



Short-Term Rentals

Brevard Planning Board

November 17, 2015



The City of
Brevard
North Carolina

Outline

- Timeline
- Survey Results
- Public Input Session
- Other Agencies' Input
- Occupancy Taxes
- Preliminary Ordinance Framework



Timeline

- August 17 – City Council formally requests Planning Department Staff to provide information on short-term rentals
- September 21 – Planning Staff presents basic information to Council
- October 7 – Planning Staff meets with TDA & Chamber
- October 19 – Online survey goes live
- October 20 – Staff presents to Planning Board
- November 5 – Public Input meeting



Survey

- Went live October 19th
- Will go down November 19th
- As of 3:00pm Monday, November 16th:
 - 178 responses
 - Margin of error 7.3%



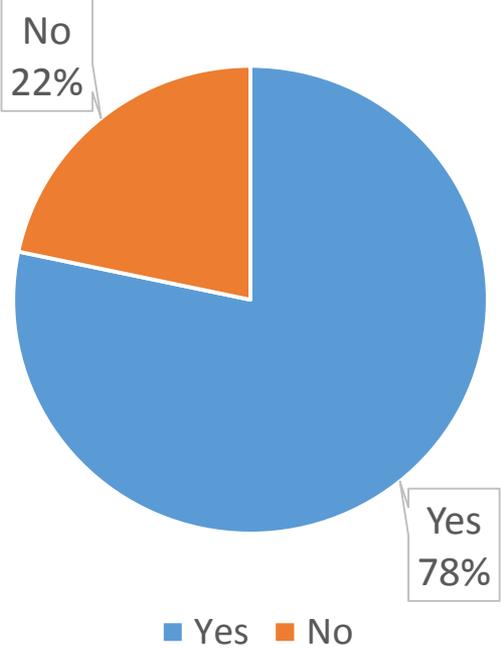
Survey

www.cityofbrevard.com/STRsurvey

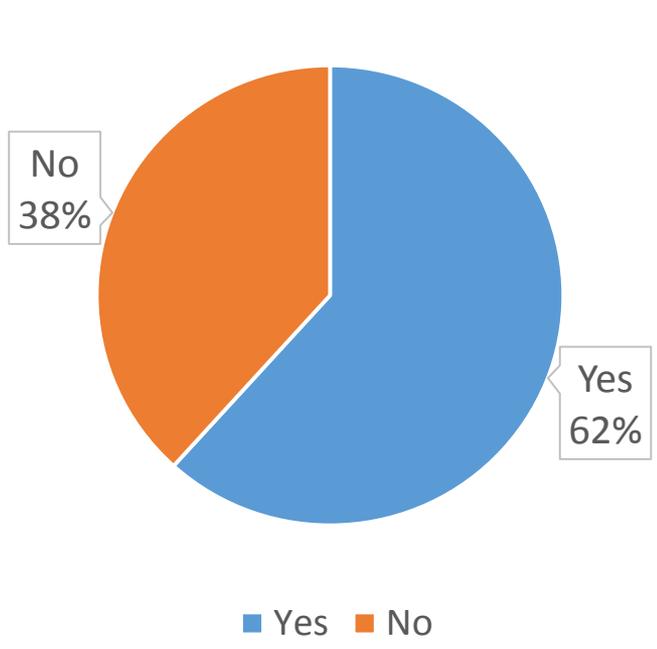


Survey – Personal Information

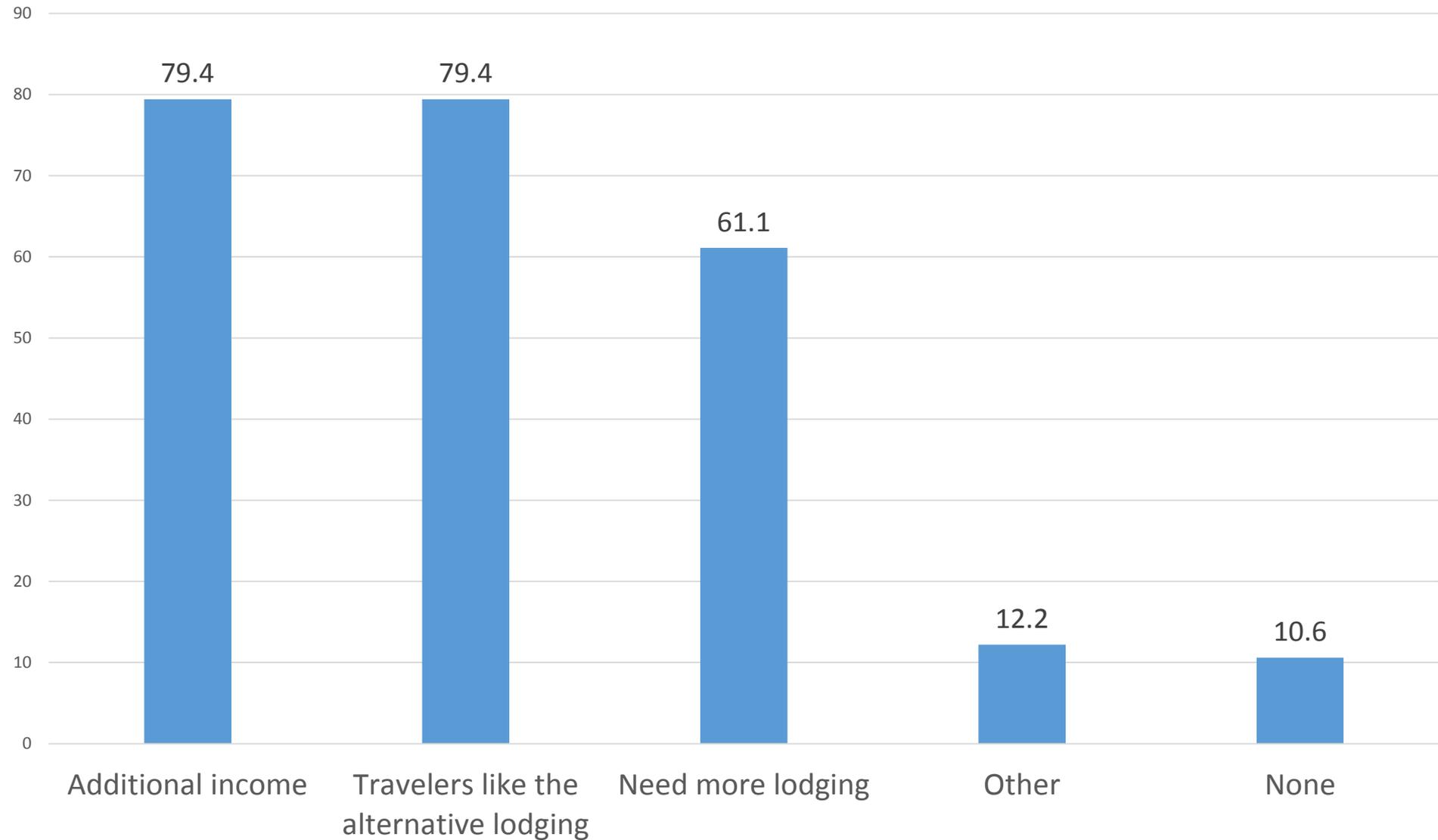
Do you reside or own property in city or ETJ?



