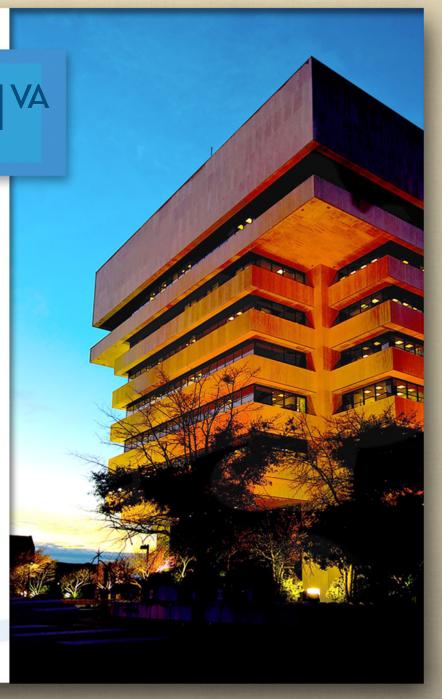
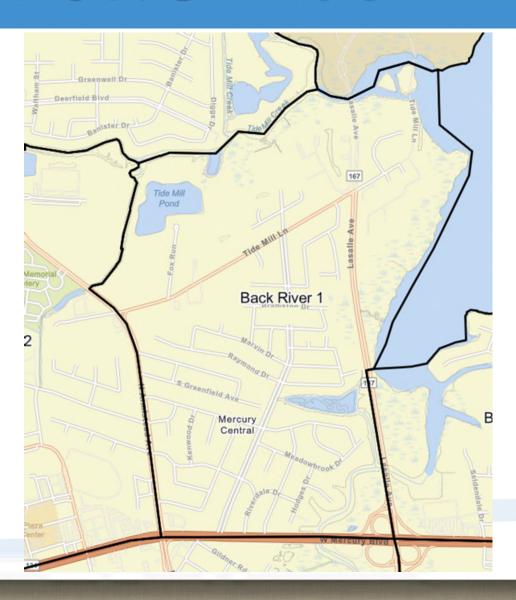


