

Planning Commission Work Session

March 24, 2026 5:00 PM to 7:00 PM

Hybrid Meeting – City Space Conference Room

Commissioners Present: Chairman Schwarz, Commissioner Harness, Commissioner Mitchell, Commissioner Yoder, Commissioner Joy, Commissioner Carp, Commissioner Roettger

Staff Present: Patrick Cory, Dannan O’Connell, Missy Creasy, Remy Trail, Matt Alfele, Ben Chambers, Ose Akinlotan, Kellie Brown, Todd Divers, Read Brodhead

Chairman Schwarz called the Planning Commission Work Session to order at 5:09 PM.

The order of the work session agenda was flipped with the Homestay Amendments Presentation going first. The Transportation Project Update will be after the Homestay Amendments Presentation.

1. Transportation Project Update

Staff Presentation

Ben Chambers, Transportation Planning Manager – I appreciate the chance to give you an update. Part of this update is telling you the next time I am coming back to speak with you.

Next Slide – NDS Transportation Team

I want to introduce my team. My team is me, Tommy, Kyle, and Zoe. Tommy is the Bike Pedestrian Coordinator, Kyle is the Safe Routes to School Coordinator, and Zoe is the Transit Planner.

Next Slide – Our Work

You can probably tell from our job titles; we touch on quite an array of different topics. We do transit planning, we work with schools to do planning if you go to school, and we work on traffic calming with public works partners and fire department. We have helped set sidewalk priorities, which include the CIP. That is usually when I come to speak with you. It is once a year to talk about the CIP. The biggest item in the CIP is the sidewalk priorities. We are also responsible for planning out corridor intersection improvements. We also operate some biking and walking programs.

Next Slide – Current Projects

That does translate into a long list of projects that we are working on. This is just a sample of what we are working on, probably just the highlights of what we have on our plate. We have a STARS study with VDOT that we are doing right now for the intersection in the middle of town at West Main Street and Ridge. That will turn into the city’s first smart scale application in 4 years if it is endorsed by City Council in July. We have a second STARS study that we are working with VDOT on. It also involves the county. That is for 29 north and the 250 bypass. STARS is a VDOT program. It is a specific planning program. They have the STARS program and pipeline program. They both do the same thing. They are basically just VDOT doing planning. It has a long acronym. It means that VDOT is coming in and doing a study. They are planning on doing this study so that we will support a smart scale application down the line. We do a lot of work coordinating with VDOT. VDOT does not own roads in Charlottesville, aside from the bypass. A lot of it is them coming to us and saying ‘this is a regional or statewide need that we need to address here. It is in the middle of your city. How can we work together?’ VDOT has had a great opportunity to work with us on West Main and Ridge and further work with them going up 29. We also work closely with the region and our transit agencies to expand and improve transit. That includes realigning routes and putting in new bus stops. We are doing that with the route too. That is an expansion into the county, which will allow city residents to connect to such glamorous locations as the jail, Mill Creek Shopping Center, and PVCC. We are also looking through all our bus stops while we do that. We

have already performed an inventory on all our bus stops to understand what is on the ground today. Surprisingly, we didn't know the answer to that. That is going to help us set up the next step of how we improve what is on the ground, what are our priorities, and where we should spend money to put more shelters, benches, look at lighting, look at traffic, and look at improvements to our signage. We are working through that. At the same time, we are working with the county to figure out how our regional transit authority is going to work and what priorities it has and where it wants to spend its money once it potentially gets a funding source. We also support access to schools. One of the biggest changes that have had on that front this year is updating our city code around school zone flashers. Our city code had outdated names for schools if it was missing some school names. It did not provide consistent guidance on what the speed limit should be when school is in session and what it should be when it is not in session. We standardized that it should be 25 when school is not in session. That is the maximum speed in front of the school. When school is in session, it is 15. We are rolling out the changes to those signs now. The other issue is that there are some spots where we didn't have signs where we wanted to expand our signage coverage. Mr. Rodland is working through a lot of that right now. We operate a few different biking and walking programs. One of them is our e-bike voucher pilot program that gives vouchers to city residents 4 times a year quarterly. We put out a lottery. We got a lot of interest last year. 90 vouchers were redeemed. There are 90 new bikes on our streets. This year, we changed that program a little bit so that we could tier the vouchers that we are giving out so that we could target some higher valued vouchers to people who would not be able to afford a bike on their own. The top tier voucher now allows a low-income resident who can demonstrate that they are participating in low-income assistance programs. They will be able to cap a \$1500 voucher to get the bike they want.

Commissioner Harness – You said that 90 of them were redeemed. How many were issued?

Mr. Chambers – It was close to 110. It wasn't a 100 percent redemption rate. People were getting them and going to the bike shop. They did not want to buy a \$1500 bike because they only had a \$1000 voucher. There was some of that. There was also some feedback that we received about bike parking. There are people who live in some of our public housing. They did not have a place to lock their bikes up. That is a different process that we are working through. With this program specifically, we wanted to address that issue. What happens with the people who cannot afford that. That is the big change this year. The other big change this year is we have added an additional \$100 vouchers for all the winners that we are calling our safety voucher. It is to be used for helmets or locks. We wanted to make sure everybody had those tools so that they were storing their vehicles safely and riding them safely.

We also have our monthly walk series. This is our official walk that we do in neighborhoods every 2nd Sunday of the month. We rotate around the city, so we get to check out a different neighborhood every month. It has been a great way to engage with the community, learn what they are seeing, and point out some things that we are working on along the way. We have a less official weekly bike ride that does a similar thing. We love having people come out on both and see the city with our eyes.

The last one is our Rose Hill Drive restriping concept plans. This was an opportunity that came up because Rose Hill Drive is going to be repaved in 2027. We saw that as an opportunity to change some of the striping on Rose Hill Drive so it could serve all the users who are trying to use that corridor. Right now, you are looking at Rose Hill Drive that is wide and delineated with a series of different lines. It is a 35-mile-per-hour road going in front of a county school. That goes against the issue that we pointed out with our school zone flashers. We want to slow down traffic on that road, so it is safer for the school uses for the people who are using corridor biking, walking, and using transit. We kicked off this project with the neighborhood at the beginning of this month with a walk audit up and down the corridor. We will be returning to them in April with some design options and hopefully with a preferred alternative that has been vetted and discussed with the community in June.

The last one on the list is what I am going to spend most of my time talking about this evening. We are working on scoping out a citywide mobility plan. This is the item I will be coming back to you with later. We will talk through what the process looks like for this and what the timeline is.

Next Slide – Why do we need a citywide mobility plan?

Our Comp Plan points to this as a strategy for how we are going to achieve our goals. It says to secure funding for a transportation master plan as part of its goal #1 for complete streets. I can say that we have already achieved that goal. Council has already set aside funding for this effort. We can say that we checked a box on that. There are other items under #1 that we need to work on to be able to create that connected network for all users. This is also something that we identified as staff last year in January 2025. We rolled out The Safer Streets Strategy, which was a phased strategy for us to work on the small problems and big problems all at once. This was the 2nd phase of our strategy. Our initial phase was focusing on spot improvements and existing work that we already had on the books. Phase 2 is looking at things like rewriting all our plans bigger in scope. Phase 3 is implementing those plans. This is a step along the way that we have been following for a little over a year. Part of the reason that we identified this as a need last year was that we were trying to turn to our existing plans and figure out what we were supposed to do next and finding a lot of conflicts. We found that they were not coherent amongst themselves. Some plans would be emphasizing one mode over another. Some would be saying that we need to be considerate of these factors versus those. They all had priority lists that did not jive with each other. We needed to come up with a way to do that. The other thing we needed to do was look at our Comp Plan. Where do we make progress? Where do we have updates to these strategies and goals? Some of the stuff is 5 years old. Where do we need to make updates? Where are the gaps? Where are the things that we need to make progress on?

Next Slide – Goals for a citywide mobility plan

Our goal for this is to advance that vision of the Comprehensive Plan so that we can have multimodal access, equity, sustainability, and healthy communities addressed through this plan. It must prioritize actionable strategies that build connections across the transportation modes. Just not a plan of wish and dreams, but things we can do. It will improve system performance through measurable implementation focused outcomes. How are we going to measure whether we are doing what we are saying correctly? In the end, this needs to support the city's mission to be a place where everyone can thrive mobility and make sure that you can get home and work and to all the other things that make life a joy is important to that goal

Next Slide – Key Elements of Scoping the Citywide Mobility Plan

These are the key elements of what we are doing as part of this scoping effort. The first one is something we already did back in late Fall/early Winter. It was to look at Comp Plan and see where we are at. It was a high-level overview to understand what goals we have achieved and what things we made much progress on and where we need to fill in those gaps. We needed to take a closer look. Not everything that the city has said about transportation is captured in the Comprehensive Plan. We wanted to do a deeper dive. Are there goals and strategies that the Comprehensive Plan is not even addressing? The existing conditions assessment is something we are working on right now. It is not just looking at demographics or what the current infrastructure is. It is also looking at our existing plans. What has happened with these plans? What data do we still need? What data do we have? Laying the groundwork for identifying where the missing links are. That will help us to start writing out a scoping report. It will summarize key topics and key deliverables that we are looking to achieve with this plan. Our scoping report will also include an engagement plan, which will align the expectations for how we are going to be talking to people about what this plan is along every step of the way. As we do this, we are also coming to you and other stakeholders to solicit your feedback on that existing conditions report and on the scoping report.