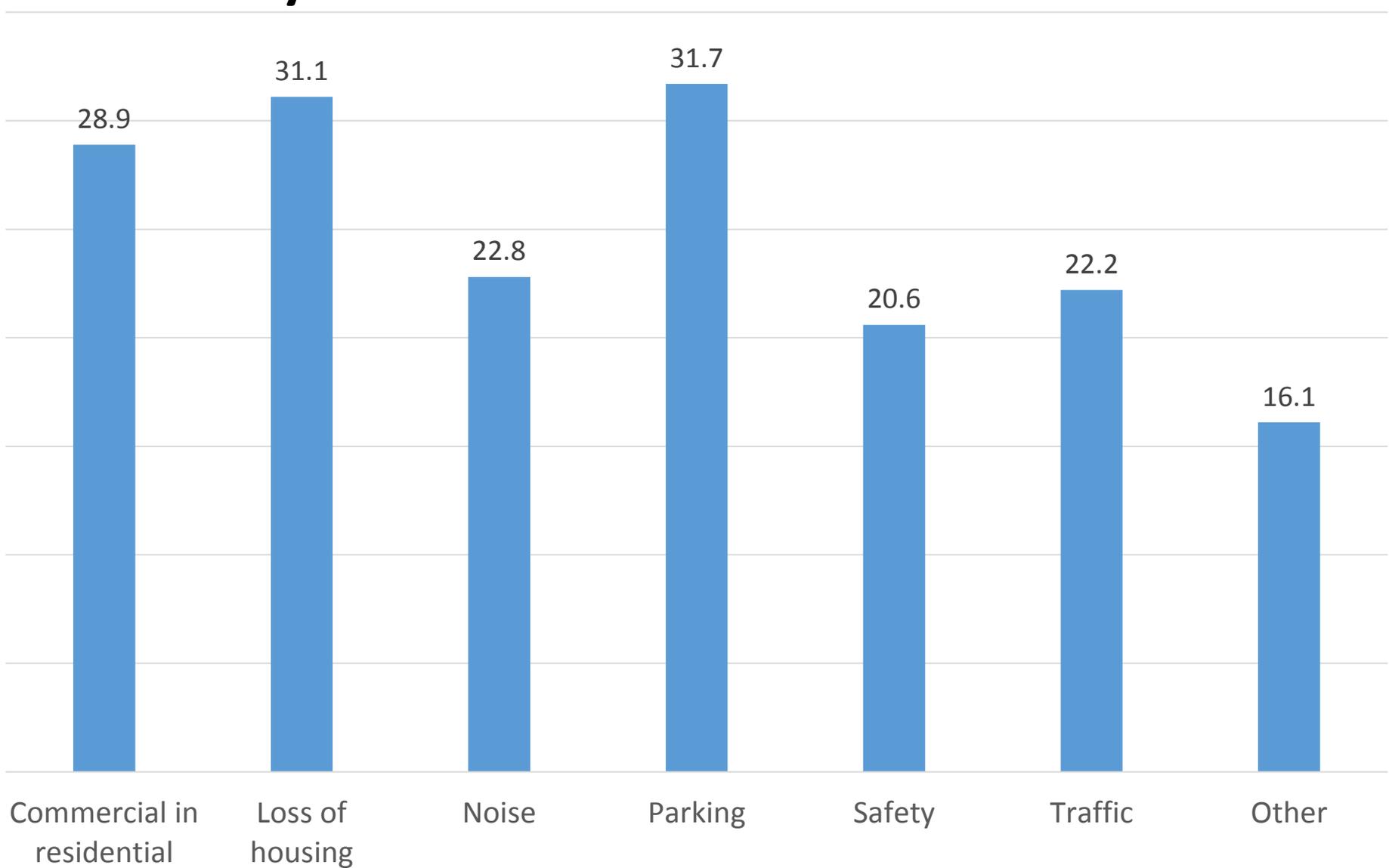
Currently or considering operating a rental?



