



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2025-128

Agenda Item# H.12.

Agenda Date: 2/18/2025. **Department:** Planning

Meeting Type: Council Meeting **Category:** Public Hearing Agenda

Title: 2025-128 Public Hearing for February 18, 2025 to Amend the Land Development Ordinance Related to Short Term Rentals

Council Priority: Place an 'x' in the box.

- | | |
|---|---|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input checked="" type="checkbox"/> Hub of Recreation and Entertainment |
| <input checked="" type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Promote Economic Development</u> |

Council District: All Council Districts

Public Hearing: Yes

Advertising Date/By: February 6 and 13, 2025/by City Clerk

Contact 1 and Phone: Sue Schwartz, Ext. 2149

Contact 2 and Phone: Mike Kirkman, Ext 4649

PURPOSE:

The City Council is being requested to conduct a public hearing to consider an amendment to the Land Development Ordinance to remove the current 750 foot separation requirement for Short Term Rentals.

BACKGROUND:

The City adopted regulations to define and regulate Short Term Rentals in May 2023, with an eventual effective date of April 1, 2024. These regulations include the requirement that a Short Term Rental must be separated from any other Short Term Rental by a distance of at least 750 feet, measured from property line to property line.

After evaluation of permitting information, complaints on short term rental properties and trends both locally and across the state related to Short Term Rentals, the City is seeking to remove this separation requirement. Per Section 30-4-4.6 of the Land Development Ordinance the City Council is authorized to proceed with an ordinance text change if Council sets a public hearing date at one meeting (February 4, 2025) and then conducts the hearing at a specified future date (February 18, 2025).

Vision Statement: "A Community with Endless Economic Opportunities and Exceptional Quality of Life."

BUDGET IMPACT:

N/A

ACCOUNT NUMBER:

N/A

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council hold a public hearing on February 18, 2025 to consider this amendment to the Land Development Ordinance.



GREENSBORO
NORTH CAROLINA

PLANNING

DATE: February 10, 2025

TO: Greensboro City Council
Nathaniel Davis, City Manager

FROM: Sue Schwartz, Director
Mike Kirkman, Zoning Administrator

SUBJECT: Proposed Change to Short Term Rental Regulations

At its February 18, 2025 meeting, City Council will consider amending the City's Short Term Rentals regulations to remove the current 750 foot separation requirement between Short Term Rentals. Please find information below for additional context on the proposed ordinance change as well as updates on the City's permitting and enforcement of Short Term Rentals.

Background

On May 23, 2023 City Council approved changes to the Land Development Ordinance (LDO) to create a consistent definition for Short Term Rentals in Greensboro as well as a number of development standards for this newly defined use. The new regulations, which went into effect April 1, 2024, included a requirement that any new Short Term Rental must be separated from any other Short Term Rental by at least 750 feet, measured property line to property line.

The City is presently involved in litigation challenging the Short Term Rental ordinance, including the 750 foot separation requirement. The City Attorney's Office has advised that the 750 foot separation requirement is particularly vulnerable to legal challenge based on established case law. In *Schroeder v. City of Wilmington*, 282 N.C. App. 558 (2022), the North Carolina Court of Appeals struck down Wilmington's separation requirement (along with numerous other provisions), reasoning that it served as a functional cap on the number of Short Term Rentals within the city and was inextricably tied to an impermissible registration requirement. Of the other large and mid-sized municipalities around the state that have a Short Term Rental ordinance, none surveyed currently include a separation requirement.

Separately staff notes that the City has already permitted over 550 Short Term Rentals thus far, with current estimates of active Short Term Rentals citywide at around 630. Zoning enforcement is actively pursuing any properties without zoning permits. The City, through its third party vendor, has also implemented a 24 hour information and complaint hotline that went live in August 2024. The hotline shows that our system is adequate. Almost half of the contacts through this hotline have been general inquiries. The remainder have been items

related to concerns about trash, noise issues, parking or other concerns. Through this hotline identified local operators are immediately contacted with any complaints and have generally addressed identified concerns within a short period of time.