Next Slide – Timeline for Next Steps

Right now, we are working through the internal draft of the existing conditions report and scoping report. In May, we will have bike month. There will be a lot of events that we will be talking about. We will also be doing a lot of engagement work for the scoping of the mobility plan. On May 5, we plan to release the existing conditions report and draft scope report on the Connect Charlottesville project page for the mobility plan. On May 7, we will be presenting those materials to the BPAC. On May 7, we will also be opening a public survey on the Connect Charlottesville page that is related to the key topics within the scoping report so that we can get a feel for what the priorities are of the community. We will be talking to BPAC and getting their feedback on the 7th. We also want to hear from the broader community. On the 26th, I will be back here to speak with you so we can also solicit your feedback and make sure that it is incorporated. We will be going to Council on June 1st. I usually go to Council in late Spring every year to give them an update on what is happening with transportation planning work. This is that opportunity this year. It is going to be focused on the mobility plan and the scope that we are recommending moving forward with. In June, we will be finalizing that scope based on feedback that we received from you, Council, the public, and then working with our procurement team to consultant support for that scope sometime this summer.

Commissioner Questions and Feedback

Commissioner Joy – With the Rose Hill restriping, they talked about a mini-roundabout. Is that including that?

Mr. Chambers – The mini-roundabout is partly why we stumbled across the repaving project and saw this opportunity. We were going to our public service team. We were going to put this on the ground. They said that they were going to repave that road soon. When we got that feedback, we realized that we have more of a window to go to the community and see if there is a different thing they might want to have here. Mini roundabouts could be an option. Right now, it is back on the table. We will be coming to the community on April 13th. We will be doing a public engagement event that will show off design options for Rose Hill. It will not be saying this is the full corridor. It will give you different opportunities at different points. Mini roundabouts could be a design option that is on the table. It is something that we want to solicit.

Commissioner Yoder – I will share a couple high-level thoughts on the mobility plan. I would encourage you, at a high level, to use clear language with the community. Transportation people use a lot of jargon, improvements, level of service. People want to know if they have options for getting to places. If I want to walk, can I do that? Do I have to drive? One of my favorite transportation thinkers is Jarrett Walker. I once got to participate in one of his transit network redesigns. So much of the process was focused on having tradeoffs. You can have this, and we can have that. We cannot necessarily have everything. What do we want to do? What are your priorities and goals and values? I thought that was clear and valuable. I have seen a lot of stress analysis for bike plans. I hate them. NACTO has all ages and abilities guidance for bike network design. I have seen some cities where they do plans. Are you close to all ages and all abilities facility? If you are 8 or 70, they are near you. That is something that people like. That is my main thing. Let's be clear, legible, speaking language that people think about and talk about tradeoffs and priorities.

Mr. Chambers – I appreciate that comment. It is important to raise that topic of the trade-offs. A lot of what we saw in our plans and the reason it was hard for us to make choices with our existing plans was that they did not tell us what to do when we had that tradeoff discussion. When we have a plan that says a bike lane should be here, a sidewalk should be here, parking should be here, 2 travel lanes should be here, and there is only enough room for one lane of parking and one lane of travel, it does not tell which one and what mode is most important. Working through how we are going to make those decisions is what we are trying to solve here. That will be part of our scoping effort. How do we develop policy that tells us what to do with this.

Commissioner Yoder – Getting Council to go through a process where they think about the tradeoffs and where they fall will help get political buy-in for some challenging corridors and things like that.

Commissioner Carp – You mentioned school speed limits. I think you used the phrase ‘when school is in session.’ Do you mean the entire school day or drop off and pick up time?

Mr. Chambers – It is just drop off and pick up.

Commissioner Carp – You mentioned traffic calming. A lot of it went up last year. There is the website which lists more projects. After that initial rush of projects, I have not seen much more construction and much more planning there. Is that an active area of work between now and the end of this plan? Is that on hold?

Mr. Chambers – It is an active area of work that we are discussing with Public Works. What is the next step of what that looks like? There is still evaluation of these projects that needs to happen. There is still consideration of what are the things that we want to keep on the ground. Some of those were testing things.

Commissioner Carp – I would encourage you to encourage whoever can do this to keep the websites up to date with both product status evaluations. People have a lot of interest in this topic. They will email you if they can read more on websites.

Commissioner Roettger – You can share that information with other people in the organization as well.

Commissioner Carp – I appreciate your diagnosis of why the current plans have not led to the progress that we hoped for. As you have said, the plans are in conflict. They ask for things they cannot happen at once. As a result, not much happens. Since we adopted any of the plans, we have not built many of the facilities that you are talking about anywhere in the city. Having a plan that allows things to be built will be important. I would love to see in your planning process for the plan having whatever you can, written down about implementation such as implementation, metrics, and concrete goals so we can check after one, two, or three years. I would like to see in your implementation chapter how you will evaluate each year. You will report to Council in this way with the following metrics. We can tell how it is going without having to wait for someone to tell us after 10 years. I would like to see goals around lane miles of whatever is built about measuring car VMTs, mode share. If we could say the different mode share for different modes, here are our goals for 10 years from now. The more that can be in the plan so we can see how we are doing, the better it is going to work. I don’t think we have much of that right now.

Mr. Chambers – We don’t have much of it right now. That is an area that we have highlighted the need for more of that so we can keep track of our progress. It is the reason that we stood up the strategic office and City Manager’s Office. I am sure our new Chief Strategic Officer is going to make sure that I include this as part of our planning. It is part of our goals around this; to make sure that we have actionable, measurable things that we can be doing going forward and not just a list of projects that we would like to do.

Commissioner Carp – I want to know what your reporting will look like every year after plans are adopted. That would be great to see. How much are you working with sustainability? I cannot separate transportation from climate. They are the same issue. I think transportation is the biggest source of emissions in the city and the only source that is growing. I would like to hear how that is part of that team and that goal is part of your process.

Mr. Chambers – They are one of the many groups who are going to be engaged heavily in this process. They are part of our project team for this, specifically the scoping effort. I would assume that they are going to be heavily engaged throughout the entire process of planning. They are just one of many partners. We are also partnered with people, not even in the city. Our partners in Albemarle County are going through the same parallel process as us. They have hired a new principal transportation planner. Her job is to write a county-wide

mobility plan. They are having a series of meetings in parallel with us. They are informing their planning commission and their board of supervisors and their local advisory committees of the exact same process that we are going through in the city. We are trying to align those to make sure that we are speaking the same language, that we are talking about the same needs. A lot of people don't know where those boundaries are. We want to make sure that if we are talking about improving mode shares for biking and walking, we are accounting for that. Some of that is to track trips that are coming from Albemarle County that we need to account for.

Commissioner Roettger – Sitting on the Parks & Rec board, the trails are always a popular topic. Making sure that there are connections or shared funding for that. Density-wise, I am thinking of South 1st Street, Friendship Court, and Westhaven. I have been in a lot of meetings in the past where people have a lot of questions about bus stops and where they are. Can they be moved when there are changes already happening in the neighborhood? Making sure that those big projects that are happening are aligned with the best possible bus stops for people who have trouble getting to bus stops.

Mr. Chambers – With the Parks point, their plan is not that old. It is not one of those plans that we are 'dusting' off. Their plan was adopted last year. It had a robust trails strategy aligned with it. That is something that we want to make sure it is aligned with anything that we are planning for the rest of the transportation network. It is part of the transportation network. That will be a part of it. Bus stop planning is always going to be a part of our transportation network. It is always going to be a question that comes up of how we can move those. Around bus stop planning, it is getting harder to move bus stops. A lot of people think a bus stop is just a sign in the ground. It is a lot more than that. We cannot put out a bus stop. We cannot make a new bus stop or change a bus stop without having a 5-by-8-foot concrete pad so that we can have someone in a wheelchair roll off a bus and on to safely. Putting out a concrete pad makes that permanent when we are talking about moving stops.

Commissioner Roettger – I was thinking of these big developments that are under construction where there is time to plan for that. When I have been hearing about things, it is usually 5 or 10 years down the line.

