

Planning and Zoning Board

Minutes

Thursday, February 16th, 2023

5:30 p.m.

The Blowing Rock Planning and Zoning Board met on Thursday, February 16th, 2023 for their regularly scheduled meeting. Members present were Chairman Bill McCarter, Tom Barrett, Chris Quires, Pete Page, Joe Papa and Harrison Herbst. Members joining the meeting via zoom were Catherine Perry and Sam Hess. Staff members present were Planning Director Kevin Rothrock, Zoning Officer Brian Johnson and Taylor Miller.

Chairman McCarter called the meeting to order at 5:30 p.m.

Chairman McCarter asked if there was a motion to approve the agenda. *Mr. Tom Barrett made the motion to approve the agenda, seconded by Mr. Chris Squires. All members were in favor of the motion.*

Chairman McCarter asked is there was a motion to approve the minutes from the November 17th, 2022 meeting. *Mr. Pete Page made a motion to approve the minutes. Seconded by Mr. Tom Barrett. All members were in favor of the motion.*

1. Short-Term Rental Overlay – 8530 Valley Blvd

Planning Director Kevin Rothrock presented the staff report. He explained that the applicant is applying for a Short-Term Rental Overlay in a R-6M zoning district. It would allow the applicant to rent their 3-unit residence short-term. Mr. Rothrock noted a few different aspects of the property. The driveway is accessed off of US Hwy 321. Sufficient parking seems available for up to 7 bedrooms (1 parking space per bedroom is the requirement for short-term rentals). Mr. Rothrock mentioned that if any units were to be added to the property, a Special Use Permit would be required.

Mr. Rothrock asked if there were any questions before the applicant provided testimony. There were no questions.

Mr. Dirk Derrick, the applicant, noted that he and his wife own the property. Living in Blowing Rock has always been a dream for him and his wife. He said they are not interested in hotels or selling the property. He mentioned that they plan to vet guests that they do not know but plan for family and friends to stay often. He advised they know they can do 28 day rentals but they don't know many people who take 28-day vacations. They want to legally short-term rent. They plan to have cameras to protect the property. He believes that if they have top of the line property, you're going to attract responsible and respectful people.

Mr. Harrison Herbst questioned the applicant on what service they would use to rent (VRBO, Airbnb, etc.). Mr. Derrick said they have not decided. Using a service like that is

not out of the question but they don't know yet. Mr. Herbst asked how Mr. Derrick planned to vet the guests. Mr. Derrick said they plan to do it whatever way they can whether it be through cameras or having neighbors call them if there is something wrong.

Mr. Herbst asked if Mr. Derrick knew what they would charge for a rate. Mr. Derrick said they do not know yet. He mentioned that him and his wife pay approximately \$300-\$400 per night to stay on Main Street and based off of that, they would probably be within the \$500-\$700 per night range.

Mr. Derrick explained that their dream is to have the center unit be big enough for immediate family to stay in. Then the two flanking units be smaller units for short-term renters to stay in or other family members/friends who come.

Mr. Derrick understood there were some fears about the property becoming problem as far as noise or illegal activity. According to the family that owned it before them, it has been short-term rented for a long time. He said he rented it in 2017 with his family which may have violated laws here in Blowing Rock. He mentioned that if there is record of the previous short-term renting being a problem it would be a different situation. He noted there are ordinances and laws to take care of that issue. He truly believes there will not be a problem. He said people can project worst case scenarios but he can project worst case scenarios for what goes on in the condos.

Mr. Derrick asked if there were any further questions. There were none.

Chairman McCarter noted that this is not a public hearing but they do take comments. He mentioned the two letters of opposition to the short-term rental overlay. One from Chateau Cloud and one from The Hamptons.

Laura Bingham stated she is the president of The Hamptons and lives in the cottage on the property. She advised she can see anything from her second floor bathroom that goes on at the intersection on 321. She advised that the Hamptons oppose the short-term overlay. She references the Comprehensive Plan and that the Planning Board and the Council tend to make their decisions based off of that. She also mentioned that the Hamptons had a good relationship with the previous owners of the property in question and that they did previously rent their property as short-term but mostly family and friends so they never called them out because they were glad to see it used for that occasion due to the property owner living in the mid-west.

