# **STAFF EVALUATION**

Case No.: Use Permit No. 23-0190

Planning Commission Date: June 22, 2023 City Council Date: June 12, 2024

**Prepared By:** Urvi Patel, City Planner 728-5144 **Reviewed By:** Mike Hayes, Planning and Zoning Division Manager 728-5244

**Reviewed By:** Jessica Kraus, Assistant City Attorney

#### **General Information**

Applicant & Property Owners

Loretta O'Brien Parham

Site Location

3808 Chesapeake Ave [LRSN: 2002617]



Requested Action	Use permit to allow for a short-term rental
Description of Proposal	The applicant is proposing a short-term rental at 3808 Chesapeake Ave. The property is $\pm$ 0.4 acres and features a 3,963 square foot residence with five (5) bedrooms and four and one half (4.5) bathrooms.
Existing Land Use	One-Family Residential
Zoning	One-Family Residential (R-13) District; Chesapeake Bay Preservation Overlay (O-CBP) District; and Flood Zone Overlay (O-FZ) District

Applicable Regulations As of December 14, 2022, City Council amended the Zoning Ordinance use table and additional standards for short-term rentals. This amendment created a definition and additional standards for short-term rentals. 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, 88-1, 88-2, 88-3, 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.

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 remains compliant 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.

Surrounding Land Use and Zoning

North: One-Family Residential (R-9) District, single-family residence

South: N/A

**East:** One-Family Residential (R-13) District, single-family residence **West:** One-Family Residential (R-13) District, single-family residence

Surrounding Zoning Map:



Public Policy

## **Hampton Community Plan**

The <u>Hampton Community Plan</u> (2006, as amended) recommends low-density residential land-use for the subject property and adjacent and surrounding properties.

Listed below are policies related to this request: Page 2 of 7

**LU-CD Policy 7:** Safeguard the integrity of existing residential neighborhoods.

**LU-CD Policy 31:** Encourage a mix of land uses that is appropriate for each district. Promote the efficient use of land and high-quality urban design.

**ED Policy 4:** Nurture small and start-up businesses.

**ED Policy 6:** Expand tourism, entertainment, and cultural opportunities within the city.

#### **Future Land Use**

The <u>Hampton Community Plan</u> (2006, as amended) designates this area as low density residential.



#### **Kecoughtan Road Corridor Master Plan**

The property falls within the area governed by the <u>Kecoughtan Road Corridor Master Plan</u> (2006, as amended). The master plan acknowledges the role of Kecoughtan Road as a primary transportation and commercial corridor during the initial stages of Hampton's development and envisions its present and future function as a redefined neighborhood boulevard that will enhance and support the overall health of the adjacent neighborhoods. It clearly recognizes that upgrading the Corridor is more about supporting the health and vitality of the neighborhoods and less about revitalization of Kecoughtan Road as a commercial corridor.

Traffic/Parking	Staff does not anticipate that the requested use or operation would cause a significant or negative impact on traffic.
Community Meeting	A community meeting has not been scheduled at this time.

STAFF EVALUATION

### Analysis:

UP 23-0190

Use Permit Application No. 23-00017 is a request for a use permit for a short-term rental at 3808 Chesapeake Ave [LRSN: 2002617]. The property is zoned One Family Residential (R-13) District. R-13 allows for the desired use subject to an approved use permit.

The applicant, Loretta O'Brien Parham, has owned the property since 1998 and is requesting to operate a short-term rental within a 3,693 square foot single-family dwelling. The property is  $\pm$  0.4 acres and features a residence with five (5) bedrooms and four and a half (4.5) bathrooms. In an attempt to maintain the comfort and integrity of the neighborhood, the owner intends to have a three (3) night minimum rental period and prohibit one-night stays in addition to renting primarily to family members and friends with whom she has an existing relationship.

The property is located within the <u>Kecoughtan Road Corridor Master Plan</u> (2006, as amended) area on the Hampton Roads Harbor waterfront. The master plan acknowledges the role of Kecoughtan Road as a primary transportation and commercial corridor during the initial stages of Hampton's development and envisions its present and future function as a redefined neighborhood boulevard that will enhance and support the overall health of the adjacent neighborhoods. It clearly recognizes that upgrading the Corridor is more about supporting the health and vitality of the neighborhoods and less about revitalization of Kecoughtan Road as a commercial corridor.

