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# City of Virginia Beach

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September 7, 2018

Mayor Louis R. Jones  
Members of City Council  
Municipal Center  
2401 Courthouse Drive  
Virginia Beach, VA 23456

Re: ***Short Term Rentals***

Dear Mayor Jones and Councilmembers:

Attached is the revised Short Term Rental Ordinance that you requested last Tuesday (September 4, 2018). The revised Ordinance makes short term rentals a principal use in the Sandbridge Special Service District as mandated by the General Assembly and in any other area that the City Council, in the future, identifies as a Short Term Rental Overlay District. The ordinance does not create any STR Overlay Districts at this time. In all other zoning districts that permit residential dwellings, short term rentals are identified as conditional uses. Properties that have registered and paid transient occupancy taxes prior to July 1, 2018, are grandfathered from the conditional use permit requirement.

The attached ordinance creates a single set of regulations applicable to all short term rental activity in the City. These regulations may be modified or additional or differing conditions may be imposed by the City Council in connection with the creation of specific STR Overlay District areas or upon the granting of a conditional use permit, provided such modifications or conditions are reasonably related to identified zoning and planning considerations. However, unless and until the City Council takes such future action, the regulations contained in the attached ordinance would apply to all short term rentals whether they are principal uses, conditional uses or grandfathered.

The regulations are contained in Section 241.2 of the attached ordinance. Please review these regulations carefully to ensure that we have captured the intent and direction given. We have made some changes since the prior draft. Most of the changes are minor or of a technical nature. For example, we added the words "or operator" in paragraphs 3 (responsible person)

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and 9 (Insurance), which previously only made reference to the owner of the STR. We also made revisions to paragraphs 4 (signs) (replaced sign size of 2 square feet with 4 square feet), and 14 (smoke detectors) (added reference to propane as well as natural gas). We also revised paragraph 16 to more clearly state that a violation of Section 241.2, a violation of a conditional use permit condition, or a structural change exceeding the limitations for grandfathered status may result in the City Council revocation of the grandfathered status or conditional use permit.

There is one substantive addition to the provisions in Section 241.2 that I wish to specifically call to your attention. We are proposing the addition of a new paragraph 12, which requires the owner or operator to maintain a guest log including the name, address and telephone number of all overnight lodgers and to provide that log to the City upon request. This language was drawn from the text of the recently enacted Fairfax County Ordinance and is included for your consideration as an attempt to address concerns expressed by the City Council over the practical enforceability of the number of contracts within a seven-day period and the overnight occupancy provisions.

You will have the opportunity to discuss the attached draft ordinance at your informal session on September 11. We will have a resolution referring this ordinance to the Planning Commission ready for your formal consideration on September 18.

Also attached is a draft City Council Policy regarding the process for consideration of Short Term Rental Overlay Districts. This item may also be placed on an agenda if acceptable to you. Because this item need not be referred to the Planning Commission, you may wish to defer consideration of it until later in the process.

As your city attorney and as a citizen I wish to express my appreciation for the time and attention you have devoted and will continue to devote to this difficult but important issue. Please contact me if you have any comments, concerns or questions.

Sincerely,



Mark D. Stiles  
City Attorney

Encl.

cc: David L. Hansen, City Manager  
Barry Frankenfield, Planning  
Kevin Kemp, Planning