Zoning Ordinance Amendments and Rezoning Cases for Short-term Rentals

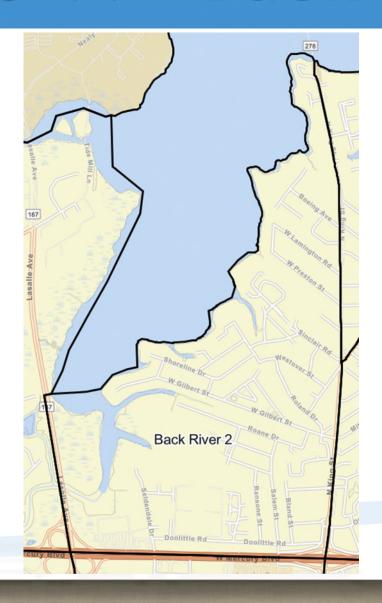
> City Council June 12, 2024



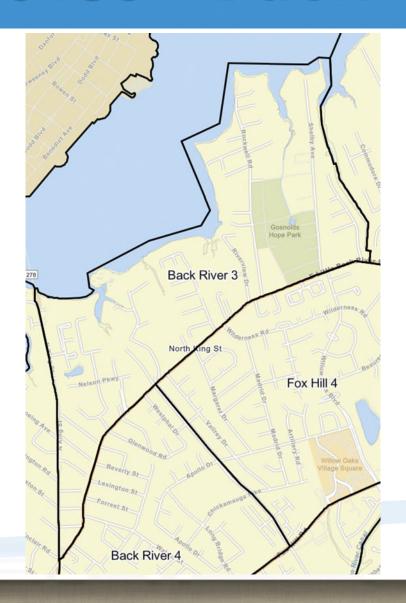
RZ 24-0178 - Back River 1



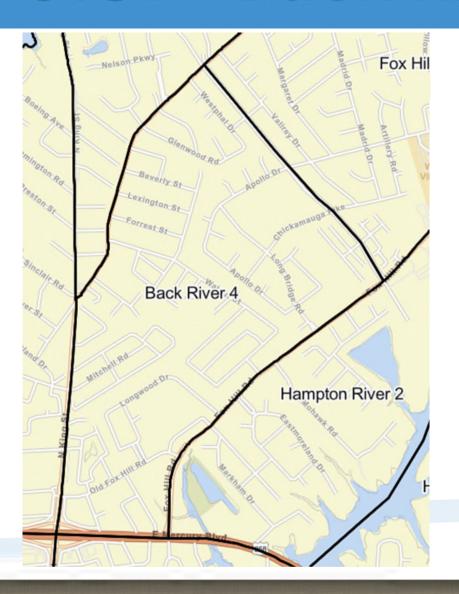
RZ 24-0179 - Back River 2



RZ 24-0180 - Back River 3



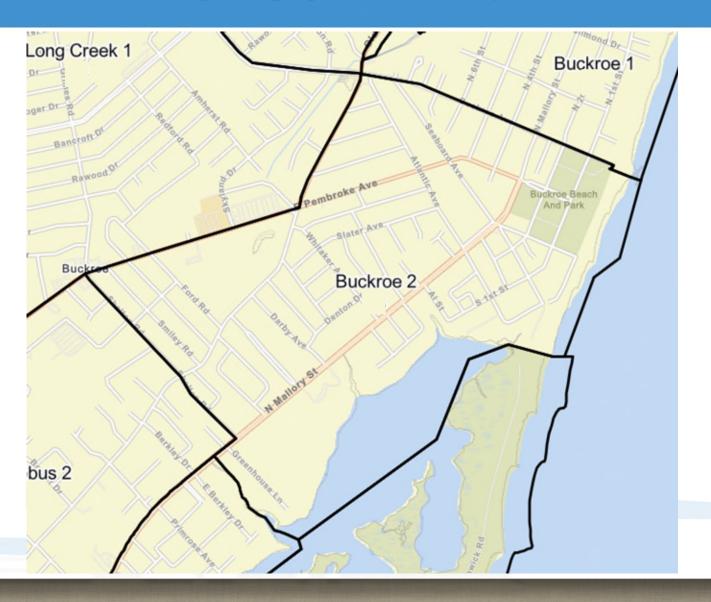
RZ 24-0181 - Back River 4



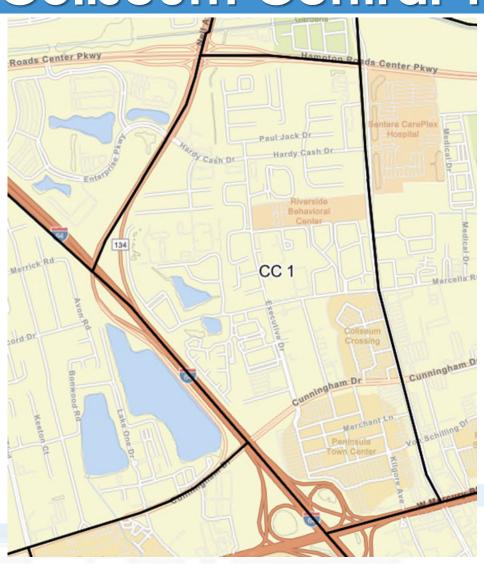
RZ 24-0182 - Buckroe 1



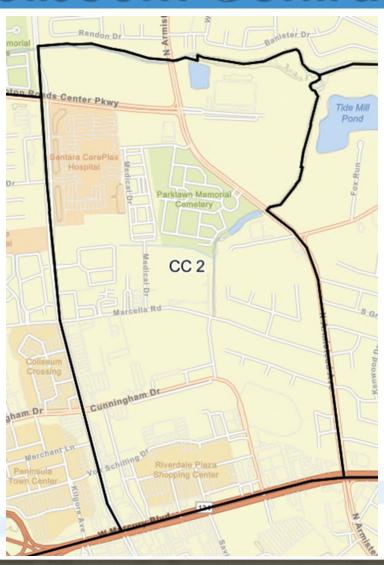
RZ 24-0183 - Buckroe 2



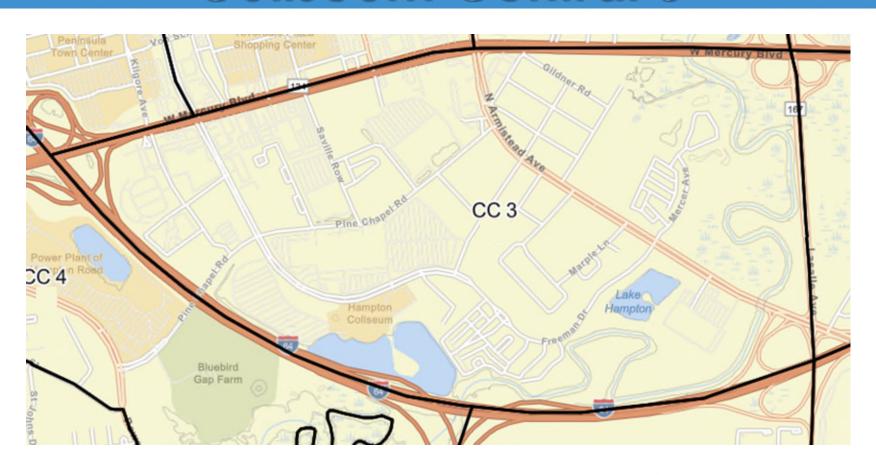
RZ 24-0184 — Coliseum Central 1



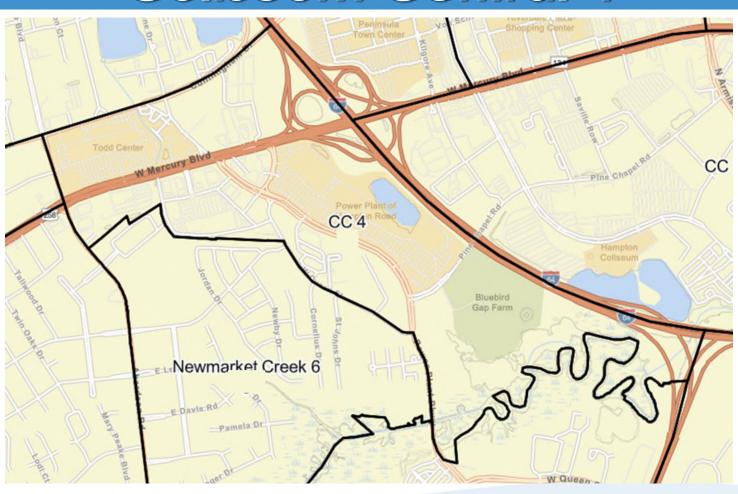
RZ 24-0185 – Coliseum Central 2



RZ 24-0186 – Coliseum Central 3



RZ 24-0187 – Coliseum Central 4



RZ 24-0188 - Downtown 1



RZ 24-0189 – Downtown 2



RZ 24-0190 – Downtown 3



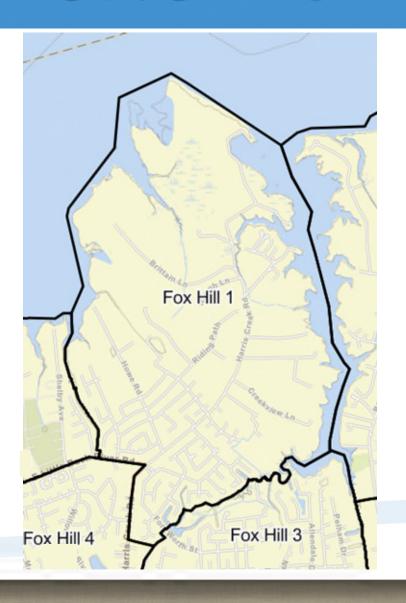
RZ 24-0191 – Downtown 4



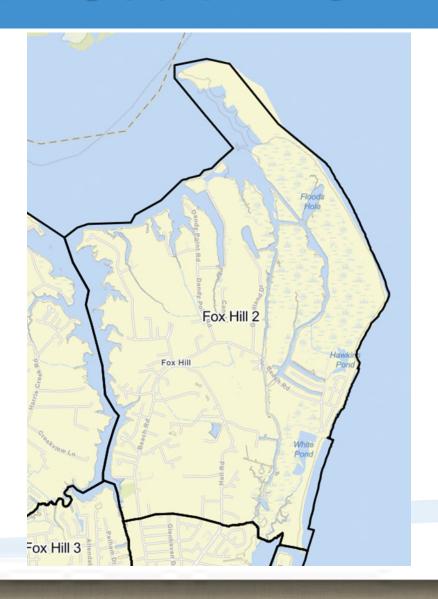
RZ 24-0192 - Fort Monroe



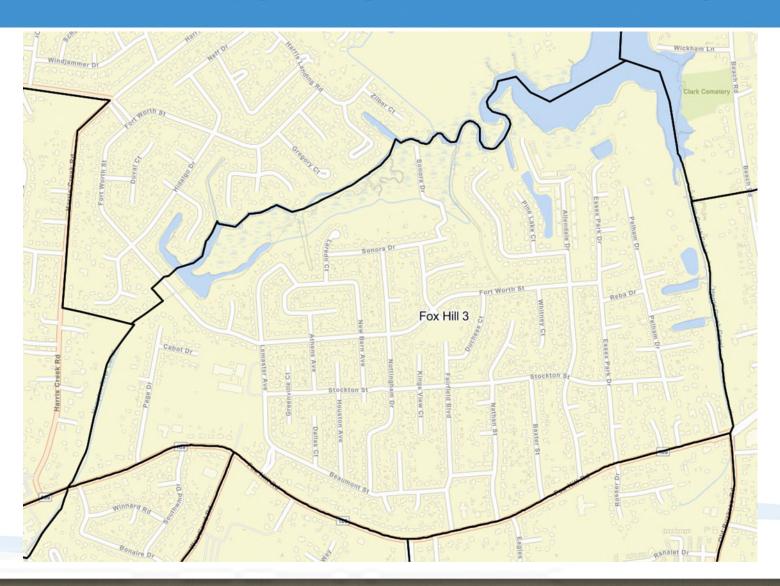
RZ 24-0193 - Fox Hill 1



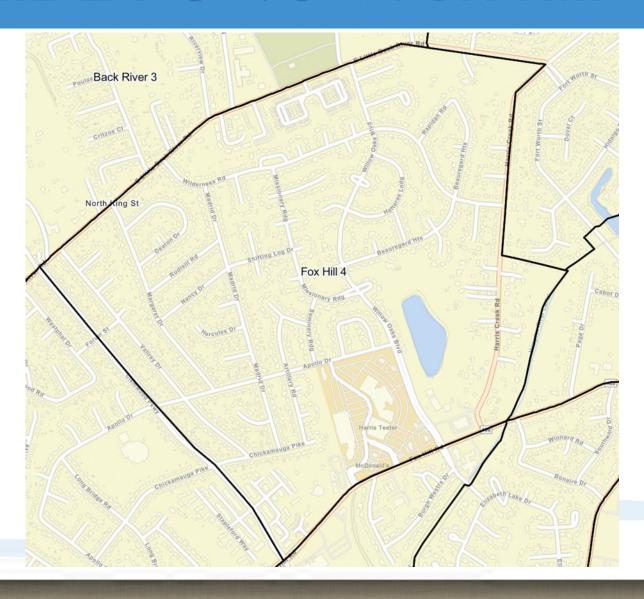
RZ 24-0194 – Fox Hill 2



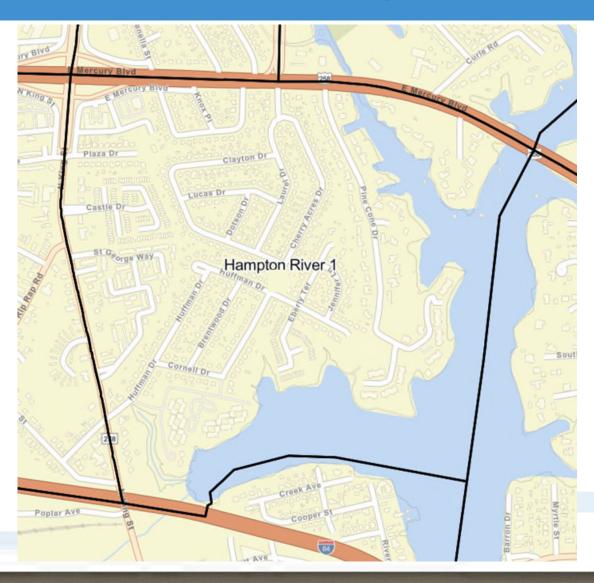
RZ 24-0195 - Fox Hill 3



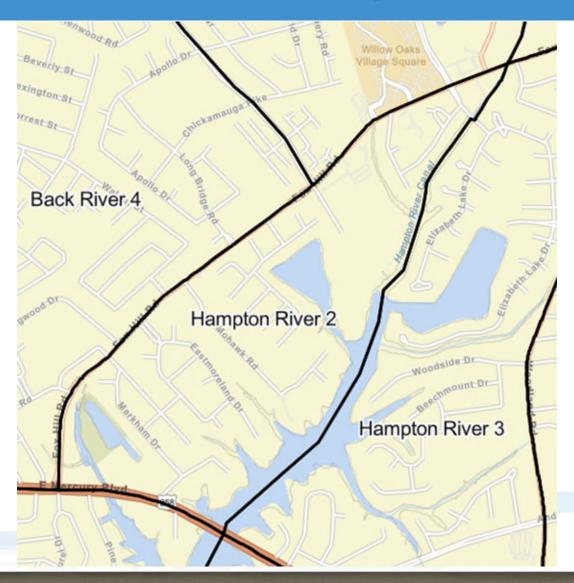
RZ 24-0196 - Fox Hill 4



RZ 24-0197 – Hampton River 1



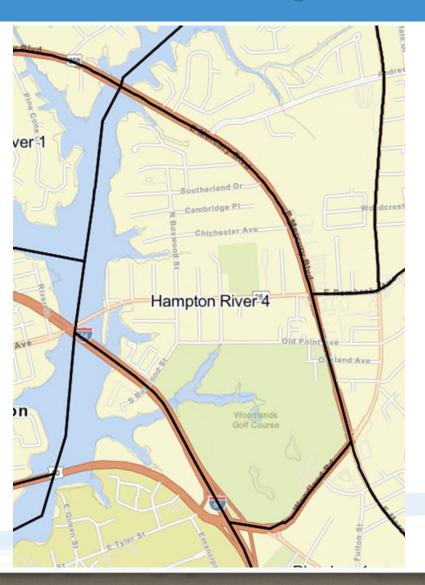
RZ 24-0198 – Hampton River 2



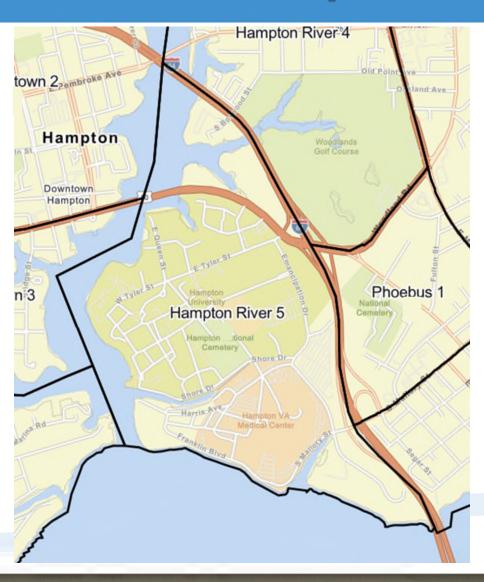
RZ 24-0199 – Hampton River 3



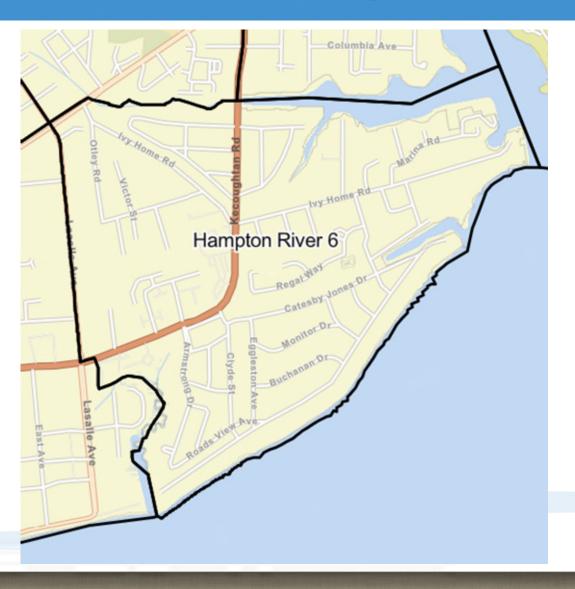
RZ 24-0200 – Hampton River 4



