

CHATHAM COUNTY-SAVANNAH

METROPOLITAN PLANNING COMMISSION

"Planning the Future - Respecting the Past"

MEMORANDUM-

DATE:

AUGUST 8, 2017

TO:

THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH

FROM:

METROPOLITAN PLANNING COMMISSION

SUBJECT:

MPC RECOMMENDATION

PETITION REFERENCED:

Text Amendments to the City of Savannah Zoning Ordinance

Re: Amendments to the Short-term Vacation Rental use in the following zoning ordinance sections:

- Sec. 8-3025(a) (Provisions Regarding Uses in C Districts and R Zoning Districts); and,
- Sec. 8-3025(b) (Provisions Regarding Uses in the B districts and I Zoning Districts)
- Sec. 8-3028(9) (Victorian Planned Neighborhood Conservation District, Permitted Uses)
- Sec. 8-3046(b)(1)(d) (Planned Unit Development-Mixed Use)
- Sec. 8-3217 (Mid-City District Residential Use Standards)

City of Savannah Text Amendments File No.: 17-004372-ZA

MPC ACTION:

Approval of amendments to the City

of Savannah zoning ordinance

MPC STAFF RECOMMENDATION:

Approval of amendments to the City

of Savannah zoning ordinance

Text Amendment: Short-term Vacation Rental File No. 17-04372-ZA

August 8, 2017

MEMBERS PRESENT:

10 + Vice Chairman

Tanya Milton, Chairman

James Overton, Vice Chairman

Shedrick Coleman

Travis Coles

Ellis Cook

Joseph Ervin

Karen Jarrett

Lacy Manigault

Timothy Mackey

Lee Smith Tom Woiwode

PLANNING COMMISSION VOTE: Approve Staff Recommendation (10-1)

APPROVAL Votes: 11	DENIAL Votes: 1	ABSENT
Milton Overton Cook Coleman Coles Jarrett Mackey Manigault Smith Woiwode	Ervin	Hernandez Suthers Welch

Respectfully submitted,

Melony West

Interim Executive Director

/jh

Enclosure

cc Dyanne C. Reese, Clerk of Council
Brooks Stillwell, City Attorney
Lester B. Johnson, Assistant City Attorney
Jennifer Herman, Assistant City Attorney
Beth Barnes, Department of Inspections





CHATHAM COUNTY-SAVANNAH

METROPOLITAN PLANNING COMMISSION

"Planning the Future - Respecting the Past"

MEMORANDUM-

TO:

City of Savannah Mayor and Aldermen

FROM:

The Planning Commission

DATE:

August 8, 2017

SUBJECT:

Text Amendments to the City of Savannah Zoning Ordinance

Re: Amendments to the Short-term Vacation Rental use to the

following zoning ordinance sections:

 Sec. 8-3025(a) (Provisions Regarding Uses in C Districts and R Zoning Districts);

 Sec. 8-3025(b) (Provisions Regarding Uses in the B districts and I Zoning Districts)

 Sec. 8-3028(9) (Victorian Planned Neighborhood Conservation District, Permitted Uses)

• Sec. 8-3046(b)(1)(d) (Planned Unit Development-Mixed Use)

• Sec. 8-3217 (Mid-City District Residential Use Standards)

City of Savannah Study File No.: 17-003621-ZA

ISSUE:

An amendment to the short-term vacation rental use to revise use conditions to: 1) limit the number of vacation rentals within certain zoning districts within a ward; 2) limit the number of transient guests within the rental dwelling; and, 3) create a time-period for re-establishing a vacation rental when a vacation rental property is transferred to a new owner.

BACKGROUND

The background for this text amendment is described in two sections: 1) the purpose and process leading up to the adoption of the short-term vacation rental use in 2014: and, 2) the purpose and process leading up to this proposed amendment.