Mr. Chambers – With the larger developments, our zoning code changes have changed their requirements for what they need to do when they submit site plans. Part of that change is that they must not just do a traffic impact analysis but a traffic demand management plan if they are above a certain size. With larger public housing developments or private developments, they are sending those in. This is where we think people are walking. This is where we think people are biking. This is how we think we are going to draw down the number of vehicular trips that will impact this neighborhood. We have that opportunity built into the code in a way that we didn't have prior to the zoning code. That gives us some flexibility before we get the mobility plan passed. The mobility plan will also provide us with some policies that will inform us how we review those TDM plans.

Commissioner Harness – For your timeline, you have through this summer having contracted with a consultant to put together the plan. Do you have any idea of when we might have an adopted plan?

Mr. Chambers – It depends on how fast procurement goes. Beyond that, I would say it is probably going to be 18-to-24-month process to get through. That puts us at summer of 2028.

Commissioner Harness – I am glad that we are getting this started now. I figured that could be the answer. I wanted to get that out there. I have been looking through the Comprehensive Plan and trying to understand all the various appendices that come with the transportation section of the plan. There are several sections. The Master Plan for Transportation references 6 other plans. Is this mobility plan intended to replace all those various plans?

Mr. Chambers – Yes.

Commissioner Harness – That would be good. It is very hard to follow and figure out what is happening. If we could streamline and minimize the number of appendices for the transportation section, that would be helpful.

Mr. Chambers – It may not cover everything that all those plans cover. Some of them were small area plans that we adopted into the Transportation Master Plan section of the Comprehensive Plan. We are not going back and updating small area plans as part of this effort. The bigger plans like Bike Pedestrian Master Plan, Streets That Work Plan, and larger efforts that were around transportation, that is what this is aimed at with streamlining and simplifying.

Commissioner Harness – I like that. There is the integration of CAT into this plan. CAT is an organization that spans jurisdictional boundaries and has funding from the county. I am coming from the position of transit as an extension of walkability and bikability of the city. You can make a pedestrian trip much longer using good transit, even across the city or into the county. How deeply integrated are we expecting CAT to be into this mobility plan?

Mr. Chambers – Some of the answers around how we would want the CAT network to be laid out are going to be addressed before we get into this plan. We are working on the CARTA prioritization study right now. It is the big regional lines that you might see heavy investments on for high frequency service or weekend service or late-night service. A lot of those are already going to be laid out on the network. When we get into the mobility plan, we can talk about where people within the city need additional access to that network. Where are there places where they have challenges on a local level, not on a regional level, to access a bus stop. Where do we need access to a bus that may not be serving a regional purpose but is going into a neighborhood? Those are the kinds of questions and policies we can talk about in the mobility plan.

Commissioner Harness – That is good information. It also sounds like the cadence of these studies and plans is working in our favor. This is a pertinent conversation. There has been a lot of discussion over the many years about development and housing. We hear a lot of comments about parking issues in neighborhoods. Having a good mobility plan and a plan that is actionable that we can work towards can also help mitigate some of those issues. These are going to work together well. I am excited that this mobility plan is coming up now.

Chairman Schwarz – At some point, there had been floated the idea of a transportation mobility committee. Is that something that would be part of this? Would you stick with the typical stakeholders?

Mr. Chambers – We are trying to figure out how we will have a stakeholder group that moves this along. That might be what we go with.

2. Homestay Ordinance Amendments

Staff Presentation

Missy Creasy, Deputy Director NDS – I will be guiding you through the materials that have been compiled related to this project. This will be the homestay and short-term rentals ordinance.

Next Slide – Agenda

We are going to have an introduction. We will go into the study process, research & data, and potential options for changes to the code, some of the community and stakeholder engagement. We will provide some background on that, implementation, and the next steps. I also want everyone to note that there is a website that has a lot of information about the details of this project. This is an overview. There is a lot of different information there.

Next Slide – Homestay/Short-Term Rentals Study Overview

We are going to begin with the definition of a homestay. This is specifically a residential property that is rented for less than 30 days. The properties that we have been studying in this opportunity have been the residential properties in the residential areas, which are RA, RB, and RC. Most of the light yellow that you can see on this map are the areas that were most of the focus. Property owners who reside at the residence for at least 185 days of the calendar year can apply for a homestay permit. It was determined that it was time to review the current ordinance. It was a decade old. It is one of the earliest ordinances that was formed for short-term rentals around the country. We have many communities all over that use our ordinance as they are forming their own ordinance. There are a lot of times where you will see something that looks familiar out there. The number of homestays has increased significantly. It was a good opportunity to look at the regulations and context of current Comprehensive Plan goals. There is a specific goal to look at this. That was part of the reason why this became a project.

Next Slide – Current Regulations in Residential Districts

I am going to go through the high points of the current regulations. This is what is in the books today. This includes proof of residency, including some sort of photo ID. Homestay permits are valid for a year with a \$100 fee. The code states the operator is required to have several safety measures including smoke detectors, carbon monoxide detectors, and fire extinguishers. The code requires the permit holder to allow staff access to the premises once a year if notified in advance. That is already included in the code. They must reside within the unit for at least 185 days of the year. Up to 6 adults and any number of children may lease a homestay.

Commissioner Mitchell – With the photo ID requirement, is that legal?

Ms. Creasy – It is a proof of residency. The code gives a couple examples. We have found that some of the examples that are in there do not provide proof of residency. Our person who works through these permits works back and forth with applicants to make sure that they have something that shows that the individual is a resident.

Commissioner Mitchell – It needs to be a photo ID. For example, my photo ID/driver's license has a different address from the one I live at. There are probably lots of people like that.

Ms. Creasy – I know that they work with individuals. It is not a one size that fits all.

Commissioner Harness – On a previous slide, it says there is a maximum of 30 days per year. It is not repeated on this slide. When I was preparing for this, I was unable to find that 30-day maximum. Do you know where that 30-day maximum is referenced?

Ms. Creasy – Not off the top of my head. I believe it has something to do with the levels of residency. If it is over 30 days, it is a long-term situation.

Next Slide – Study Process Timeline

This is a timeline that shows the progress of this project. We started in the spring of 2025, with scoping of the project and information gathering timeframe followed by a community survey and procurement of the Granicus System, which we will talk more about as we move forward. Drafting of the recommendations, based on findings, began in the winter 2025. We met with the community and had other outreach opportunities. We are now in the process where we are meeting with you all in Phase Five. We are scheduled in May to provide a presentation for the City Council.

Next Slide – Granicus System

What is this system? This is a software platform that is tailored to the city. It shows the city. It provides several data points for us as we are looking at short-term rentals. It locates them by finding listings online. It helps assist us with proactive enforcement and licensing. The Commissioner of Revenue Office uses this. If it shows that a location has been listed, they also link in and make sure that individual is following the rules that they need in that realm. It also has a system of generating and sending out letters that help us through the enforcement process. What we have gained from the system so far was the identification of 529 short-term rentals. That is what it is showing. We are going through that to see exactly what that is. We think the number is a bit lower. We are having to go one-by-one to try and figure that out.

Chairman Schwarz – Is that 500 more than we previously knew about or just 500 total?

Ms. Creasy – That is 500 total showing up.

It tracks rentals on every platform. Any sort of homestay, short-term rental type that is on the web, they mine that data into this system. It catalogs the rental history. It is taking the information. If it has been rented in the past, it gives us a flow of what that has looked like. We are in the beginning stages of using this. It really has made a big difference in us being able to figure out the research phase of concerns that come in. Prior to the system, we had a staff member that would go from each of the different websites, plug in the address, try and gather the information. If there was a listing, we would have to screenshot everything because the data changes. If we click on the address on that map, it links to the listings for that address. It has been a huge time saver in trying to increase our enforcement issues.

Next Slide – Charlottesville Homestay Data

This is some data that came out of the system. It shows us, in most cases, how houses are rented. That is a data point. It also shows us information on the number of bedrooms that are listed through the system and the percentage throughout the community.

Next Slide – Budgetary Impacts of Homestays

We have some data from the Commissioner of Revenue's office concerning transient lodging tax. Short-term rentals are 17 percent. This 17 percent is anybody who is using an online hosting site. This is a combination of anybody who is in the commercial and mixed-use areas or the residential areas. It is not just the residential area that we are talking about. That is wholly what comes from that. It does note that we still have a robust market for hotels and motels.

Commissioner Mitchell – These numbers are confusing. Is this \$12,000 per homestay?

Todd Divers, Commissioner of Revenue – The top line is business, tangible, personal property. That is business equipment. In a hotel, that is going to be your beds, your fixtures, and things like that. Airbnbs don't have very much. They might report a bed or TV. There is not much money there. There is no meals tax on homestays. Hotels pay the meals tax. The transient occupancy tax is the big one. You see that hotels and motels pay \$7.6 million. The homestays pay about \$1.5 million.

Commissioner Mitchell – Is that the 9 percent that you referenced earlier?

Mr. Divers – The 9 percent is the rate of the tax.