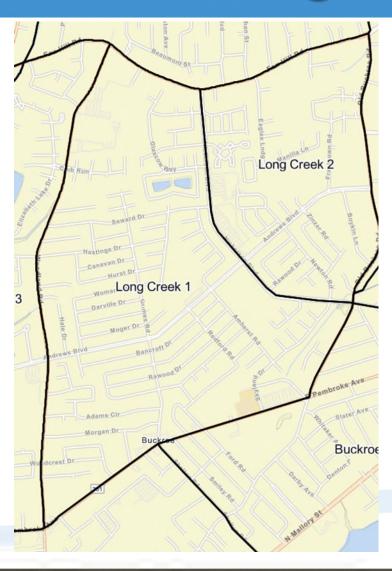
RZ 24-0201 – Hampton River 5



RZ 24-0202 – Hampton River 6



RZ 24-0203 - Long Creek 1



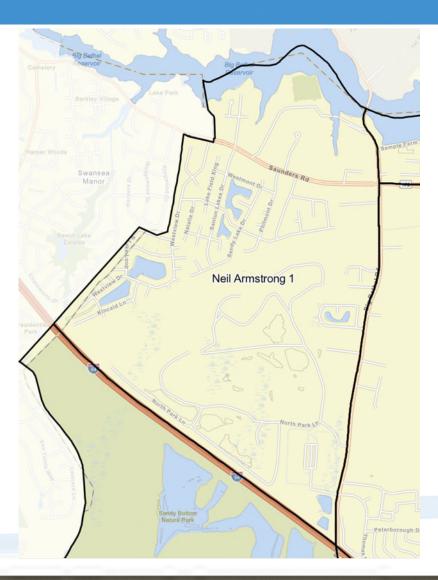
RZ 24-0204 - Long Creek 2



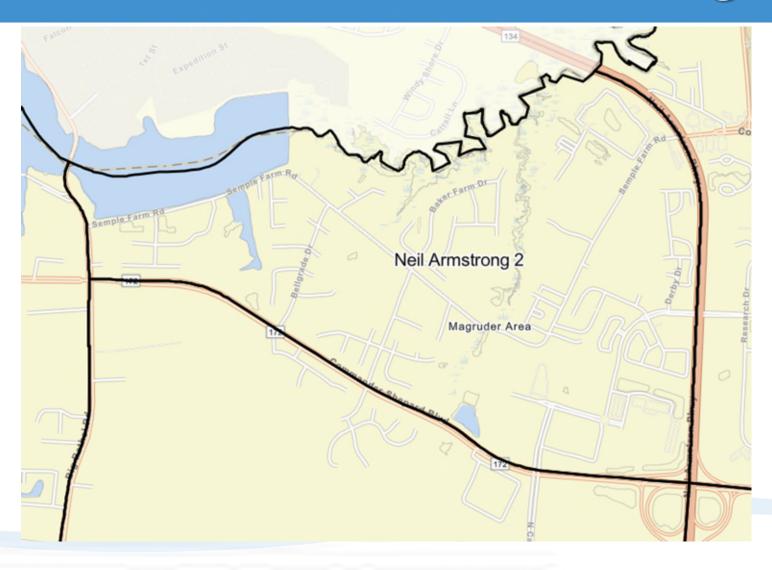
RZ 24-0205 – Long Creek 3



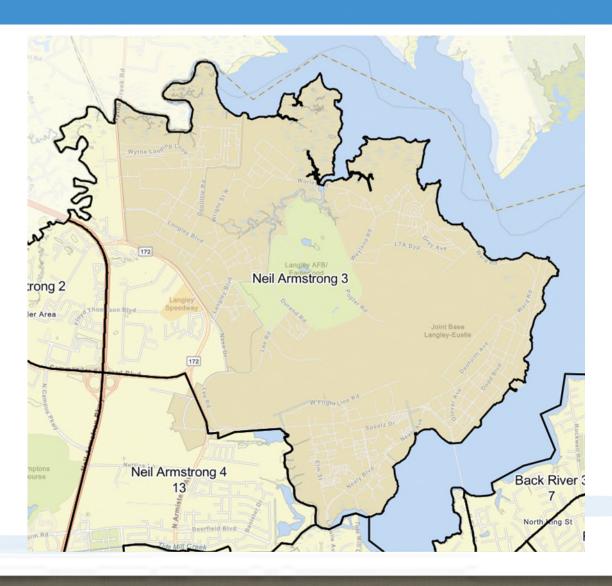
RZ 24-0206 – Neil Armstrong 1



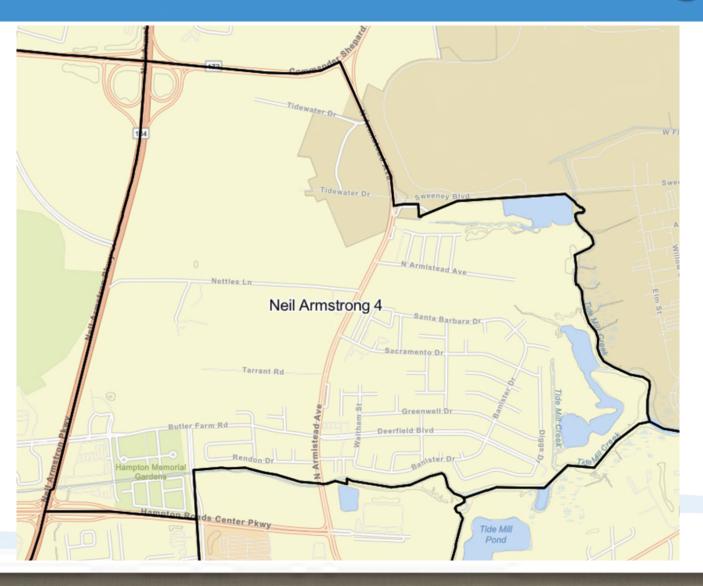
RZ 24-0207 – Neil Armstrong 2



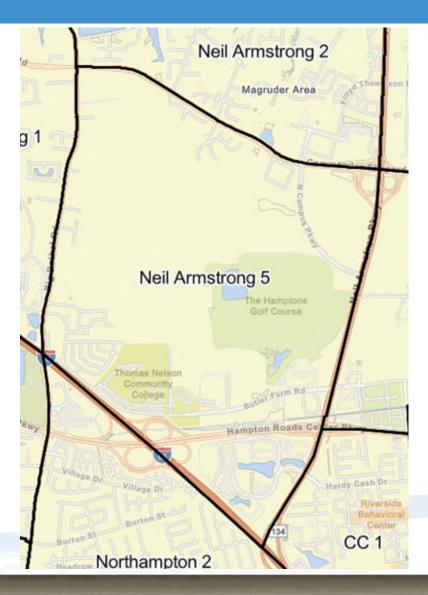
RZ 24-0208 – Neil Armstrong 3



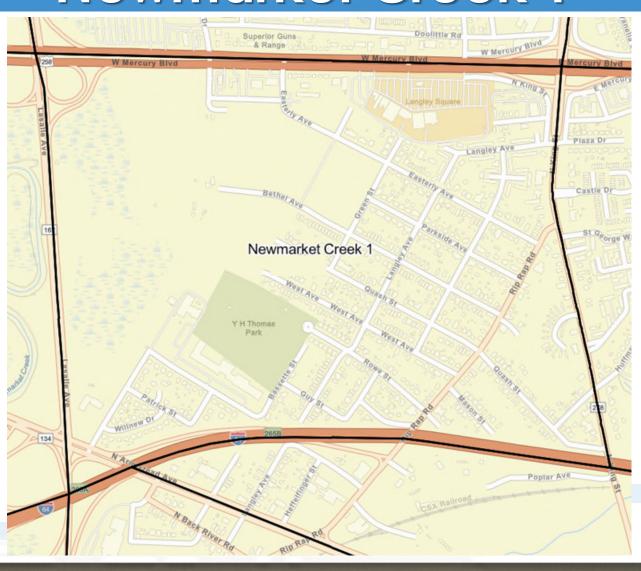
RZ 24-0209 – Neil Armstrong 4



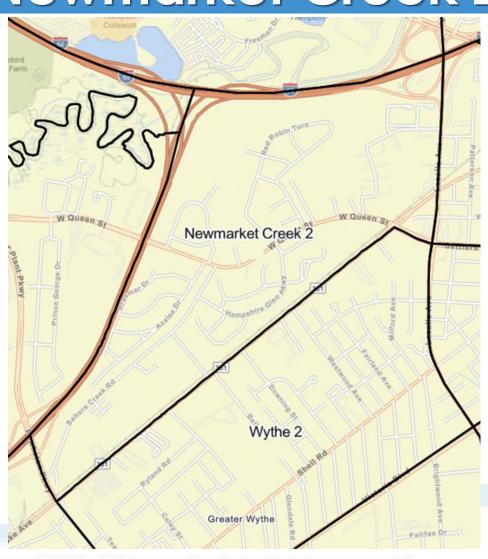
RZ 24-0210 – Neil Armstrong 5



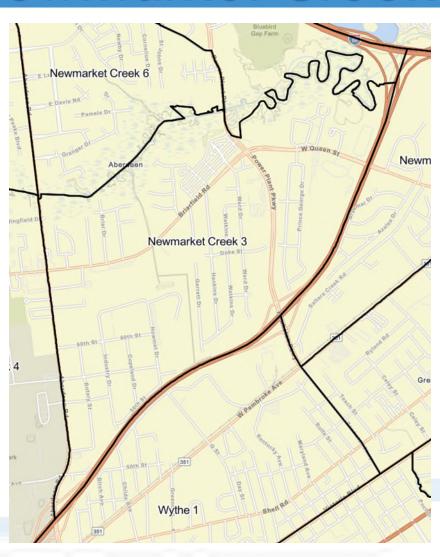
RZ 24-0211 – Newmarket Creek 1



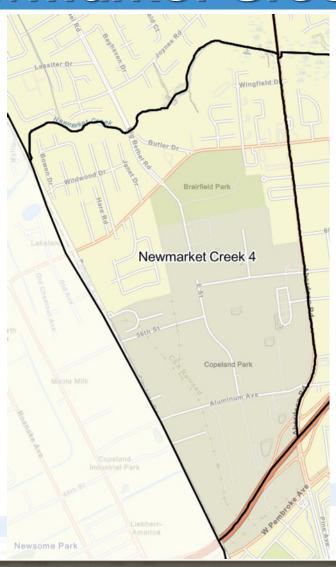
RZ 24-0212 – Newmarket Creek 2



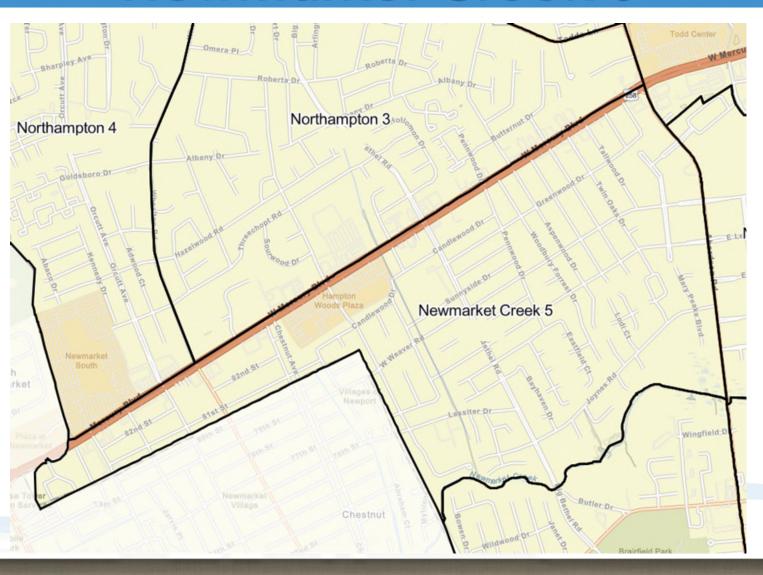
RZ 24-0213 – Newmarket Creek 3



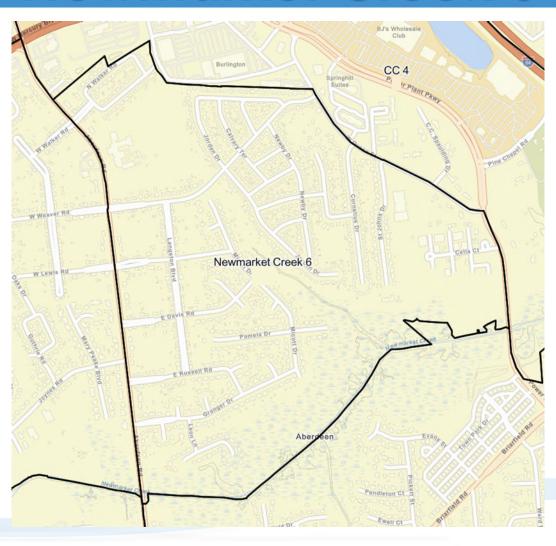
RZ 24-0214 – Newmarket Creek 4



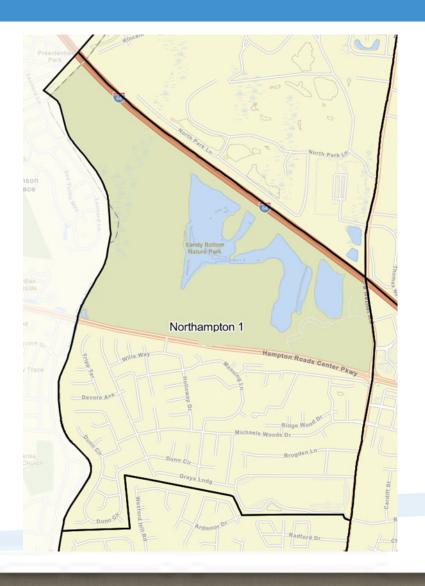
RZ 24-0215 – Newmarket Creek <u>5</u>



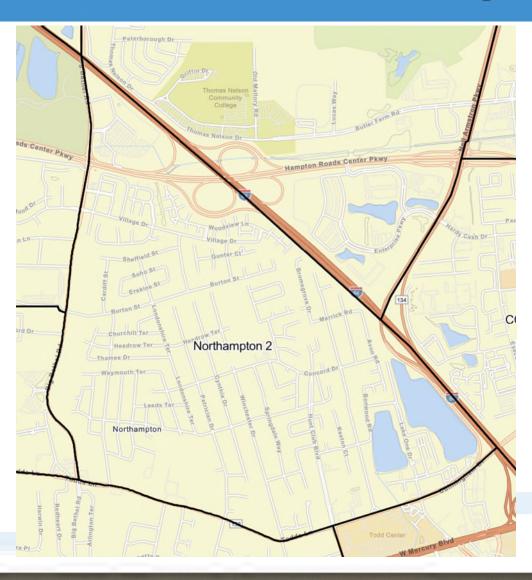
RZ 24-0216 – Newmarket Creek 6



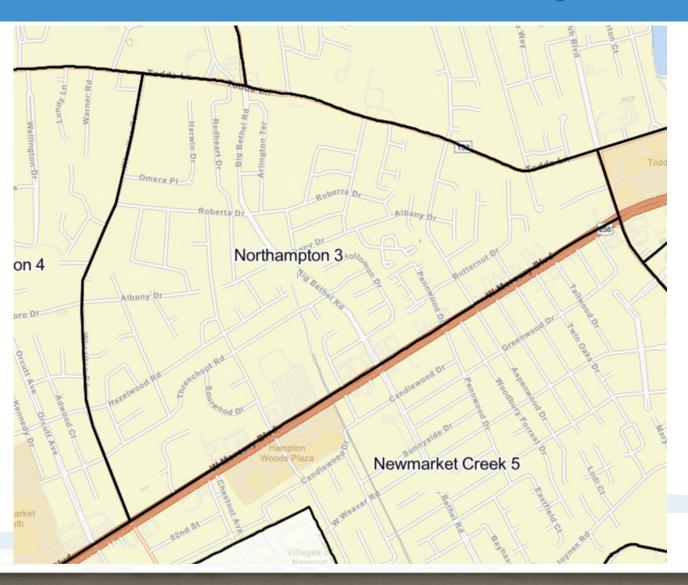
RZ 24-0217 – Northampton 1



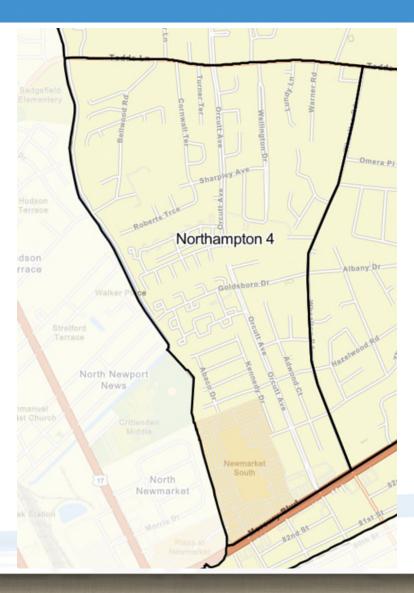
RZ 24-0218 – Northampton 2



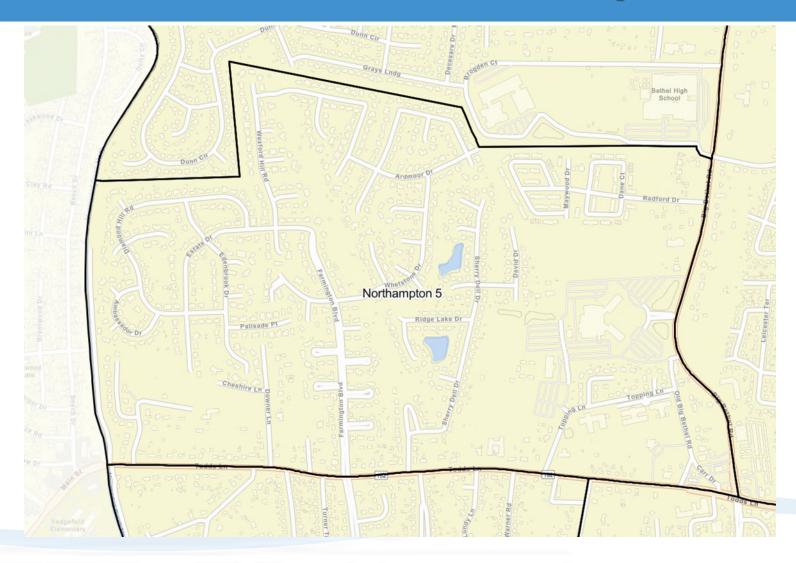
RZ 24-0219 – Northampton 3



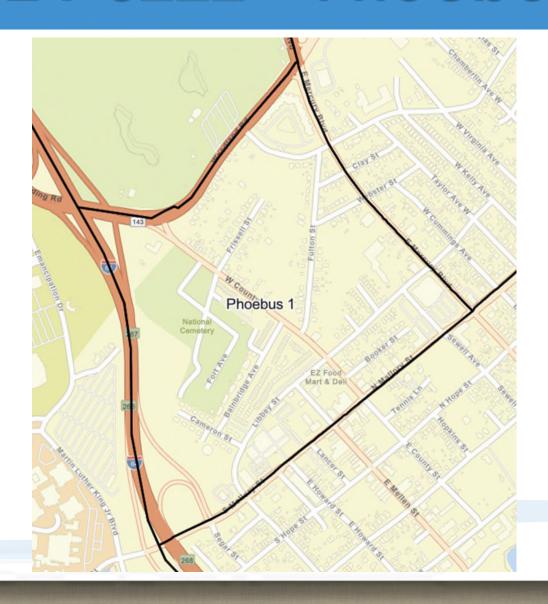
RZ 24-0220 – Northampton 4



RZ 24-0221 – Northampton 5



RZ 24-0222 - Phoebus 1



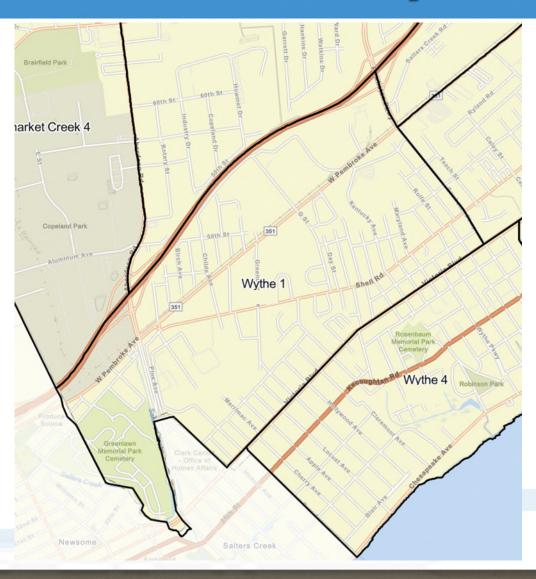
RZ 24-0223 - Phoebus 2



