

ZONING TEXT AMENDMENT NO. ZT-2019-0006

CITY OF NEWPORT NEWS

BACKGROUND

The request is to amend Article V., General Regulations, to add regulations for short-term rentals to the zoning ordinance. This amendment provides regulations to ensure that the operation of short-term rentals within residential neighborhoods is allowed while mitigating the negative impacts to the surrounding residents and neighborhood.

In 2017, the General Assembly enacted Virginia Code section 15.2-983, that allowed localities to regulate short-term rental of property through its general land use and zoning authority. The rise in popularity of the short-term rental industry through many online hosting platforms such as Airbnb, Vacation Rental by Owner (VRBO), FlipKey, Booking and HomeAway has created a way for owners to receive income from their homes and rooms. While the city currently does not allow for any type of short-term rentals in single-family zoning districts, except as a bed and breakfast, it is understood that the use is occurring within the city.

Balancing the interests of residents and protecting the character of neighborhoods, while allowing those residents who want to operate short-term rentals in their homes is what the proposed regulations seek to provide. Understanding the change in the character of neighborhoods with the introduction of transient occupants who are not vested in maintaining the neighborhood and protecting the quality of life for their neighbors was key in the proposed regulations. The regulation will allow the city the ability to know the location of the use and monitor its impact. Other considerations centered on the responsibilities of the property owner, on-site requirements, safety of the inhabitants, reduction of noise concerns and number of lodgers.

The amendment establishes criteria for a short-term rental permit that addresses these items by requiring that the dwelling unit must be used by the owner as their primary residence for a minimum of 185 days per year, that the maximum number of overnight lodgers is no more than 6, that parking be provided on-site, that the residence provides working fire extinguishers, smoke detectors, and carbon monoxide detectors, and complies with all city and state building and health codes. It further limits the short-term rental by not allowing simultaneous rentals to numerous parties, or the use of the short-term rental for gatherings or meetings.

The property owner of the short term rental would be required to register with the zoning administrator and be issued a short-term rental permit that meets all requirements. The property owner would be responsible for maintaining a registry of all rentals, obtaining a business license, payment of all transient occupancy taxes and be current on their real property taxes to the city. Provided the short-term rental owner abides by all requirements, they would be eligible to renew the short-term permit annually.

The proposed regulations are intended to achieve a balance between

allowing short-term rentals while maintaining the overall character of residential neighborhoods.

On January 16, 2019, the Regulations Committee reviewed and recommends approval of the above referenced amendment.

**STAFF
RECOMMENDATION**

It is recommended that the City Planning Commission recommend to City Council adoption of zoning ordinance text amendment ZT-2019-0006.

APPENDIX

A-1 ARTICLE V. GENERAL REGULATIONS, SECTION 45-517.1, SHORT-TERM RENTALS.

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ORDINANCE NO. _____

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 45, ZONING ORDINANCE, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE V., GENERAL REGULATIONS, BY ADDING THERETO A NEW SECTION, NAMELY: SECTION 45-517.1, SHORT TERM RENTALS.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Newport News, Virginia:

That Chapter 45, Zoning Ordinance, of the Code of the City of Newport News, Virginia, Article V., In General, be, and the same hereby is, amended and reordained, by adding thereto a new section, namely: Section 45-517.1, Short term rentals, as follows:

CHAPTER 45**ZONING ORDINANCE****ARTICLE V. IN GENERAL****Sec. 45-517.1. Short-term rentals.**

- (1) A short-term rental shall only be allowed where:
 - a. The dwelling unit is used by the owner as his/her primary residence, which means that he/she resides there for at least one hundred eighty-five days during each year;
 - b. The bedroom(s) rented to overnight lodgers shall be within the main building of the dwelling unit that the owner occupies as his/her primary residence and shall not be in a detached accessory building;
 - c. The maximum number of overnight lodgers on any night of a short-term rental shall be no greater than six (6);
 - d. Three on site parking spaces shall be provided;
 - e. A short-term rental shall not include simultaneous rentals under separate contracts;

- f. A short-term rental shall have working fire extinguishers, smoke detectors and carbon monoxide detectors, and all such equipment shall be accessible to overnight lodgers at all times;
 - g. Any bedroom used in a short-term rental shall have a closet and it shall have a door that separates such bedroom from other parts of the short-term rental;
 - h. Commercial meetings, including luncheons, banquets, parties, weddings, meetings, charitable fund-raising, commercial or advertising activities, or other gatherings for direct or indirect compensation are prohibited;
 - i. A short-term rental shall comply with requirements of the Virginia Uniform Statewide Building Code, as determined by the Building Official;
 - j. A short-term rental that is equipped with a swimming pool shall comply with the provisions of Chapter 39, Swimming Pools, of the City Code; and
 - k. A short-term rental shall comply with Article VIII of Chapter 40 of the City Code pertaining to the payment of transient occupancy tax.
- (2) The following shall be filed with the zoning administrator with any application for a short-term rental permit:
- a. Contact information for the owner of the short-term rental.
 - b. Proof of the applicant's ownership of, and permanent residence at the property that is the subject of the application. Acceptable proof of permanent residence includes: applicant's driver's license or voter registration card showing the address of the property, or other document(s) which the zoning administrator determines provides equivalent proof of permanent residence by the applicant at the property that is the subject of the application.
 - c. A floor plan of the short-term rental which identifies the location and number of bedrooms in the dwelling and the location of the items required in subsection 1(f) of this section.
 - d. A permit fee in the amount of one hundred and fifty dollars (\$150.00).
- (3) Use of a short-term rental shall require a permit issued by the zoning administrator. The owner of the short-term rental shall operate the same under all conditions of the issued permit, and subject to the following:
- a. The owner of a short-term rental shall certify, in writing, compliance with the

provisions of subsection (1) a through k of this section.

- b. The owner of a short-term rental must obtain a business license from the commissioner of the revenue prior to operation of the short-term rental. The business license must remain current and active while operating.
- c. The owner of a short-term rental must maintain a registry showing the names, addresses and telephone numbers of all short-term rental occupants. The owner must allow the zoning administrator and his/her designee to inspect such registry upon reasonable advance notice, to verify that the short-term rental is being operated in accordance with the provisions of this section and all conditions of the permit.
- d. A short-term rental permit shall be valid for one year from the date of issuance.
- e. It is the responsibility of the owner to renew the permit prior to expiration, by submitting an updated application as required in section 45-517.1(2) above.
- f. The payment of all real property taxes assessed against the short-term rental property must be current prior to the issuance of a short-term rental permit.
- g. A short-term rental permit requires the owner to agree to abide by all requirements of this zoning ordinance, and all other applicable federal, state and local laws.
- h. A short-term rental permit may be revoked by the zoning administrator as set forth below; an applicant, or related owner whose short-term rental has been revoked pursuant to this paragraph, shall not be eligible to receive any new short-term rental permit for two years:
 - 1. In the event that there are three or more violations recorded by the City within a one year period; or
 - 2. For failure to comply with the regulations set forth in this section, and any permit conditions; or
 - 3. For refusal to cooperate with the City in a complaint investigation, including allowing the zoning administrator or his/her designee to enter the dwelling unit upon reasonable advance notice as required by section 45-3501(a).

- (4) Failure of an owner required to register a short-term rental with the city shall result in a penalty in the amount of five hundred dollars (\$500.00). Unless and until the owner pays the penalty and registers such property, he/she may not continue to offer such property for short-term rental.
- (5) Upon repeated violations of this section, as it relates to a specific short-term rental property, an owner may be prohibited from registering and offering such property for short-term rental.