

SHORT TERM VACATION RENTAL ORDINANCE

by Joy Lukachick
[view bio »](#)

font size print email share



Dan Dykstra sweeps the front porch of his Sylvan Street home that he hopes can be used as a vacation rental in North Chattanooga. Dykstra and his wife received consideration for the rezoning of their property during a





- 1) How is housing changing?
- 2) What is the problem we are trying to solve?
- 3) How does the proposed ordinance address the problem?

HOW IS HOUSING CHANGING?

The Washington Post

Our equity funds beat their peer indexes in **95%** of 20-year periods.

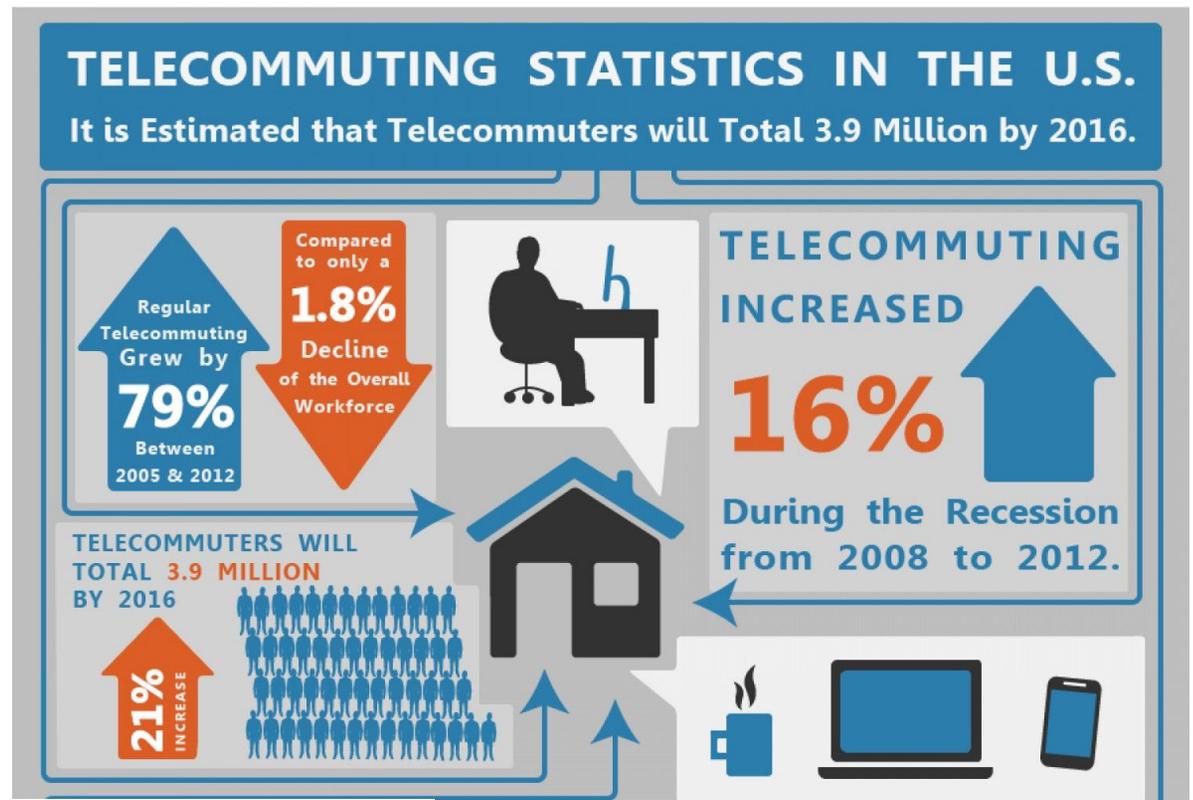
AMERICAN FUNDS
Investment Company of America

Real Estate

What's ahead for the housing market in 2016



MORE PEOPLE ARE WORKING AT HOME...



FEB 18, 2013 @ 03:26 PM 36,509 VIEWS

One In Five Americans Work From Home, Numbers Seen Rising Over 60%



Kenneth Rapoza, CONTRIBUTOR
I cover business and investing in emerging markets. [FULL BIO](#)

Opinions expressed by Forbes Contributors are their own.