Impacts of Change to Ordinance and Recommendation

Absent this proposed text change, litigation would cause the entirety of the Short Term Rental ordinance to be reviewed by the courts. Removing just the spacing requirement (as proposed) would not impact any other requirements of the Short Term Rental ordinance. Requirements for having a valid zoning permit from the City (revocable if 2 violations of City ordinances within 12 months) and having a local operator based in Guilford County or adjacent counties bolsters accountability and quick resolutions of issues.

The City’s success in getting Short Term Rentals permitted (with responsible parties identified that can be contacted immediately with any issues) and the limited number of complaints filed for Short Term Rentals through the information/complaint hotline point to success in adequately regulating this use in Greensboro. Removal of the spacing requirement would also be helpful to permitting many remaining Short Term Rentals that can’t meet the separation requirement and providing additional options for property owners to use their properties.

Based on these factors it is recommended that City Council receive public comment at their February 18, 2025 meeting and approve the ordinance change to remove the 750 foot spacing requirement for Short Term Rentals. As with any text amendment the Council will have the option to approve the text amendment as proposed, approve the text amendment with changes or to not approve the text amendment. As noted previously, approval of the proposed text amendment to remove the spacing requirement will not impact any other standard tied to Short Term Rentals.

AMENDING CHAPTER 30 (LDO)

AN ORDINANCE AMENDING THE GREENSBORO CODE OF ORDINANCES
WITH RESPECT TO ZONING, PLANNING AND DEVELOPMENT

(Editor's Note: Added text shown with underline.)

Section 1. That Section 30-8-10.4, Office, Retail, and Commercial Uses, is amended to remove the following use standard:

(U) Short Term Rentals

The intent of these standards is to ensure the level of activity related to short term rentals does not change the character of property for residential use or create significant negative impacts on adjacent residential uses.

- 1) Short Term Rentals are allowed only in residential dwelling units
- 2) ~~A Short Term Rental must be separated from any other Short Term Rental by a minimum of 750 feet, as measured from property lines (property separation as defined in 30-7-1.2).~~
- 3) Short Term Rentals are required to secure a zoning permit and have the permit conspicuously posted on the associated property and on any advertisements or postings related to the short term rental. A new zoning permit is required if the property owner or local operator changes and must be done within 30 days of the change in owner or operator. This permit may be denied or revoked by the Planning Department based on either the conviction of the owner/operator of a criminal offense on the Short Term Rental premises as outlined under North Carolina General Statutes or having two or more verified violations of this or any other City ordinance on the Short Term Rental premises within a 365 day period, in addition to any other enforcement actions outlined in 30-5-4.
- 4) No more than two (2) adults per bedroom rented are allowed. Children and other persons under age 18 as of the date of the rental do not count towards this cap.
- 5) Gatherings that are publicly announced or promoted (through any means) and involve more than 2 times the number of persons renting the property are prohibited.
- 6) Exterior signage is prohibited.
- 7) Local operators or property owners for whole house rentals must be physically located in Guilford County or counties directly adjacent to Guilford County, place their contact information prominently in the short term rental, and be readily accessible throughout the rental period.
- 8) Short Term Rentals shall comply with all applicable State and local laws including, but not limited to, minimum housing, building and fire codes and shall pay all appropriate taxes, including occupancy taxes, to the relevant governmental entities. Failure to do so will constitute grounds for revocation of the zoning permit.
- 9) For multifamily buildings no more than one dwelling unit per building or 25% of the total units per building, whichever is greater, may be used as a short term rental.
- 10) Parking for Short Term Rentals is limited to 1 car per bedroom rented.

11) A Short Term Rental shall have the same parking rights as the dwelling unit where it is located and shall be subject to any relevant community standards normally applied to the dwelling unit.

12) All Short Term Rentals must be in compliance with these standards by January 1, 2024.

Section 2. All ordinances in conflict with the provisions of this ordinance are repealed to the extent of such conflict.

Section 3. This ordinance shall become effective on February 18, 2025.