

STAFF EVALUATION

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Case No.: Rezoning, RZ24-0222

Planning Commission Date: May 16, 2024

City Council Date: June 12, 2024

General Information

Description of Proposal

The comprehensive rezoning application proposes to map properties into the “Phoebus 1” STR Zone of the Short-Term Rental Overlay (O-STR) District.

Relevant Existing Zoning Definitions

Short-term rental. The provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes to transient residents in exchange for a charge for the occupancy. This term does not include hotel, bed and breakfast 1, or bed and breakfast 2, as defined within this ordinance.

Site Location



All of the parcels of land generally bounded to the south by S. Mallory St, starting at its intersection with E. Mercury Blvd, following in a southwesterly direction until S. Mallory St reaches Interstate I-64, then following Interstate I-64 in a northerly direction until it reaches Woodland Rd, then following Woodland Rd in a northeasterly direction until it reaches E. Mercury Blvd, then following E. Mercury Blvd in a southeasterly direction until the point where it reaches S. Mallory St.

Community Meetings

The proposal was presented to a group of stakeholders representing various neighborhoods within the City, short-term rental operators, realtors, a bed and breakfast operator, and others. Additionally, staff presented to the Buckroe Improvement

League, the Coliseum Central Business Improvement District, the Downtown Hampton Development Partnership, the Phoebus Partnership, the Neighborhood Commission, and the leadership of the Virginia Peninsula Realtors.

Analysis

This is a comprehensive rezoning proposal by the City of Hampton to map that area identified in the "Site Location" section of the Staff Report into the "Phoebus 1" Zone within the Short-Term Rental Overlay (O-STR) District.

In December 2022, the City enacted a requirement for all short-term rentals to obtain a Use Permit prior to operating, except that those forty-five which had already received a business license with zoning approval were given two years to obtain the Use Permit.

This rezoning is being brought forward in conjunction with Zoning Ordinance Amendments No. 24-0173, No. 24-0174, No. 24-0175, No. 24-0176, and No. 24-0177 which will together establish new restrictions on how and where short-term rentals within the City can operate, and will clarify other similar uses. The amendments establish density maximums within proposed short-term rental zones, and require a minimum separation between short-term rentals which are within single-family dwellings.

In preparing these amendments, staff worked with a group of stakeholders representing various neighborhoods within the City, short-term rental operators, realtors, a bed and breakfast operator, and others. In crafting the proposal, staff sought to balance protection of neighborhoods and community cohesion with the economic, tourism, and recreational benefits short-term rentals can provide the City.

In order to achieve the desired balance, staff proposed creating a new zoning overlay district with fifty-one (51) subdistricts. Each subdistrict, referred to as "STR Zones", permits a maximum number of short-term rentals within that area to establish a maximum density of short-term rentals. The number is based upon one percent of the current dwellings in the area, rounded down. Each STR Zone also establishes separation requirements between short-term rentals within the zone.

In deciding on the appropriate boundaries for the proposed STR Zones, staff sought to separate areas of the City with the intent that a short-term rental would have minimal impact on properties outside of the STR Zone in which it was located. To achieve this, staff identified: (1) core areas of the City which are the subject of an adopted Master Plan, (2) major roadways, including interstates, arterials, and other major or historic connector streets, and (3) major waterways, including rivers, canals, and stormwater conveyances. These large roadways and waterways serve as physical boundaries between parcels and, therefore, will likely establish a physical divider between the impacts of uses on parcels, making them appropriate boundaries for the STR Zones. In establishing the dividing lines between the STR Zones, staff also sought to balance the general size and shape of the areas.

This proposed rezoning would map one area of the City into one of the fifty-one (51) STR Zones. The rezoning action does not alter any of the properties' base zoning district, or any other permitted uses of the properties other than short-term rentals.

Staff recommends approval of Rezoning Application No. 24-0222.