A growing number of Americans are working from home. Whether they are self-employed entrepreneurs running small accounting services, or telecommuting for multinational consulting firms, some 30 million of us work from a home office at least once a week. And that number is expected to increase by 63% in the next five years,



Yes, you can. Telecommuting on the rise as companies cite production

The Little Black Book of Billionaires

MEET THESE INNOVATORS & LEADERS

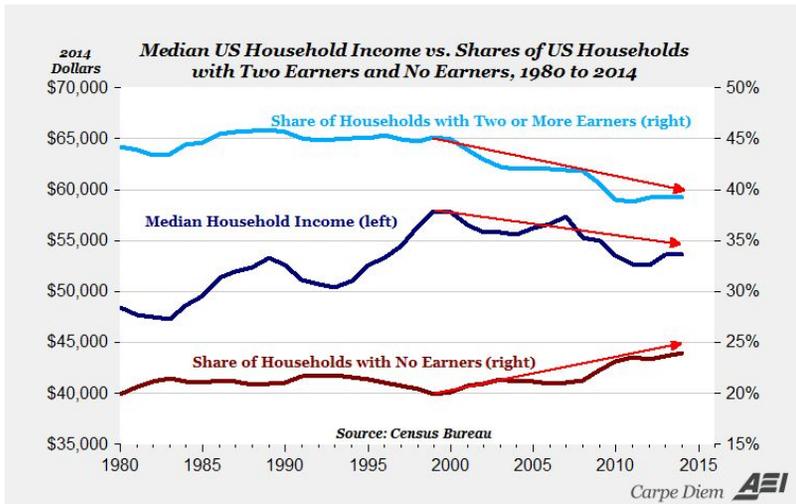
- Southern Strategic Group
- Right Management ManpowerGroup
- HOME FINANCING CENTER Responsible Lending. Perfected
- UAM Universal Asset Management
- Brickell Bank

Telecommuting Population



of the jobs on SkipTheDrive.com are with Fortune 500 Companies.

HOUSEHOLDS ARE CHANGING...



Builder

DESIGN MONEY BUILDING LAND BUILD

Housing Snapshot

THE RISE OF NON-TRADITIONAL HOUSEHOLDS, ACCORDING TO U.S. CENSUS BUREAU'S AMERICAN COMMUNITY SURVEY

Census data shows continued rise in households headed by single men, single women.

By Nigel F. Maynard

Multigenerational Homes: YESTERDAY & TODAY

According to the U.S. Census Bureau's definition, a multigenerational family has more than two generations living under one roof.

Before WWII, it was common for multiple generations to share one home. GIs returning from WWII, however, were attracted to suburban single-family homes. Multigenerational housing bottomed out in the early 1980s, but it has enjoyed increasing popularity since then.

THE CHANGING AMERICAN HOUSEHOLD: THE SHIFT TO MULTIGENERATIONAL LIVING

Increase in Multigenerational Households:

2000: 46.5M
2010: 51.4M
+30% 2000 - 2010
+10.5% 2007-2009 The 'Great Recession'

During the Great Recession (2007-2009), the multi-generational household population shot up, increasing by **4.9 million** or **10.5%**.

2000 Census: American Households

3.9M have 3+ GENERATIONS
78,000 have 4 GENERATIONS

What is Causing the SHIFT?

Economic Challenges

2/3 cite economic reasons

"Boomerang" Children

% of adults ages 25-34 living in a multi-generational household

1940: 27.7%
1950: 15%
1960: 12%
1970: 11.0%
1980: 11.0%
1990: 15%
2000: 15%
2010: 21.6%

Middle Generations Caring for Aging Parents

26% 1970 Today 13%

those older than 85 living in nursing homes

2060: People 65+ years of age doubles to **92 million**

RISE OF THE SHARING ECONOMY..