She referenced the Comprehensive Plan again as "preserving access to nature and landscapes" and how our vistas and views that are accessible by the public are irreplaceable. She commented the stretch from Wheelies to the intersection at 321 and Main Street is one of the least obstructed views to the gorge. She mentioned the parking pad on 321 and how often people pull over there to view the gorge.

She mentioned there is a current effort to preserve the 332 acres of the Cherry Tree Hollow soon to be put into a conservancy. She said she thinks that granting the short-

term rental overlay would put the first and only short-term rental property on the gorge view.

The second topic was "compatible growth". She said there has been nothing but residential in that area. There is no short-term renting, only 28-day. If the applicant was granted short-term, it would not be compatible with the surrounding neighborhood. She advised short-term rentals are incompatible with the current residential use in that area.

The third topic is the "safe pedestrian walkways". She knows the town and DOT have invested in safe walkways. She said she feels like if we invested in these sidewalks, we have a responsibility to keep them safe. She said very few people are going the speed limit. There are baby strollers, joggers, bicyclists, pedestrians, etc. She noted there are at least 12,000-16,000 vehicles traveling on Valley Blvd per day.

Ms. Bingham then referenced the short-term rental zoning overlay on our GIS map. She noted there is no "orange" overlaying the Hamptons or the applicants property and that they would like to keep it that way.

Mr. Herbst asked if she doesn't want to see the short-term overlay in that are due to the view. Ms. Bingham advised they don't want to see it because it would be a different activity then the residential nature of the area.

She noted there would also be adverse traffic implications. The Derrick's driveway is right off of 321 and they think there could be a safety issue due to the 16,000 vehicles speeding past there.

She also mentioned there is insufficient separation between the properties. She noted there is some green space but they can still see the property.

Ms. Bingham said they want to keep it as residential only to stay in line with the Comprehensive Plan Blowing Rock has in place. They urge a recommendation not to approve the overlay.

Jim Caine, a resident at Chateau Cloud, stated Chateau Cloud homeowners elected that if any units are to be rented, it cannot be any less than 3 months. He mentioned no one rents there now. They don't rent for the reason of trying to maintain the feel of that neighborhood. He said they also do not rent due to precedents. He said when Town Council passed the Comprehensive Plan and the short-term rental zoning rules, they specifically carved out and allowed for no short-term rentals on the vista between Shadow Blvd and Green Hill Rd. In 2019, he knows 5 properties on that ridge requested to be allowed to short term rent. He mentioned that the properties were labeled unique by the staff but that Council, being concerned about precedent, decided to reject the request to allow short-term rentals for those properties. He stated Chateau Cloud is requesting that they do not approve the request to short-term rent.

Mr. Derrick asked if he could take the stand to respond.

Mr. Derrick noted that the five properties that Mr. Caine referenced were not zoned as multi-family.

Mr. Derrick also inquired about what residential families said when condos were proposed and built on the ridge. They got to vote how they wanted to control their properties but don't want him to be able to control his. He stated that he just wants to be able to control his property.

Mr. Caine then stated that 22 homeowners of the board he serves on for Chateau Cloud have unanimously opposed this request.

Planning board members agreed to close the public comment period.

Chairman McCarter referenced the minutes from 2019 and that Town Council did mention that they felt they would be setting a precedent by jumping across 321 with the overlay. He asked Mr. Rothrock about any concerns he may have with that. Mr. Rothrock acknowledged the differences in the request from 2019 for the 5 homes and the current request. The previous one was a conditional zoning request to go from R-15 single family homes to a R-6M zoning with short-term overlay. The current request is already zoned R-6M and requesting an overlay which is allowed in that zoning district.

Chairman McCarter noted again the idea of extended the overlay across 321 would set a dangerous precedent for other properties toward Green Hill Rd.