Commissioner Yoder – Do we have a sense of the scale between hotels and the short-term rentals? How many hotel rooms are there in the city versus how many rooms there are in short-term rentals?

Mr. Divers – I don't. Chris Engel (Director of Economic Development) could give it to you.

Commissioner Yoder – That would be more useful in putting that the hotels generate more revenue and probably a lot more hotel rooms.

Commissioner Carp – Do we know what fraction of homestays are compliant and paying taxes as of 2025?

Mr. Divers – With regard to the transient occupancy tax, I can tell you that is now almost entirely paid by the online platforms. Airbnb and VRBO are collecting the money and sending it to us. Virtually none of the hosts must do that anymore. There have been some changes in Richmond.

Commissioner Carp – The Granicus compliance end is about making sure other rules are followed, not tax collection.

Mr. Divers – Primarily. We are still getting business licenses from them. We are still getting tangibles from them. It is not much.

Commissioner Carp – Looking at this chart, the bulk of the money is through the platforms, not through Granicus.

Next Slide – Economic Impacts of Homestays

Ms. Creasy – In addition to tax revenue that comes in, there are several industries that benefit from short-term rentals. That includes a lot of our tourist money that comes into the community in breweries, vineyards, weddings, restaurants, businesses, etc. Those are the big things we have around here. Other areas are where we have cleaning and repair companies. There is business that is involved with that as well.

Next Slide – Comparative Research

We started out by doing comparative research from other communities. Online, we have charts that show the communities and the details. This is just the highlight of that. We found that most localities require proof of residency. The fee for a homestay permit varies quite a bit. We are not even in the middle. We are on the side there a bit. Many do require safety inspections. It is common for there to be a limit per bedroom and/or a number per property. That is a common thing. Proof of insurance is often required. All the localities that we were able to find had some kind of residency requirement.

Next Slide

New for Virginia is this human trafficking certification that operators in Virginia will have to be compliant with. This is something from the state. As we have talked to providers, they are not exactly sure what that is. We have not gotten a straight answer either. We know it will be a requirement. Until there is clarity, our understanding is it will be online training that would be offered to cover that. I am sure that some of our people might have some feedback when we get to that point.

Next Slide – State Code Provisions

The General Assembly passed a new law that requires localities to allow tenants to be able operate short-term rentals with the permission of the landlord. That is a change. The requirement would have to be put in place if we made a change to the short-term rental code. That is something that came out as part of our study. That has potential to open the use of homestays to more operators within the community and increase the numbers and potential increase to neighborhoods. There are a lot of unknowns with what that might result in.

Commissioner Mitchell – This confused me. I suspect that nobody else is confused. Just to be sure everyone understands. If we don't revise the ordinance, bullet 1 does not come into play. Bullet 1 only comes into play if we go in and change the ordinance.

Ms. Creasy – That is correct. We have gotten that legal interpretation.

Next Slide – Proposed Options

We have a chart that was put together that provides information concerning the current regulations. Besides, some of the proposals that had been under consideration. Many of these were items that we had taken to the public when we went to the open house. This is a good visual. I know that people have had this. It has been online for the last week. It was a good opportunity to see what is currently in the books and what was a potential proposal, given the feedback we have had so far.

Commissioner Mitchell – There is a proposal to cut the days they can be rented in half from 180 to 90. Am I reading that right?

Ms. Creasy – That was one of the proposals that came forward.

Commissioner Mitchell – What was driving that?

Ms. Creasy – It went away.

Commissioner Harness – To my earlier questions, current regulations are you can rent it out as many days as you want.

Mr. Creasy – You could if you are there.

Commissioner Harness – You must be there for 185 days. Even if you are there, you can still rent a room. The other 180 days, you could rent out your entire place. To further clarify, these proposals are community proposals or staff proposals.

Ms. Creasy – Mostly staff from the research. Those came forward to the community meeting. As this has evolved, we wanted to give the record of the steps that have come along the way.

Commissioner Harness – I am just trying to reconcile these proposals with a future slide. I am trying to understand where these proposals lie within no change recommendations.

Kellie Brown, NDS Director – We thought about doing a spoiler alert slide. We are going to take you through all the recommendations that we considered but ultimately have decided not to make any recommendations for changes.

Commissioner Mitchell – What was staff thinking when you decided cutting this in half might be the way to go?

Ms. Brown – I wanted to try to clarify that question. The regulation today is that you must live there 185 days, more than half the year. The proposal that we have been considering is that you can rent the unit for no more than 90 days. We were not proposing to cut the requirement in half. The proposal that we have been considering was that you can rent out your unit for no more than 90 days. You are still going to be required to have to live there at least half a year. You were going to have to demonstrate that you were a permanent resident. On top of that, we have been considering an additional provision that you could only rent it out 90 days out of the year

Ms. Creasy – This is an accessory in a lot of ways. This is not supposed to be the main use of this dwelling. The main use is where the person lives. With the estimate of 90 days, we talked about the potential to rent every

weekend. A lot of people do the weekends or do special events in the community. Narrowing that down is where that proposal came from. It was not very popular at the community meeting at all. It was something to continue to enforce that this is one piece of the puzzle in that people live in these houses.

Commissioner Carp – Why are we talking about things that you are not recommending that anybody does?

Ms. Creasy – We are providing the process of this project. That has led to some confusion. This was a piece of where we landed or where we progressed through this. We had this set of recommendations. More information came to light. We changed as we moved forward.

Chairman Schwarz – It may be less confusing. We will have a chance to ask staff questions when Ms. Creasy is done with the presentation. Maybe it would be less confusing if we kept these clarifications and then we really get into questions.

Commissioner Carp – It is not confusing. We are talking about things that we are not talking about. None of this is happening.

Chairman Schwarz – We could advise staff. Maybe we like these proposed changes. When we get to the end of the conversation tonight, we don't get to vote on it tonight. Staff are going to be looking for some kind of feedback from us at the end of this. Let's let staff finish their presentation. We can ask them some questions and figure out from there where we are going.

Next Slide – Cost/Benefit of Amending the Ordinance

Ms. Creasy – We had a lot of weighing a lot of different things. As we move forward, I will talk a little bit about the highlights that we have received from the community so far. With the benefits, more stringent requirements to demonstrate owner occupancy, internal safety inspection requirements. We currently can do that. The proposal would provide more of a requirement. The occupancy allowance increased from 6 to 8 adults allowing for some flexibility, which would work for a lot of places within the community. Permit term would reduce staff time approving permits on an annual basis. Some of the costs to consider as part of this are increased staff time on internal inspections, code changing. We would have to jump into the tenant operation allowance now and their potential impact with more guests.

Next Slide – Community Outreach

These are some of our big outreach opportunities. We conducted an online survey in May and June of last year. We had 500 respondents to that. I will talk about the areas of information we heard about that. We had a community meeting on December 3rd. We met with a group of advocacy group, STR advocacy in February. This is in addition to the ongoing dialogue. We have had a lot of people provide inquiries. We talked to a lot of people throughout this process. There have been opportunities to gather feedback. I am sure that we will gather more as we continue.

Next Slide – Community Survey Highlights

There were a couple of highlights. We had 500 people respond. That is a hefty response. Key benefits that were noted were economic opportunities for the owners, tourism, and visitor options. Some of the primary concerns that were outlined were housing impacts, neighborhood fabric, and a variety of nuisance related items including noise, parking, and traffic issues. There was a grouping that identified no concerns with short-term rentals. Most of those people identified as resident homeowners. That is additional information for consideration.

Commissioner Carp – It says a subset. Is that 1 percent, 5 percent, 10 percent. Do you have any idea?

Ms. Creasy – I do not. I do not see the individual who worked with the survey. That is a question that we can address.

Next Slide – Community Meeting Highlights

We held a community meeting in December 2025. We had a diverse group of participants, a lot of different neighborhoods, ages, people in different housing situations. It was an opportunity for attendees to review displays, ask questions of staff, and provide comments. We had a formal presentation and a question/answer session as part of that. It was noted in the summary that homestays generate economic benefit, boost tourism, and offer a unique lodging option that helps support local businesses. Some of the concerns that were noted had to do with the rising cost of housing due to a lack of availability and the permanent loss of resident space.

Next Slide – STR/Advocacy Meeting Highlights

Through the community meeting, a group of short-term rental operators organized and contacted the zoning division with a different model for regulating homestays. This group provided several questions for review and had suggestions as to how the ordinance might be changed. The highlights of that are noted here on the slide. Staff do want to note that we received comments from other providers in the community who are not part of this group and don't feel that group represents them. That is another thing to consider.

Commissioner Mitchell – What would people like to see the 185-day rule replaced with? They would like to see it loosened.

Ms. Creasy – Yes. I am sure we will get some more feedback. There is some more information that is more detailed.

