

MINUTES
SHORT-TERM RENTAL (STR) TASK FORCE
SPECIAL CALLED MEETING

Thursday, March 2, 2023- 11:00 AM
City Council Chambers

Members Present: Geraldine Dinkins, Council Member, Co-Chair
Aaron Baker, Council Member, Co-Chair
Isaac Allen
Mack McKeller, City Attorney, Ex Officio Member
Tripp Presnell
Hannah Bowers
Madeline Offen
Jeremy Owen
Aaron Bland, Assistant Planning Director

Absent: Nory LeBrun
Dee Dee Perkins (listening via phone)

Staff Present: Janice Pinson, Clerk

I. Welcome, Call to Order and Introduction

Co-Chair Aaron Baker welcomed everyone and called the meeting to order at 11:04 AM.

II. Certification of Quorum

Quorum was certified by Co-Chair Aaron Baker.

III. Approval of Agenda

Motion to approve agenda Geraldine Dinkins, second by Tripp Presnell, unanimously carried.

IV. Approval of Minutes-

Motion to approve the February 2, 2023, minutes – Isaac Allen requested a revision of the minutes, after discussion, motion to approve the minutes as revised by Tripp Presnell, second by Geraldine Dinkins, unanimously carried.

V. Public Comment -

The following were allowed to speak:

Sasha Jones, Probart Street – She said she was there to represent a group of people within the City limits who are very concerned about the topic, they believe short-term rentals need to be curtailed, that there needs to be restrictions. She stated that she plans to speak to her neighbors, family and friends more on the topic with the goal of presenting ideas to Council. She further said that she is very concerned about the potential impact on property owners and wants to stay involved.

Katie Crawford, 197 Turnpike Road – She stated she has lived in Brevard since 2005, that her children are in Transylvania County schools. She said that as a family they would like to short term rental thier home to allow them the opportunity to travel as a family.

Rainey Mitchel – She said that her ability to short term rental her home allows her the ability to afford to live in Brevard as a single woman. She said everyone needs to have a voice in this policy decision.

Matt Hartell, 520 Probart Street – The income from his short term rental allows him the affordability to live here and for his family to travel and have experiences they would otherwise not have. His financial plan is to invest in more short term rental properties as a retirement investment. He stated that he does not want short term rentals to be regulated.

Mack McKeller, City Attorney said that there was also an email received from Alicia Reiner that should be included, it is attached hereto and labeled, Exhibit "A".

VI. Discussion – Policy Discussion

Aaron Bland, Assistant Planning Director gave a presentation explaining different Zoning Tools for short term rentals, which is attached hereto and labeled, Exhibit "B".

Mack McKeller, City Attorney went over different cases as examples of zoning regulations. He explained that the regulation of short term rentals is still a gray area and that federal courts are striking down regulations as a taking.

It was noted that you can regulate zoning uses in NC. He also referred to the City's ordinance on Short-Term Rentals and stated that it is being used as an example by the School of Government as a good model.

There were lengthy discussions on the following:

Taxation – available tracking sources

Grandfathering/Amortization – are there options that can be considered.

Definitions

Protection and preservation of traditional use of housing

Clarity of purpose, what is the goal and how to achieve it.

Define living vs. visiting

Effect on housing supply for people who live here permanently.

Is current code effective.

Is the impact minimal or not.

Original concerns in 2015 were they overblown concerns, and are modification for different reasons than original concerns.

Never said there should not be short term rentals and any policy will not be severe.

How do we prevent the housing stock from being consumed by investors in short term rentals to allow for people to purchase these homes for permanent residences.

We cannot get the data on long- or short-term rentals.

Strongest take away from the survey people's perception of the STR industry and housing being affordable.

Craft a policy statement to turn over to state legislators.

Mack McKeller said the definition needs to be clear and the ordinance needs to state a purpose.

Aaron Bland and Geraldine Dinkins worked on definitions early on, maybe it is time to bring them back to the group for discussion.

VII. Next Steps –

Mack McKeller was asked to come up with a legal definition of permanent residence.

Aaron Bland was asked to research how to gather data on short term rentals from the tax office and options on how to grandfather/amortization.