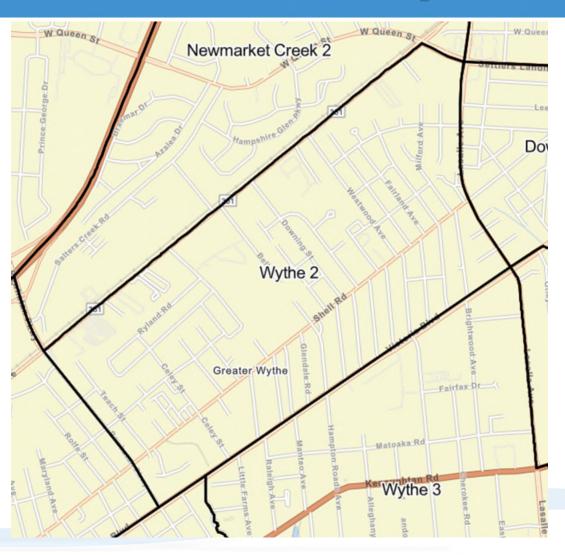
RZ 24-0224 - Phoebus 3



RZ 24-0225 - Wythe 1



RZ 24-0226 – Wythe 2



RZ 24-0227 - Wythe 3



RZ 24-0228 - Wythe 4



Amendments

Amendments #24-0173 through #24-0177 together establish new restrictions on how and where short-term rentals can operate within the city and clarify other similar uses

Rezonings

Rezonings #24-0178 through #24-0228 each establish the boundaries of a subdistrict within the Short-Term Rental Overlay (O-STR) District

What is a Short-term Rental?

State and local code:
 Lodging provided for 30 days or less,
 that is not a hotel or bed & breakfast

 Commonly referred to as "AirBnBs" or "STRs", frequently advertised on online platforms such as AirBnB and VRBO

 Currently requires a business license and Use Permit to operate in Hampton

Why Regulate STRs?

 To ensure the dispersion of short-term rentals throughout the city in a manner that maintains the character of neighborhoods while suitably balancing the entrepreneurial spirit of the use

History of STRs: Part 1

- Prior to December 2013:
 - Zoning Ordinance did not address
- December 2013: Zoning Interpretation
 - STRs are permitted <u>by-right</u> as an <u>accessory use</u> to single family dwellings
 - If the <u>primary</u> use is STR rentals, then it is a <u>bed & breakfast</u>, which required a <u>Use Permit</u>
- November 2019: Zoning Interpretation
 - The STR location must be the <u>primary residence</u> of the applicant (Primary residence = where applicant lives <u>6+ months</u> of a year)