Next Slide – Key Findings and Staff Recommendations

We have several things that we have learned or confirmed through this process. Community engagement indicates support for short-term rentals within the community with increased enforcement efforts. Community occupancy limits of 6 adults limit larger properties but provide several opportunities for many operators within the community. Strengthening requirements for home occupancy would be challenging to enforce. A key item that came to light in this process was the state code provision. It is an unknown potential impact. By making a change to the code, we would have to put in this allowance for renters to operate homestays with the owner's permission. Because we are just beginning to implement many of our new measures with our enforcement tools, we are concerned about introducing that unknown now.

Speaking of those new measures, staff have also determined, with the new resources that we have, the new software, and we have dedicated staff to this effort, that we are hopeful for improvement on the concerns that we have been facing in this community.

Next Slide – Staff Recommendations

Here is where we have landed at this moment in time with recommendations. That is to maintain our existing code without any amendments, to strengthen monitoring of homestay compliance, permitting requirements, and education about homestay requirements. In addition, continue to monitor the impacts of the state code provision allowance, as that is implemented in other places throughout the state of Virginia. For homestays that are in zoning districts that are not in residential districts, we did not look at those as part of this process, to conduct the yearly inspections. Those in commercial and mixed-use areas end up in a different building code situation. Our fire marshal has been researching the best way to handle those. There is that side project going on. Continue to study the issues pertaining to those situations for a future work plan priority.

Planning Commission Questions

Commissioner Yoder – We maybe got hung up on the proposed language on that one slide. If it was just an option you considered, I would suggest not calling it. It sounds like someone is proposing to do this when it sounds like you considered it but are not proposing to do it.

Ms. Creasy – That does make some sense. I just got some information. The subset category was 20 percent of the 500 in the community survey.

Kellie Brown, NDS Director – There is also a question about data on several listings. We were able to research that as well. One statistic we can offer is that in 2024, there were 4100 hotel rooms in the market, over 1.5 million listing nights available for hotels. Short-term rentals accounted for 14 percent of that inventory.

Commissioner Carp – Is that pre- or post-Granicus?

Ms. Brown – This is a different data source. This is data that we get from a source called Air DNA. I am not sure how it relates to the question about Granicus.

Commissioner Carp – I don't know if it is complete, if it is from the platforms, they hopefully are not telling you lies. If it is staff screenshotting listings, you will miss things.

Ms. Brown – The source is Air DNA. It does this kind of market research to develop these kinds of statistics. You can take it with a grain of salt. That is what Air DNA tells us about the share of the market.

Commissioner Yoder – I have one question about enforcement. The code is set up so that you cannot have a full-time short-term rental. You cannot own a property and Airbnb it full-time. You must live there for more than a half-year. We all know that there are full-time Airbnb homes in the city. I live 2 houses down from one. The platforms are directly paying occupancy taxes to the city. Does that mean that there are unregulated short-term rentals who are still paying the occupancy tax to the city?

Ms. Creasy – Yes.

Commissioner Yoder – Can you talk about the enforcement of the full-time short-term rentals? Do you have any numbers or order of magnitude. What do you do when there is an unregulated short-term rental that does not follow the 185-day residency requirement? What are the steps? I am curious to get a sense of scale. How often does this happen?

Ms. Creasy – That is one of the hardest things to enforce. As we have gone through this process, we have been meeting with our attorneys as part of this. They have been with us along the way. Enforcement of that is going to be a challenge. It will be a challenge all around. As part of our proposal, we met with the Commonwealth Attorney's Office trying to work through different enforcement opportunities that would be available. It is a tough thing to do. We must rely on the regulations that we have. We get concerns from people on a regular basis. We investigate them the best we can with violation letters. It is always going to be a challenge

Commissioner Roettger – Just because the tax is coming in with the new software, you would know about it.

Ms. Creasy – Our efforts are separate in some ways. We know that people are paying taxes for something that they may not be doing with all the proper paperwork. The software gives us the opportunity to more quickly find these locations. Before, it would take hours to go from site to site and try to pick the information off them. Now we have it coming in one thing. There will still be violations. We can find them quicker based on the data that is online. We don't have to go in individually to find it. It comes to one place.

Commissioner Yoder – What is the violation for afoul of the short-term rental code? Do you get a fine?

Ms. Creasy – There is a fine opportunity. It is limited. This is in the zoning code. We have fine opportunities. They are limited to a zoning violation level. We have attempted to explore other opportunities for trying to continue to enforce this. We have found some of the most effective ways are peer related. People want to have the opportunity to do this in the community. If there are people who are making it difficult, that becomes a challenge. That is another option. This use could go away for the community. The community does not want that. We have shared that they are interested in keeping this use in the community. That is an option that is on the table if it becomes something that is not working for the community.

Commissioner Yoder – It sounds like the violation; the fine amount is not that effective.

Ms. Creasy – It is not a huge deterrent. Once you get on the radar of your neighborhood, it gets complicated. You are getting letters, concerns, and calls. The rules are there. They are straightforward. It is a struggle. Most people are doing what they need to be doing. The ones that we hear about are complicated cases. It is like any kind of property zoning violation. Most people are doing what they are supposed to. There are situations where there is a struggle

Chairman Schwarz – Can you remind us of what that fine is? Is it \$75 a day?

Ms. Creasy – I don't think it is a per day. It is \$200 flat per violation. It is a couple thousand for the maximum. We can constantly send letters and violations. That is not the most effective way. It is a method, and it is one that we do employ. It is a challenge.

Commissioner Roettger – I am mostly looking forward to hearing from people who are using this. I also have a question about ADUs. When you say the number of days that you are living in a unit and you have an attached or detached second unit, which we will hopefully have more of in the future, how does that work?

Ms. Creasy – You can have one short-term rental on site. This is an accessory to people living in a residential area. This is not meant to be a sole source. I know that people have different opinions on that. This is something that is supposed to be compatible with residential neighborhood living.

Commissioner Harness – In my read of it, can it only be one unit? It must be the one that is occupied by the operator. You cannot live full-time in one unit and rent out the other one as a homestay.

Commissioner Roettger – I know people in my neighborhood who have a separate one-bedroom unit in their backyard who seem to live in one and rent the other.

Chairman Schwarz – What is staff's opinion on that?

Ms. Creasy – In those cases, it is not going to rise to the level of violation that other things. The ones that we spend most of the time on are nuisance related.

Chairman Schwarz – It is technically a violation. It is not one that we bother with.

Read Brodhead, Zoning Administrator – I wanted to mention that for violations it is \$200 for the first violation. Every 10 days, we can send a \$500 violation up to \$5000. It is a maximum of \$5000. To mention how many Airbnbs you can have on your property, it is one. You can have one Airbnb on your property. It could be in the house, the ADU in the backyard, the ADU in the basement. It is one per property.

Ms. Creasy – If there are multiple units not on a property, it is one. This is something that is supposed to be compatible with neighborhood living. Things can change in the future. That is where we are now.

Commissioner Carp – For enforcement, is it possible to say if you have broken the rules in some obvious way, can we deny permission to rent on these platforms at all? Is that not possible to do?

Ms. Creasy – We would not be able to tell the platform. We could tell them. They can do whatever they want. We can revoke permits. We cannot issue permits. Since this is a yearly permit, every year is an opportunity to reevaluate what is happening on site.

Commissioner Carp – You can deny a permit, but the operator can still ignore you.

Ms. Creasy – That happens with all sorts of things everywhere.

Commissioner Carp – Do staff currently deny or revoke a permit if something comes to their attention for enforcement?

Ms. Creasy – We go through the checklist of items to get the permit. If the individual can meet that permit requirement, then we issue the permit.

Commissioner Carp – I think there was a BZA ruling where that was not done. Someone did not live on the site. BZA determined that they could not take the permit away from them.

Ms. Creasy – If we are in a situation where we are ready to remove a permit because of a violation, we are going to be working with our attorney's office to make sure that everything is in place to do that. That would not be the first route we would go where we work with people as much as possible. We want people to take advantage of the opportunities that the community provides. We also want everyone to do that in such a way. It is tough.

Commissioner Carp – I am trying to understand if there is a problem to be solved here. It has been 10 or 11 years in time to revisit the ordinance. It sounds like there are no recommended changes. There is not a huge problem. This is more of a refresh. We checked and things are roughly okay. Are there problems that we need to solve in the ordinance?

Ms. Creasy – There are always things that can be tinkered with. We would be having a different conversation if we were not faced with the state legislation that we are working with here. We might get more into the weeds and make some adjustments. We have a good ordinance for what it is. A decade ago, the industry was not quite what it is today. It is a lot more robust now. It is lucrative. If people are doing it according to the rules, go forth. When people don't do things according to the rules, we hear about it from various sources. We try to do the best we can to get people back into proper compliance.