Mr. Rothrock pulled up the zoning map and he pointed out the areas that have the opportunity to apply for a short-term rental overlay. If Chateau Cloud wanted to, they could apply for the overlay. The properties across the street could as well. As you head towards Village at Green Park Inn, old ones and new ones, they could also request an overlay district. The unique thing about those properties is that they are aligned along a Us Highway. Short-term rental noise would pale in comparison in noise to the highway which was mentioned in the request in 2019. The properties that requested short-term in 2019 did not meet the criteria for approval of an overlay so they had to ask for a complete re-zoning conditionally. The property requesting this today is zoned multi-family, not single family. The Hamptons are not single family. The properties on the other side of the Derrick's properties will most likely be developed as multi-family.

Mr. Rothrock advised that every application is different and they all need to be looked at differently. Ransom Street is zoned R-6M so they meet the criteria to request a short-term overlay district. It is a neighborhood, but it is a transitional neighborhood.

Mr. Chris Squires stated that this request is a zoning request at it's heart. Zoning will transcend who it's owners are and who the applicants are. It's something that would carry forward and is a bigger issue than just "here is the plan today" so the decision making needs to be bigger. You may have great owners today but you don't know who the owners could be tomorrow.

Chairman McCarter asked Mr. Rothrock if he had any concerns about spot zoning.

Mr. Rothrock said no. He said this is not a spot zoning request because this is an overlay request where it is allowed to be requested. He mentioned you could view a conditional zoning request as spot zoning.

Chairman McCarter advised he was concerned about giving one property owner special privileges that the surrounding properties don't have.

Mr. Rothrock noted that he would see it different if it were in an R-15 zoned area.

Mr. Rothrock also questioned the board on whether or not the property is a neighborhood. He stated that Chateau Cloud and The Hamptons enjoy a neighborhood environment but the property in question is not really a "neighborhood".

Mr. Tom Barrett stated that his concern is the level of short-term rental conversation in Blowing Rock. There is concern in the neighborhoods and we've assured the citizens that the overlay districts are confined and this is not going to come to your neighborhood and that the community expects it to continue to be like that.

Mr. Rothrock advised the neighborhoods concerned are not overlay districts. This request is an overlay district.

Member Catherine Perry stated that the idea of precedent was brought up a lot. She said she is unclear about what precedent would be set. Is it setting a precedent for other STR overlays in zones that allow an overlay? Or for there to be short-term rental overlays in other zones?

Mr. Rothrock said no. The overlay can only be applied in R-6M and R-10M zoning districts that are currently there. He thinks that the term precedent is being thrown out there and makes you think your hands are tied. Every application stands on its own and you judge based on like circumstances. You treat like circumstances with like decisions. If this was somewhere else and things are different, you do not need to make the same decision. If something is very similar, you need to treat it in a very similar manner.

Chairman McCarter stated he tries to look at benefits versus detriments to the adjoining properties and whether one substantially outweighs the other.

Mr. Joe Papa said is against the idea of dropping an overlay wherever they want them. He thinks 28-day rentals would be sufficient enough for the property owner.

Mr. Tom Barrett stated there has been so much discussion over the preservation of the town. He stated even if the situation was absolutely perfect, you can not guarantee what the next property owners will be.

Mr. Harrison Herbst asked if there were any complaints for existing short-term rentals. Mr. Rothrock said no.

Ms. Catherine Perry asked if two of the three units were being rented short-term.

Mr. Rothrock advised that he did not have any knowledge of it being short-term rented.

Laura Bingham advised it's been short term rented for many years but not subjected to rules and regulations.

Catherine Perry asked if renting for less than 28 days had increased traffic onto 321. Would there be more traffic for a 7 day rental as opposed to a 28 day rental?

Mr. Rothrock asked if Chateau Cloud has any full time residents. Mr. Caine advised there were no full time residents staying in Chateau Cloud.

Mr. Derrick asked what the magic of 28 days was? He advised that not a lot of people can go on vacation for 28 days.

Mr. Rothrock stated that about 40 years ago, the code was created because you could rent 13 times a year if you rent for 28 days at a time which would help decrease the overturn of guests at a single residence.