 - Thus, only 1 STR is permitted per person within the City

History of STRs: Part 2

- Fall 2022: Phase 1 Stakeholder Engagement
 - Potential state legislation prohibiting local control of STRs
 - Convened stakeholders to discuss Phase 1 of STR regulations
- December 2022: Zoning Ordinance Amendment
 - STRs are permitted only with an approved <u>Use Permit (UP)</u> in certain districts
 - Previous interpretations voided & previously legally-operating STRs provided a 2-year grace-period
- Spring 2023: Phase 1 STR Stakeholder Engagement
 - Continued to help refine set of recommended conditions for STRs being approved via UP process
- August 2023: STR Implementation Pause
 - City Council paused consideration of Use Permits to understand policy implications of STRs
- December 2023: Phase 2 STR Stakeholder Engagement
 - Staff convened Phase 2 Stakeholders to explore concerns about density and location of STRs and a by-right process

Phase 2 Stakeholder Composition

- Joyce Blair B&B Owner/Operator (Magnolia House)
- Lynn Howard STR owner and manager
- Greg Garrett STR owner and realtor
- Kevin Steele Downtown neighborhood representative, rental property owner
- Glen Barron Buckroe neighborhood representative
- Connie Vatsa Farmington neighborhood representative
- Joe Griffith Phoebus neighborhood representative
- Shawn Irving Merrimac Shores neighborhood representative
- Jamie Chapman Grandview neighborhood representative