The <u>Hampton Community Plan</u> (2006, as amended) calls for evaluating land use proposals from a regional, city-wide and neighborhood perspective. Land-use and economic development policies related to this land use application include safeguarding the integrity of existing residential neighborhoods, encouraging a mix of land uses that is appropriate and promoting the efficient use of land, and expanding tourism, entertainment, and cultural opportunities within the city.

In its analysis of the proposed short-term rental use, staff took into consideration the location of the property which is within a historic neighborhood and along the Hampton Roads Harbor waterfront. It is close to local food establishments, public parks, and marinas as well as the Victoria Boulevard Historic District.

The minimum parking requirement applicable to short-term rentals is one (1) parking space per two (2) bedrooms. A common space (e.g., living room, game room, family room) may be offered as an overnight sleeping area provided it is counted towards the parking requirement, although this application does not propose utilization of any such spaces as sleeping areas. Using the five (5) bedroom count for the parking calculation, the short-term rental has a minimum requirement of three (3) spaces. The driveway on the property has a total of six (6) parking spaces.

Per §404.4 of the Virginia Property Maintenance Code (VPMC), for residential dwelling units, each bedroom is required to contain at least 70 square feet of floor area, and each bedroom occupied by more than one person must contain at least 50 square feet of floor area for each additional occupant. With this, the maximum guest occupancy for the property should be limited to no more than ten (10) overnight guests which is reflected in the staff recommended conditions.

The Use Permit process requires each application be reviewed on a case-by-case basis to ensure that the proposed use is compatible with surrounding neighborhoods and landuses. This property is zoned single-family residential, and the use of the property as a short-term rental is compatible with the surrounding neighborhood given the operational details pertaining to minimum stay and potential renters proposed by the applicant. The property is not located near any schools or other sensitive uses that could be negatively impacted by the short-term rental. The property has adequate parking for guests, and the owner has provided evidence that they will require guests to park in designated areas to minimize impacts on the surrounding neighborhood.

## Update for the June 12, 2024 City Council meeting:

At the November 8, 2023 City Council meeting, City Council deferred the short-term rental use permit applications on its agenda to the February 28, 2024 City Council meeting. This decision was made to allow sufficient time for the Council to receive legal guidance, explore various options to regulate density, and evaluate appropriate areas for short-term rentals within the City of Hampton. The deferral aimed to provide an opportunity for public engagement regarding the proposed path forward before any further action is taken on short-term rental use permits.

Since then, the Community Development Department (CDD) convened a group of community stakeholders to provide guidance on the second major phase of development of the City's STR regulations and practices. This group of convened stakeholders functioned as a "focus group" by providing feedback, guidance, and ideas on particular areas of the regulations that needed to be addressed. The scope of the areas that the group was asked to address included: STR density, separation, suitable areas, types of STRs, and the permitting process. The stakeholder group was comprised of nine (9) members representing diverse perspectives, including those operating and managing STRs, a local Bed and Breakfast operator, and several local neighborhood leaders from a range of geographic areas.

Following the conclusion of these "focus group" meetings, staff formulated policy recommendations based on the feedback provided from community stakeholders and provided City Council and staff recommendation on Wednesday, February 14, 2024.

New guidelines have been proposed that will, among other things, limit the density of short-term rentals (STRs) to ensure that they don't affect the character of neighborhoods. The new proposed zoning district overlays would control the distribution and density of STRs across the city.

In order to limit density within an STR Zone, a maximum of 1% of the residential dwellings within each zone would be allowed to be an STR. This density cap aims to maintain the character of our neighborhoods while accommodating the growing demand for short-term lodging. Other key elements of the proposed regulations include:

- A required separation between STRs of 500 feet, except that two may be directly next door to each other
- Administrative permitting process, with a \$200 application fee and \$50 inspection fee
- Conditions addressing the operation of the rental, including safety and nuisances

Based on the set of proposed amendments, the proposed short-term rental is located in the Hampton River 6 Zone, in which the proposed amendments recommend a maximum of thirteen (13) STRs. Currently, the Hampton River 6 Zone features two (2) permitted STRs and the proposed STR does not exceed the maximum number of STRs permitted. The proposed STR is also not within 500 feet of another STR and would therefore be compliant with the 500-foot buffer requirement proposed in the zoning text amendments. Additionally, the Use Permit application is eligible to convert to a Zoning Administrator Permit (ZAP) application on the day proposed ordinance amendments go into effect.



Staff recommends DEFERRAL of item no. 23-0190 until after the proposed STR amendments are approved by Council.

In the event this item is approved, staff recommends approval of item no. 23-0190 with fifteen (15) conditions.