

Planning and Zoning Board

Minutes

Thursday, May 17, 2018

5:30 p.m.

The Blowing Rock Planning and Zoning Board met on Thursday, May 17, 2018 for their regularly scheduled meeting. Chairman Harwood called the meeting to order at 5:30 p.m. Members present were Joe Papa, Don Hubble, Mike Page, Wes Carter, Genie Starnes and Pete Gherini. Member Kim Hartley was absent. Staff members present were Planning Director Kevin Rothrock, and Planning & Zoning Support Specialist Tammy Bentley.

Chairman Harwood asked if there were any changes to the agenda. *Mr. Hubble made a motion to accept the agenda order, seconded by Mr. Page. All members were in favor of the motion.*

Chairman Harwood asked if there were any changes to the April 19, 2018 meeting minutes. Mr. Page asked Mr. Rothrock if item #3 on page 3 needed to be amended. Mr. Rothrock said it did not. Mr. Page asked Mr. Hubble if he wanted the minutes to reflect the changes in the email he had sent to the Board members and staff. Mr. Hubble confirmed. *Ms. Starnes made a motion to approve the minutes as amended per Mr. Hubble's email. The motion was seconded by Mr. Herbst. All members were in favor of the motion.*

Chairman Harwood thanked the short-term rental task force members for their hard work.

1. Short-term Rental Draft Ordinance

Mr. Rothrock gave the staff report. The Short-Term Rental Task Force met on several occasions and attended a webinar at the High Country COG about short-term rentals (STRs) and the nationwide trends affecting local communities. The Task Force has reviewed several documents and summaries of STRs and is presenting the first draft of an ordinance designed to regulate short-term rentals in town. The draft ordinance also provides a list of community goals that identify what the ordinance is trying to accomplish with a focus on health, safety and general welfare, protection of neighborhoods, and clarification and understanding of where STRs are allowed and where they are not allowed. Through drafting this ordinance there will be an emphasis on the Town's legal position and consistency with NC General Statues.

The draft ordinance outlines the following:

A. Overall Goals of the ordinance

- B. Current definition of short-term rental
- C. Changes to the Table of Permissible Uses
- D. Changes to the Parking Ordinance
- E. Listing of Compliance Standards and process for obtaining and renewing a permit

Mr. Rothrock noted that the draft ordinance does not recommend expansion of short-term rentals into new areas of town.

Mr. Rothrock showed the Board a map pointing out the districts where short-term rentals are allowed. He added that this map did not reference properties that are grandfathered.

Mr. Rothrock said the goal is to establish a permitting process that is not overly cumbersome. He said that at a minimum the Table of Permissible Uses needs to be changed to reflect a 'Z' (Zoning Permit) instead of a 'C' (Conditional Use Permit) where short-term rentals are allowed; that a Conditional Use Permit has never been required.

Chairman Harwood asked the reasoning behind using rooms versus bedrooms. Mr. Rothrock said that is the current language, but rooms could be changed to bedrooms. Chairman Harwood asked if bedroom is defined in the code. Mr. Rothrock said no. Mr. Carter asked the reasoning of tying to room as opposed to the entire dwelling. Mr. Rothrock said it is tied to the parking requirement for a single family home. Mr. Carter asked if 'room' had to do with the parking requirement. Mr. Rothrock confirmed. Mr. Hubble said the goal is to not change too much of the language in place. He added that 'bedroom' is a better term. Mr. Rothrock noted that residences have bedrooms and motels and hotels do not. Mr. Hubble said to Mr. Carter that the task force discussed at length his concern whether a room of the residence, or the entire residence was being rented out. He said the task force decided that either use was ok.

The Board discussed what constitutes a bedroom per building code, eliminating vagueness in the Land Use Code and matching the use to the current parking requirements.

Mr. Hubble said that public safety issues were key as well as not increasing the Town's liability. He added that the task force paid particular attention to items B and G.

Mr. Herbst asked if the Town issues a permit and performs required inspections, could the Town be held liable. Mr. Hubble said no, but that anyone could sue anyone for anything.

Mr. Carter asked the requirement for smoke and carbon monoxide detectors. Mr. Rothrock said that would mirror building code and that he is working with the building inspector on a process.

Mr. Hubble said there are no penalties for not complying with the permit requirements. Mr. Rothrock said the current code addresses penalties. He added that requiring 911 numbers be posted at properties was included.