Feedback from Council

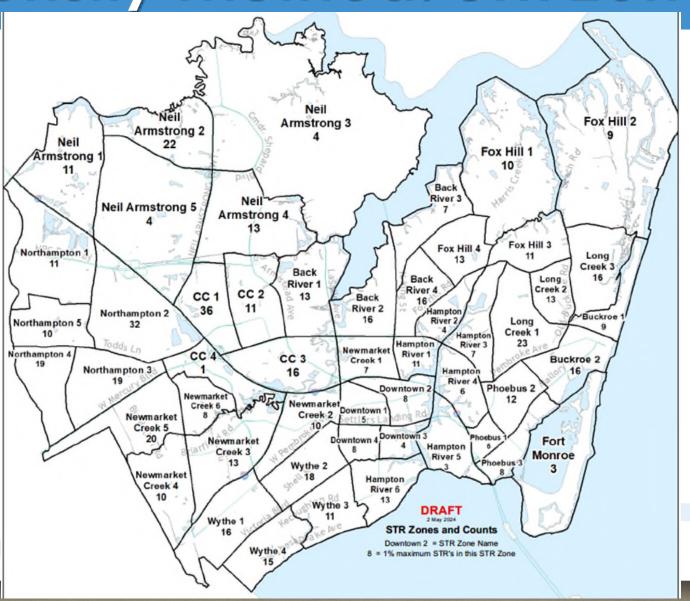
- February 14, 2024: Staff Presentation of Phase 2 Results
 - Briefing included staff recommendations to City Council on ordinance amendments for STRs
 - City Council asked for amendments which are more conservative than what was proposed
- Following slides describe the proposed amendments

Proposed Ordinance: Density

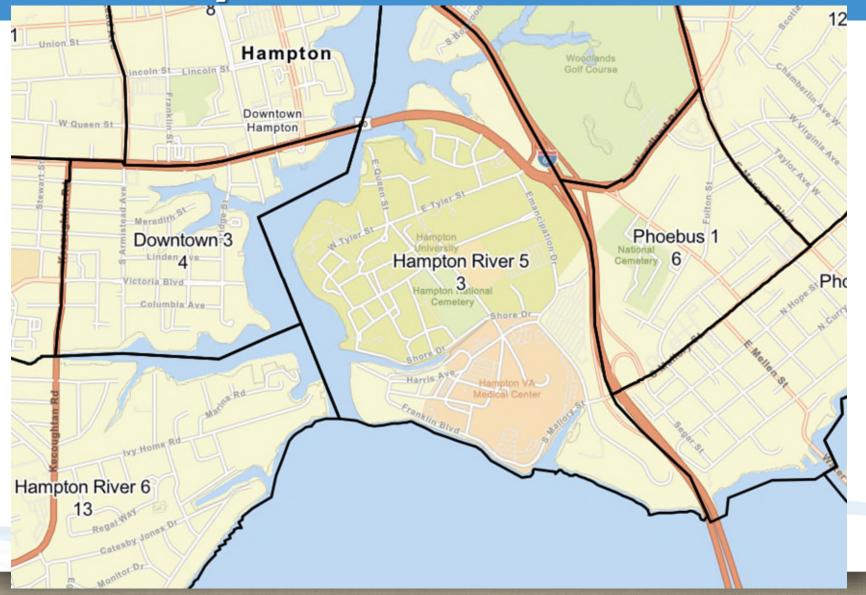
Density:

- Entire City will be divided into "STR Zones"
- Each "STR Zone" will have a maximum number of permitted STRs per zone
- Max number is 1% of total housing units in that zone

Density Method: STR Zones

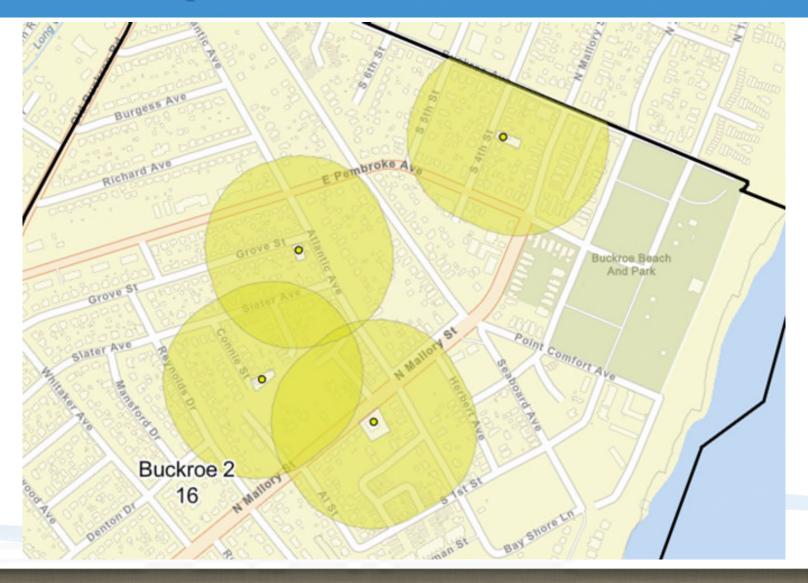


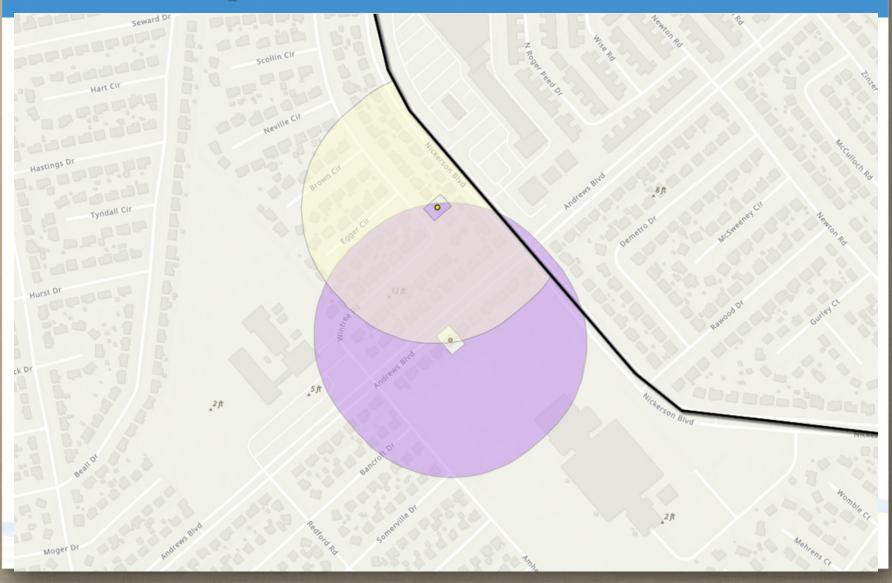
Density Method: STR Zones



Proposed Ordinance: Separation

- Separation/clustering:
 - STRs shall not be closer than 500 feet to another STR
 - Exception to allow cluster of 2 STRs abutting each other on the side (not back or across street)
 - This will be measured from property boundaries





- As part of this new separation requirement, staff received guidance that it should not prohibit grace-period STRs
 - Grace-period STRs are those that legally operated prior to the implementation of the current UP requirement
- Therefore, grace-period STRs that are approved before Dec. 31, 2024 regardless of separation and density requirements

- For apartments and other properties that have multiple dwellings within a building, the permit would apply to the entire property
- As long as no more than 9
 bedrooms are used, they can be approved to be in different units

Apartments &
Apartment-style
condos

Duplexes and
Townhomes on One
(1) Lot





 Each property containing a multifamily complex will count as 1 STR towards the density cap for their given Zone

 The 500 feet separation will not apply to these multifamily complexes

Apartments &
Apartment-style
condos

Duplexes and
Townhomes on One
(1) Lot





- Staff received guidance that some apartment complexes maintain vacant apartment units to allow for guests of long-term residents of the complex
- Proposed clarification that allows these "amenity apartments" as part of the multifamily use rather than considered part of STRs
 - Limit to only those complexes with at least 50 units, and on-site management. No more than 10% of units can be these "amenities"

- Staff received guidance that there needs to be greater clarification between bed & breakfasts (B&Bs) and STRs
- Proposed clarification is that a B&B must have on-site management and be open to public walk-ins during business hours

Proposed Ordinance: Administration

Administration:

- All STRs must meet the adopted density and separation requirements. This cannot be deviated from.
 - Exceptions = Grace-period STRs (density and separation);
 Multifamily (separation only)
- Enable administrative approval of STRs via a Zoning Administrator Permit (ZAP) when the STR:
 - Meets on-site parking standards, does not have events, and does not have more than 5 bedrooms or 10 overnight lodgers
- Require Use Permit (UP) approval when not meeting indicated conditions

Proposed Ordinance

ZAP Conditions:

- Required floor plan showing safety features, rentable bedrooms, etc. must be approved, and also posted within the STR along with a City-provided fact sheet for guests' knowledge
- Capacity limited based upon code requirements, but cannot exceed 5 bedrooms or 10 overnight lodgers
- Must assign a responsible local person (RLP) who will address issues, respond to City calls within an hour, and be responsible for any violations. Their contact information will be available on city website.
- Sufficient parking must be provided on-site on permitted improved surface (e.g. concrete driveway)
- No exterior signage permitted
- Maintain record of dates rented, the name of the primary person booking, and number of lodgers
- No events
- Advertise only in compliance with code

Proposed Ordinance

- ZAP Conditions (cont.):
 - \$200 permit fee, \$50 inspection fee
 - Initial inspection to begin operating
 - Re-inspection in second calendar year of operation and every 2 years after
 - Appeal of a revocation to City Council

Enforcement Process

- All Zoning violations are enforced by:
 - Investigating a complaint
 - Sending a Notice of Violation (NOV) if warranted
 - 30 day period to correct or appeal
 - Re-inspection to confirm compliance
 - Criminal summons if not corrected
 - Court orders abatement and potentially fines (up to \$1000 for first violation)
 - If uncorrected, Court may fine the defendant \$1000, and find the defendant guilty of a separate violation every following 10 days uncorrected, with a fine up to \$1500