IX. Set Date for Next Meeting, March 16, 2023.

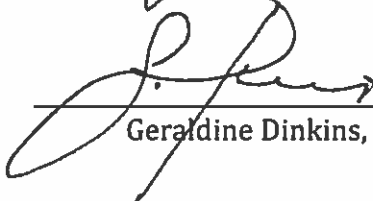
The next meeting of the Short-Term Rental Task Force is scheduled for March 16, 2023, at 11:00 AM in City Council Chambers.

X. Adjourn

There being no further business, a motion was made to adjourn by Geraldine Dinkins, seconded by Hannah Bowers. The motion carried unanimously, and the meeting was adjourned at 12:35 PM.



Aaron Baker, Co-Chair



Geraldine Dinkins, Co-Chair

Janice Pinson

From: Hannah Bowers <hannahbowers0627@gmail.com>
Sent: Thursday, March 2, 2023 10:56 AM
To: Janice Pinson
Subject: Fwd:

----- Forwarded message -----

From: Alicia Reiner <aliciareiner@gmail.com>
Date: Thu, Mar 2, 2023 at 8:46 AM
Subject:

To: Aaron J. Baker <aaron.baker@cityofbrevard.com>, Aaron Bland <Aaron.Bland@cityofbrevard.com>, Annelise Hagedorn <sunnysideconsultingllc@gmail.com>, Dee Dee Perkins <d2perkins@gmail.com>, Geraldine Dinkins <Geraldine.Dinkins@cityofbrevard.com>, Hannah Bowers <hannahbowers0627@gmail.com>, Isaac Allen <isaac@whitesquirrelrealty.com>, Jeremy Owen <jeremyowen@beverly-hanks.com>, Mack McKeller <mack.mckeller@cityofbrevard.com>, Madeline Offen <madeline@pisgahlegal.org>, Nory LeBrun <nory@mindspring.com>, Tripp Presnell <tripp.presnell@gmail.com>

Dear Short-term Rental Taskforce,

(I am forwarding you all a message I sent yesterday to Aaron and Geraldine. Since I work and raise children I do not have more than 5 minutes to stop by your meeting today during my work hours.)

Bottom line up front: Please revise your plans to limit short-term rental in Brevard to non-locals and focus on improving infrastructure.

As a Brevard local (I reside in the ETJ) I appreciate your concern over housing costs in Brevard, however, I feel we need to look forward, not backwards. My family was hit hard by housing costs after we moved away for a year and moved back to Brevard. We now have a mortgage that is double what we had 4 years ago. That said -- **housing costs have peaked and are trending down** due to interest rates, return to work after covid, supply chains, and other market forces. I feel your efforts to limit short-term rentals were needed 3 years ago, not today. I feel most of the future pressure on housing in Brevard will not be from short-term rentals, but from relocations from other regions as Brevard is more affordable than many other outdoor towns in the U.S. I would prefer that the Brevard City Council set its sights on how to generate tax income to **support infrastructure** for what may be an extended period of migration within the U.S. as families flee western towns with water shortages, wildfire risk, and even higher housing costs than the southeastern U.S. I would personally like to see the City of Brevard focus on faster implementation of bikeways and transportation planning than placing efforts on prying rights away from residents.

