in the County who did not have a permit and were not paying transient occupancy taxes. The Board changed its regulations related to the transient occupancy tax in June 2017. In July, the Board held a work session to define the parameters for potential zoning changes (See table below for scope of ZTA).

A series of public meetings was held during September 2017 to gather input on potential ordinance changes. The Planning Commission reviewed public input and discussed this topic in a series of three work sessions held on October 24, 2017, December 19, 2017, and March 20, 2018. The Commission reviewed its charge from the Board, and at its April 24, 2018 public hearing, voted unanimously to recommend approval of the attached ordinance amendment that included the following:

Charge from the Board for ZTA 2017-01	Planning Commission recommendation
Consider amendments to allow transient lodging in attached dwellings such as townhomes and condominiums.	Allow rental of up to two guest rooms in townhouses only if the owner or manager is present.
Consider amendments to deal with periodic whole house rentals (rental when owner/manager is not present).	Allow limited whole house rental in the Rural Areas zoning district only. (no more than 45 days per year; no more than 7 days in any one month)

The Commission provided a summary of its discussions to the Board, which is covered in the June 13, 2018 staff report.

The Board held a work session on June 13, 2018 to discuss the proposed ordinance recommended by the Commission (Attachment B), along with strategies for bringing non-compliant operators into compliance and long term enforcement. Due to the complexity of the topic, the Board requested a follow-up work session and discussion of specific issues which are provided in Attachment C. Supervisor McKeel asked that the Board review the set of proposed changes from the Canterbury Hills neighborhood association (see Attachment D).

**DISCUSSION:** After reviewing the issues discussed by the Board at the June work session, staff believes the Board should decide on several key questions before proceeding or discussing implementation and enforcement of the proposed amendment. Only after answering these questions will staff know how to assist the Board in taking the next steps which may be to a) further restrict the use, b) broaden opportunities for the use, or c) make no changes to the existing regulations. It is important to remember that all of the residential zoning districts except the Village Residential zoning district are typically located in the Development Areas. Zoning regulations are established for *zoning districts* and not Comprehensive Plan areas. The series of questions to be answered at this work session are provided below:

- The current regulations allow up to **five (5)** guest rooms to be used for transient lodging in all single-family detached homes occupied by a permanent resident in both the Rural Areas zoning district and all residential zoning districts. ***Should the number of allowable guest rooms be reduced in either the Rural Areas zoning district or the residential zoning districts?***
- ***Should whole house rental (no permanent resident residing in the house at the time) be allowed in residential zoning districts under any circumstance?*** [the circumstances can be discussed later]
- ***Should whole house rental (no permanent resident residing on the property) be allowed in the Rural Areas zoning district under any circumstance?*** [the circumstances can be discussed later]
- At present, the permanent resident host may be either the homeowner or a renter. ***Should the use be restricted to just homeowners in either the Rural Areas zoning district or residential zoning districts?***
- ***Should townhouses be available for transient lodging (in residential zoning districts) under any circumstance?*** [the circumstances can be discussed later]

Once these questions are answered, the circumstances under which any of these uses are allowed, including the recommendations from the Planning Commission, can be discussed. A second work session is expected before the Board decides whether or when to set a public hearing. Staff notes that the Board may wish to receive public comment from stakeholders and the public before deciding on an ordinance amendment to take to public hearing.

**BUDGET IMPACT:** The ordinance changes will not result in budget impacts. The effort to bring operators into

compliance with application requirements may need additional staff resources, depending on the level of enforcement set by the Board. Staff believes that enforcement should be discussed at a future work session after the Board decides on whether to make changes to the existing ordinance.

**RECOMMENDATION:**

Staff recommends that the Board answer the questions posed above to provide guidance for any recommended ordinance changes. An additional work session will be scheduled prior to any public hearing to discuss the other potential changes and the level of enforcement desired by the Board. Staff notes that if the Board wishes to make changes beyond those included in the resolution of intent adopted on May 3, 2017, which set out the charge to the Commission, then adoption of a new resolution of intent will be needed.

**ATTACHMENTS:**

- A. Current ordinance regulations on transient lodging
- B. Planning Commission recommended ordinance
- C. Summary of Board discussion from June 13, 2018 work session with staff comment
- D. Canterbury Hills Comments