Commissioner Harness – Related to the zoning text directly, there are some references from the homestay section to the home occupancy section that are contradictory. The contradictory one is that in the homestay, you are not allowed an exterior sign. With the home occupancy section that is mentioned, you are allowed an exterior sign. It is maybe worth cleaning that up. One that could confuse people trying to do a homestay is subsection 4 of the Home Occupation code. It states that your customers cannot visit earlier than 8 AM or later than 9 PM. It is hard to have a lobbying place where people can visit you at night.

Ms. Creasy – You are not going into anything that we are not already struggling with. When they put forth the new code, things were in provisional use. Things were in home occupation and in temporary use. Those things

were mumbled together. We are struggling with some of the changes that have come forward. We know that those are potential conflicts. We must balance all the activities that are going on. We realize that that is not as clear. Usually when we get calls concerning that, our zoning staff can provide some clarity. Mr. Broadhead, isn't that one we talked about already in the mix?

Mr. Brodhead – That is the sign issue. People use short-term rentals after 9 PM. It is ridiculous to have it there. I don't think it was meant to limit when a guest can go in. It is like lumping one code into the next. It caused some issues. I have only heard one complaint from one person about that section of the code. It is something that needs to be cleaned up.

Commissioner Harness – From a larger standpoint, I understand that when this was developed, it is basically trying to prevent displacement from our residential neighborhoods. It is trying to maintain neighborhood character. There are reasons for trying to allow short-term rentals within the city without it causing a disruption, which other localities and municipalities have experienced from them. It would be important to try to strike that balance along with potentially using short-term rentals as a method of building more housing units in the city along with student housing. With the larger discussion we are having, the reason the student housing is being built is because they will pay a premium over what a single family will pay for a unit. With that premium, developers are willing to put their money at risk to build new buildings to be able to supply them with housing. With the study we were shown the other day, we are not getting anywhere outside of student housing. Short-term rentals operate similarly. They will provide a return to operators potentially over and above what a long-term rental will. That is why people gravitate toward them. Could we use that dynamic as a way of saying that if you build an ADU or just a second unit on your house/property, you intend to use that as a short-term rental, you can build that extra unit to continue to grow the housing supply in the city. That extra unit is not going to be a STR forever.

Ms. Creasy – You can already do that if you are living in one of the units. This is a hard one. We will get into it more. The code that we put forward in 2001 is going to take awhile to come into play. I have been here awhile. We had a vision in 2020. It took over 15 years for that vision to start moving forward. These things take time. If the person lives in one of the units, that is great.

Commissioner Harness – My point is short-term rentals can bring outsized returns. That is why people want to do short-term versus long-term. Can you use that dynamic to try to build housing where long-term rental housing does not pencil? You are also not displacing anybody in residential areas because the house is not yet built. There is nobody to displace.

Chairman Schwarz – I am going to let the Planning Commission talk once the public has had a chance to make their comments. This is for us to clarify stuff from staff so that there are fewer questions from the public. They can have a chance to make comments to us.

What is the current practice for multi-family projects?

Ms. Creasy – If you are in a non-residential district, you are then considered general lodging under the zoning code. That does not fall within homestay. There are other building related things that come up with that.

Chairman Schwarz – If people are in a condominium, are they allowed to do an Airbnb?

Ms. Creasy – They do it.

Chairman Schwarz – We work with that, or it is unenforced.

Mr. Brodhead – For multi-family buildings, you must get your landlord’s permission. That prevents many from doing it. Occasionally in a student housing complex, you will see them for about a month. They disappear when the landlord finds out.

Chairman Schwarz – I am thinking about Belmont Lofts where people own their unit.

Mr. Brodhead – They can do it there. If there is an HOA and they prohibit it, then they would not be able to do it. We would allow it. As Ms. Creasy said, it would be general lodging.

Chairman Schwarz – You said that Granicus has identified 500+ of these properties. Do we know how many we knew before we had Granicus?

Mr. Creasy – A couple hundred.

Chairman Schwarz – This did expand how many we know about.

Ms. Creasy – It is like any kind of data thing. Yes, we see all these dots on the page. We are still digging into that to mine down to an actual number. We have not split out the ones that are residential from Granicus. We have done that a different way. There is still a lot of work to be done.

Chairman Schwarz – This data is new enough that we have not had a chance to figure out if all those properties are to enforce things or to figure out if they are all complying.

Ms. Creasy – There has been some limited with that. We are at the time where all the applications are coming in. Mr. Divers was able to send out a notice to remind everyone that they had to pay. Between that and a notification we sent out to everyone that we have on record, we just got an onslaught. We are working through that. We are getting through that. We are strategizing on the people who have chosen not to apply for permits but are showing up as having listings.

Chairman Schwarz – You said that we have a \$100 fee per year. That does not currently cover enforcement. How close does that come to paying for the city’s cost?

Ms. Creasy – We don’t typically cover our cost.

Chairman Schwarz – For the proposed option, the option that may not come to be, \$500 for 3 years, would that cover our costs?

Ms. Creasy – We figured it would come closer. It won’t completely. We also wanted to be reasonable about a fee. That is how all this works too. It is the cost of doing business. If it gets too high, you lose the balance.

Chairman Schwarz – It seems like that would be the typical non-homestay person taxpayer subsidizing people who are operating homestays. It seems a little unfair.

Public Comment

Todd Divers – The 30-day requirement has to do with the rules around the transient occupancy tax and license. With 500 or so listings, a lot of times you will find multiple listings for one property. It tends to inflate that. We have seen 250 or so business licenses every year for several years. That is a truer number. With respect to enforcement, in addition to what they have, if you operate a business in the city of Charlottesville and don’t get a business license, that is a class 1 misdemeanor. We used to spend a lot of time chasing people down. That is a

stiff fine. The problem with that is the way the business license interacts with the homestay permit. I am not supposed to issue a business license to somebody until they have their homestay permit. If I go out spending a lot of time, tracking down somebody on one of these for \$35 business license and they don't bother to get the homestay permit, it is a waste of time. For years, we were the office that was driving the enforcement of these things. It has shifted over to these guys. We now have Granicus. It is probably going to happen more. If you want to know the biggest impediment to enforcement, it is the annual fee. I have expressed that to these guys. The zoning inspectors spend all their time chasing down checks. The way that impacts me, I cannot issue a business license until the homestay permits have been paid. The result is my office sits on hundreds of business licenses that people have filed for and paid for. I cannot issue them because they did not go to NDS to get the homestay permit. My suggestion has been and remains that the homestay permit, like every other home occupation permit, should be a one-time thing. I know that we have other fees, other permits that get renewals. They don't have another license hinging on them. With the café spaces and the vendors on The Mall, that is a fraction of the number of people. They are easier to track. If you guys are going to make a change, the only change I am here to advocate for is to make the homestay permit a single time fee.

Deborah Weiss – I have been in Charlottesville since 1995. I feel like I am the poster child for short-term rentals. I was instrumental in getting the ADUs passed in the early 2000s. I wanted to build a house in my backyard before the city was even upzoned. That is what I did. I started short-term renting in 2013. My house does not face the street. It is in my backyard. It has its own car park. I greet every guest. I have never had one complaint. The city keeps raising the assessments on properties and the property taxes. Without my short-term rental, I would be priced out of my neighborhood. The property taxes that I must pay is over \$11,000 a year. I want to switch it around for a second and let you know that my short-term rental keeps my house affordable for me. The other point that I want to make is the correlation between affordable housing and short-term rentals. For me, I did not take away housing. I added housing. Even if I long-term rented my place, it would not be affordable. I feel that the house in my backyard is my retirement account. It is my real estate investment. It is how I put food on my table. I think we are all for responsible hosting. I think I do a good job. The other point I want to make is that this is a business. It is hard work. It is not something that people think that they will make a lot of money. A lot of people try it. They either rent it long-term or short-term rent it. There are a lot of places that might show up on your software where it is people who rent their house out for graduation or for football season. They are not doing it all the time. You need to take the number of places with a grain of salt.

Chad Webster – Some of us have gotten text messages from our STR group. We were surprised today. We were the ones that came to this meeting at the last minute finding out about it. We shared with other people within our group that also were hosts. 'Hey this is going on. Did you know about this?' We didn't know about this. We did not feel it was overly transparent. We then had some questions. That is why we started writing NDS and asking for things to slow down so we could be part of the conversation. Today, our understanding was that they were not going to ask for anything at this point and work on enforcement & conversation and communication with us, which we welcome. It seems that there might have been another agenda. That is confusing to us. I have commercial and residential properties with a business partner of mine. Many of those are downtown and midtown, a lot of residential units. Some of those are rented to Airbnb. With the people who rent from us, we allow them to do Airbnbs. We have turned much of our inventory in there. We keep it long term. It is easier for us. We have a lot of it. It would be more work for us. Part of the picture that is not painted here, without following all the rules and regulations or being regulated like a citizen in the neighborhood can turn all of ours into Airbnb 365 days a year. That seems convoluted when we are looking at being stringent and strict on citizens in a neighborhood. Part of the missing picture here is in that neighborhood there are buildings and stuff that could do the exact same thing as I am doing. We could turn them all into Airbnbs and remove long-term rentals from the market and take extra expenditure from citizens, which historically has been proven to spend in the area. They are going to take their yearly vacations. They will not eat out as much, order out as much, show locally, or spend as much locally. As a person that rents to commercial, this is where we saw a real problem. We currently know that restaurants are having a tough time. We want tourism to grow. We want the local

people to keep eating out and spending money locally. As long as I have known about Airbnb, 99 percent of my understanding of short-term rentals are on one of the two major platforms. They have collected 14.5 percent tax. 9 percent have been going to the city without any problem or extra work. We should be incentivizing people in some of these areas where there is upzoning to build more of these.