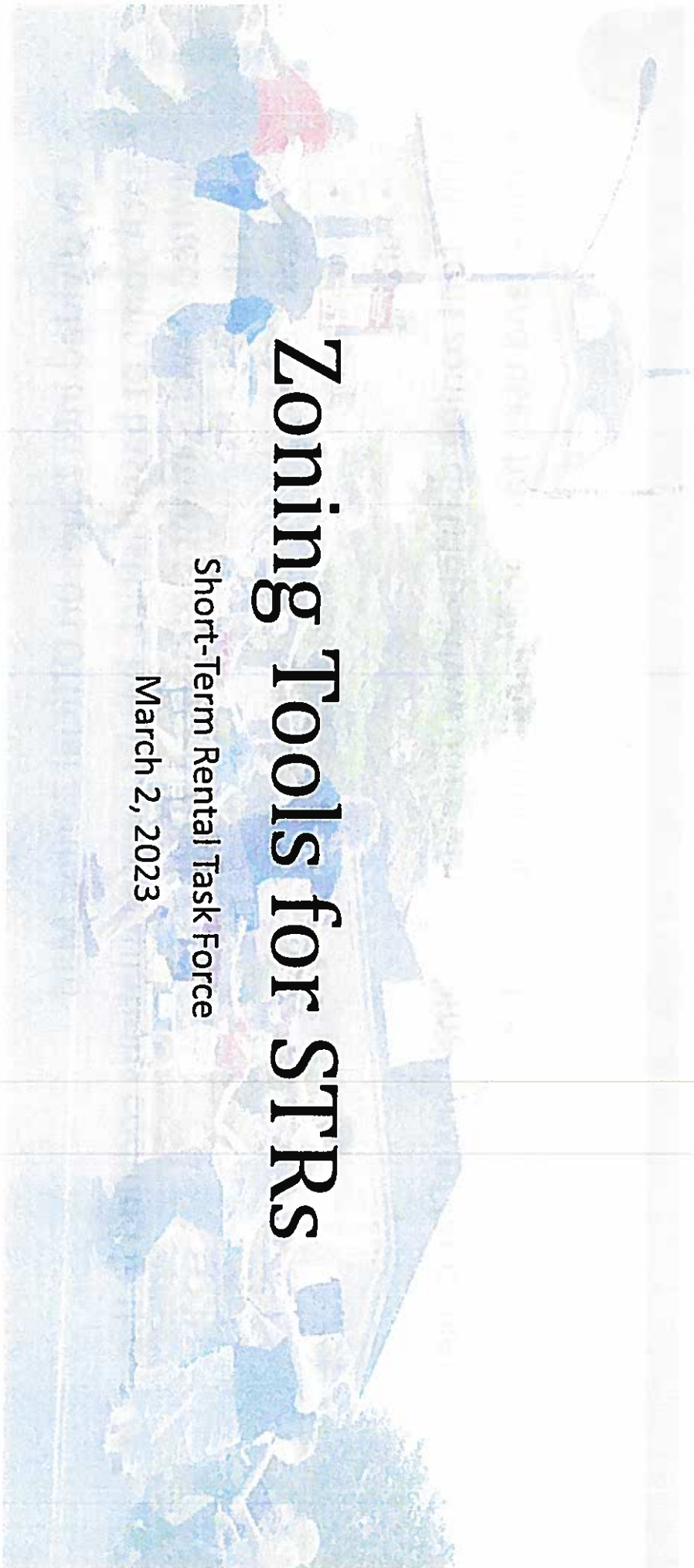
I am outraged that the Short-Term Rental Task Force and City of Brevard would pull the right to short-term rent away from local residents. This policy will hit underserved residents hard. I personally know two single women, one with a child in local schools, who use short-term renting of their homes as an income source to make ends meet. It is very difficult for even 2-person families to make rent or mortgage payments, much less 1-person households. Taking this income stream away from recently divorced women or single moms only makes it harder for them in a world that already sidelines single women. Additionally, Brevard residents might have to spend time in other cities caring for aging parents, and might need the income stream of renting their house short-term for a month or so to accomplish elder care. In my personal experience, my own family's finances are going negative now that our expenses are not keeping up

with our income during inflationary times, and we rent our home short-term a few weeks/year when we are out of town to help keep our family out of debt.

Please do not hit your own locals with this plan to outlaw short-term rentals. Please limit this policy to people or businesses who are not residents of Brevard or Transylvania County (as this applies also to TC residents in the ETJ I assume). Inflationary times are hard enough, please do not make this harder.