I. Initial Adoption of the Short-term Vacation Rental Use

- a. In 2014, the City of Savannah adopted the "Short-term Vacation Rental" use as a permitted use within certain mixed-use zoning districts in the following areas: Historic District, Victorian District and the Mid-City District (see Ward map for neighborhood locations). Because some of the zoning districts within the Historic District also exist outside of this area, vacation rentals are permitted outside of its boundaries.
- b. A Short-term Vacation Rental (STVR) is defined as: "An accommodation for transient guests where, in exchange for compensation, a residential dwelling is rented for lodging for a period of time not to exceed 30 consecutive days. Such use may or may not include an on-site manager. For the purposes of this definition, a residential dwelling shall include all housing types and shall not include group living or lodging uses."
- c. In 2014, the rental of a dwelling unit for transient lodging was not identified as a specific land use within the zoning ordinance. However, the City did permit them in zoning districts where "inns" were permitted. An inn is defined as "A lodging establishment providing bedrooms and meals to transient guests which contains not more than 15 bedrooms or suites." In comparison, an STVR is a dwelling structure in its entirety, including the premises.
- d. While working on the updated zoning ordinance for the City (known as NewZO), staff was contacted by several STVR operators who requested that the use be recognized as a specific land use in the new zoning ordinance because of operational differences between this use and inns. Non-zoning related concerns were also expressed, including confusion regarding the process to obtain business approval. City staff agreed and determined that action was necessary prior to the adoption of a new zoning ordinance.
- e. During its research, staff identified many communities throughout the United States that had adopted or were in the process of preparing ordinances to regulate short-term vacation rentals. Not unlike Savannah, many of these communities struggled with how best to regulate a use whose growth was fueled by the internet. Websites, such as "Airbnb" and "VRBO," provide a platform for vacation rental owners to advertise. Too often, however, STVR owners by-passed required approvals and operated "under-the-radar."
- f. Not unlike other communities, Savannah was also "catching-up" with how best to regulate this unique use that has both residential and commercial characteristics. The State of Georgia, unlike some other states, did not have any short-term vacation rental regulations, and neither did any other communities in Georgia.
- g. At that time, City staff identified more than 300 short-term residential rentals, some of which had been operating in compliance with the "inn" interpretation or that did not obtain a tax certificate to conduct business. City staff sent notices to those operators who were not operating in zoning districts where inns were permitted. Those operators were required to cease operation until zoning compliance could be achieved.

- h. The City convened two meetings in February, 2014 to begin discussion the STVR use with interested parties. City and MPC staff began to meet with a small group of short-term residential rental owners, property management companies, the Tourism Leadership Council and representatives from the Downtown Neighborhood Association and the Victorian District Neighborhood Association (neighborhoods with nearly all of the existing rentals).
- The meetings resulted in discussion of many issues and led to two separate ordinances. The zoning ordinance addressed land use (i.e., zoning districts where the use is proposed, use conditions and parking). A certificate process—codified in the City Code apart from the zoning ordinance—addressed procedural matters (i.e., the process to obtain business approval, payment of taxes and violations). A "good neighbor" agreement form and a building/life-safety acknowledgement form were also developed.
- j. The short-term vacation rental text amendment was adopted on November 10, 2014 and took effect on January 1, 2015. The City's Department of Tourism Management and Ambassadorship has oversight the STVR program.
- k. To assist the public, Tourism Management and Ambassadorship developed a webpage to provide information about the certification and renewal process, zoning, and taxes. A map showing all approved STVRs is provided. And for those who may have a complaint about a vacation rental operation, a phone number and an online form are available. The webpage is: http://www.savannahga.gov/index.aspx?NID=1476.

II. The Short-term Vacation Rental Use Since January 1, 2015

- a. In 2015 the City received 388 applications. In 2016 the City received 266 applications, For 2017, the year-to-date number of applications received is 485.
- b. The majority of the rentals are in the Historic District (82%), and most are located in the more predominantly residential portions of the district (i.e., the "R" zoning districts; in particular, the RIP-A or Medium Density Residential zoning district).
- c. As the number of rentals increased, some residents of the Historic and Victorian Districts have expressed concern with the increasing number of vacation rentals that had previously been owner-occupied or long-term rental residences. Some complaints have also been made regarding parking, garbage and behavior of transient guests.
- d. In early 2017, the City of Savannah began to re-evaluate the STVR use certification process and its growth. The certification process is known as "Administrative Enhancements." The zoning portion is known as "Growth Management."
- e. In March and April, City staff held meetings with stakeholders, including neighborhood associations (Downtown, Victorian and Thomas Square/Mid-City), as well as the Short-term Vacation Rental Owners Association, Share Savannah, Tourism Leadership Council and representatives for the websites Expedia/Home Away.

