

STAFF EVALUATION

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Case No.: Zoning Ordinance Amendment, ZOA24-0313
Planning Commission Date: July 18, 2024 **City Council Date:** August 14, 2024

General Information

Description of Proposal The proposed amendment reduces the required separation between short-term rentals within each STR Zone from 500 feet to 300 feet.

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.

Regulations Currently in Effect Chapter 3 – Uses Permitted

Sec. 3-2. – Table of uses permitted.

The “Table of uses permitted” indicates that “short-term rental” requires approval of a Use Permit in the R-LL, R-43, R-R, R-33, R-22, R-15, R-13, R-11, R-9, R-8, R-4, MD-1, MD-2, MD-3, MD-4, R-M, C-1, C-2, LFA-5, RT-1, BB-1, BB-2, BB-3, DT-1, DT-2, DT-3, PH-1, PH-2, PH-3, FM-1, FM-2, and FM-3 zoning districts with additional standards on the use.

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Sec. 3-3. – Additional standards on uses.

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(29) Short-term rentals in the R-LL, R-43, R-R, R-33, R-22, R-15, R-13, R-11, R-9, R-8, R-4, MD-1, MD-2, MD-3, MD-4, R-M, C-1, C-2, LFA-5, RT-1, BB-1, BB-2, BB-3, DT-1, DT-2, DT-3, PH-1, PH-2, PH-3, FM-1, FM-2, and FM-3 zoning districts are subject to obtaining a use permit by city council and shall comply with the following additional standard:

(a) Short-term rentals for which a business license was issued and zoning compliance was confirmed pursuant to Sec. 18.1-12 of the City Code prior to December 14, 2022 may operate continuously in the same location until December 31, 2024 provided that the short-term rental maintains compliance with all applicable City Code and Zoning Ordinance provisions during that time. After December 31, 2024, the short-term rental must obtain approval of a use permit by city council in order to continue operation.

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Enacted Regulations Effective September 1, 2024 Chapter 3 – Uses Permitted

Sec. 3-2. – Table of uses permitted.

The "Table of uses permitted" indicates that "short-term rental" requires approval of a Zoning Administrator Permit or a Use Permit in the R-LL, R-43, R-R, R-33, R-22, R-15, R-13, R-11, R-9, R-8, R-4, MD-1, MD-2, MD-3, MD-4, R-M, C-1, C-2, LFA-5, RT-1, BB-1, BB-2, BB-3, DT-1, DT-2, DT-3, PH-1, PH-2, PH-3, FM-1, FM-2, and FM-3 zoning districts with additional standards on the use.

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Sec. 3-3. – Additional standards on uses.

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(29) Short-term rentals in the R-LL, R-43, R-R, R-33, R-22, R-15, R-13, R-11, R-9, R-8, R-4, MD-1, MD-2, MD-3, MD-4, R-M, C-1, C-2, LFA-5, RT-1, BB-1, BB-2, BB-3, DT-1, DT-2, DT-3, PH-1, PH-2, PH-3, FM-1, FM-2, and FM-3 zoning districts are subject to obtaining a use permit by city council and shall comply with the following additional standard:

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(c) The following additional standards shall be met by all short-term rentals:

(i) The short-term rental shall comply with the provisions of the Short-Term Rental Overlay District in Chapter 9 of the zoning ordinance, as amended;

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Chapter 9 – Overlay Districts

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Article VIII. – O-STR District – Short-term Rental Overlay

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Sec. 9-75. – Density and Separation Standards for Short-term Rentals.

(1) The standards contained within Table 9-75.1 shall apply.

The "Table 9-75.1: Density and Separation Standards by STR Zone" lists each of the 51 STR Zones, and indicates that all Zones have a required separation of 500 feet minimum between short-term rentals.

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Analysis

On June 12, City Council adopted zoning ordinance amendments which established new regulations regarding short-term rentals. The Council adopted the amendments with an effective date of September 1, 2024, in order to have staff bring forward a set of amendments for consideration prior to the effective date. This amendment, in conjunction with Zoning Ordinance Amendments No. 24-0276, and No. 24-0277 achieve that goal.

The first requested set of changes is to establish new restrictions on how and where homestay rentals can operate within the City, separate from the short-term rental use. The

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second requested change is to reduce the separation requirement related to short-term rentals from 500 feet to 300 feet.

This amendment would make updates to the recently adopted Short-Term Rental Overlay Zoning District, which has 51 subdistricts referred to as "STR Zones". Each STR Zone has a separation requirement of 500 feet between short-term rentals, unless otherwise exempted. This separation requires that no property within the same STR Zone be approved to operate a short-term rental if any portion of it is within 500 feet of an already approved short-term rental property. This proposed amendment would change that separation distance from 500 feet to 300 feet.

There are three exemptions to the separation standard which will remain unchanged. They are (i) to permit two short-term rentals to operate side-by-side, (ii) to permit the short-term rentals who received a 2-year grace-period due to their legal operation prior to December 14, 2022 to continue to operate if they receive the necessary approval prior to the end of 2024, and (iii) to indicate that the separation does not apply to multifamily dwelling buildings seeking to operate a short-term rental.

Staff recommends approval of ZOA 24-0313.