Colleen Kelly – I appreciate that we are addressing this. I am glad that the recommendation is to keep everything as it is. Granicus has not been running for very long. You don't have great data that is out there. A lot of the problems are these people that are gaming the system. I run a legal, fully compliant Airbnb. We are hurt by people who are taking advantage of the system. They deflate the prices, undercut us, cause problems in the neighborhood, and we then are over regulated. If Airbnb is generating \$1.58 million in taxes and we are only 14 percent of the occupancy, that means we are punching above our weight in terms of how much tax revenue we are giving. Of the total amount, that is 15.7 percent of the total. I am a community member. I want to reiterate what other speakers have said. The Airbnb makes it possible for me to live in Charlottesville and to upkeep my property. Without it, I would be in a world of financial hurt. It is a lot of hard work and a lot of my hours. Whenever we talk about all this, we are good with compliance. It will be great that things are paused until we get a better picture of all this. I had a question about one of the data points. It says X amount of the entire house is rented. I am curious because technically we are like duplexes. When you put things on Airbnb, you either must say you are renting out a room or renting out an entire home. Technically, we are under a duplex, we would fit into the category if you were using the Airbnb metrics of the entire home. We will fall into that category. We are not in a situation where we are renting rooms. As opposed to the Hilton or Marriott taking the money that they earn from short-term rentals and spending it wherever, I am spending all the money that I earn in my Airbnb after expenses in this local community. It is another thing whenever you are considering the calculus of how much or how little short-term rentals are contributing to the city of Charlottesville.

Sam Galand – It seems like the agenda is not being considered. I do not operate Airbnb. I wanted to speak in support of people's rights to operate a short-term rental. I thought that the maximum 8-person was an unreasonable regulation. People should be able to rent their property on a long-term basis or a short-term basis. Some reasonable rules make sense. The 8-person maximum seems arbitrary. If you have a 6-bedroom house, that seems unreasonable. I noticed that there is a 6-adult limit. I don't know if that is enforced. If that is in the books now, that should be reconsidered. I am not sure what the reason for that is. These rentals provide significant benefits. These rentals are big tax revenues for the city and are activity for local businesses. If some of these were eliminated, specifically the larger ones, you might lose some of that economic activity. It may be shifts to hotels or shifts to the county. That goes to county businesses. It is a cool resource for residents. Maybe it is a special event, graduation, or a reunion. These are all good resources for people that live here. It is an opportunity for homeowners. If you take away that option, you might get less housing built. We have given the homeowners the tools to add one unit or an ADU. If we increase the regulation on what they can do, you are going to get less of that. There are people that have operated these in good faith and built small businesses.

Genevieve Keller – I sat where you sat a long time ago. It happened to be during the period in which we crafted this ordinance. We worked on it for months. We had a lot of debates. We had a diverse group of people sitting on the Commission at that point in time. Two people were operating a bed-and-breakfast or short-term rental. This was the best we could come up with. There were those who argued for more than 6. Six was based on 2 people for every 3 bedrooms. We were thinking about housing our community. Anyway, why don't you have an apartment? Because of that point, you could still have an ADU in your house. This is what we came up with. If you asked me 20 years ago, I was going to have this, I would say you are crazy. I have spent most of my life being a consultant flying all over the country. The reason I did it was because my son had graduated from college, traveled on a fellowship around the world, and came home. Before he went back to school, he asked to have a BNB. I let him do it. He left me with the football season booked up. I do enjoy it. I make beds to pay my taxes. I don't have to fly all over the country and be a consultant. I enjoyed doing it. People come for weddings, football games, vineyards, sick children, and dying parents. They come for lots of things. Because I have been a

planning commissioner, I believe in housing. I don't rent anything as a BNB that I could rent as a dwelling unit to a long-term renter. I don't have any kitchen units. We have as good an ordinance as we could have. I support keeping what we have now. To open it up would open a big can of worms. Ms. Creasy has talked about what you might have to do if you make a change. Hopefully there are ways you can work with Mr. Divers and other ways to collect fees so that you can take care of those things.

John McDonald – I find this whole thing confusing. I am looking at your current requirements for up to 6 adults and any number of children. Your proposal is to provide 2 adults per bedroom up to 8 people. In your current requirement, there is no requirement of bedrooms or the number of people, any number of children, which seems to me to leave that open to an infinite number of people in a house. You are now saying that you can have up to 2 adults per bedroom, up to 8 people. What happened to the children? Is it still unlimited children? What is your definition of a bedroom? This is why I find this confusing. You said that you increased the number of people. I would like to know how that increase works.

Mr. Brodhead – The definition of bedrooms is limiting. It is something that I have spoken with the City Attorney about and that we would probably allow children to come in as well. It is hard to deal with, and we don't have the answer. Currently, it is 6 adults and any number of children. We have heard from a lot of people staying with wedding parties. They are exceeding occupancy right now. In the future, it would be 8 adults per home, 2 adults per bedroom, and we will probably exempt children from that in a proposal. You could still have families. That hopefully answers your question. Through this whole presentation, there has been so much research and so much time spent trying to come up with a proposal. We ran into roadblocks in the many different routes that we are trying to take. With this code section that would open it up to renters to be able to potentially utilize the short-term rental ordinance, we decided to recommend nothing.

Sarah Shelton – I want to talk about a couple different separate topics. I am a mom. When I look to go and stay at places, I don't look at hotels. I want an Airbnb. If I am going to stay with family, I want an Airbnb. The last thing that I would want is for the city to make this more difficult for families to come and stay. Charlottesville is family friendly. I don't want families to look at it and decide to go somewhere else where I can put my kids in a different room to sleep because my child won't sleep quietly. He needs to be on his own. It is nice to be able to go somewhere and have multiple rooms, a kitchen, and a bathroom with a tub. These are just things that I don't want the Commission to forget. I was talking with our cleaner. All her business is Airbnbs. The same thing applies to a lot of other vendors in the area. It is important not to forget the financial impact that Airbnbs have. There are cleaners in hotels, landscapers for hotels. There are small business owners who rely on that. If Airbnbs became totally outlawed or it was just single bedrooms, her job would be infinitely more difficult, and she might not have a business at all. I want to make sure that people like her are seen and heard. I am a wedding photographer in the area. None of my couples want to stay in an Airbnb. Weddings that I have captured in hotels feel cold and sad and not as comfortable and fun. The experience that wedding parties, wedding guests, and wedding clients have is better in an Airbnb because it feels more communal. The point I am making is that people like Airbnbs. They want to stay in Airbnbs. I would hate it if housing went from allowing 8 people. It needs to be 4 or 6 people. I would like to let more people stay in these Airbnbs so they can have fun. I want them to come here.

Robin Seely – I have a small Airbnb. It is just over 300 square feet. It does not have a full kitchen. It is not going to help solve the housing crisis. I think that if it is one of the things that we are trying to do here, you would have to individually look at each Airbnb to discover whether a studio like mine is going to be any great contribution to the city's housing stock. Even though it is a tiny place, it is helping me tremendously right now because I am now retired. I bought it in 2019. Since then, my tax bill has doubled. I was paying under \$5,000 a year. I am now paying almost \$10,000 a year. It would be infinitely harder for me if I did not have the income from that Airbnb to contribute to that cost. I know there are others who are in the same boat. On the STR listserv, there are about 130 people on that listserv. It is not just people who own Airbnbs. It is also people who

own businesses in the city because they have a vested interest in keeping Airbnbs open. That is what is also bringing people to their restaurants and their schools.

Janice Cavanaugh – I have been doing Airbnb in short-term rentals for a long time. I have more questions than comments. Mine also does not have a kitchen. It is my understanding that the Airbnb and VRBO do not itemize the taxes to the city. They do not list every property owner's taxes. They just send one check. If it is 181 days, who is tracking that? Nobody. It is not even worth putting that in there. There is no way to police it. Somebody asked about condos. The bulk of the condo associations do not allow short-term rentals. I am sure there are people who get by with it. Overall, you must have a 60- or 90-day minimum lease. That must be approved by the condo associations. How does the city police or determine? There are companies that manage multiple properties for individual homeowners. They put them on Airbnb and VRBO. Those people live somewhere else. Is there any way that the city can determine how that is controlled?