*Mr. Chris Squires made a motion to recommend denial for the request, Mr. Tom Barrett seconded that motion. **Members Joe Papa, Pete Page, Tom Barrett, Bill McCarter, Sam Hess, Catherine Perry and Chris Squires were in favor. Harrison Herbst was opposed.***

2. Special Use Permit #23-02 - Town of Blowing Rock Day Care

Mr. Kevin Rothrock present the staff report for the Blowing Rock Day Care Center. This daycare would be located in the old community club building is at 108 Lakeside Dr. The property is currently being used for occasional community events. Based off available space, a small deck may be added to the property. The purpose would be to provide daycare services for children of town employees from birth to school age. They do not anticipate more than 10 children at one time but could possibly be up to 20 children. There is no parking directly on the property but there is parking across the street and at the pool.

Town Manager Shane Fox acknowledged this idea is fairly unique and it is based on need in our area for childcare. In talking to many employees and asking what is needed, childcare was one of the main topics brought up. He also mentioned he is a member of the children's council where he also hears about the need for childcare. He stated that on any given day, if you come into our offices, you'll most likely see a child at some point.

Mr. Fox talked about different statistics related to employment. He stated that 48% of employees left the workforce due to childcare issues in 2021. 23% of employees said they had been fired due to childcare problems. 26% said they had quit a job over childcare. 37% said they had their pay or hours reduced due to childcare problems. 41% said they turned down a job offer due to childcare concerns. Mr. Fox acknowledged there are 2 main reasons for lack of childcare - space and cost.

Mr. Fox stated that in Watauga County, there are 2,000 children under the age of 5 years old. There are only 659 total spots - all Child Development Centers. There are over 300 children on waiting lists as long at 2 years.

Mr. Fox continued by saying that childcare is one of the biggest expenses that families face. Infant care in the state of North Carolina costs \$2,125 more per year than in-state

tuition for a four-year public college. In North Carolina, infant care costs just 8.6% less than average rent. The average infant care cost in North Carolina is \$9,480 - that \$790 a month. Watauga is over \$800 which is \$9,600 a year. Appalachian State tuition and fees are \$8,152. It is cheaper to send your teenager than college than it is to have your infant in childcare.

Mr. Fox advised that he wanted to try and help employees with childcare. He said we can't do anything about cost of living or the high housing market in this area, but we can try to help through childcare. The Ruritan building was the location chosen for this daycare. He stated they know they need a Department Director which would be from our Park and Recreation Department. Our summer camp and after school programs are examples of success in childcare for the town. It makes sense to house the daycare in the same department as Park and Rec.

Mr. Fox advised there are some changes that need to be made to the Community building in order to meet code. Lattice needs to be added under the back porch. A privacy fence needs to be put up around play areas and the HVAC unit. Direct access will need to be added from inside the building to the play areas outside. A hand washing sink will need to be added to the room near the proposed changing station. There's needs to be a designated area for drop off and pick up. Mr. Fox advised the upfront estimate for the modifications to this building is approximately \$40,000.

Mr. Fox advised that the town is not trying to get into the "childcare" business. This would only be for town employees and their children. There would be a charge at a reduced rate. They want to cut the \$800 per month average childcare cost to \$400. Therefore, employees would pay \$400 per month for childcare.

Mr. Herbst stated that he wanted to applaud Mr. Fox for trying to implement such a progressive benefit in a town that many people just consider a second home community.

Mr. Joe Papa asked where we would vote considering that building has been used at a voter location. Mr. Fox advised that is something to be considered. They plan to book the legion building for a future voting location.

*Mr. Joe Papa made a motion to approve the Special Use Permit for the Town of Blowing Rock Daycare. Seconded by Mr. Tom Barrett. **All members in favor.***

Mr. Rothrock thanked Mr. Pete Page for his service on the Planning Board. This will be his last meeting.

Mr. Rothrock also mentioned that he sent a public notice out with the monthly water bill asking citizens to let us know what they may not like about downtown. It's easy to tell what we like, but we want to know what the public doesn't like.

*Mr. Harrison Herbst made a motion to adjourn the meeting. Seconded by Mr. Tom Barrett. **All in favor.***

Meeting adjourned at 6:57pm.

Chairman Bill McCarter

Taylor Miller
Planning & Zoning Support Specialist