Proposed Ordinance: Summary

Density cap

1% in all STR zones

Separation/clustering

- 500 feet "crow flies", cluster of no more than 2
- Grace-period STRs able to be approved

Other uses

- Bed & Breakfast definition
- Multifamily amenity apartments

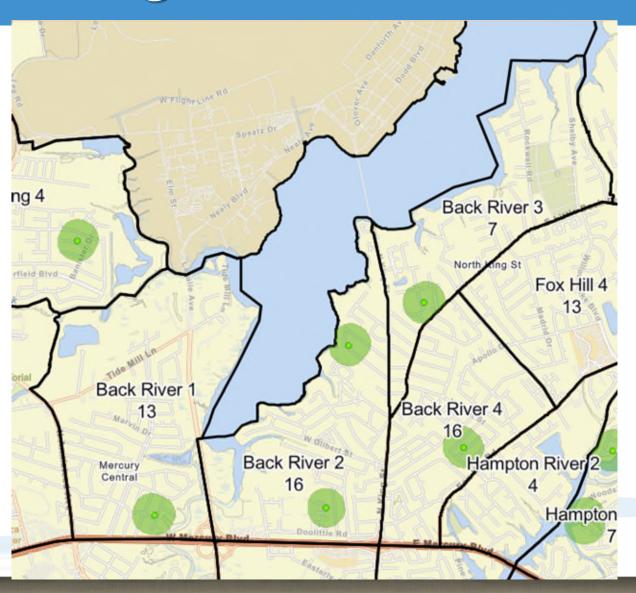
Permit process

- ZAP unless exceeding select conditions
- \$200 ZAP permit fee

Rezonings

- A total of 51 STR Zones proposed
- Following slides show groups of proposed zones
 - First, a map showing the group of zones
 - Second, a table with max. STRs, current approved Use Permits, grace-period STRs, and complete pending applications

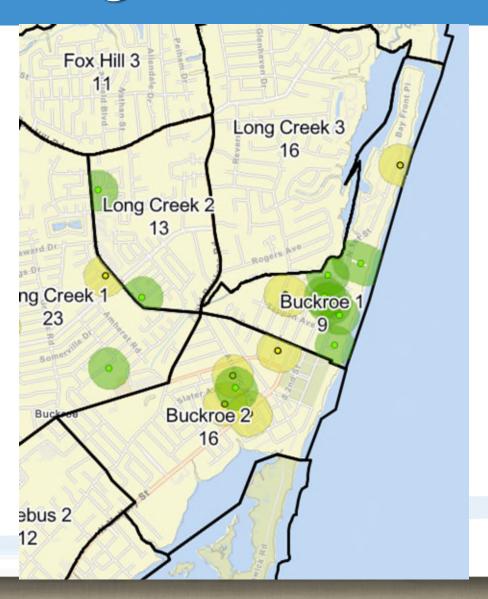
Rezonings – Back River Zones



Rezonings – Back River Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Back River 1	24-0178	13	0	1	0
Back River 2	24-0179	16	0	2	1
Back River 3	24-0180	7	0	1	0
Back River 4	24-0181	16	0	1	0

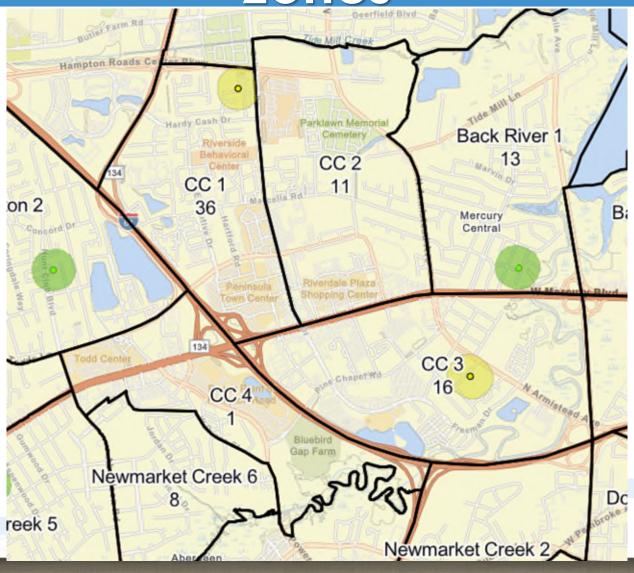
Rezonings – Buckroe Zones



Rezonings – Buckroe Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Buckroe 1	24-0182	9	2	6	9
Buckroe 2	24-0183	16	4	1	20

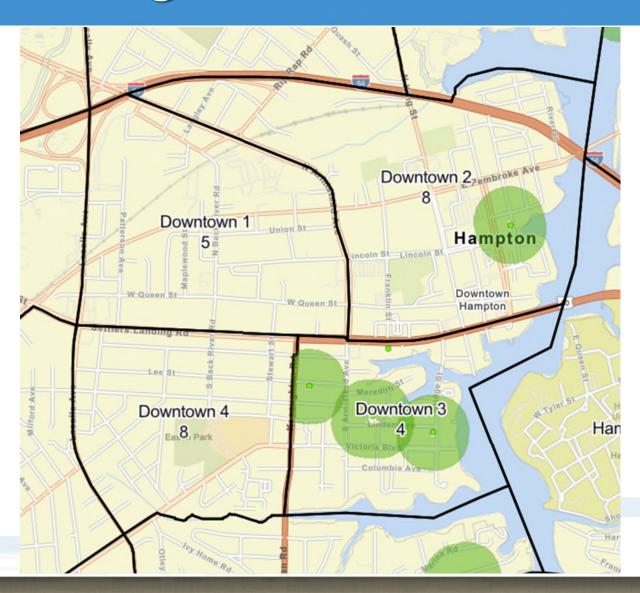
Rezonings – Coliseum Central Zones



Rezonings – Coliseum Central Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Coliseum Central 1	24-0184	36	1	0	0
Coliseum Central 2	24-0185	11	0	0	0
Coliseum Central 3	24-0186	16	1	0	0
Coliseum Central 4	24-0187	1	0	0	0

Rezonings – Downtown Zones



Rezonings – Downtown Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Downtown 1	24-0188	5	0	0	1
Downtown 2	24-0189	8	0	1	3
Downtown 3	24-0190	4	0	4	1
Downtown 4	24-0191	8	0	0	0

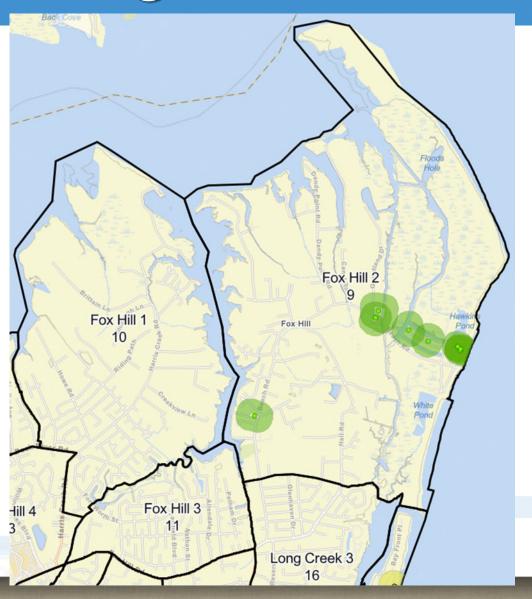
Rezonings – Fort Monroe Zone



Rezonings – Fort Monroe Zone

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	period	# of complete applications
Fort Monroe	24-0192	3	0	0	0

Rezonings – Fox Hill Zones



Rezonings – Fox Hill Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Fox Hill 1	24-0193	10	0	0	0
Fox Hill 2	24-0194	9	0	8	4
Fox Hill 3	24-0195	11	0	0	0
Fox Hill 4	24-0196	13	0	0	1

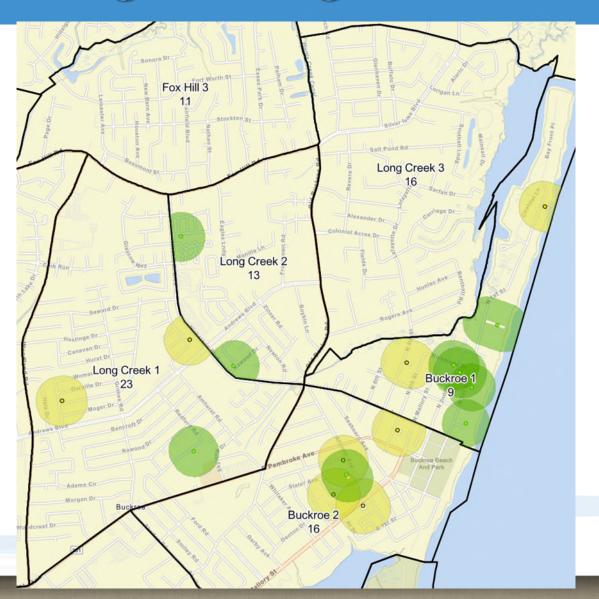
Rezonings – Hampton River Zones



Rezonings – Hampton River Zones

Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
24-0197	11	0	0	0
24-0198	4	0	0	1
24-0199	7	0	2	0
24-0200	6	0	1	0
24-0201	3	0	0	0
24-0202	13	0	2	3
	24-0197 24-0198 24-0199 24-0200 24-0201	Case # STRs 24-0197 11 24-0198 4 24-0199 7 24-0200 6 24-0201 3	Case # STRs UPs 24-0197 11 0 24-0198 4 0 24-0199 7 0 24-0200 6 0 24-0201 3 0	Case # STRs UPs period STRs 24-0197 11 0 0 24-0198 4 0 0 24-0199 7 0 2 24-0200 6 0 1 24-0201 3 0 0