Sincerely,

Alicia Reiner
former Brevard city resident, current ETJ resident



Zoning Tools for STRS

Short-Term Rental Task Force

March 2, 2023



The City of
Brevard
North Carolina

UDO Use Matrix

- A table outlining all permitted land uses per zoning district
- P = permitted by right
- PS = permitted with special standards (Chapter 3)
- SUP = special use permit
- — = not permitted

GR	RMX	NMX	DMX	CMX	IC	GI
—	—	—	P	P	P	—
PS	PS	PS	PS	PS	PS	—
PS	PS	PS	PS	—	—	—
SUP	SUP	SUP	—	—	SUP	—
PS	PS	PS	—	—	—	—



Base Zoning Districts

- The **General Residential District** is intended for the city's existing predominately-residential neighborhoods as well as provide for new primarily-residential development in accordance with this pattern.
- The **Residential Mixed-Use District** is intended to provide for areas of higher density residential development in close proximity (within $\frac{1}{2}$ — $\frac{3}{4}$ mile) to existing and planned commercial centers such as the Downtown Mixed-Use District.
- The **Neighborhood** homes and of trans **In which districts are STRs appropriate?** in areas
- The **Downtown Mixed-Use District** is coded for the traditional downtown area. Individual buildings are encouraged to be multi-story with uses mixed vertically, street level commercial and upper level office and residential.
- The **Corridor Mixed-Use District** is coded to facilitate convenient access, minimize traffic congestion, and reduce the visual impact of auto-oriented uses along the city's major thoroughfares.
- The **Institutional Campus District** is coded to allow for the continued and future use, expansion, and new development of academic and religious campuses, as well as government and health-care facilities.
- The **General Industrial district** is primarily for general industrial land uses and a broader variety of operations, including manufacturing, processing, and assembling of parts and products and distribution of products at wholesale or retail.



Beyond Base Districts

- Overlay districts – special zoning districts in which requirements are imposed in addition to the underlying base district's provisions
 - City already has 4
 - Corridor Sign Overlay
 - Downtown Development Overlay
 - Manufactured Home Overlay
 - Special Flood Hazard Area
- Floating districts – specialized districts with requirements defined and set out in the text of the UDO but not applied on the ground unless and until a landowner petitions for it to be applied to their property
 - Currently have none



By-Right or With Standards

By-right

- “P” in the use matrix
- No additional, use-specific standards that must be met
- Easier to administer

Permitted with Standards

- “PS” in the use matrix
- Has use-specific standards in Chapter 3 of the UDO
- Can be tailored to mitigate detrimental impacts
- More difficult to administer



Permitted with Standards

3.6.1.C. Short-term rental

- a. **Definition:** A private residential property that is rented, either in whole, or part, for periods of less than 30 days for compensation. The following activities shall not be considered as a Short-Term Rental use:
 - i. Incidental residential vacation rentals, defined to mean no more than two such rentals in any calendar year where the total number of nights rented does not exceed 14.
 - ii. Rentals of property in any permitted hotel, motel, inn, rooming or boarding house, or bed and breakfast establishment.
- b. **Additional Standards:**
 - i. No permits are required for short-term rentals, per **N.C.G.S. 160D-1207.**
 - ii. Overnight occupancy shall not exceed two persons per bedroom plus two additional persons. The number of "bedrooms" used in calculating occupancy limits shall be taken from the property tax records. For example: a two-bedroom rental would have an occupancy limit of 6 (2 x 2 bedrooms = 4 + 2 additional = 6 total).
 - iii. Dwelling units used as short-term rentals in GR zoning districts shall maintain their residential character and outside appearance. No signs shall be permitted. All exterior lighting shall be residential in nature and shall not be directed towards adjacent properties.
 - iv. Parking requirements shall be provided for the type of dwelling unit, per Chapter 10 of this ordinance.



Statutory Authority

- Court stated in *Schroder v. Wilmington*:

We do not interpret Sections 160A-424(c) or 160D-1207(c) as exempting rental properties from all zoning or permitting requirements; as Plaintiffs conceded at oral argument, even their reading would not preclude Wilmington from zoning or requiring Plaintiffs to obtain a building permit to construct an addition to their property. Our reading does not prohibit these actions either and only limits “permits] . . . under Article 11 or Article 12 . . . to lease or rent.” N.C. Gen. Stat. § 160D-1207(c)

- The School of Government uses this as the basis for its claim that local governments can require a zoning permit.



Key Questions for Moving Forward

- Do we want to change the current regulations?
- **What?**
 - Define different types of STRs
- **Where?**
 - Amend the zoning map and/or use matrix
- **How?**
 - Amend the STR specific standards