PHASE 1

Communication



PHASE 2

Web 2.0



PHASE 3

Social Media and the new shared economy



19th Century Living



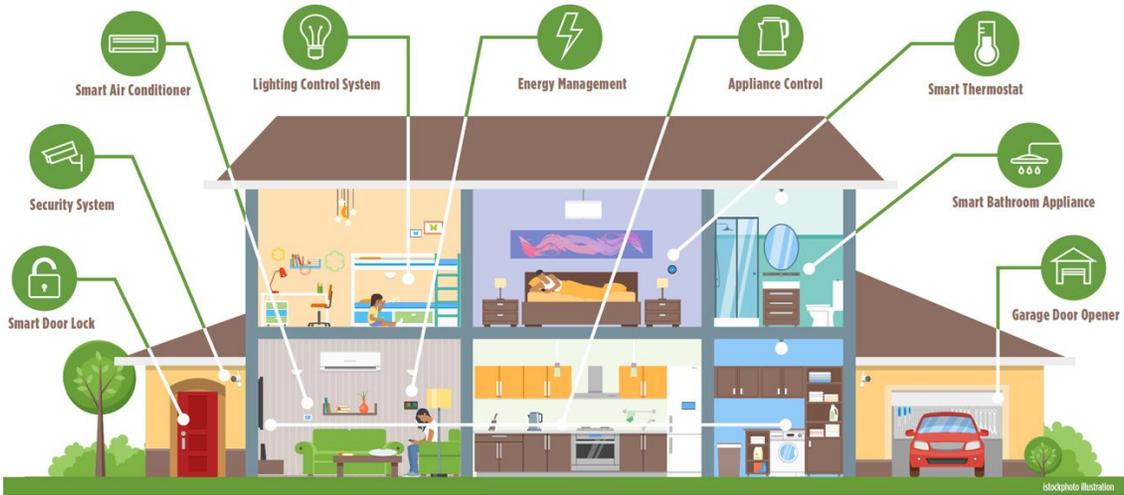
20th Century Living



21st Century Living

HOME, SMART HOME

Cool gadgets, practicality drive trend in residential lifestyle technology



Short Term Vacation Rentals

Back to the beginning...

***WHAT IS THE PROBLEM WE
ARE TRYING TO SOLVE?***

The Problem:

- Several rezoning requests (North Chattanooga, Lookout Valley) where Council was generally fine with the use, but concerned about changing zoning from R-1 to R-3/R-4.
- Requested staff to develop a new tool that would provide a review process for short term vacation rentals without having a change of zone.

How Short
Term
Vacation
Rentals are
Currently
Regulated:

- Only allowed as a use in R-3/R-4 zones
- By state law, are required to pay hotel/motel taxes
- By state law and City Building Code, required to comply with fire safety requirements

GOAL

- Create a streamlined process for reviewing and regulating short term vacation rentals that does not require a change of zone or negatively impact the character of community
- Provide opportunity for notification to neighborhood stakeholders, giving them an opportunity to voice any concerns as part of the review process

ZONING ORDINANCE CHANGE (Chapter 38)

1. Create new definition for short term vacation rentals:

Short-Term Vacation Rental: Any house or other structure containing no more than nine (9) bedrooms within permissible zones which is used, advertised or held out to the public in part or its entirety to be a place where sleeping accommodations are supplied for pay and such accommodations are provided on a daily or weekly basis for not more than thirty (30) days for overnight stay. For the purposes of this definition, any short-term vacation rental on a site located in the R-1 Residential Zone, shall contain no more than five (5) bedrooms, and shall exclude hotels, rooming houses, bed and breakfast, and boarding houses, or other licensed dwelling units for rent or lease, as defined in Section 21-67 and/or Section 11-186 and/or Section 38-2 of the City Code.”

ZONING ORDINANCE CHANGE (Chapter 38)

2. Add new section to Article IV, General Regulations

Sec. 38-36 “Unless expressly prohibited in the Zoning Regulations provided in this Chapter, Short-Term Vacation Rentals shall be permitted in any zones allowing residential use”

3. Delete short term vacation rentals from permitted uses list in R-3 and R-4 zones

CITY CODE CHANGE IN CHAPTER 11 (Business, Trades and Occupations)

1. Establishes requirement for short term vacation rentals to obtain a certificate from the Land Development Office
2. Certificate application must note:
 - ❖ Business license
 - ❖ Site plan showing parking/access
 - ❖ maximum occupants
 - ❖ # bedrooms used for rental
 - ❖ days of operation
 - ❖ how trash handled
 - ❖ proof of insurance

STVR Standards

- ❖ Must have functioning smoke detectors
- ❖ Must comply with all building code standards
- ❖ Max 5 bedrooms for R-1 zones; 9 bedrooms in all other zones
- ❖ Collecting and remitting all applicable room, occupancy, and sales taxes
- ❖ Provision for adequate on-site parking
- ❖ No on-site signage, unless on parcel over 5 acres
- ❖ Maximum occupancy based on people per bedroom and total square footage
- ❖ Minimum time for rental is 24 hours
- ❖ No prior code violations over the past 6 months.
- ❖ Comply with all noise and trash collection requirements specified by City Code

STVR Review Process

1. Application submitted to Land Development Office
2. LDO forwards the application to the appropriate departments for review and comment
3. RPA will assist LDO with notification of property owners and applicable neighborhood association/Council representative
4. 14 day period for receiving any concerns
5. If no concerns, and application meets standards, certificate approved
6. If staff notified about concerns, LDO forwards application to City Council for public hearing.

REVOCACTION:

Approved certificates can be revoked at any time upon notice and after a public hearing once the property has two (2) documented City Code or state violations within a 12 month period. Such violations shall be evidenced by a finding of guilt or fault by court or an administrative officer or body