Rezonings – Long Creek Zones



Rezonings – Long Creek Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Long Creek 1	24-0203	23	2	1	1
Long Creek 2	24-0204	13	0	2	0
Long Creek 3	24-0205	16	0	0	1

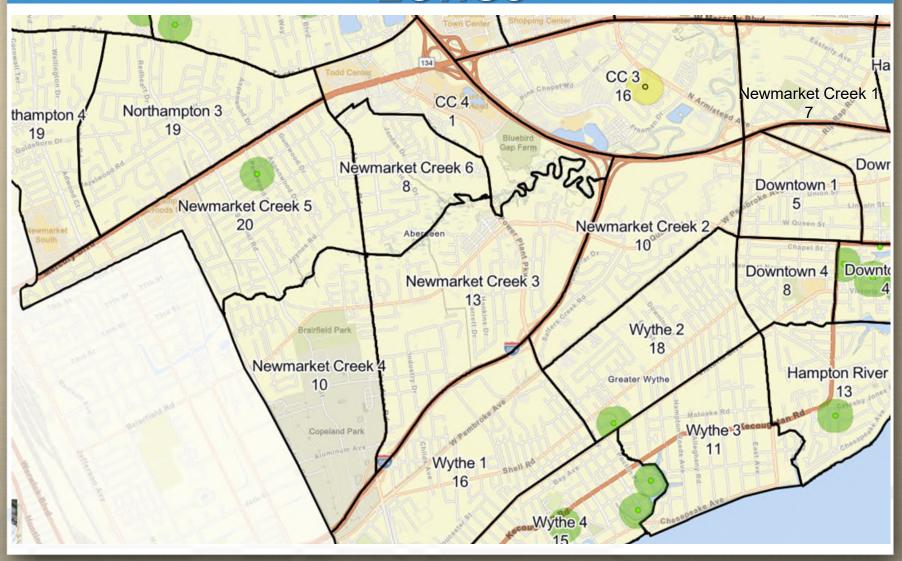
Rezonings – Neil Armstrong Zones



Rezonings – Neil Armstrong Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Neil Armstrong 1	24-0206	11	0	0	0
Neil Armstrong 2	24-0207	22	0	0	1
Neil Armstrong 3	24-0208	4	0	0	0
Neil Armstrong 4	24-0209	13	0	1	0
Neil Armstrong 5	24-0210	4	0	0	0

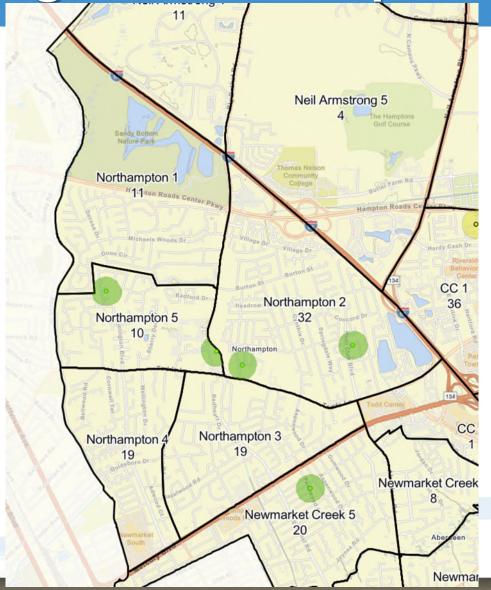
Rezonings – Newmarket Creek Zones



Rezonings – Newmarket Creek Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Newmarket Creek 1	24-0211	7	0	0	0
Newmarket Creek 2	24-0212	10	0	0	0
Newmarket Creek 3	24-0213	13	0	0	1
Newmarket Creek 4	24-0214	10	0	0	0
Newmarket Creek 5	24-0215	20	0	1	0
Newmarket Creek 6	24-0216	8	0	0	0

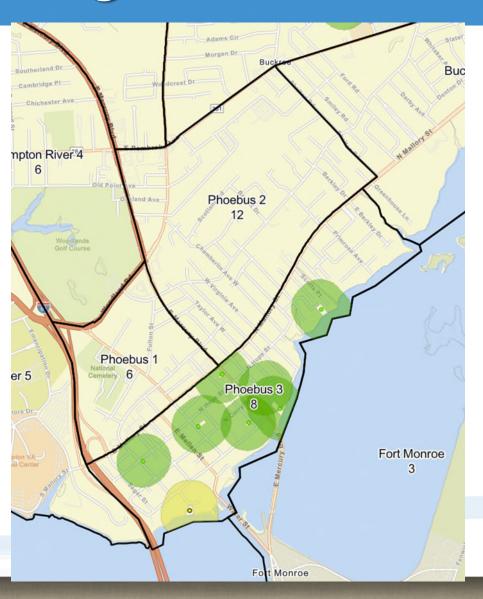
Rezonings – Northampton Zones



Rezonings – Northampton Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Northampton 1	24-0217	11	0	0	0
Northampton 2	24-0218	32	0	2	4
Northampton 3	24-0219	19	0	0	2
Northampton 4	24-0220	19	0	0	3
Northampton 5	24-0221	10	0	2	1

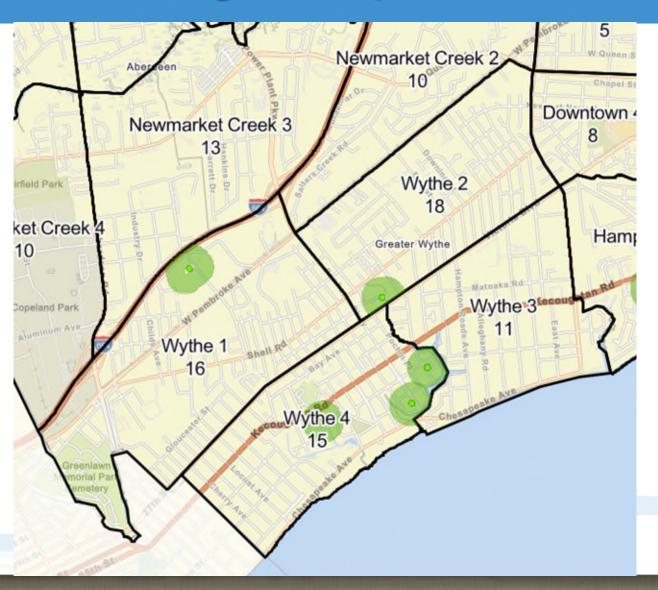
Rezonings – Phoebus Zones



Rezonings – Phoebus Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Phoebus 1	24-0222	6	0	0	0
Phoebus 2	24-0223	12	0	0	1
Phoebus 3	24-0224	8	1	7	9

Rezonings – Wythe Zones



Rezonings – Wythe Zones

STR Zone	Rezoning Case #	Max. # of STRs	Approved UPs	Grace- period STRs	# of complete applications
Wythe 1	24-0225	16	0	1	0
Wythe 2	24-0226	18	0	1	1
Wythe 3	24-0227	11	0	0	1
Wythe 4	24-0228	15	0	3	3

Notices and Resources

- Staff sent all required notices, which included a postcard to every property owner in the City
- Notice included link to website with the STR Zone map (https://hampton.gov/strs)
- Questions or concerns can be emailed to <u>ShortTermRentals@Hampton.gov</u>

Outreach and Feedback

- Staff briefed numerous groups, including:
 - STR stakeholders, Coliseum Central BID, Downtown Hampton Development Partnership, Buckroe Improvement League, Phoebus Partnership, Peninsula Realtors Association, Neighborhood Commission, Northampton Civic League, Rotary Club
- Staff has included all written feedback from the public received, which has been a mix of support and opposition to STRs
- Various HOA and condo associations have asked to be excluded
 - While the City cannot enforce private covenants and restrictions, the proposed regulations do not override these private restrictions. HOAs can still enforce their restrictions on STRs through private actions

Planning Commission Input

- During the Planning Commission meeting, several Commissioners discussed exploring the possibility of increasing the density allowance in the Buckroe STR Zones and decreasing the separation required distance
- One Commissioner spoke against such consideration, indicating that Buckroe is also a residential neighborhood
- Ultimately, all amendments and rezonings received a recommendation for approval

Planning Commission Input

- Based upon discussion of concerns following the Planning Commission, City Council members requested staff bring forward amendments to establish "homestay rentals" as a new use
 - Limited, owner-occupied, 1-bedroom transient lodging as a separate use from STRs
- Staff is preparing to present such an amendment for consideration to Planning Commission June 20

Application to Pending Cases

- STR UP applications complete by June 30, 2024 are automatically converted to ZAP if eligible
- Applications moving forward will be approved on a first-come, first-served basis
- There will be an interest form for people to be emailed if an approved STR ceases to operate in their zone

Next Steps

- If adopted, the effective date is July 1, 2024
 - Staff will mail letters to all suspected illegal STRs
 - Staff will mail letters to all grace-period STRs
- Staff will meet with the Courts prior to October 1, 2024
- Enforcement to begin October 1, 2024

Conclusion

- Public hearing
- Action
 - Staff and Planning Commission recommend APPROVAL of items No. 24-0173 through No. 24-0228 with an effective date of July 1, 2024