Mr. Carter said that he always heard that anyone can rent once during a 28 day period, and the rental does not need to be 28 consecutive days. Mr. Rothrock said this information is out there, but it is not correct. He said that each lease must be at least 28 days. Mr. Carter said that no one writes leases for 28 days if the use is not for the entire time. He added that he thinks the language should read once every 28 days. Mr. Rothrock noted that properties in Mayview must be leased for a minimum of 28 days. Mr. Carter said this is an issue; that he thinks no one will abide by this. Mr. Page asked Mr. Carter what is the objective. Mr. Carter said that short-term rental is defined as renting for less 28 days. Mr. Page said the Permissible Use Table covers short-term rentals in the allowed districts. Mr. Rothrock said the definition can be changed, but language needs to be added indicating in areas where short-term rentals are not allowed, that it cannot be subverted by renting once in a 28 day period for less than 28 days. Mr. Hubble said such a lease would prevent leasing to anyone else during that 28 day period.

Mr. Page read the definition of a short-term rental in the NC Vacation Rental Act. He said that he thinks part of the permitting process should include giving the applicant a copy of this act.

Chairman Harwood asked Pam Vines, of Jenkins Realtors, if a one hour response time is sufficient. Ms. Vines said that could be sufficient; that their staff has pagers for after-hours emergencies. Ms. Vines asked who makes the complaint and to whom. Mr. Rothrock said complaints will be directed to the police and will be routed through Watauga County dispatch. Ms. Vines asked if a phone call constitutes handling an issue. Ms. Starnes confirmed. Ms. Vines said it could be bumped to 2 hours. Mr. Page said the objective is to have a responsible party available to respond to issues and to have the information in the property as to contact number and who that contact is. Ms. Vines said she thinks this will work perfectly fine, but it will not work for Airbnb or owners who live in Israel, for example. Mr. Hubble noted that Airbnb is a financial facilitator between owner and tenant. Mr. Rothrock said that problems aren't rampant and not a huge problem; that the goal is to get ahead of potential problems. Ms. Starnes suggested a 90 minute to 2 hour response time. Mayor Sellers said 2 hours was better and asked the permit fee. Mr. Rothrock responded \$100 to \$150 annually. Ms. Vines asked if all businesses pay annual zoning fees. Mr. Rothrock said no. Mr. Brian Summers, Hemlock Inn owner, said his business is inspected annually by the Fire Department. Ms. Vines asked if short-term rentals will be different. Chairman Harwood said yes, that there are additional activities that need to be covered with this process. Mr. Rothrock said he thinks the question is that businesses don't have annual fees. Chairman Harwood added that these are safety issues. The Board discussed safety issues and what should be included. Mr. Rothrock said smoke and carbon monoxide detectors are basic requirements, but other items may be added. Ms. Starnes said she thinks the fee should be more.

The Board discussed Occupancy Tax; who collects it and how it is used. Chairman Harwood asked if item G should include results of failure to pay Occupancy Tax. Mr. Rothrock said he thinks this should be kept separate; that this process refers to the use of the property.

Chairman Harwood suggested changing dogs to pets in item G and if item C should have separate language for properties located in the Town Center zoning district, as several of these properties have no parking. The Board discussed if grandfathered properties should be made to comply with the parking requirements or pay into the parking fund. The Board also discussed leaving grandfathered properties as is, but requiring parking compliance if the property adds a bedroom. Ms. Linda Walker asked if a 2 bedroom house had 3 cars would be create a parking problem. Mr. Rothrock said no and that parking usually handles itself. Ms. Vines agreed with Mr. Rothrock.

Mr. Herbst asked if there are fines for violations. Mr. Carter said fines are referenced in other sections of the code.

Mr. Hubble made a motion to approve the ordinance with the following amendments:

Change 'dog' to 'pets'

Change 'room' to 'bedroom'

Change response time to 2 hours

Add that parking is tied to the existing number of bedrooms

Mr. Page seconded the motion. Chairman Harwood asked for discussion on the motion.

Mr. Hubble tabled the motion.

The Board discussed amending the ordinance and meeting again. Chairman Harwood suggested sending the amended ordinance to Town Council without another Planning Board hearing. Mr. Page asked if including the NC Vacation Rental Act with the permit application should be added. Mr. Rothrock said that would be part of the permitting process.

*Mr. Hubble resubmitted the motion to approve the ordinance with the above amendments, seconded by Mr. Page. **All members were in favor of the motion.***

Other Business

Mr. Rothrock told the Board that the foundation permit had been issued for the Inn on Cornish, that 3 townhomes are being reviewed for the property on Chestnut Street, across from the old hospital site, and that the 3.5 acre site off Morningside Drive has been purchased and a single family home will be built on it.

*Mr. Hubble made a motion to adjourn the meeting, seconded by Mr. Carter. **All members were in favor of the motion.***

Chairman Harwood adjourned the meeting at 6:50 pm.

Chairman David Harwood

Tammy Bentley
Planning & Zoning Support Specialist