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The intent of the meetings was to identify concerns and make agreed upon improvements to Administrative Enhancements and Growth Management. More information is located in the attached Short-term Vacation Rental Report (June 30, 2017) prepared by the Department of Tourism Management and Ambassadorship.

f. The group agreed with the changes to the Administrative Enhancement portion that will amend the certification process described in Division II (Code of General Ordinances), Part 8 (Planning and Regulation of Development), Chapter 11 (Short-term Vacation Rentals).

These changes include, but are not limited to the submission of insurance documentation that specifically identifies that a dwelling unit is insured for short-term vacation rental use (presently, only proof of insurance is required); approval of the use by a condo or property owner association, if applicable; and, notification to adjacent property owners of the proposed vacation rental use.

City Council adopted the amended certification ordinance on August 3, 2017. The unofficial ordinance is attached and is for information only.

g. The Growth Management portion proposes changes to the zoning ordinances, including: 1) placing a "cap" on the number of parcels within a ward (and in specified zoning districts) that can have an STVR; 2) reducing the number of people who can stay in a vacation rental; and, 3) providing a six-month time period to re-establish a vacation rental when a property with an STVR certificate is sold. Off-street parking requirements are not proposed to change.

More information on these changes is located below in the "Findings" section.

FINDINGS:

1. **Cap on the Number of Short-term Vacation Rentals**: Placing a cap on the number of non-owner occupied vacation rentals within the Historic, Victorian and Mid-City districts was discussed at length with the stakeholder group.

Most residents desired a maximum of 15% of all residential dwellings within a ward while others, including property management firms, sought a 35% cap. Because there was no consensus, City staff suggested an alternate 20% cap, which both sides accepted. This cap would apply only to the more predominately residential zoning districts within the Savannah Historic, Victorian and Mid-City Districts as follows:

- Savannah Historic: RIP, RIP-A, RIP-A-1, RIP-B, RIP-B-1 RIP-C, RIP-D, I-P & R-D
- Victorian: 1-R, 2-R and 3-R
- Mid-City: TN-2

After the agreed upon amendment was sent to MPC, it was determined that tracking the total number of dwelling units within a ward was not possible. Staff verified this after consultation with the Board of Assessors. Therefore, the 20% cap is now proposed on parcels instead of dwelling units. Some parcels may have more than one dwelling and could have multiple STVRs. In the TN-2 district, no more than one STVR is proposed per parcel and the parcels in this district must be owner-occupied. There is no cap within the predominantly commercial districts within these neighborhoods.

2. **Reduction of the Number of Transient Guests:** The number of transient adult guests within an STVR is proposed to be reduced by two. The current allowance is two adults per bedroom plus two per dwelling unit (which takes into account the use of a sleeper sofa not within a bedroom).

The proposal is for no more than four adult transient guests within vacation rental dwellings that have up to two bedrooms. For three or more bedrooms, the limitation is two adult transient guests per bedroom. This change would not change the number of adults permitted in a studio or one-bedroom vacation rental.

3. **Time Period for Re-establishing an STVR:** When a property with an STVR certificate is sold, the certificate is not transferable and the use must cease. It is proposed that the new owner be given an opportunity to re-apply for a certificate within six months of the date of the property transfer.

The proposed language is: "Notwithstanding the foregoing, upon the transfer of title of a residential dwelling that maintained a short-term vacation rental certificate at the time of transfer, such dwelling can be re-established as a pre-existing, nonconforming use in the event the per ward cap is maximized, if the transferee applies for a short-term vacation rental certificate within six (6) months of the date of transfer."

Because the use ceases when the certificate is no longer valid, the use cannot continue to operate as a non-conforming use. Therefore, it is suggested that this language be located in the certification ordinance instead of the zoning ordinance. At the Planning Commission meeting, there was discussion that the proposed language should be revised to reflect the transfer of a parcel instead of a dwelling unit. The Department of Tourism Management and Ambassadorship will provide the revised text.

ALTERNATIVES:

- 1. Recommend approval of the amendments as proposed.
- 2. Recommend approval of alternate amendments.
- 3. Recommend denial of the proposed amendments.