Mr. Brodhead – Each individual property owner is responsible for getting a permit. It is not up to the state or Charlottesville to get the permit. They must establish their residency in Virginia, provide us with a photo ID and sign the document that say, 'I swear that I abide by all the regulations and will comply with all your regulations.'

Planning Commission Feedback

Commissioner Harness – I want to open the discussion about allowing renters to have homestays. It seems like the proposal to not make any changes by staff is largely predicated on that would allow renters to have homestays. I don't see why that is a bad thing. In the current situation, you are allowing homeowners to increase their own income like we have heard several times here. I don't know why we would allow that privilege to only be for somebody that owns their property and not somebody that rents their property. This would need to be part of an agreement between the tenant and the person who leases them their homes. That is not something that we are here to discuss. I don't see a reason why the city should prevent renters from being able to have their own home state in their unit. A way to get around some of these comments about the exact number of max people available for a homestay unit should be. I am sure that there are fire marshal regulations about occupancy of residential units. Leave it up to the fire marshal. Whatever changes are made, do not make them more onerous than what we are doing for other home occupations in the city and residential areas. The comment from the Commissioner of Revenue about decoupling enforcement from getting a permit or getting a fee is a smart idea.

Commissioner Mitchell – I don't have anything. This is headed in the right direction. I would disagree with Commissioner Harness. I cannot wrap an argument around it. It does not feel good. The idea of tenants being renters being able to participate in the homestay program does not feel good. I need to give that a little more thought to make sure that is where I am going to land.

Commissioner Carp – I will be echoing things I like. It sounds like the ordinance that we have now, the goals make sense. The rules mostly make sense. It would be a mistake to drop the max number of nights to 90 days. That sounds more onerous and for no public benefit. I don't think it would be smart to remove the residency requirements like has been suggested. Having the goal of having owner occupied homes that do Airbnb, if the owner lives there, that is working fine. Let's keep doing it. I don't see any public interest in preventing tenants from renting out part of their home because it would require the landlord to approve it. If they don't like it, they can say no. It would be a marginal change. Most would say 'you can't do it.' I don't see why I would tell a landlord they can't have their tenant rent part of the property. I possibly like the proposed change to require the affidavit. We already mentioned there already is one. Requiring the owner to say I live here. Some of them don't. People don't like lying. Signing a document saying I will follow rules. I would not mind that happening. I would not want to use the fear of tenants renting out part of the unit to prevent us from doing things that are

useful. I am mostly happy with the proposal of not making changes. The main problem is enforcement. That is beyond the scope of what we can do here. The regulations sound mostly in good shape to me. I would not want to make this harder for anybody to provide the service to the community.

Commissioner Roettger – I would echo the same comments. I think the tenants think maybe that it is good that nothing is happening now. That could be a future study. It seems like there is a lot of subleasing. That happens in a way. A lot more of these are informal. There is maybe something around that perspective to think about. I am glad I learned a lot more about this through this process. I am glad we heard from people who are providing these. What we have now seems to be working as well as it can. Maybe with time with the new software, there will be new opportunities to make some smaller changes if needed. I am good with what we have.

Commissioner Yoder – I am on the same page. The process seems to be going in the right direction. I don't want to unreasonably curtail short-term rentals. On the issue of tenants being able to do short-term rentals, I don't think it is good if we are in a place where we cannot update the ordinance because we don't want to comply with state law. I get quickly putting in place a way to manage this. How do we ensure that the owner has given permission to the tenant? That is an administrative headache. I hope that we can figure that out in the future so that we are not stuck with a frozen code that we cannot update because we don't want to allow tenants to rent out a short-term rental.

Commissioner Joy – I want to thank the public for coming out and speaking. My comments here are not framed as a representation of the University or anything along those lines. One of the things that I was going to throw out are just some questions and maybe some recommendations of possible ideas. Hearing from the community, it sounds like it is the people who are not conforming with the current code that seems to be causing the issue. It sounds like the enforcement is too onerous for the government to do when it is hard and tricky legally. I was curious if we could transfer that onus to Airbnb, VRBO, and the others, so that they can only collect their booking fees if they are doing business with a legally certified property.

Mr. Divers – No.

Commissioner Joy – Maybe this is a state level thing we could work with. If they are sitting there saying that they are having accommodation, that accommodation is not in conformance with local law, how they can make money on that. I understand that this is a bigger question. It may not be Charlottesville. Maybe there are a bunch of communities that can come together. It is crazy that they can profit on not being genuine with what they are offering as being legal. I feel there are people who are following the rules and making limitations. It is a big software company that has no presence in this town and seems to be benefitting most from these issues. It seems like there are several college towns across the country that have heightened or enhanced their STR restrictions, or they have fully prohibited it. They are dealing with the same housing crisis that we are dealing with and the same cost of living crisis. I was curious if the city has had any chance to be in conversation. Some of them adopted them several years ago. It seems like some of the anecdotal stories are quite beneficial. We were a thought leader when we adopted this. There are some other communities that have chosen a path. I would be curious if it has helped with their housing issues and cost of living. I wonder if there is a way with these private equity firms snatching up properties all over town, empty houses that are being used as Airbnbs. Could we consider a 2-unit minimum to apply for a homestay? To get the ADU, you must go through NDS, must be permitted, must be inspected, must be up to code, must be safe, must meet all the requirements. Once you have 2 units on the property, it implies that you live in one of them. It does not take a suitable home for a family, and nobody lives in it. It is illegally being used as a short-term rental. It seems that everyone who came up today is doing that where they have a 2-unit property. I wonder if that is a simple way to leverage something that could protect the people who are going to follow the rules.

Chairman Schwarz – I tend to agree. The idea of holding off on doing updates just because of the not wanting tenants to participate seems odd to me. I know it is already happening. I have friends who rent who also do Airbnbs. I guess it is a matter of time until you guys find out. It does help them pay their rent. It is something that is useful to them. It makes Charlottesville affordable for them to do that. It seems like we don't want to overstep in the way of people being able to rent out their houses for graduation weekend. That is one time a year. It does not seem like it is a bad thing. I don't want to make this so onerous that people can't just do one weekend out of the year that they rent out their houses and make some extra money. The enforcement is frustrating. We still need to work on that. With the fees, if we end up making a change, it is important if we find a way to cover our cost. The \$500 for 3 years would effectively prevent tenants from using this process. If we want to go ahead and update, I feel that someone who rents may not want to spend \$500 to have a 3-year license for something that they may only have a year if leasing year-to-year. It is a lot of money if you are only going to rent for a few weekends. We are a wedding community. I imagine that there are several business owners Airbnb operators that are upset about the 6 adult cap and that they cannot lease out their larger house for more than 6 individuals.

Ms. Creasy – Concerns have been raised for people in larger places. As the number of people increases, the external impacts increase. Parking is one of those impacts. Noise concerns, as you get a lot of people together, is another one.

Mr. Brodhead – Parking is a concern, especially in the houses that don't have off-street parking. It adds more to the neighborhood. That is the major concern that we hear. These are groups getting together. They are excited. They are going to stay up late every weekend. It is like being next to a party house often. You are going to have large groups of people. There are operators that have good policies, and they hold their renters to those policies such as noise policies. That works well with well managed properties. There are other operators that don't. That is where we hear from the people who are not operating it responsibly.

Chairman Schwarz - Whatever we do, we are probably not going to be fully satisfied. The thing with the tenants is already happening. I am not I see the problem with that. If updating the code has other implications.

Commissioner Carp – I want to echo something that Commissioner Harness said earlier about how to regulate ovens. You mentioned the fire code. If there is a safety concern about occupancy, put it in the fire code. If they are concerned about parking, that belongs in the current parking. Concerns about noise belongs in the noise ordinance. These are all concerns that I share. They are not concerns about STRs. They are concerns with people. They have their place being regulated in other areas in the STR regulations.

Chairman Schwarz – It is true.

Ms. Creasy – When these consistent concerns happen, we want the responsible party to be able to get some relief. The fire marshal has been at the table with us throughout this proposal. That lens has been part of contributing to the discussion. When there is a situation where things are not going well at an Airbnb, people are encouraged to call the police for activities that are not occurring properly. Ultimately, the owner ends up in a responsible spot. Most people do the right thing. Then there are the things that make it difficult for all the people who are doing the right thing

Commissioner Harness – There are some of these other avenues to go down. At the end of the day, it comes down to the owner. Instead of having individual occupancy limits and noise limits and parking permits as part of the permit, there is a line that references those other things. It says if your occupants are not following those limits, we can pull your permit as a way around that instead of having new occupancy limits.

Adjournment

The work session was adjourned at 7:41 PM.