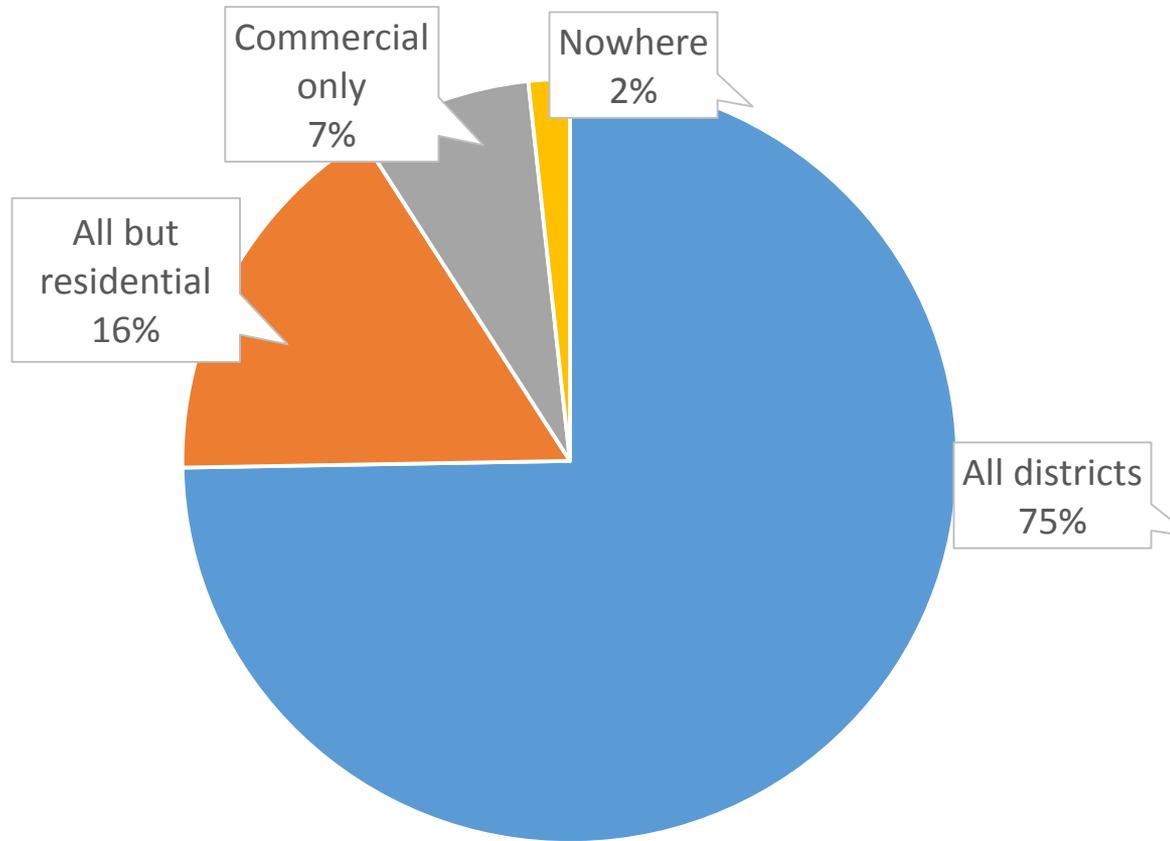
Survey – Value in Allowing



Survey – Potential Issues



Survey – Where to Allow



- All districts
- All but residential
- Commercial only
- Nowhere



Public Input Session

- Thursday, November 5th at County Library
- Approximately 40 in attendance
- Vocal opinions across the spectrum
 - Why?
 - People already operating and STR
 - Self-regulating
 - Guest contract
 - Income for the City
 - Density of rentals is a concern
 - STR's should be treated as B&B's
 - Economic impact goes beyond occupancy taxes; improved buildings, new residents, sales tax from local establishments
 - Concerned about decreasing property values
 - “Ambassador” for Brevard



Taxes

Occupancy + Sales



Occupancy Tax

- Special legislation required from General Assembly
- Transylvania County has enabling legislation
 - Rate can be “up to 6%” per enabling legislation
 - Current rate is 5%
- City of Brevard does not have enabling legislation
- Airbnb.com automatically collects occupancy and sales taxes in North Carolina



Occupancy Tax

- Typically applied to any lodging property that also pays sales tax, including hotels, bed and breakfasts, cabins, condominiums, and rental homes for short-term stays.
- Usually not applied to campgrounds and RV parks.
- Does not apply if accommodation supplied to the same person for 90 or more continuous days.



Occupancy Tax

- Where does the money go?
 - Transylvania Tourism Development Authority
 - By law, at least 2/3 must be used to promote **travel and tourism**; remainder for **tourism-related expenditures**
 - 100% remains at local level – state gets none
 - City of Brevard receives no occupancy tax revenue
- Fiscal Year 14-15 collection of \$543,271



Taxes on Lodging in Brevard

Occupancy tax = 5%

Sales tax = 6.75%

Total tax collected on lodging = 11.75%



Other Agencies

Brevard Police

Brevard Fire & County Fire Marshal

Health Department



Brevard Police Department

- Rely on existing noise ordinance for complaints
- Concerned about visitors parking on non-parking streets
- Suggested maximum occupancy limits



Fire Department & Fire Marshal



Health Department

- Does not regulate short-term rentals (less than 1 week) with **four or fewer rental units**.
- Does not regulate long term rentals (1 week or longer) regardless of the number of rental units, without food service.
- “Rental units” are rooms, cabins, or houses.



Health Department

- Does regulate:
 - Short term rentals (less than 1 week) for facilities that only provide lodging (no food) and have five or more rental units.
 - Any Bed & Breakfast Home or Inn that rents any number of rooms and provides any meals as part of the fee to stay overnight.



Ordinance Framework



Framework – Key Ideas

- Separation of whole-house and part-of-house rentals
- Varied nature of residential areas in Brevard
 - Tight neighborhoods like Maple Street
 - Areas with big lots like Lambs Creek Road
- Simple, common-sense standards to ensure basic level of safety for renters and harmony with neighbors



Framework

- Amend and clarify “Bed & Breakfast” and “Rooming and Boarding House” definitions
- Create Homestay (part of a house) use category
 - Permitted with Standards in: GR, RMX, NMX, DMX, & IC
 - Not permitted in GI
- Create Short-Term Rental House (whole house) use category
 - Special Use Permit in: GR & RMX
 - Permitted with Standards in: NMX, DMX, CMX, & IC
 - Standards will also apply in GR & RMX upon issuance of SUP
 - Not permitted in GI
- Suggested standards: register with contact info; sufficient off-street parking; occupancy limit of 2 per room + 2
- Exception for incidental rentals if the total rental period is under a certain number of days per year
- Registration with name and contact information for a local person in responsible charge of the property if any issues arise