POLICY ANALYSIS:

The proposed amendments provide an improved approach to better protect the integrity of the more residential portions of the Savannah Historic, Victorian and Mid-City neighborhoods. Non-owner-occupied properties with vacation rentals would be limited, while owner-occupied properties would not. The more commercial zoning districts would not have a cap or an owner-occupancy requirement. The attached map reflects the proposed amendments. While the amendments may not be ideal for all parties, they represent the outcome of numerous meetings with many stakeholders.

RECOMMENDATION:

Approval of amendments to the City of Savannah zoning ordinance as follows:

[Text proposed to be enacted shown in bold.]

I. Article B. (Zoning Districts), Sec. 8-3025(a) (Provisions Regarding Uses in the B Districts and the I Districts)

ENACT

			In	dex	for C	Conse	ervat	ion ("C")	and	Res	ident	ial ('	"R")	Dist	ricts	Use	Sch	edul	е		
Use								Use No.														
Short-term Vacation Rental							Use 14a															
List of Uses	C-A	C- M	C-R	R-20	R-10	R-6	R-6-A	R-6-B	R-6-C	R-4	R-M	RIP	RIP-A	RIP-A-1	RIP-B	RIP-B-1	RIP-C	RIP-D	I-P	R-M-H	RMH-1	R-D
Lodging Facilities																						
(14a) Short-term Vacation Rental	-	-	••		(Mar. 1)	-		33		\ <u>-</u>		х	х	х	x	х	х	х	x		×==	Х

a. For parcels of land that are not owner-occupied and that have a Conservation or Residential zoning classification, the short-term vacation rental use is limited to no more than 20% of all parcels within the ward where the property is located. This limitation applies only to wards within the boundaries of the Savannah Historic District.

Owner-occupied is defined in Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals"). A ward is a small geographic area within the Savannah Historic District that is identified on the ward map maintained by the Department of Tourism Management and Ambassadorship.

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b. The number of occupants shall not exceed two (2) adults per bedroom plus two (2) adults for each dwelling, subject to the verification of building code compliance by the Zoning Administrator.

The number of occupants shall not exceed four (4) adults for dwelling units with no more than two bedrooms; for dwelling units with three or more bedrooms, the number shall not exceed two (2) adults per bedroom. Bedrooms are subject to verification of building code compliance by the Zoning Administrator.

- c. There shall be no change in the exterior appearance of the dwelling and premises, or other visible evidence of the conduct of a short-term vacation rental.
- d. The short-term vacation rental use requires short-term vacation rental certificate. See Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals").

II. Article B. (Zoning Districts), Sec. 8-3025(b) (Provisions Regarding Uses in the B Districts and the I Districts)

ENACT

		Inc	lex fo	or Bus	siness	("B") and	Indu	strial	("I")	Distr	icts U	Jse S	chedu	le			
Use								Use No.										
Short-term Vacation Rental								9d										
List of Uses	R-B	RB-1	В-Н	B-N	BN-1	B-C	BC-1	B-G	BG-1	BG-2	B-B	T-I	IL-B	H-I	P-IL-T	R-B-C	RB-C-1	I-O
Lodging Facilitie s																		
(9d) Short- term Vac. Rental			х		-	х	х	х		3	Х	Stantan				X	X)==)

a. The number of occupants shall not exceed two (2) adults per bedroom plus two (2) adults for each dwelling, subject to the verification of building code compliance by the Zoning Administrator.

The number of occupants shall not exceed four (4) adults for dwelling units with no more than two bedrooms; for dwelling units with three or more bedrooms, the number shall not exceed two (2) adults per bedroom. Bedrooms are subject to verification of building code compliance by the Zoning Administrator.

b. There shall be no change in the exterior appearance of the dwelling and premises, or other visible evidence of the conduct of a short term residential rental.

August 8, 2017

c. The short-term vacation rental use requires a short-term vacation rental certificate. See Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals").

III. Article B. (Zoning Districts), Sec. 8-3028(d) (Victorian Planned Neighborhood Conservation District, Permitted Uses)

List of Uses	I-R	2-R	3-R	1-8	2-B	3-8
Lodging Facilities						
(9) Short-term Vacation Rental	В	В	В	Х	Х	X

a. For parcels of land that are not owner-occupied and that have a 1-R, 2-R or 3-R zoning classification, the short-term vacation rental use is limited to no more than 20% of all parcels within the ward where the property is located.

Owner-occupied is defined in Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals"). A ward is a small geographic area within the Victorian District that is identified on the ward map maintained by the Department of Tourism Management and Ambassadorship.

b. The number of occupants shall not exceed two (2) adults per bedroom plus two (2) adults for each dwelling, subject to the verification of building code compliance by the Zoning Administrator.

The number of occupants shall not exceed four (4) adults for dwelling units with no more than two bedrooms; for dwelling units with three or more bedrooms, the number shall not exceed two (2) adults per bedroom. Bedrooms are subject to verification of building code compliance by the Zoning Administrator.

- c. There shall be no change in the exterior appearance of the dwelling and premises, or other visible evidence of the conduct of a short term residential rental.
- d. The short-term vacation rental use requires a short-term vacation rental certificate. See Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals").

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IV. Article B. (Zoning Districts), Sec. 8-3046(b)(1)d.14. (Planned Unit Development-Mixed Use District)

REPEAL

(14) Short-term Vacation Rental

- i. The number of occupants shall not exceed two (2) adults per bedroom plus two (2) adults for each dwelling, subject to the verification of building code compliance by the Zoning Administrator.
- ii. There shall be no change in the exterior appearance of the dwelling and premises, or other visible evidence of the conduct of a short term residential rental.

Note: There are no properties with this zoning district in the city. Savannah River Landing was previously a PUD-MXU but was rezoned in 2017.

V. Article K. (Mid-City District.) Sec. 8-3217(5). (Residential Use Standards, Short-term Vacation Rental).

(5) Short-term Vacation Rental

- a. In the TN-2 district, a short-term vacation rental use is limited to within an accessory dwelling and only when the principal residence is owner-occupied one dwelling per parcel and only when the principal dwelling unit is owner-occupied. Owner-occupied is defined in Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals").
- b. The number of occupants shall not exceed two (2) adults per bedroom plus two (2) adults for each dwelling, subject to the verification of building code compliance by the Zoning Administrator.

The number of occupants shall not exceed four (4) adults for dwelling units with no more than two bedrooms; for dwelling units with three or more bedrooms, the number shall not exceed two (2) adults per bedroom. Bedrooms are subject to verification of building code compliance by the Zoning Administrator.

- c. There shall be no change in the exterior appearance of the dwelling and premises, or other visible evidence of the conduct of a short term residential rental.
- e. The short-term vacation rental use requires a short-term vacation rental certificate. See Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals").

VI. "Nonconforming" Short-term Vacation Rentals

The following is recommended to be placed in the Division II, Part 8, Chapter 11 ("Short-term Vacation Rentals") instead of the Zoning Ordinance.

"Notwithstanding the foregoing, upon the transfer of title of a residential dwelling that maintained a short-term vacation rental certificate at the time of transfer, such dwelling can be re-established as a pre-existing, nonconforming use in the event the per ward cap is maximized, if the transferee applies for a short-term vacation rental certificate within six (6) months of the date of transfer."



Chatham County - Savannah Metropolitan Planning Commission

August 8, 2017 Regular MPC Meeting

Title

D3 - TEXT AMENDMENT: | Amendment to the Short-term Vacation Rental Use, Sections 8-3025(a)(b) Conservation/Residential and Business/Industrial Districts Use Schedule; 8-3028 (Victorian District); 8-3217 (Mid-City District Residential Use Standards); and, 8-3133 (Limitations on Land or Building by Nonconforming Uses)| City of Savannah, Petitioner | File No. 17-004372-ZA

Description

An amendment to the short-term vacation rental use to revise use conditions to: 1) limit the number of non-owner occupied vacation rentals in the more predominantly residential zoning districts within the Savannah Historic, Victorian and Mid-City districts; 2) limit the number of transient adult guests within a vacation rental; and, 3) reduce the time-period for re-establishing a "nonconforming" vacation rental as a "conforming use" from one year to six months.

Recommendation

Approval

Contact

Charlotte Moore, AICP moorec@thempc.org / 912-651-1440

Financial Impact

n/a

Review Comments

Attachments

- ∅ 1-Staff Report-17-004372-ZA-August 8 Revised.pdf
- 2-Certificate Ordinance-Unoffical Version.pdf
- ∅ 3-City STVR Report-June 30 2017.pdf
- @4-Ward Map.pdf
- **∅** 5-Brown-Ward.pdf
- ∅ 6-TM&A PowerPoint.pdf